

VRATA TECH SOLUTIONS PRIVATE LIMITED

1ST

ANNUAL REPORT

2020-21

Ram Agarwal & Associates

CHARTERED ACCOUNTANTS INDEPENDENT AUDITOR'S REPORT

To The Members of VRATA TECH SOLUTIONS PRIVATE LIMITED

Report on the Audit of the Financial Statements

1. Opinion

We have audited the accompanying financial statements of **VRATA 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 period 01st April, 2020 to 31st March, 2021, 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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2021 and its loss for the period then ended.

2. Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the financial statements in paragraph 5 below 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 (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act 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 obtained by us is sufficient and appropriate to provide a basis for our opinion on the financial statements.

3. Information Other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for other information. Other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover 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 in the 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.

4. Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of 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 in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended. This responsibility also includes



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

5. 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 scepticism 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.
- 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.



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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.

6. Report on other Legal and Regulatory Requirements

(i) 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) 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:
 - The Company does not have any pending litigation which would impact its financial position.
 - The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - The Company was not required to transfer any amount to the Investor Education and Protection Fund.

(ii) As required by 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 Act, we give in the **Annexure**, a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Ram Agarwal and Associates
Chartered Accountants
Firm Registration No. 140954W

Rammahesh
Ramnarayan
Agarwal

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Rammahesh Ramnarayan
Agarwal
Date: 2021.05.20 23:01:06
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Rammahesh Agarwal
(Partner)

Membership No. 110146
UDIN:21110146AAAAAC7242

Place: Mumbai
Date: 20/05/2021



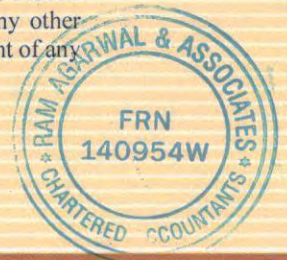
Ram Agarwal & Associates

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ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph (ii) under "Report on Other Legal and Regulatory Requirements in the Independent Auditor's Report of even date to the members of VRATA TECH SOLUTIONS PRIVATE LIMITED)

1. In respect of its fixed assets:
 - (a) the Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) as explained to us, the fixed assets were physically verified during the year by the Management, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
 - (c) The Company does not have any immovable property hence, clause 3 (i) (c) of the Order is not applicable to the Company.
2. The clause 3 (ii) of the Order is not applicable to the Company as the company is into the business of providing services.
3. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, sub clauses (a), (b) & (c) of clause (iii) of the Order are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act in respect of investments made. The Company has not granted any loan, given guarantee or security as covered by the provisions of sections 185 and 186 of the Act.
5. According to the information and explanations given to us, the Company has not accepted any deposit from public during the period. Therefore the provisions of clause 3(v) of the Order are not applicable to the Company.
6. As per the information and explanations given to us the Central Government has not prescribed rules for the maintenance of cost records under section 148(1) of the Act.
7. According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Goods and Service Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Value Added Tax, Duty of Customs, Duty of Excise, Goods and Service Tax, Cess and other material statutory dues in arrears, as at March 31, 2021 for a period of more than six months from the date they became payable.
 - (c) There are no dues with respect to Income Tax, Sales Tax, Service Tax, Value Added Tax, Duty of Customs, Duty of Excise, Goods and Service Tax, Cess and any other material statutory dues applicable to it, which have not been deposited on account of any dispute.



Ram Agarwal & Associates

Ram Agarwal & Associates

8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks and financial institutions. The Company does not have any loan from Government. Further, the Company has not issued any debentures.
9. The Company has not raised any money by way of public issue or further public offer during the year.
10. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such instance by the management.
11. The provisions of section 197 read with schedule V of the Act is not applicable to the Company and accordingly clause 3 (xi) of the Order is not applicable to the Company.
12. The Company is not a Nidhi Company and hence clause 3(xii) of the Order is not applicable to the company.
13. In our opinion and according to the information and explanations given to us and on the basis of examination of the books and records of the Company carried out by us, all the transactions with the related parties are in compliance with the provisions of sections 177 and 188 of the Act, the details thereof have been disclosed in the Financial Statements as required under Accounting Standard.
14. In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year, hence reporting under this clause is not applicable to the company.
15. In our opinion and according to the information and explanations given to us and on the basis of examination of the books and records of the Company carried out by us the Company has not entered into any non-cash transactions with directors or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
16. The Company is not required to be registered under section 451A of the Reserve Bank of India Act, 1934.

