

INDEPENDENT AUDITOR'S REPORT

To the Members of Comptech Solutions Private Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying Standalone Ind AS Financial Statements of Comptech Solutions Private Limited("the Company"), which comprise the Balance sheet as at 31 March 2020, the Statement of Profit and Loss(including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended and Notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information(hereinafter referred to as "Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS 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 Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, (Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2020, its profit including other comprehensive income, changes in equity and its cash flows for the year ended on that date which are designed to prepare the Consolidated Ind AS Financial Statements of Allcargo Logistics Limited as at 31 March 2020.

Basis for Opinion

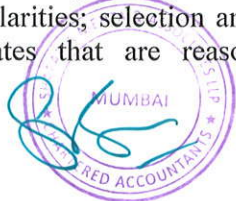
We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS Financial Statements section of our report. 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 Ind AS 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.

Key Audit Matters

We have determined that there are no key audit matters to communicate in our report.

Management's Responsibility for the Standalone Ind AS 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 standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows 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 statement 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.

Auditor's Responsibilities for the Audit of the Ind AS Standalone 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 Ind AS 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. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

This report is issued solely for the purpose of inclusion in the Consolidated Ind AS Financial Statement of Allcargo Logistics Limited. This report may not be useful for any other purpose.

Report on Other Legal and Regulatory Requirements

1. 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 Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
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, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone Ind AS 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 31 March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - (g) 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.

For Shaparia Mehta & Associates LLP
Chartered Accountants
(Firm's Registration No. 112350W/ W-100051)


Sanjiv Mehta
Partner

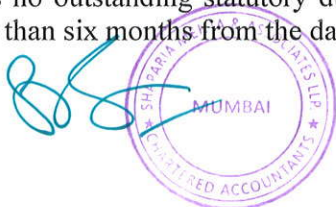
Membership No. 034950
Mumbai, 22nd June, 2020
UDIN: 20034950AAAACL7499
UDIN date: 29th June 2020



Annexure A to the Independent Auditor's Report

The Annexure referred to in our Independent Auditor's Report to the members of Comptech Solutions Private Limited (the "Company") on the Ind AS financial statements for the year ended March 31, 2020, we report that:

- (i) 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) The Company has regular programme of physical verification of fixed assets by which fixed assets are verified in as phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and the nature of its assets.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has immovable properties whose title deeds are in the name of the Company.
- (ii) The company is a service company and does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable to the company.
- (iii) According to the information and explanations given to us and on the basis of our examination of the books of accounts, the Company has not granted loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses iii (b) and iii (c) of the order are not applicable to the Company.
- (iv) According to the information and explanations given to us and on the basis of our examination of the books of accounts, the Company has not given loans, guarantees, and security, or invested in other companies covered under section 185 and 186 during the period under audit. Consequently, provision of this clause of the order is not applicable to the Company.
- (v) In our opinion and according to the information and explanations given to us the Company has not accepted any deposits from the public so as to require any compliance of the directives of Reserve Bank of India or the provisions of section 73 or 76 of the Companies Act, 2013. As explained to us, the Company has not received any order passed by the Company Law Board or the National Company Law Tribunal or any court or other forum.
- (vi) According to the information and explanation given to us, maintenance of cost records in not applicable to the Company.
- (vii) In respect of its statutory dues:
 - (a) In our opinion and according to the information and explanations given to us, the Company is normally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, TDS, GST, Profession tax, cess and any other applicable statutory dues to the appropriate authorities though there are slight delays in few cases. There is no outstanding statutory dues as on the last day of the financial year for a period of more than six months from the date they became payable.



