

Independent Auditor's Report

To the Members of **SGATE TECH SOLUTIONS PRIVATE LIMITED**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the financial statements of SGATE TECH SOLUTIONS PRIVATE LIMITED ("the Company"), which comprise the balance sheet as at 31st March 2021, and the statement of Profit and Loss for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2021 and its profit/loss for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. This report does not include a statement on the matters specified in paragraph 3 and 4 of the Companies (Auditor's Report) Order 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, since in our opinion and according to the information and explanations given to us, the said order is not applicable to the company.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) This report does not include report relating to internal financial controls as required u/s 143(3)(i) pursuant to Notification No. GSR 583(E) dated 13.06.2017 issued by MCA.



- g) With respect to the other matters to be included in the Auditor's report in accordance with the requirements of Sec 197(16) of the Act as amended, we report that Section 197 is not applicable to a private company. Hence reporting as per Section 197(16) is not required.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place: New Delhi
Date: 06/11/2021
UDIN: 22450114AAAAAD6828



For SURESH C GUPTA & ASSOCIATES
Chartered Accountants
FRN: 004886N

Shivam Bansal
(PARTNER)
Membership No. 450114

SGATE TECH SOLUTIONS PRIVATE LIMITED
93, ANAND LOK,, NEW DELHI-110049
CIN : U72300DL2004PTC128165

Balance Sheet as at 31st March 2021

₹ in rupees

Particulars	Note No.	As at 31st March 2021	As at 31st March 2020
EQUITY AND LIABILITIES			
Shareholder's funds			
Share capital	1	2,04,090.00	2,04,090.00
Reserves and surplus	2	34,26,041.30	42,36,772.73
Money received against share warrants		-	-
		36,30,131.30	44,40,862.73
Share application money pending allotment			
		-	-
Non-current liabilities			
Long-term borrowings		-	-
Deferred tax liabilities (Net)	3	10,849.58	13,423.70
Other long term liabilities		-	-
Long-term provisions		-	-
		10,849.58	13,423.70
Current liabilities			
Short-term borrowings	4	2,00,000.00	2,00,000.00
Trade payables	5	-	-
(A) Micro enterprises and small enterprises		-	-
(B) Others		6,37,229.92	-
Other current liabilities	6	27,20,733.28	20,75,989.86
Short-term provisions		-	-
		35,57,963.20	22,75,989.86
TOTAL		71,98,944.08	67,30,276.29
ASSETS			
Non-current assets			
Property, Plant and Equipment	7	-	-
Tangible assets		3,04,001.18	3,31,870.18
Intangible assets		-	-
Capital work-in-Progress		-	-
Intangible assets under development		-	-
Non-current investments		-	-
Deferred tax assets (net)	3	-	-
Long-term loans and advances	8	-	-
Other non-current assets	9	39,26,237.00	41,40,351.00
		42,30,238.18	44,72,221.18
Current assets			
Current investments		-	-
Inventories		-	-
Trade receivables	10	5,01,667.60	2,65,856.03
Cash and cash equivalents	11	7,70,172.53	13,09,757.89
Short-term loans and advances	8	16,96,865.77	6,82,441.19
Other current assets		-	-
		29,68,705.90	22,58,055.11
TOTAL		71,98,944.08	67,30,276.29

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For SURESH C GUPTA & ASSOCIATES
Chartered Accountants
(FRN: 004886N)

Shivam Bansal
PARTNER
Membership No.: 450114
Place: NEW DELHI
Date: 06/11/2021
UDIN : 22450114AAAAAD6828



For and on behalf of the Board of Directors

Samrat
SAMRAT YADAV
Director
DIN: 00083846

Yashpal
YASHPAL SHARMA
Director
DIN: 00520359

Statement of Profit and loss for the year ended 31st March 2021

₹ in rupees

Particulars	Note No.	31st March 2021	31st March 2020
Revenue			
Revenue from operations	12	1,95,50,127.60	22,86,782.03
Less: Excise duty		-	-
Net Sales		1,95,50,127.60	22,86,782.03
Other income	13	3,17,632.24	49,975.20
Total revenue		1,98,67,759.84	23,36,757.23
Expenses			
Cost of material Consumed	14	45,16,333.58	3,45,087.31
Purchase of stock-in-trade		-	-
Changes in inventories		-	-
Employee benefit expenses	15	1,29,10,605.00	28,63,765.00
Finance costs	16	-	-
Depreciation and amortization expenses	17	51,369.00	35,080.00
Other expenses	18	32,02,757.81	7,13,291.26
Total expenses		2,06,81,065.39	39,57,223.57
Profit before exceptional, extraordinary and prior period items and tax		(8,13,305.55)	(16,20,466.34)
Exceptional items		-	-
Profit before extraordinary and prior period items and tax		(8,13,305.55)	(16,20,466.34)
Extraordinary items		-	-
Prior period item		-	-
Profit before tax		(8,13,305.55)	(16,20,466.34)
Tax expenses			
Current tax	19	-	-
Deferred tax		(2,574.12)	139.87
Excess/short provision relating earlier year tax		-	-
Profit(Loss) for the period		(8,10,731.43)	(16,20,606.21)
Earning per share			
Basic	20		
Before extraordinary Items		(39.72)	(162.06)
After extraordinary Adjustment		(39.72)	(162.06)
Diluted			
Before extraordinary Items		-	-
After extraordinary Adjustment		-	-