For Ram Agarwal and Associates
Chartered Accountants
Firm Registration No. 140954W

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Ramnarayan
Agarwal

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Agarwal
Date: 2021.05.20 23:01:39
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Ramamahesh Agarwal
(Partner)

Membership No. 110146

UDIN:21110146AAAAAC7242

Place: Mumbai
Date: 20/05/2021



Ram Agarwal & Associates

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VRATA TECH SOLUTIONS PRIVATE LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2021

(Amt. in INR)

Particulars	Note No.	As at Mar 31, 2021
Assets		
I. Non current assets		
(a) Property, plant and equipment	2	296,130.00
Total Non Current Assets		296,130.00
II. Current assets		
(a) Financial assets:		
(i) Trade receivables	3	989,150.00
(ii) Cash and cash equivalents	4	1,584,433.00
(b) Other current assets	5	1,303,684.00
Total Current Assets		3,877,267.00
Total assets		4,173,397.00
Equity and liabilities		
Equity		
(a) Equity share capital	6	4,500,000.00
(b) Other equity	7	(2,010,641.60)
Total equity		2,489,358.40
Liabilities		
I. Non current liabilities		
(a) Provisions	8	282,927.00
Total non current liabilities		282,927.00
II. Current liabilities		
(a) Financial liabilities:		
(i) Trade payables:	9	253,727.00
(b) Other current liabilities	10	969,477.60
(c) Provisions	11	177,907.00
Total current liabilities		1,401,111.60
Total equity and liabilities		4,173,397.00

Significant accounting policies 1
Notes to the financial statements
The accompanying notes form an integral part of these financial statements

For Ram Agarwal And Associates
Chartered Accountants
Firm Registration No. 140954W

Rammahesh
Ramnarayan
Agarwal

Rammahesh Agarwal
Partner
Membership No. 110146

Place: Mumbai
Date:

For and on behalf of the Board of Directors of
Vrata Tech Solutions Private Limited

Priyavrata Mafatlal
DIN-2433237

Milan Shah MILAN
DIN-00012088 SHAH

Place: Mumbai
Date: 20th May, 2021

PRIYAVRATA H
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Date: 2021.05.20
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VRATA TECH SOLUTIONS PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021

(Amt. in INR)

	Particulars	Note No.	12 months ended Mar 31, 2021
	Income		
i)	Revenue from operations	12	6,081,000.00
ii)	Other income	13	104,000.00
iii)	Total income		6,185,000.00
iv)	Expenses		
	Cost of Software	14	320,000.00
	Consultancy and professional Charges	15	1,593,694.00
	Employee benefits expense	16	4,965,771.00
	Depreciation and amortisation expense	2	10,370.00
	Other expenses	17	1,305,806.60
	Total expenses		8,195,641.60
v)	V. Profit/(loss) before Exceptional Items and Tax		-2,010,641.60
vi)	VI. Exceptional Items		
	Loss on sale of PPE / PPE written off		-
vii)	Profit/(Loss) before tax		
viii)	Tax expense:	18	
	- Current tax		-
	- Deferred tax		-
	- Tax adjustment for earlier years		-
	Less: MAT credit entitlement		-
	Total tax expense		-
ix)	Profit/(Loss) for the year		-2,010,641.60
x)	Earnings per equity share (for continuing operations)		
	Basic & Diluted Earnings Per share		-0.45

Significant accounting policies

1

Notes to the financial statements

The accompanying notes form an integral part of these financial statements

For Ram Agarwal And Associates
Chartered Accountants
Firm Registration No. 140954W