- (b) According to the information and explanations given to us, there are no disputed dues of income tax, GST which have not been deposited with the appropriate authority on account of any dispute.
- (viii) According to the information and explanations given to us and on the basis of our examination of the books of accounts, the Company has not defaulted in repayment of dues to its debenture holders, financial institutions and bankers. The Company did not have outstanding dues to government during the year.
- (ix) The Company has not raised any money by way of initial public offer or term loans accordingly, paragraph 3(ix) of the order is not applicable to the Company.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our audit nor have we been informed of such case by the management.
- (xi) According to the information and explanation given to us and based on our examination of the records of the Company, the Company is not a public Company and this the provisions of Section 197 read with Schedule V of the Act is not applicable to the Company. Accordingly, para 3(xi) of the Order is not applicable to the Company.
- (xii) The Company is not a Nidhi Company as defined under section 406 of the Companies Act, 2013. Accordingly, para 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties during the current audit year are in compliance with section 177 and 188 of Companies Act, 2013. The Company has complied with the requirement disclosing the details in the Ind AS Financial Statements and as required by the applicable accounting standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit. Hence, para 3(xiv) of the Order is not applicable to the Company.
- (xv) On the basis of information and explanation given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, para (xv) of the Order is not applicable to the Company.
- (xvi) In our opinion and according to the information and explanations given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, para (xvi) of the Order is not applicable to the Company.

For Shaparia Mehta & Associates LLP

Chartered Accountants

(Firm's Registration No. 112350W/ W-100051)

Sanjiv Mehta

Partner

Membership No. 034950

Mumbai, 22nd June, 2020

UDIN: 20034950AAAACL7499

UDIN date: 29th June 2020



Annexure - B to the Independent Auditor's Report

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. We have audited the internal financial controls over financial reporting of Comptech Solutions Private Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended and as at on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit.

We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls with reference to Ind AS financial statements

5. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of



financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

6. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

7. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Shaparia Mehta & Associates LLP
Chartered Accountants
(Firm's Registration No. 112350W/ W-100051)

Sanjiv Mehta
Partner

Membership No. 034950

Mumbai, 22nd June, 2020

UDIN: 20034950AAAACL7499

UDIN date: 29th June 2020



Comptech Solutions Private Limited
Balance sheet as at 31 March 2020

	Notes	31 March 2020	31 March 2019
Assets			
Non-current assets			
Property, plant and equipment (net)	2	13,91,011	16,97,793
Investment property (net)	3	617,82,869	628,06,641
Financial assets			
Other financial assets	4.1	2,00,000	2,00,000
Non-current tax assets (net)	10(a)	47,63,310	51,01,770
Other Non-current assets	5	88,288	1,19,800
Total - Non-current assets		682,25,478	699,26,004
Current assets			
Financial assets			
Trade receivables	4.2	39,71,199	7,43,924
Cash and cash equivalents	4.3	32,26,009	21,35,138
Other bank balances	4.3	176,13,442	145,89,364
Other financial assets	4.1	5,79,661	4,27,578
Contract Assets		13,70,154	19,65,444
Other current assets	5	79,657	62,463
Total - Current assets		268,40,122	199,23,911
Total Assets		950,65,600	898,49,915
Equity and Liabilities			
Equity			
Equity share capital	6	145,00,000	145,00,000
Other equity		770,01,260	722,16,175
Total Equity		915,01,260	867,16,175
Non-current liabilities			
Financial liabilities			
Borrowings	7.1	85,827	76,699
Other financial liabilities	7.2	9,38,990	8,51,011
Deferred tax liability (net)	10(b)	3,71,700	4,45,466
Other Non-current liabilities	8	95,594	1,85,785
Total - Non-current liabilities		14,92,111	15,58,961
Current liabilities			
Financial liabilities			
Trade payables	7.3		
a) Total Outstanding Dues of micro enterprises and small enterprises		-	-
b) Total Outstanding Dues of creditors other than micro enterprises and small enterprises		6,32,768	3,25,122
Other payables	7.4	6,92,500	4,88,800
Other financial liabilities	7.5	6,16,679	5,70,716
Other current liabilities	8	1,30,281	1,89,415
Current tax liabilities	9	-	726
Total - Current liabilities		20,72,228	15,74,779
Total equity and liabilities		950,65,599	898,49,915
Significant accounting policies	1		
Notes to the financial statements	2-22		

The notes referred to above are an integral part of these financial statements

As per our report of even date attached

For Shaparia Mehta & Associates LLP
ICAI firm registration No.112350W/ W-100051
Chartered Accountants

Sd/-

Sanjiv Mehta
Partner
Membership No.034950

Date: 22 June 2020

For and on behalf of Board of directors of
Comptech Solutions Private Limited
CIN No:U72300DL1996PTC078496