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For SURESH C GUPTA & ASSOCIATES

Chartered Accountants

(FRN: 004886N)

Shivam Bansal

PARTNER

Membership No.: 450114

Place: NEW DELHI

Date: 06/11/2021

UDIN : 22450114AAAAAD6828



For and on behalf of the Board of Directors

Samrat
SAMRAT YADAV
 Director
 DIN: 00083846

Yashpal Sharma
YASHPAL SHARMA
 Director
 DIN: 00520359

Notes to Financial statements for the year ended 31st March 2021

The previous year figures have been regrouped / reclassified, wherever necessary to confirm to the current year presentation.

Note No. 1 Share Capital

₹ in rupees

Particulars	As at 31st March 2021	As at 31st March 2020
Authorised :		
150000 (31/03/2020:150000) Equity shares of Rs. 10.00/- par value	15,00,000.00	15,00,000.00
Issued :		
20409 (31/03/2020:20409) Equity shares of Rs. 10.00/- par value	2,04,090.00	2,04,090.00
Subscribed and paid-up :		
20409 (31/03/2020:20409) Equity shares of Rs. 10.00/- par value	2,04,090.00	2,04,090.00
Total	2,04,090.00	2,04,090.00

Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period

Equity shares

₹ in rupees

	As at 31st March 2021		As at 31st March 2020	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the period	20,409	2,04,090.00	10,000	1,00,000.00
Issued during the Period	-	-	10,409	1,04,090.00
Redeemed or bought back during the period	-	-	-	-
Outstanding at end of the period	20,409	2,04,090.00	20,409	2,04,090.00

Right, Preferences and Restriction attached to shares

Equity shares

The company has only one class of Equity shares having par value Rs. 10.00 each. Each shareholder have right to attend and vote at all meeting of the company. Shareholders have right to participate in the dividends(if any) declared on that class of share. In a winding up of the company the shareholders have right to repayment of capital, paid up on such share and right to participate in the division of any surplus assets or profits of the company.

Details of shareholders holding more than 5% shares in the company

Type of Share	Name of Shareholders	As at 31st March 2021		As at 31st March 2020	
		No. of Shares	% of Holding	No. of Shares	% of Holding
Equity [NV: 10.00]	Skyways Air Services Private Limited	10,409	51.00	10,409	51.00
Equity [NV: 10.00]	Samrat Yadav	9,500	46.55	9,500	46.55
	Total :	19,909	97.55	19,909	97.55

Note No. 2 Reserves and surplus

₹ in rupees

Particulars	As at 31st March 2021	As at 31st March 2020
Surplus		
Opening Balance	(6,59,100.42)	9,61,505.79
Add: Addition during the year	-	-
Less: Loss for the year	(8,10,731.43)	(16,20,606.21)
Closing Balance	(14,69,831.85)	(6,59,100.42)
Securities premium		
Opening Balance	-	-
Add: Addition during the year	-	48,95,873.15
Less : Deletion during the year	-	-
Closing Balance	-	48,95,873.15
Balance carried to balance sheet	(14,69,831.85)	42,36,772.73

Note No. 3 Deferred Tax

₹ in rupees

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Particulars	As at 31st March 2021	As at 31st March 2020
Deferred tax liability		
Deferred tax liability depreciation	10,849.58	13,423.70
Gross deferred tax liability	10,849.58	13,423.70
Net deferred tax assets	-	-
Net deferred tax liability	10,849.58	13,423.70

Note No. 4 Short-term borrowings

₹ in rupees

Particulars	As at 31st March 2021	As at 31st March 2020
Other Loans and advances		
Unsecured Loans	2,00,000.00	2,00,000.00
	2,00,000.00	2,00,000.00
The Above Amount Includes		
Unsecured Borrowings	2,00,000.00	2,00,000.00
Total	2,00,000.00	2,00,000.00

Note No. 5 Trade payables

₹ in rupees

Particulars	As at 31st March 2021	As at 31st March 2020
(B) Others	6,37,229.92	-
Total	6,37,229.92	-

Note No. 6 Other current liabilities

₹ in rupees

Particulars	As at 31st March 2021	As at 31st March 2020
Others payables		
Expenses Payable	8,80,445.00	13,18,179.28
Tax Payable	10,24,699.72	3,80,871.30
Credit Card Payable	5,748.56	1,36,272.87
Other current liabilities, others	8,09,840.00	2,40,666.41
	27,20,733.28	20,75,989.86
Total	27,20,733.28	20,75,989.86

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o. 7 Property, Plant and Equipment as at 31st March 2021