Rammahesh
Ramnarayan
Agarwal

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Ramnarayan Agarwal
Date: 2021.05.20 23:16:44 +05'30'

Rammahesh Agarwal
Partner
Membership No. 110146

Place: Mumbai
Date:

For and on behalf of the Board of Directors of
Vrata Tech Solutions Private Limited

Priyavrata Mafatlal
DIN-2433237

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Milan Shah MILAN
DIN-00012088 SHAH

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MILAN SHAH
Date: 2021.05.20
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Place: Mumbai
Date: 20th May, 2021

(Amt. in INR)

PARTICULARS		Year ended	
		March 31, 2021	
A Cash Flow form Operating activities			
Net Profit/(Loss) after exceptional items and before tax as per the Statement of Profit and Loss		(2,010,642)	
Adjustments to reconcile profit before tax to net cash flow-			
Depreciation on Computer		10,370	
Operating Profit Before Working Capital Changes		(2000,272)	
Working Capital Changes:			
Change in current trade receivables		(989,150)	
Change in other current assets		(1303,684)	
Change in current loans and advances		282,927	
Change in non current provisions		253,727	
Change in trade payable			
Change in other financial liability		969,478	
Change in other current liability		177,907	
Net change in Working Capital		(608,795)	
Cash generated from Operations		(2609,067)	
Direct tax paid (Net of income tax refund)		0	
Net Cash generated from Operating Activities		(2609,067)	
B. Cash Flow form Investing Activities			
Purchase of Computer		(306500)	
Net Cash generated from Investing Activities		(306500)	
C Cash Flow form Financing activities			
Share Capital Infusion		45,00,000	
Net Cash generated from Financing Activities		45,00,000	
Net Increase/(Decrease) in cash and cash equivalents		1,584,433	
Cash and Cash Equivalents at the beginning of the year		0	
Cash and Cash Equivalents at the end of the year		1,584,433	
PARTICULARS		Year ended	-
		MARCH 31,2021	
Cash and cash equivalents comprise of : (Note No 4)			
Cash on hand			
Balance with bank		1,584,433	
Cash and cash equivalents		1,584,433	
Note: The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flow.			
The accompanying notes are an integral part of the financial statements.			
As per our report of even date			
For Ram Agarwal And Associates Chartered Accountants Firm Registration No. 140954W		For and on behalf of the Board of Directors VRATA TECH SOLUTIONS PRIVATE LIMITED	
Rammahesh Agarwal	<small>Digitally signed by Rammahesh Ramnarayan Agarwal Date: 2021.05.20 23:19:00 +05'30'</small>	Priyavrata Mafatlal DIN-2433237	PRIYAVRATA H MAFATLAL <small>Digitally signed by PRIYAVRATA H MAFATLAL Date: 2021.05.20 19:44:31</small>
Ramamahesh Agarwal Partner Membership No. 110146		Milan Shah DIN-00012088	MILAN SHAH <small>Digitally signed by MILAN SHAH Date: 2021.05.20 19:01:01 +05'30'</small>
Place: Mumbai Date		Place: Mumbai Date: 20th May, 2021	

VRATA TECH SOLUTIONS PRIVATE LIMITED		
Standalone Statement of changes in Equity of year ended March 31, 2021		
A. Equity share capital		(Amt. in INR)
Balance	Note No.6	
As at April 1, 2020	₹	-
Change in Equity Share Capital	₹	4,500,000.00
March 31, 2021	₹	4,500,000.00
B. Other Equity		
Attributable to the equity holder		
PARTICULARS	Reserves and Surplus Retained Earning Note No. 7	TOTAL
Balance as at April 1, 2020	-	-
Profit/Loss for the year	(2,010,642)	(2,010,642)
Balance as at March 31, 2021	(2,010,642)	(2,010,642)
The accompanying notes are an integral part of the financial statements.		
As per our report of even date		
For Ram Agarwal And Associates	For and on behalf of the Board of Directors	
Chartered Accountants	VRATA TECH SOLUTIONS PRIVATE LIMITED	
Firm Registration No. 140954W		
Rammahesh Ramnarayan Agarwal	Priyavrata Mafatlal	PRIYAVRATA H MAFATLAL
Digitally signed by Rammahesh Ramnarayan Agarwal Date: 2021.05.20 23:26:29 +05'30'	DIN-2433237	Digitally signed by PRIYAVRATA H MAFATLAL Date: 2021.05.20 19:45:32 +05'30'
Rammahesh Agarwal	Milan Shah	MILAN SHAH
Partner	DIN-00012088	Digitally signed by MILAN SHAH Date: 2021.05.20 19:01:15 +05'30'
Membership No. 110146		
Place: Mumbai	Place: Mumbai	
Date	Date: 20th May, 2021	