Sd/-

Adarsh Hegde
Director
DIN No. 00035040

Date: 22 June 2020

Sd/-

Jatin Chokshi
Director
DIN No. 00495015

Comptech Solutions Pvt.Ltd.
Statement of Profit and Loss for the year ended 31 March 2020

	Notes	31 March 2020	31 March 2019
Income			
Other operating income	11	144,16,079	136,36,825
Finance income	12	12,67,251	9,94,586
Total income		156,83,330	146,31,411
Expenses			
Depreciation and amortisation expenses	13	13,30,554	13,26,230
Finance costs	14	1,43,070	1,21,394
Other expenses	15	72,97,496	53,50,550
Total expenses		87,71,120	67,98,174
Profit before tax		69,12,210	78,33,237
Tax expense:	10		
Current tax		22,00,890	21,82,688
Deferred tax charge/(credit)		(73,765)	26,653
Total tax expense		21,27,125	22,09,341
Profit for the year (A)		47,85,085	56,23,896
Other Comprehensive Income for the year, net of tax (B)		-	-
Total Comprehensive income for the year, net of tax (A) + (B)		47,85,085	56,23,896
Earnings per equity share (nominal value of Rs 10 each)	16		
Basic and diluted		3.30	3.88
Significant accounting policies	1		
Notes to the financial statements	2-22		

The notes referred to above are an integral part of these financial statements

As per our report of even date attached

For Shaparia Mehta & Associates LLP
ICAI firm registration No.112350W/ W-100051
Chartered Accountants

Sd/-

Sanjiv Mehta
Partner
Membership No.034950

Date: 22 June 2020

For and on behalf of Board of directors of
Comptech Solutions Private Limited
CIN No:U72300DL1996PTC078496

Sd/-

Adarsh Hegde
Director
DIN No. 00035040

Date: 22 June 2020

Sd/-

Jatin Chokshi
Director
DIN No. 00495015

Comptech Solutions Pvt. Ltd.
Statement of Cash Flows for the period ended 31 March 2020

	31 March 2020	31 March 2019
Operating activities		
Profit before tax	69,12,210	78,33,237
<i>Adjustments to reconcile profit before tax to net cash flows:</i>		
Depreciation of property, plant and equipment	13,30,554	13,26,230
Sundry balances written back	-	(37)
Finance costs	1,43,070	1,21,394
Interest Income	(12,67,251)	(9,94,586)
Rental Income	(144,16,079)	(136,36,788)
Expenses related to investment property	61,27,199	48,55,045
<i>Working capital adjustments:</i>		
Decrease / (increase) in long term and short term loans and advances	5,16,226	49,955
(Decrease)/ Increase in trade payables, other current and non current liabilities	2,88,550	1,33,569
(Decrease)/ Increase in provisions	2,03,700	2,89,972
Cash generated from operating activities	(1,61,822)	(22,009)
Income tax paid (including TDS) (net)	(18,30,539)	(61,81,959)
Net cash flows from operating activities (A)	(19,92,361)	(62,03,968)
Investing activities		
Purchase of property, plant and equipment (including CWIP)	-	(2,34,061)
Purchase of FD not considered as cash and cash equivalent	(207,24,078)	(139,75,294)
Fixed deposits matured	177,00,000	121,85,930
Rental and business support charges received	111,51,957	136,44,837
Expenses related to investment property	(61,27,199)	(48,55,045)
Interest income received	10,82,552	8,91,560
Net cash flows from / (used in) investing activities (B)	30,83,232	76,57,927
Financing activities		
Finance costs	-	-
Net cash flows from / (used in) financing activities (C)	-	-
Net increase / (decrease) in cash and cash equivalents (A+B+C)	10,90,871	14,53,959
Opening balance of cash and cash equivalents (refer note 6.3)	21,35,138	6,81,179
Cash and cash equivalents at the end	32,26,009	21,35,138

As per our report of even date attached

For Shaparia Mehta & Associates LLP
ICAI firm registration No.112350W/ W-100051
Chartered Accountants

Sd/-

Sanjiv Mehta
Partner
Membership No.034950

Date: 22 June 2020

For and on behalf of Board of directors of
Comptech Solutions Private Limited
CIN No:U72300DL1996PTC078496