₹ in rupees

Assets	Gross Block			Accumulated Depreciation/ Amortisation			Net Block		
	Useful Life (in Years)	Balance as at 1st April 2020	Additions during the year	Deletion during the year	Balance as at 31st March 2021	Provided during the year	Deletion / adjustments during the year	Balance as at 31st March 2021	Balance as at 31st March 2020
Intangible assets									
Assets									
Computers	15.00	6,73,293.45	-	-	6,73,293.45	18,188.00	-	74,362.27	92,550.27
Peripherals	15.00	30,500.00	-	-	30,500.00	2,713.00	-	15,197.65	17,910.65
Software	6.00	12,11,148.88	21,000.00	-	12,32,148.88	7,643.00	-	1,05,861.88	92,504.88
Leasehold property	10.00	2,48,223.18	2,500.00	-	2,50,723.18	22,825.00	-	94,107.18	1,14,432.18
	15.00	2,89,444.00	-	-	2,89,444.00	-	-	14,472.20	14,472.20
(A)		24,52,609.51	23,500.00	-	24,76,109.51	51,369.00	-	3,04,001.18	3,31,870.18
total		23,59,339.96	93,270.00	-	24,52,609.96	35,080.00	-	3,31,870.81	2,73,680.81

Additional Notes :

No depreciation if remaining useful life is negative or zero.

If asset is used less than 365 days during current financial year then depreciation is equals to w.d.v as on 31-03-2020 less residual value.

Depreciation is calculated on pro-rata basis in case asset is purchased/sold during current F.Y.

If above assets is used for any time during the year for double shift, the depreciation will increase by 50% for that period and in case of the triple shift the depreciation shall be calculated on the basis of 100% for that period.

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Note No. 8 Loans and advances

₹ in rupees

Particulars	As at 31st March 2021		As at 31st March 2020	
	Long-term	Short-term	Long-term	Short-term
Other loans and advances				
Unsecured, considered good(Head)	-	92,184.00	-	92,184.00
Income Tax Refund Due	-	14,96,231.77	-	4,81,807.19
MAT Credit Available	-	24,975.00	-	24,975.00
GST Refund	-	83,475.00	-	83,475.00
	-	16,96,865.77	-	6,82,441.19
Total	-	16,96,865.77	-	6,82,441.19

Note No. 9 Other non-current assets

₹ in rupees

Particulars	As at 31st March 2021	As at 31st March 2020
Non Current Bank Balance (Note No.:11)	39,26,237.00	41,40,351.00
Total	39,26,237.00	41,40,351.00

Note No. 10 Trade receivables

₹ in rupees

Particulars	As at 31st March 2021	As at 31st March 2020
Exceeding six months		
Unsecured, Considered Good	5,01,667.60	2,65,856.03
Total	5,01,667.60	2,65,856.03
Total	5,01,667.60	2,65,856.03

Note No. 11 Cash and cash equivalents

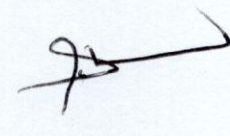
₹ in rupees

Particulars	As at 31st March 2021	As at 31st March 2020
Balance with banks		
Other balances with banks	3,90,437.53	9,34,611.89
Total	3,90,437.53	9,34,611.89
Cash in hand		
Cash in hand	3,79,735.00	3,75,146.00
Total	3,79,735.00	3,75,146.00
Total	7,70,172.53	13,09,757.89

Note No. 12 Revenue from operations

₹ in rupees

Particulars	31st March 2021	31st March 2020
Sale of services	1,95,50,127.60	22,86,782.03
Net revenue from operations	1,95,50,127.60	22,86,782.03

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CIN : U72300DL2004PTC128165

Note No. 13 Other income

₹ in rupees

Particulars	31st March 2021	31st March 2020
Interest Income		
Other Interests Received	2,53,674.24	40,351.00
	2,53,674.24	40,351.00
Other non-operating income		
Misc. Income	63,958.00	9,624.20
	63,958.00	9,624.20
Total	3,17,632.24	49,975.20

Note No. 14 Cost of material Consumed

₹ in rupees

Particulars	31st March 2021	31st March 2020
Inventory at the beginning		
Add:Purchase		
IT EXpenses	45,16,333.58	3,45,087.31
	45,16,333.58	3,45,087.31
Less:-Inventory at the end		
Total	45,16,333.58	3,45,087.31

Details of material consumed

₹ in rupees

Particulars	31st March 2021	31st March 2020
IT EXpenses		
Consumption other materials	45,16,333.58	3,45,087.31
	45,16,333.58	3,45,087.31
Total	45,16,333.58	3,45,087.31

Details of purchase

₹ in rupees

Particulars	31st March 2021	31st March 2020
IT EXpenses		
Consumption other materials	45,16,333.58	3,45,087.31
	45,16,333.58	3,45,087.31
Total	45,16,333.58	3,45,087.31

Note No. 15 Employee benefit expenses

₹ in rupees

Particulars	31st March 2021	31st March 2020
Salaries and Wages		
Salary and wages	97,08,034.00	22,73,765.00
Directors remuneration	30,40,000.00	5,90,000.00
	1,27,48,034.00	28,63,765.00
Staff welfare Expenses	1,62,571.00	-
Total	1,29,10,605.00	28,63,765.00

Note No. 17 Depreciation and amortization expenses

₹ in rupees

Particulars	31st March 2021	31st March 2020
Depreciation on tangible assets	51,369.00	35,080.00
Total	51,369.00	35,080.00

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SGATE TECH SOLUTIONS PRIVATE LIMITED
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CIN : U72300DL2004PTC128165