VRATA TECH SOLUTIONS PRIVATE LIMITED

Notes to the financial statements (Continued)
as at 31 March 2021

Note No.	(Amt. in INR)	
	Particulars	As at 31-03-2021
2	Property, Plant and Equipment	Amount in Rs
	Computer (Refer PPE)	296,130.00
	Total	296,130.00
3	Trade receivables	Amount In Rs
	Other trade receivables	
	<i>Unsecured</i>	
	- Considered Good	989,150.00
		-
	Total	989,150.00
4	Cash and cash equivalents	Amount In Rs
	Balance with banks :	
	Balances with banks in current account	1,584,433.00
	Other Bank Balance	-
	Cash in hand	-
	Total	1,584,433.00
5	Other current assets	Amount In Rs
	<i>(Unsecured, considered good unless otherwise stated)</i>	
	Other than related parties:	
	Prepaid expenses	25,000.00
	Statutory receivables- TDS	456,075.00
	Advance to vendors	822,609.00
	Total	1,303,684.00

VRATA TECH SOLUTIONS PRIVATE LIMITED
Notes to the financial statements (Continued)
as at 31 March 2021

Note No.	Particulars	(Amt. in INR) Amount in Rs
6	Equity Share Capital (Refer EQUITY)	4,500,000.00
7	<u>Reserves and Surplus</u>	
	Retained earnings	
	At the commencement of the year	
	Add: Loss for the year	(2,010,641.60)
	Add: Gain on remeasurement of post-employment benefit obligations	
	At the end of the year	(2,010,641.60)
	Total	(2,010,641.60)
	TOTAL	2,489,358.40
Non Current Liability		
8	Provision	Amount in Rs
	<u>Provision for employee benefits:</u>	
	Provision for Gratuity	81,308.00
	Provision for Leave Encashment	201,619.00
	Total	282,927.00
Current Liability		
9	Trade payables	Amount in Rs
	Particulars	
	Total outstanding dues of micro enterprises and small enterprises	-
	Total outstanding dues of creditors other than micro enterprises and small enterprises *	253,727.00
	Total	253,727.00
10	Other current liabilities	Amount In Rs
	Related Party - Creditor for Expenses	385,901.00
	Statutory dues payables	583,576.60
	Total	969,477.60
11	Provisions	Amount In Rs
	<u>Provision for employee benefits:</u>	
	- Gratuity	193.00
	-Provision for Leave Encashment	10,928.00
	Provisions for Audit Fees	125,000.00
	Provision for Festival Allowances	41,786.00
	Total	177,907.00

VRATA TECH SOLUTIONS PRIVATE LIMITED

Notes to the financial statements (Continued)
as at 31 March 2021

(Amt. in INR)	
Particulars (Reference to Note-6)	31 March 2021
Equity share capital	
Authorised:	
20,00,000 Equity Shares of Rs 10 Each	20,000,000
Total	20,000,000
Issued share capital	
2,00,000 equity shares of Rs. 10 each	2,000,000
400,000 equity shares of Rs. 10 each	4,000,000
Total	6,000,000
Subscribed and Paid up Share Capital	
200000 Equity Shares of Rs 10 fully paid up	2,000,000
250,000 Equity Shares of Rs 10 fully paid up	2,500,000
Total Subscribed and paid up share capital	4,500,000