Sd/-

Adarsh Hegde
Director
DIN No. 00035040

Date: 22 June 2020

Sd/-

Jatin Chokshi
Director
DIN No. 00495015

Comptech Solutions Pvt. Ltd.
Statement of Changes in Equity for the year ended 31 March 2020

(A) Equity Share Capital:

Equity shares of INR 10 each issued, subscribed and fully paid

At 1 April 2018

Issue of share capital

At 31 March 2019

Issue of share capital

At 31 March 2020

	No.	Amount
At 1 April 2018	14,50,000	145,00,000
Issue of share capital	-	-
At 31 March 2019	14,50,000	145,00,000
Issue of share capital	-	-
At 31 March 2020	14,50,000	145,00,000

(B) Other Equity:

For the year ended 31 March 2020

Particulars	Securities premium account	Equity component of non-convertible preference shares	Balance in Statement of Profit and Loss	Total equity
As at 31st March 2019	455,13,780	1,02,769	265,99,626	722,16,175
Net Profit for the period	-	-	47,85,085	47,85,085
Other comprehensive income	-	-	-	-
Total comprehensive income	455,13,780	1,02,769	313,84,711	770,01,260
As at 31 March 2020	455,13,780	1,02,769	313,84,711	770,01,260

For the year ended 31 March 2019

Particulars	Securities premium account	Equity component of non-convertible preference shares	Balance in Statement of Profit and Loss	Total equity
As at 1st April 2018	455,13,780	1,02,769	209,75,730	665,92,279
Net Profit for the period	-	-	56,23,896	56,23,896
Other comprehensive income	-	-	-	-
Total comprehensive income	455,13,780	1,02,769	265,99,626	722,16,175
As at 31 March 2019	455,13,780	1,02,769	265,99,626	722,16,175

As per our report of even date attached

For Shaparia Mehta & Associates LLP
ICAI firm registration No.112350W/ W-100051
Chartered Accountants

Sd/-

Sanjiv Mehta
Partner
Membership No.034950

Date: 22 June 2020

For and on behalf of Board of directors of
Comptech Solutions Private Limited
CIN No:U72300DL1996PTC078496

Sd/-

Adarsh Hegde
Director
DIN No. 00035040

Date: 22 June 2020

Sd/-

Jatin Chokshi
Director
DIN No. 00495015

Comptech Solutions Private Limited

Notes to the financial statements for the year ended 31 March 2020

1. Significant accounting policies

1.1 (a) Statement of compliance

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (the 'Ind AS') notified under the Companies (Indian Accounting Standards) (Amendment) Rules, 2017 under the provisions of the Companies Act, 2013 (the 'Act') and subsequent amendments thereof.

(b) Basis of preparation

The financial statements have been prepared on a historical cost basis, except for the certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments) which have been measured at fair value or revalued amount. Historical cost is generally based on the fair value of the consideration given in exchange of goods or services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

1.2 Summary of significant accounting policies

a. Use of estimates

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

b. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting 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 expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- 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.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

Comptech Solutions Private Limited

Notes to the financial statements for the year ended 31 March 2020

c. Foreign currencies:

The Company's financial statements are presented in Indian Rupees, which is also the functional currency.

Transaction and balances

Transactions in foreign currencies are initially recorded at its functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

d. Fair value measurement

In determining the fair value of its financial instruments, the company uses assumptions that are based on market conditions and risks existing at each reporting date. The method used to determine the fair value includes Discounted Cash Flow analysis, available quoted market price and dealer quotes. All methods of assessing fair value result in general approximation of fair value and such value may never be actually realized. For all other financial instruments, the carrying amount approximates Fair Value due to the short maturity of those instruments.

e. Revenue recognition

Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease.

Reimbursement of cost is netted off with the relevant expenses incurred in Pre-GST regime and post GST same has been recognized as part of revenue under the head business support charges.

Interest income is recognised on time proportion basis.

Dividend income is recognised when the right to receive the payment is established by the balance sheet date.

f. Leases

Company as a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

g. Taxes

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.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. 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.

Comptech Solutions Private Limited

Notes to the financial statements for the year ended 31 March 2020

Deferred tax

Deferred tax is provided using the balance sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets and liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability.