Note No. 18 Other expenses

₹ in rupees

Particulars	31st March 2021		31st March 2020	
Audit fees		25,000.00		7,500.00
Electricity expenses		88,251.48		-
Office Maintenance		38,699.21		1,144.00
Bank charges		48,156.98		6,081.64
Computer Maintenance		12,520.57		2,067.76
Travelling Expenses		95,818.00		-
Miscellaneous expenses		14,600.00		-
Professional expenses		27,05,300.00		4,35,000.00
Other Expenses		39,831.57		58,171.36
Subscription Expenses		9,600.00		45,443.50
Advertising and Promotional Expenses		1,24,980.00		1,57,883.00
Total		32,02,757.81		7,13,291.26

Note No. 20 Earning Per Share

₹ in rupees

Particulars	Before Extraordinary items		After Extraordinary items	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020
	Basic			
Profit after tax (A)	(8,10,731.43)	(16,20,606.21)	(8,10,731.43)	(16,20,606.21)
Weighted average number of shares outstanding (B)	20,409	20,409	20,409	20,409
Basic EPS (A / B)	(39.72)	(162.06)	(39.72)	(162.06)
Face value per share	10.00	10.00	10.00	10.00

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SIGNIFICANT ACCOUNTING POLICIES & NOTES ON FINANCIAL STATEMENTS

Note No. : 21

A. Significant Accounting Policies

1. Basis of accounting:-

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) including the Accounting Standards notified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013.

The financial statements have been prepared under the historical cost convention on accrual basis.

2. Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

3. Revenue Recognition :-

Expenses and Income considered payable and receivable respectively are accounted for on accrual basis.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

4. Property, Plant & Equipment :-

Property, Plant & Equipment including intangible assets are stated at their original cost of acquisition including taxes, freight and other incidental expenses related to acquisition and installation of the concerned assets less depreciation till date.

5. Depreciation :-

Depreciation on Fixed Assets is provided to the extent of depreciable amount on the Written down Value (WDV) Method/SLM method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

6. Investments :-

Investments, which are readily realizable and intended to be held for not more than one year

from the date on which such investments are made, are classified as current investments. All other investments are classified as non-current investments.

7. Inventories :-

Inventories are valued as under:-

1. Inventories : Lower of cost or net realizable value
2. Scrap : At net realizable value.

8. Borrowing cost:-

Borrowing costs that are attributable to the acquisition or construction of the qualifying assets are capitalized as part of the cost of such assets. A qualifying assets is one that necessarily takes a substantial period of time to get ready for its intended uses or sale. All other borrowing costs are charged to revenue in the year of incurrence.

9. Retirement Benefits:-

The company has taken a policy from Life Insurance Corporation of India for the payment of gratuity. The gratuity has been provided in books on accrual basis. The leave encashment is accounted for as and when the liability for it becomes due for payment.

10. Taxes on Income:-

Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the Income Tax Act, 1961. The deferred tax for timing differences between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted by the balance sheet date. Deferred tax assets arising from timing differences are recognized to the extent there is virtual certainty with convincing evidence that these would be realized in future. At each Balance Sheet date, the carrying amount of deferred tax is reviewed to reassure realization.



Sawat

(B) Notes on Financial Statements

1. Directors Remuneration of Rs. 30,40,000/- have been paid during the year. (Previous Year Rs. 5,90,000/-)
2. Trade receivables, Trade payables, Loans & Advances and Unsecured Loans have been taken at their book value subject to confirmation and reconciliation.
3. Payments to Auditors:

Auditors Remuneration	2020-2021	2019-2020
Audit Fees	25,000	7,500
Total	25,000	7,500

4. Related Party disclosure as identified by the company and relied upon by the auditors:

(A) Related Parties and their Relationship

(I) Key Management Personnel

1. Mr. Samrat Yadav
2. Mr. Yash Pal Sharma
3. Mr. Tarun Sharma
4. Mrs. Sarika Yadav

Transactions with Related parties

Particulars	Transactions during the year			
	Current Year		Previous year	
	Key Management Personnel	Relative of Key Management Personnel	Key Management Personnel	Relative of Key Management Personnel
Remuneration	-	30,40,000	-	5,90,000

5. Expenditure in Foreign Currency Rs. 11,74,851
6. Earning in Foreign Exchange Rs. 17,80,217



Samrat

7. Previous year figures have been regrouped/rearranged wherever necessary.

Signature to notes 1 to 21

In terms of Our Separate Audit Report of Even Date Attached.

For SURESH C GUPTA & ASSOCIATES

Chartered Accountants

Shivam Bansal

**(Shivam Bansal)
PARTNER**

Membership No. 450114

Registration No. 004886N

Place:- New Delhi

Date: - 06/11/2021

UDIN: 22450114AAAAAD6828



For SGATE TECH SOLUTIONS PRIVATE LIMITED

Samrat Yadav

Samrat Yadav

Director

DIN : 00083846

Yash Pal Sharma

Yash Pal Sharma

Director

DIN : 00520359

Independent Auditor's Report

To the Members of **SGATE TECH SOLUTIONS PRIVATE LIMITED**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the financial statements of SGATE TECH SOLUTIONS PRIVATE LIMITED ("the Company"), which comprise the balance sheet as at 31st March 2021, and the statement of Profit and Loss for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2021 and its profit/loss for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. This report does not include a statement on the matters specified in paragraph 3 and 4 of the Companies (Auditor's Report) Order 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, since in our opinion and according to the information and explanations given to us, the said order is not applicable to the company.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) This report does not include report relating to internal financial controls as required u/s 143(3)(i) pursuant to Notification No. GSR 583(E) dated 13.06.2017 issued by MCA.