Note : Vrata Tech Solutions is a wholly owned subsidiary of Mafatal Industries Limited

VRATA TECH SOLUTIONS PRIVATE LIMITED

Notes to the financial statements (Continued)
for the period 01 April, 2020 to 31st March 2021

(Amt. in INR)

Note No	Particulars	31 March 2021
12	Revenue from operations	Amount In Rs
	SAP & Other Software Implementation fees	3,610,000
	Sale of Software licenses	2,151,000.00
	Consultancy & Advisory Services	320,000.00
	Total	6,081,000.00
13	Other Income	Amount In Rs
	Miscellaneous Income	104,000
	Total	104,000.00
14	Software Cost	Amount in Rs
	Purchase of Software	320,000
	Total	320,000
15	Professional and Consultancy Charges	Amount in Rs
	Consultancy Fees	1,593,694
	Total	1,593,694
16	Employee benefits expense	Amount In Rs
	Salaries, wages and bonus	4,354,166.00
	Contribution to provident and other funds	250,400.00
	Gratuity expense	81,501.00
	Staff welfare expenses	67,157.00
	Privilege Leave Encashment	212,547.00
	Total	4,965,771.00

VRATA TECH SOLUTIONS PRIVATE LIMITED
Notes to the financial statements (Continued)
for the period 16th March, 2020 to 31st March 2021

(Amt. in INR)

17	<table> <tr> <th>Other expenses</th><th>Amount In Rs</th></tr> <tr> <td>Pre-Incorporation Expense</td><td>385,901</td></tr> <tr> <td>Travelling and conveyance</td><td>117,906.00</td></tr> <tr> <td>Business promotion expenses</td><td>31,932.00</td></tr> <tr> <td>Auditors remuneration</td><td>125,000.00</td></tr> <tr> <td>Bank charges</td><td>76.00</td></tr> <tr> <td>Legal charges</td><td>96,000.00</td></tr> <tr> <td>Return Filing Fees</td><td>4,670.00</td></tr> <tr> <td>Printing and stationery</td><td>21,200.00</td></tr> <tr> <td>Professional fees</td><td>13,540.00</td></tr> <tr> <td>Repairs and Replacement</td><td>6,500.00</td></tr> <tr> <td>Rent, CAM and utility charges</td><td>107,355.00</td></tr> <tr> <td>Software License Purchase</td><td>110,502.00</td></tr> <tr> <td>Trade Mark Registration (LOGO)</td><td>144,000.00</td></tr> <tr> <td>Entertainment Expenses</td><td>17,424.00</td></tr> <tr> <td>Office/Admin Expenses</td><td>2,700.00</td></tr> <tr> <td>General Expenses</td><td>121,100.60</td></tr> <tr> <td>Total</td><td>1,305,806.60</td></tr> </table>	Other expenses	Amount In Rs	Pre-Incorporation Expense	385,901	Travelling and conveyance	117,906.00	Business promotion expenses	31,932.00	Auditors remuneration	125,000.00	Bank charges	76.00	Legal charges	96,000.00	Return Filing Fees	4,670.00	Printing and stationery	21,200.00	Professional fees	13,540.00	Repairs and Replacement	6,500.00	Rent, CAM and utility charges	107,355.00	Software License Purchase	110,502.00	Trade Mark Registration (LOGO)	144,000.00	Entertainment Expenses	17,424.00	Office/Admin Expenses	2,700.00	General Expenses	121,100.60	Total	1,305,806.60
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VRATA TECH SOLUTIONS PVT LTD
Notes to the financial statements *(Continued)*
as at 31 March 2021

(Amt. in INR)

Note No	Particulars	Gross Block				Accumulated Depreciation				NET BLOCK
		Balance As at 1st April,2020	Additions	Deductions	Balance as at 31-03-2021	Opening Balance as at 1-04-2020	Change for the year	Deductions	Balance as at 31-03-2021	
2	Computer	-	306,500		306,500	-	10,370		10,370	296,130

VRATA TECH SOLUTIONS PRIVATE LIMITED

NOTES TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2021

1. Significant Accounting Policies

1.1 Compliance with Ind AS

The financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ("Act") read with the Companies (Indian Accounting Standards) Rules, 2015, and other relevant provisions of the Act.