Minimum Alternate Tax (MAT)

MAT paid in a year is charged to the Statement of Profit and Loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the *Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961*, the said asset is created by way of credit to the Statement of Profit and Loss and shown as “MAT Credit Entitlement.” The Company reviews the “MAT credit entitlement” asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

h. Property, plant and equipment

Property, plant and equipment and capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises the purchase price and any cost attributable to bringing the asset to its working condition for its intended use. Borrowing cost relating to acquisition of tangible assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

The Company identifies and determines cost of each component / part of the asset separately, if the component / part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Depreciation

The Company provides depreciation on property, plant and equipment using the Straight Line Method, based on the useful lives estimated by the management. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset. The management has estimated the useful lives of all its tangible assets as per the useful life specified in Part ‘C’ of Schedule II to the Act.

Comptech Solutions Private Limited

Notes to the financial statements for the year ended 31 March 2020

The Company has used the following rates to provide depreciation on the tangible assets:

<i>Category</i>	<i>Useful lives (in years)</i>
Plant and machinery	15
Furniture and fixtures	10
Computers	3 to 6
Office equipments	5

Tangible assets held for sale is valued at lower of their carrying amount and net realizable value. Any write-down is recognized in the statement of profit and loss.

i. Investment property

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The Company depreciates building component of investment property over 60 years from the date of original purchase.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

j. Borrowing costs

Borrowing costs includes interest, amortisation of ancillary cost over the period of loans which are incurred in connection with arrangements of borrowings.

Borrowing costs that are attributable to the acquisition, construction of qualifying assets are treated as direct cost and are considered as part of cost of such assets. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. Capitalisation of borrowing costs is suspended in the period during which the active development is delayed beyond reasonable time due to other than temporary interruption. All other borrowing costs are charged to the Statement of Profit and Loss as incurred.

k. Provisions and Contingent Liability

A provision is recognised when the Company has a present obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

Comptech Solutions Private Limited

Notes to the financial statements for the year ended 31 March 2020

1. 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

Initial recognition and measurement

All financial assets are recognised initially at fair value. Transaction costs that are directly attributable to the acquisition or issue of the financial asset, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

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

a. Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

b. Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred the financial assets and the transfer qualifies for derecognition under Ind AS 109.

Comptech Solutions Private Limited

Notes to the financial statements for the year ended 31 March 2020

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets which are not fair valued through statement of profit and loss. Provision for trade receivables is continued to be measured and provided for debtors exceeding 180 days from its due date. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL. ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

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

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

m. Cash and cash equivalents

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

n. Cash flow statement

Comptech Solutions Private Limited

Notes to the financial statements for the year ended 31 March 2020

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated in the Cash flow statement.

o. Earnings per equity share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

Comptech Solutions Pvt.Ltd.
Notes to the financial statements as at and for the year ended 31 March 2020

2 Property, Plant and Equipment

Description	Plant and machinery	Office Equipment	Furniture & fixtures	Total
Cost or Valuation				
Balance as at 01 April 2018	5,18,540	17,19,090	18,05,461	40,43,091
Additions	37,725	-	-	37,725
Disposals	-	-	-	-
Discontinued operations	-	-	-	-
Exchange differences	-	-	-	-
Balance as at 31 March 2019	5,56,265	17,19,090	18,05,461	40,80,816
Additions	-	-	-	-
Disposals	-	-	-	-
Discontinued operations	-	-	-	-
Exchange differences	-	-	-	-
Balance as at 31 March 2020	5,56,265	17,19,090	18,05,461	40,80,816
Depreciation and impairment				
Balance as at 01 April 2018	95,275	13,77,469	6,05,023	20,77,767
Depreciation for the year	42,650	1,01,005	1,61,601	3,05,256
Disposals	-	-	-	-
Discontinued operations	-	-	-	-
Exchange differences	-	-	-	-
Balance as at 31 March 2019	1,37,925	14,78,474	7,66,624	23,83,023
Depreciation for the year	43,458	1,01,281	1,62,043	3,06,782
Disposals	-	-	-	-
Discontinued operations	-	-	-	-
Exchange differences	-	-	-	-
Balance as at 31 March 2020	1,81,383	15,79,755	9,28,667	26,89,805
Net Block				
As at 31 March 2019	4,18,340	2,40,616	10,38,837	16,97,793
As at 31 March 2020	3,74,882	1,39,335	8,76,794	13,91,011