- g) With respect to the other matters to be included in the Auditor's report in accordance with the requirements of Sec 197(16) of the Act as amended, we report that Section 197 is not applicable to a private company. Hence reporting as per Section 197(16) is not required.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place: New Delhi
Date: 06/11/2021
UDIN: 22450114AAAAAD6828



For SURESH C GUPTA & ASSOCIATES
Chartered Accountants
FRN: 004886N

Shivam Bansal
(PARTNER)
Membership No. 450114

SGATE TECH SOLUTIONS PRIVATE LIMITED
93, ANAND LOK,, NEW DELHI-110049
CIN : U72300DL2004PTC128165

Balance Sheet as at 31st March 2021

₹ in rupees

Particulars	Note No.	As at 31st March 2021	As at 31st March 2020
EQUITY AND LIABILITIES			
Shareholder's funds			
Share capital	1	2,04,090.00	2,04,090.00
Reserves and surplus	2	34,26,041.30	42,36,772.73
Money received against share warrants		-	-
		36,30,131.30	44,40,862.73
Share application money pending allotment			
		-	-
Non-current liabilities			
Long-term borrowings		-	-
Deferred tax liabilities (Net)	3	10,849.58	13,423.70
Other long term liabilities		-	-
Long-term provisions		-	-
		10,849.58	13,423.70
Current liabilities			
Short-term borrowings	4	2,00,000.00	2,00,000.00
Trade payables	5	-	-
(A) Micro enterprises and small enterprises		-	-
(B) Others		6,37,229.92	-
Other current liabilities	6	27,20,733.28	20,75,989.86
Short-term provisions		-	-
		35,57,963.20	22,75,989.86
TOTAL		71,98,944.08	67,30,276.29
ASSETS			
Non-current assets			
Property, Plant and Equipment	7	-	-
Tangible assets		3,04,001.18	3,31,870.18
Intangible assets		-	-
Capital work-in-Progress		-	-
Intangible assets under development		-	-
Non-current investments		-	-
Deferred tax assets (net)	3	-	-
Long-term loans and advances	8	-	-
Other non-current assets	9	39,26,237.00	41,40,351.00
		42,30,238.18	44,72,221.18
Current assets			
Current investments		-	-
Inventories		-	-
Trade receivables	10	5,01,667.60	2,65,856.03
Cash and cash equivalents	11	7,70,172.53	13,09,757.89
Short-term loans and advances	8	16,96,865.77	6,82,441.19
Other current assets		-	-
		29,68,705.90	22,58,055.11
TOTAL		71,98,944.08	67,30,276.29

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For SURESH C GUPTA & ASSOCIATES
Chartered Accountants
(FRN: 004886N)

Shivam Bansal
PARTNER
Membership No.: 450114
Place: NEW DELHI
Date: 06/11/2021
UDIN : 22450114AAAAAD6828



For and on behalf of the Board of Directors

Samrat
SAMRAT YADAV
Director
DIN: 00083846

Yashpal
YASHPAL SHARMA
Director
DIN: 00520359

Statement of Profit and loss for the year ended 31st March 2021

₹ in rupees

Particulars	Note No.	31st March 2021	31st March 2020
Revenue			
Revenue from operations	12	1,95,50,127.60	22,86,782.03
Less: Excise duty		-	-
Net Sales		1,95,50,127.60	22,86,782.03
Other income	13	3,17,632.24	49,975.20
Total revenue		1,98,67,759.84	23,36,757.23
Expenses			
Cost of material Consumed	14	45,16,333.58	3,45,087.31
Purchase of stock-in-trade		-	-
Changes in inventories		-	-
Employee benefit expenses	15	1,29,10,605.00	28,63,765.00
Finance costs	16	-	-
Depreciation and amortization expenses	17	51,369.00	35,080.00
Other expenses	18	32,02,757.81	7,13,291.26
Total expenses		2,06,81,065.39	39,57,223.57
Profit before exceptional, extraordinary and prior period items and tax		(8,13,305.55)	(16,20,466.34)
Exceptional items		-	-
Profit before extraordinary and prior period items and tax		(8,13,305.55)	(16,20,466.34)
Extraordinary items		-	-
Prior period item		-	-
Profit before tax		(8,13,305.55)	(16,20,466.34)
Tax expenses			
Current tax	19	-	-
Deferred tax		(2,574.12)	139.87
Excess/short provision relating earlier year tax		-	-
Profit(Loss) for the period		(8,10,731.43)	(16,20,606.21)
Earning per share			
Basic	20		
Before extraordinary Items		(39.72)	(162.06)
After extraordinary Adjustment		(39.72)	(162.06)
Diluted			
Before extraordinary Items		-	-
After extraordinary Adjustment		-	-

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For SURESH C GUPTA & ASSOCIATES
 Chartered Accountants
 (FRN: 004886N)

Shivam Bansal
 PARTNER
 Membership No.: 450114
 Place: NEW DELHI
 Date: 06/11/2021
 UDIN : 22450114AAAAAD6828



For and on behalf of the Board of Directors

Samrat
 SAMRAT YADAV
 Director
 DIN: 00083846

Yashpal
 YASHPAL SHARMA
 Director
 DIN: 00520359

Notes to Financial statements for the year ended 31st March 2021

The previous year figures have been regrouped / reclassified, wherever necessary to confirm to the current year presentation.