The financial statements of the Company for the year ended March 31, 2020 were approved for issue in accordance with the resolution of the Board of Directors on 20th May, 2021.

1.2 Basis of Measurement

The financial statements have been prepared on a historical cost basis, except for the following

- i. Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)
- ii. Defined benefit plans - plan measured at fair value.

1.3 Significant Accounting Policies

The following are the significant accounting policies applied by the Company in preparing its financial statements consistently to all the periods presented.

1.3.1 Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is current when it is:

- Expected to be realised within twelve months after the reporting period (with in operating period); or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. The Company classifies all other liabilities as non-current.

Operating cycle

Operating cycle of the Company is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. As the Company's normal operating cycle is not clearly identifiable, it is assumed to be twelve months.

1.3.2 Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment loss, if any. The cost of an item comprises its purchase price including import duties and other non refundable taxes directly attributed cost of bringing the asset to its working condition for intended use.

1.3.3 Use of estimates and judgements

The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Difference between actual results and estimates are recognised in the period in which the results are known / materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

1.3.4 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company, and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Rendering of services

Revenue is recognized based on the period in which services are rendered in accordance with the terms of contracts.

Interest income

Interest is recognised on a time-proportion basis, reflecting the effective yield of the asset.

1.3.5 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

i. Initial recognition and measurement of financial assets

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial assets.

ii. Subsequent measurement of financial assets

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost
- Financial assets at fair value through other comprehensive income (FVTOCI)
- Financial assets at fair value through profit or loss (FVTPL)

iii. Derecognition of financial assets

A financial asset is derecognised when:

- the contractual rights to the cash flows from the financial asset expire
- The Company has transferred its contractual rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial Liabilities

i. Initial recognition and measurement of financial liabilities

All financial liabilities are recognised initially at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss, transaction costs that are attributable to the issue of the financial liabilities.

ii. Subsequent measurement of financial liabilities

The measurement of financial liabilities depends on their classification, as described below

• Financial liabilities at fair value through profit or loss • Loans and Borrowings • Financial guarantee contracts

iii. Derecognition of financial liabilities

A financial liability is derecognised from its balance sheet when, and only when, it is extinguished

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to off set the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

1.3.6 Cash and cash equivalent

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

1.3.7 Employee Benefits

i. Short Term Employee Benefits

All employee benefits payable within twelve months of rendering the service are classified as short term benefits. Such benefits include salaries, wages, bonus, short term compensated absences, awards, ex gratia, performance pay etc. and the same are recognised in the period in which the employee renders the related service.

ii. Post-Employment Benefits-Defined contribution plan

The Company's approved provident fund scheme, super annuation fund scheme, employees state insurance fund scheme and Employees' pension scheme are defined contribution plans. The Company has no obligation, other than the contribution paid/payable under such schemes. The contribution paid/payable under the schemes is recognised during the period in which the employee renders the related service.

iii. Post-Employment Benefits-Defined benefit plan

The employee's gratuity fund scheme is defined benefit plan. The present value of the obligation under such defined benefit plans is determined based on the actuarial valuation as on date of the Balance sheet. In case of funded plans, the fair value of plan asset is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on the net basis.

Leave encashment is provided on the basis of accumulated leave balance at the end of the year to the credit of each employee

1.3.8 Earnings per share

Basic EPS is calculated by dividing the profit / loss for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the year

Diluted EPS is calculated by dividing the profit / loss attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares

1.3.9 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, and it is probable that an out flow of resources embodying economic benefits will be required to settle the obligation.