Comptech Solutions Pvt.Ltd.
Notes to the financial statements as at and for the year ended 31 March 2020

3 Investment Property (net)

	Freehold	Building	Total
Opening balance at 01 April 2018	89,04,800	579,88,252	668,93,052
Additions	-	-	-
Closing balance at 31 March 2019	<u>89,04,800</u>	<u>579,88,252</u>	<u>668,93,052</u>
Additions	-	-	-
Closing balance at 31 March 2020	<u><u>89,04,800</u></u>	<u><u>579,88,252</u></u>	<u><u>668,93,052</u></u>
Depreciation and impairment			
Opening balance at 01 April 2018	-	30,65,437	30,65,437
Depreciation	-	10,20,974	10,20,974
Closing balance at 31 March 2019	<u>-</u>	<u>40,86,411</u>	<u>40,86,411</u>
Depreciation	-	10,23,772	10,23,772
Closing balance at 31 March 2020	<u><u>-</u></u>	<u><u>51,10,183</u></u>	<u><u>51,10,183</u></u>
Net Block			
At 31 March 2019	89,04,800	539,01,841	628,06,641
At 31 March 2020	89,04,800	528,78,069	617,82,869

Information regarding income and expenditure of investment property

	31 March 2020	31 March 2019
Rental income derived from investment properties	114,94,876	113,68,169
Direct operating expenses (including repairs and maintenance) generating rental income	61,27,199	48,55,045
Direct operating expenses (including repairs and maintenance) that did not generate rental income	-	-
Profit arising from investment properties before depreciation and indirect expenses	<u>53,67,677</u>	<u>65,13,124</u>
Less: Depreciation	<u>10,23,772</u>	<u>10,20,974</u>
Profit arising from investment properties before indirect expenses	<u><u>43,43,905</u></u>	<u><u>54,92,150</u></u>

The Company's investment properties consists of 1 freehold property and building in India. The management has determined that the investment properties consist of only classes of asset i.e. commercial office based on the nature, characteristics and risks of each property.

As at 31 March 2020 and 31 March 2019, the fair values of the properties are Rs.199,000,000 and Rs.199,000,000 respectively. These valuations are based on valuations performed by Mulyankan Consultants Ltd., an accredited independent valuer. Mulyankan Consultants Ltd. is a specialist in valuing these types of investment properties. A valuation model in accordance with that recommended by the International Valuation Standards Committee has been applied.

The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

Comptech Solutions Pvt.Ltd.
Notes to the financial statements as at and for the year ended 31 March 2020

4 Financial Assets

4.1 Other Financial assets

	Non-current portion		Current portion	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
To parties other than related parties				
Security deposits				
Unsecured, considered good	2,00,000	2,00,000	-	-
Doubtful	-	-	-	-
	2,00,000	2,00,000	-	-
Less: Provision for doubtful deposits	-	-	-	-
	2,00,000	2,00,000	-	-
Unsecured, considered good				
Interest accrued on fixed deposits	-	-	5,79,661	4,27,578
	-	-	5,79,661	4,27,578
Total Other financial assets	2,00,000	2,00,000	5,79,661	4,27,578

4.2 Trade receivables

	31 March 2020	31 March 2019
Trade receivables	39,71,199	7,43,924
Total trade receivables	39,71,199	7,43,924
Trade Receivables		
Trade Receivables considered good - Secured	-	-
Trade Receivables considered good - Unsecured	39,71,199	7,43,924
Trade Receivables which have significant increase in Credit Risk	-	-
Trade Receivables - credit impaired	4,14,896	4,14,896
	43,86,096	11,58,820
Provision for doubtful receivables	(4,14,896)	(4,14,896)
	39,71,199	7,43,924

No trade or other receivable are due from directors or other officers of the Holding Company/Ultimate Holding company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Comptech Solutions Pvt.Ltd.
Notes to the financial statements as at and for the year ended 31 March 2020