Note No. 1 Share Capital

₹ in rupees

Particulars	As at 31st March 2021	As at 31st March 2020
Authorised :		
150000 (31/03/2020:150000) Equity shares of Rs. 10.00/- par value	15,00,000.00	15,00,000.00
Issued :		
20409 (31/03/2020:20409) Equity shares of Rs. 10.00/- par value	2,04,090.00	2,04,090.00
Subscribed and paid-up :		
20409 (31/03/2020:20409) Equity shares of Rs. 10.00/- par value	2,04,090.00	2,04,090.00
Total	2,04,090.00	2,04,090.00

Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period

Equity shares

₹ in rupees

	As at 31st March 2021		As at 31st March 2020	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the period	20,409	2,04,090.00	10,000	1,00,000.00
Issued during the Period	-	-	10,409	1,04,090.00
Redeemed or bought back during the period	-	-	-	-
Outstanding at end of the period	20,409	2,04,090.00	20,409	2,04,090.00

Right, Preferences and Restriction attached to shares

Equity shares

The company has only one class of Equity shares having par value Rs. 10.00 each. Each shareholder have right to attend and vote at all meeting of the company. Shareholders have right to participate in the dividends(if any) declared on that class of share. In a winding up of the company the shareholders have right to repayment of capital, paid up on such share and right to participate in the division of any surplus assets or profits of the company.

Details of shareholders holding more than 5% shares in the company

Type of Share	Name of Shareholders	As at 31st March 2021		As at 31st March 2020	
		No. of Shares	% of Holding	No. of Shares	% of Holding
Equity [NV: 10.00]	Skyways Air Services Private Limited	10,409	51.00	10,409	51.00
Equity [NV: 10.00]	Samrat Yadav	9,500	46.55	9,500	46.55
	Total :	19,909	97.55	19,909	97.55

Note No. 2 Reserves and surplus

₹ in rupees

Particulars	As at 31st March 2021	As at 31st March 2020
Surplus		
Opening Balance	(6,59,100.42)	9,61,505.79
Add: Addition during the year	-	-
Less: Loss for the year	(8,10,731.43)	(16,20,606.21)
Closing Balance	(14,69,831.85)	(6,59,100.42)
Securities premium		
Opening Balance	-	-
Add: Addition during the year	-	48,95,873.15
Less : Deletion during the year	-	-
Closing Balance	-	48,95,873.15
Balance carried to balance sheet	(14,69,831.85)	42,36,772.73

Note No. 3 Deferred Tax

₹ in rupees

SGATE TECH SOLUTIONS PRIVATE LIMITED
93, ANAND LOK,, NEW DELHI-110049
CIN : U72300DL2004PTC128165

Particulars	As at 31st March 2021	As at 31st March 2020
Deferred tax liability		
Deferred tax liability depreciation	10,849.58	13,423.70
Gross deferred tax liability	10,849.58	13,423.70
Net deferred tax assets	-	-
Net deferred tax liability	10,849.58	13,423.70

Note No. 4 Short-term borrowings

₹ in rupees

Particulars	As at 31st March 2021	As at 31st March 2020
Other Loans and advances		
Unsecured Loans	2,00,000.00	2,00,000.00
	2,00,000.00	2,00,000.00
The Above Amount Includes		
Unsecured Borrowings	2,00,000.00	2,00,000.00
Total	2,00,000.00	2,00,000.00

Note No. 5 Trade payables

₹ in rupees

Particulars	As at 31st March 2021	As at 31st March 2020
(B) Others	6,37,229.92	-
Total	6,37,229.92	-

Note No. 6 Other current liabilities

₹ in rupees

Particulars	As at 31st March 2021	As at 31st March 2020
Others payables		
Expenses Payable	8,80,445.00	13,18,179.28
Tax Payable	10,24,699.72	3,80,871.30
Credit Card Payable	5,748.56	1,36,272.87
Other current liabilities, others	8,09,840.00	2,40,666.41
	27,20,733.28	20,75,989.86
Total	27,20,733.28	20,75,989.86