1.3.10 Taxes

Tax expense comprises of current income tax.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For Ram Agarwal And Associates
Chartered Accountants

Firm Registration No. 140954W

Rammahesh
Rammahesh
Agarwal

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Rammahesh Agarwal
Date: 2021.05.20 23:22:29 +05'30'

Rammahesh Agarwal
Partner
Membership No. 110146

For and on behalf of the Board of Directors
Vrata Tech Solutions Private Limited

Priyavrata Mafatlal
DIN-2433237

PRIYAVRATA
H MAFATLAL

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Date: 2021.05.20 19:47:18 +05'30'

Milan Shah
DIN-00012088

MILAN SHAH
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by MILAN SHAH
Date: 2021.05.20
19:01:47 +05'30'

Place: Mumbai
Date

Place: Mumbai
Date: 20th May, 2021

VRATA TECH SOLUTIONS PRIVATE LIMITED
Notes to the financial statements (Continued)
for the period 01 April, 2020 to 31st March 2021

Note :18 Income Tax Expense

Particulars	Year ended March 31, 2021
Current tax	
Current tax on (Loss) / Profits for the year	-
Total current tax expense	-
Deferred tax	
(Decrease)/increase in deferred tax assets	-
Decrease/(increase) in deferred tax liabilities	-
Total deferred tax expense/(credit)	-
Income tax expense	-
18(a) Reconciliation of tax expense and accounting profit multiplied by statutory tax rates	
Particulars	Year ended March 31, 2021
Loss for the year	(2,010,641.60)
Statutory income tax rate applicable to Vrata Tech Solutions Private Limited	34.944%
Tax expense at applicable tax rate	(702,598.60)
Tax effects of amounts which are not deductible / (taxable) in calculating taxable income	
Expenses not deductible for tax purposes	-
Weighted Deduction allowed	-
Exempt Income	-
Tax losses for which no deferred tax recognised	-7,02,598.60
Others	-
Income tax expense as per the Statement of Profit and Loss	-

18 (b)- No aggregate amounts of current and deferred tax have arisen in the reporting periods which have been recognised in Equity and not in Statement of Profit and Loss or Other comprehensive income.

18(c) - Deferred tax assets

The balance comprises temporary differences attributable to:

Particulars	Year ended
Provision for doubtful debts / advances (net)	-
Disallowances under Sections 35DDA, 40(a)(i), 43B of the Income Tax Act, 1961	-
Unabsorbed depreciation	-
Total deferred tax assets	-
Deferred Tax Liability	
On difference between book balance and tax balance of fixed assets	-
Others	-
Total deferred tax assets	-

VRATA TECH SOLUTIONS PRIVATE LIMITED

NOTES TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2021

(Amt. in INR)

Note 19 - Employee benefit obligations

Particulars	As at March 31, 2021
Gratuity (Refer Note 16)	81,501.00
Total	81,501.00 -

(a) Defined Benefit Plans:**Gratuity**

The Company provides for gratuity for employees as per the Company policy. The amount of gratuity payable on retirement/termination is payable to the employees based on last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The Company has established Fund to which the Company makes contribution for all employees. The contributions are made to a gratuity based upon actuarial valuation done at the year end of every financial year using "Projected Unit Credit" method. The charge on account of provision for gratuity has been included in 'Employee Benefits Expense' in the Statement of Profit and Loss except remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability which are recognised in other comprehensive income.

GRATUITY

The amounts recognised in the Balance Sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Present value of obligation	Fair value of plan assets	Net amount
As on April 01, 2020		-	-
Interest Expense/(Income)	-	-	-
Current Service Cost	81,501.00	-	81,501.00
Past Service Cost	-	-	-
Total Amount Recognised in Profit and Loss	81,501.00	-	81,501.00
<i>Remeasurements</i>			
Return on plan assets, excluding amount included in interest expense/(income)	-	-	-
(Gain)/loss from change in financial assumptions	-	-	-
Experience (gains)/losses	-	-	-
Total Amount Recognised in Other Comprehensive Income	-	-	-
Employer Contributions	-	-	-
Benefit Payments	-	-	-
Balance as on March 31, 2021	81,501.00	-	81,501.01