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[Signature]

o. 7 Property, Plant and Equipment as at 31st March 2021

₹ in rupees

Assets	Gross Block			Accumulated Depreciation/ Amortisation			Net Block			
	Useful Life (in Years)	Balance as at 1st April 2020	Additions during the year	Deletion during the year	Balance as at 31st March 2021	Balance as at 1st April 2020	Provided during the year	Deletion / adjustments during the year	Balance as at 31st March 2021	Balance as at 31st March 2020
Intangible assets										
Assets										
Computers	15.00	6,73,293.45	-	-	6,73,293.45	5,80,743.18	18,188.00	-	74,362.27	92,550.27
Peripherals	15.00	30,500.00	-	-	30,500.00	12,589.35	2,713.00	-	15,197.65	17,910.65
Software	6.00	12,11,148.88	21,000.00	-	12,32,148.88	11,18,644.00	7,643.00	-	1,05,861.88	92,504.88
Leasehold property	10.00	2,48,223.18	2,500.00	-	2,50,723.18	1,33,791.00	22,825.00	-	94,107.18	1,14,432.18
	15.00	2,89,444.00	-	-	2,89,444.00	2,74,971.80	-	-	14,472.20	14,472.20
(A)		24,52,609.51	23,500.00	-	24,76,109.51	21,20,739.33	51,369.00	-	3,04,001.18	3,31,870.18
total		23,59,339.96	93,270.00	-	24,52,609.96	20,85,659.15	35,080.00	-	3,31,870.81	2,73,680.81

Additional Notes :

No depreciation if remaining useful life is negative or zero.

If asset is used less than 365 days during current financial year then depreciation is equals to w.d.v as on 31-03-2020 less residual value.

Depreciation is calculated on pro-rata basis in case asset is purchased/sold during current F.Y.

If above assets is used for any time during the year for double shift, the depreciation will increase by 50% for that period and in case of the triple shift the depreciation shall be calculated on the basis of 100% for that period.

Sandhu

[Signature]

Note No. 8 Loans and advances

₹ in rupees

Particulars	As at 31st March 2021		As at 31st March 2020	
	Long-term	Short-term	Long-term	Short-term
Other loans and advances				
Unsecured, considered good(Head)	-	92,184.00	-	92,184.00
Income Tax Refund Due	-	14,96,231.77	-	4,81,807.19
MAT Credit Available	-	24,975.00	-	24,975.00
GST Refund	-	83,475.00	-	83,475.00
	-	16,96,865.77	-	6,82,441.19
Total	-	16,96,865.77	-	6,82,441.19

Note No. 9 Other non-current assets

₹ in rupees

Particulars	As at 31st March 2021	As at 31st March 2020
Non Current Bank Balance (Note No.:11)	39,26,237.00	41,40,351.00
Total	39,26,237.00	41,40,351.00

Note No. 10 Trade receivables

₹ in rupees

Particulars	As at 31st March 2021	As at 31st March 2020
Exceeding six months		
Unsecured, Considered Good	5,01,667.60	2,65,856.03
Total	5,01,667.60	2,65,856.03
Total	5,01,667.60	2,65,856.03

Note No. 11 Cash and cash equivalents

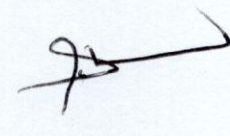
₹ in rupees

Particulars	As at 31st March 2021	As at 31st March 2020
Balance with banks		
Other balances with banks	3,90,437.53	9,34,611.89
Total	3,90,437.53	9,34,611.89
Cash in hand		
Cash in hand	3,79,735.00	3,75,146.00
Total	3,79,735.00	3,75,146.00
Total	7,70,172.53	13,09,757.89

Note No. 12 Revenue from operations

₹ in rupees

Particulars	31st March 2021	31st March 2020
Sale of services	1,95,50,127.60	22,86,782.03
Net revenue from operations	1,95,50,127.60	22,86,782.03

Sansat 

SGATE TECH SOLUTIONS PRIVATE LIMITED
93, ANAND LOK,, NEW DELHI-110049
CIN : U72300DL2004PTC128165

Note No. 13 Other income

₹ in rupees

Particulars	31st March 2021	31st March 2020
Interest Income		
Other Interests Received	2,53,674.24	40,351.00
	2,53,674.24	40,351.00
Other non-operating income		
Misc. Income	63,958.00	9,624.20
	63,958.00	9,624.20
Total	3,17,632.24	49,975.20

Note No. 14 Cost of material Consumed

₹ in rupees

Particulars	31st March 2021	31st March 2020
Inventory at the beginning		
Add:Purchase		
IT EXpenses	45,16,333.58	3,45,087.31
	45,16,333.58	3,45,087.31
Less:-Inventory at the end		
Total	45,16,333.58	3,45,087.31

Details of material consumed

₹ in rupees

Particulars	31st March 2021	31st March 2020
IT EXpenses		
Consumption other materials	45,16,333.58	3,45,087.31
	45,16,333.58	3,45,087.31
Total	45,16,333.58	3,45,087.31

Details of purchase

₹ in rupees

Particulars	31st March 2021	31st March 2020
IT EXpenses		
Consumption other materials	45,16,333.58	3,45,087.31
	45,16,333.58	3,45,087.31
Total	45,16,333.58	3,45,087.31

Note No. 15 Employee benefit expenses

₹ in rupees

Particulars	31st March 2021	31st March 2020
Salaries and Wages		
Salary and wages	97,08,034.00	22,73,765.00
Directors remuneration	30,40,000.00	5,90,000.00
	1,27,48,034.00	28,63,765.00
Staff welfare Expenses	1,62,571.00	-
Total	1,29,10,605.00	28,63,765.00

Note No. 17 Depreciation and amortization expenses

₹ in rupees

Particulars	31st March 2021	31st March 2020
Depreciation on tangible assets	51,369.00	35,080.00
Total	51,369.00	35,080.00