VRATA TECH SOLUTIONS PRIVATE LIMITED

NOTES TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2021

(Amt. in INR)

GRATUITY

Particulars	As at March 31, 2021
Present Value of Obligations	81,501.00
Fair Value of Plan Assets	-
Net (Asset) / Liability	81,501.00

* Excess of the asset over liability is not recognised in the financials

VRATA TECH SOLUTIONS PRIVATE LIMITED

NOTES TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2021

(Amt. in INR)

The significant actuarial assumptions were as follows:

Particulars	As at March 31, 2021
Discount Rate / Return on plan assets	
Gratuity	6.95%
Rate of salary increase	
Gratuity	6.00%
Rate of employee turnover	
Gratuity	3.00%
Mortality rate during employment	

Sensitivity Analysis

The sensitivity of the defined benefit obligation to increase and decrease in the the weighted principal assumptions by 0.50% is as below:

Particulars	Impact on defined benefit obligation	
	Increase in assumptions	Decrease in assumptions
	March 31, 2021	March 31, 2021
Discount Rate / Return on plan assets		
Gratuity	6.50	-
Rate of salary increase		
Gratuity	6.00	-
Rate of employee turnover		
Gratuity	3.00	-

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the Balance Sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(iii) The major categories of plans assets are as follows:

The plan asset for the funded gratuity plan is administered by the Trust managed by the Fund as per the investment pattern stipulated for Pension and Group Schemes fund by Insurance Regulatory and Development Authority regulations i.e. 100% of plan assets are invested in insurer managed fund. Quoted price of the same is not available in active market.

(iv) Risk Exposure

Through its defined benefit plans, The Company is exposed to a number of risks, the most significant of which are detailed below:

Demographic Risk: This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

Asset volatility : The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. 100% of the plan asset investments is in insurer managed funds. These are subject to interest rate risk and the fund manages interest rate risk with derivatives to minimise risk to an acceptable level.

Salary Inflation Risk : Higher than expected increases in salary will increase the defined benefit obligation

Interest-Rate Risk: The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Maturity Analysis of the Projected Benefit Obligations - Gratuity

Particulars	As at March 31, 2021
1st Following Year	193.00
2nd Following Year	214.00
3rd Following Year	240.00
4th Following Year	269.00
5th following year	3,869.00
Sum of 6th to 10th Following Year	21,405.00
Sum of years 11 and above	275,100.00

VRATA TECH SOLUTIONS PRIVATE LIMITED
NOTES TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH

20 Disclosure pursuant to Related Party

As per the Ind AS on "Related Party Disclosures" (Ind AS 24), the related parties of the Company are as follows :

i. Name of Related Parties and Nature of Relationship :

Holding Company:

Mafatlal Industries Limited

Enterprise over which key management personnel have significant Influence

MAF Technologies Private Limited

ii. Disclosure of Transactions during the year (Excluding Reimbursement of Expenses)

(Amt. in INR)

PARTICULARS	For the period 01/04/2020 to 31/03/2021
Mafatlal Industries Limited	
Sale of Services	221,000
Rent Paid	118,627
Reimbursement of Expenses	538,898
MAF Technologies Private Limited	
Other Miscellaneous Income	104,000

The amount mentioned in INR above are reported after deducting TDS.

iii. Disclosure of Balance at the end of Financial Year

PARTICULARS	For the year ended 31/03/2021
Other Current Liabilities	
Mafatlal Industries Limited	385,901

Balance amount pertains to amount outstanding on account of reimbursement of Expenses.

For Ram Agarwal And Associates

Chartered Accountants

Firm Registration No. 140954W

Ramhadesh

Ramnarayan

Agarwal

Ramhadesh Agarwal

Partner

Membership No. 110146

Place: Mumbai

Date

Priyavrata Mafatlal
DIN-2433237

PRIYAVRATA
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Milan Shah
DIN-00012088

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Place: Mumbai

Date: 20th May, 2021