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SGATE TECH SOLUTIONS PRIVATE LIMITED
93, ANAND LOK,, NEW DELHI-110049
CIN : U72300DL2004PTC128165

Note No. 18 Other expenses

₹ in rupees

Particulars	31st March 2021		31st March 2020	
Audit fees		25,000.00		7,500.00
Electricity expenses		88,251.48		-
Office Maintenance		38,699.21		1,144.00
Bank charges		48,156.98		6,081.64
Computer Maintenance		12,520.57		2,067.76
Travelling Expenses		95,818.00		-
Miscellaneous expenses		14,600.00		-
Professional expenses		27,05,300.00		4,35,000.00
Other Expenses		39,831.57		58,171.36
Subscription Expenses		9,600.00		45,443.50
Advertising and Promotional Expenses		1,24,980.00		1,57,883.00
Total		32,02,757.81		7,13,291.26

Note No. 20 Earning Per Share

₹ in rupees

Particulars	Before Extraordinary items		After Extraordinary items	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020
	Basic			
Profit after tax (A)	(8,10,731.43)	(16,20,606.21)	(8,10,731.43)	(16,20,606.21)
Weighted average number of shares outstanding (B)	20,409	20,409	20,409	20,409
Basic EPS (A / B)	(39.72)	(162.06)	(39.72)	(162.06)
Face value per share	10.00	10.00	10.00	10.00

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SIGNIFICANT ACCOUNTING POLICIES & NOTES ON FINANCIAL STATEMENTS

Note No. : 21

A. Significant Accounting Policies

1. Basis of accounting:-

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) including the Accounting Standards notified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013.

The financial statements have been prepared under the historical cost convention on accrual basis.

2. Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

3. Revenue Recognition :-

Expenses and Income considered payable and receivable respectively are accounted for on accrual basis.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

4. Property, Plant & Equipment :-

Property, Plant & Equipment including intangible assets are stated at their original cost of acquisition including taxes, freight and other incidental expenses related to acquisition and installation of the concerned assets less depreciation till date.

5. Depreciation :-

Depreciation on Fixed Assets is provided to the extent of depreciable amount on the Written down Value (WDV) Method/SLM method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

6. Investments :-

Investments, which are readily realizable and intended to be held for not more than one year

from the date on which such investments are made, are classified as current investments. All other investments are classified as non-current investments.

7. Inventories :-

Inventories are valued as under:-

1. Inventories : Lower of cost or net realizable value
2. Scrap : At net realizable value.

8. Borrowing cost:-

Borrowing costs that are attributable to the acquisition or construction of the qualifying assets are capitalized as part of the cost of such assets. A qualifying assets is one that necessarily takes a substantial period of time to get ready for its intended uses or sale. All other borrowing costs are charged to revenue in the year of incurrence.

9. Retirement Benefits:-

The company has taken a policy from Life Insurance Corporation of India for the payment of gratuity. The gratuity has been provided in books on accrual basis. The leave encashment is accounted for as and when the liability for it becomes due for payment.

10. Taxes on Income:-

Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the Income Tax Act, 1961. The deferred tax for timing differences between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted by the balance sheet date. Deferred tax assets arising from timing differences are recognized to the extent there is virtual certainty with convincing evidence that these would be realized in future. At each Balance Sheet date, the carrying amount of deferred tax is reviewed to reassure realization.



Sawat

(B) Notes on Financial Statements

1. Directors Remuneration of Rs. 30,40,000/- have been paid during the year. (Previous Year Rs. 5,90,000/-)
2. Trade receivables, Trade payables, Loans & Advances and Unsecured Loans have been taken at their book value subject to confirmation and reconciliation.
3. Payments to Auditors:

Auditors Remuneration	2020-2021	2019-2020
Audit Fees	25,000	7,500
Total	25,000	7,500

4. Related Party disclosure as identified by the company and relied upon by the auditors:

(A) Related Parties and their Relationship

(I) Key Management Personnel

1. Mr. Samrat Yadav
2. Mr. Yash Pal Sharma
3. Mr. Tarun Sharma
4. Mrs. Sarika Yadav

Transactions with Related parties

Particulars	Transactions during the year			
	Current Year		Previous year	
	Key Management Personnel	Relative of Key Management Personnel	Key Management Personnel	Relative of Key Management Personnel
Remuneration	-	30,40,000	-	5,90,000

5. Expenditure in Foreign Currency Rs. 11,74,851
6. Earning in Foreign Exchange Rs. 17,80,217



Samrat

7. Previous year figures have been regrouped/rearranged wherever necessary.

Signature to notes 1 to 21

In terms of Our Separate Audit Report of Even Date Attached.

For SURESH C GUPTA & ASSOCIATES

Chartered Accountants

Shivam Bansal

**(Shivam Bansal)
PARTNER**

Membership No. 450114

Registration No. 004886N

Place:- New Delhi

Date: - 06/11/2021

UDIN: 22450114AAAAAD6828



For SGATE TECH SOLUTIONS PRIVATE LIMITED

Samrat Yadav

Samrat Yadav

Director

DIN : 00083846

Yash Pal Sharma

Yash Pal Sharma

Director

DIN : 00520359