4.3 Cash and cash equivalents

	<u>31 March 2020</u>	<u>31 March 2019</u>		
Cash and cash equivalents				
Balances with banks				
- On current accounts	31,71,723	20,80,852		
Cash on hand	<u>54,286</u>	<u>54,286</u>		
	<u>32,26,009</u>	<u>21,35,138</u>		
Other bank balances				
-Deposit with original maturity of more than 3 months but less than 12 months	<u>176,13,442</u>	<u>145,89,364</u>		
	<u>176,13,442</u>	<u>145,89,364</u>		
Amount disclosed under non-current assets	<u>-</u>	<u>-</u>		
	<u>208,39,451</u>	<u>167,24,502</u>		
Deposit with banks earns interest at floating rates based on bank deposit rates. Short-term deposits are made for varying periods of between 3 to 12 months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.				
For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:				
	<u>31 March 2020</u>	<u>31 March 2019</u>		
Balances with banks:				
- On current accounts	31,71,723	20,80,852		
Cash on hand	<u>54,286</u>	<u>54,286</u>		
	<u>32,26,009</u>	<u>21,35,138</u>		
Less - Bank overdraft	<u>-</u>	<u>-</u>		
	<u>32,26,009</u>	<u>21,35,138</u>		
Changes in liabilities arising from financing activities				
Particulars	01 April 2019	Cashflows	Others*	31 March 2020
Non-convertible redeemable Preference Shares	76,699	-	9,128	85,827
Total liabilities from financing activities	76,699	-	9,128	85,827
* The 'Others' column comprises of interest accrued during the year as well as interest on statutory dues				

* The 'Others' column comprises of interest accrued during the year as well as interest on statutory dues.

5 Other assets

Unsecured considered good, unless stated otherwise

	Non-current		Current	
	<u>31 March 2020</u>	<u>31 March 2019</u>	<u>31 March 2020</u>	<u>31 March 2019</u>
Prepaid expenses	88,288	1,19,800	31,512	51,060
Advances for supply of services	-	-	48,146	10,863
CENVAT receivables	-	-	-	540
	<u>88,288</u>	<u>1,19,800</u>	<u>79,657</u>	<u>62,463</u>

6 Share capital

Authorised capital:

	Equity shares		10% preference shares	
	<u>No</u>	<u>Amount</u>	<u>No</u>	<u>Amount</u>
At 01 April 2018	14,50,000	145,00,000	16,000	1,60,000
Increase / (decrease) during the year	-	-	-	-
At 31 March 2019	14,50,000	145,00,000	16,000	1,60,000
Increase / (decrease) during the year	-	-	-	-
At 31 March 2020	<u>14,50,000</u>	<u>145,00,000</u>	<u>16,000</u>	<u>1,60,000</u>

Terms/ rights attached to equity shares

The Company has two class of equity shares as 'A' class and 'B' class. 'A' class shares means equity shares of Rs. 10 each having all rights as to the Dividend and voting. 'B' Class shares means equity shares of Rs. 10 each having no rights to the dividend and voting. 'A' Class equity shares are entitled to receive dividend as declared from time to time subject to payment of dividend to preference shareholders. The voting rights of 'A' class equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights of 'A' class cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

Failure to pay any amount called up on shares may lead to forfeiture of the shares.

On winding up of the Company, the holders of both 'A' class and 'B' class equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

Terms/ rights attached to preference shares

15222 10% non-cumulative non-convertible redeemable preference shares of Rs 10 each are redeemable at par or at premium on 29-05-2025 with an option to the Company to exercise put / call option for early redemption. Preference shares carry a preferential right as to dividend over equity shareholders. Where dividend on Non-cumulative preference shares is not declared for a financial year, the entitlement thereto is not carried forward. The preference shares are entitled to one vote per share at meetings of the Company on any resolutions of the Company directly affecting their rights. In the event of liquidation, preference shareholders have a preferential right over equity shareholders to be repaid to the extent of capital paid-up and dividend in arrears on such shares.

Issued equity capital:

	Issued equity share capital	
	<u>No</u>	<u>Amount</u>
Issued, subscribed and fully paid-up:		
At 1 April 2018	14,50,000	145,00,000
Changes during the period	-	-
At 31 March 2019	14,50,000	145,00,000
Changes during the period	-	-
At 31 March 2020	<u>14,50,000</u>	<u>145,00,000</u>

Comptech Solutions Pvt.Ltd.
Notes to the financial statements as at and for the year ended 31 March 2020

(i) Details of shareholders holding more than 5% shares of the company

Name of shareholders	As at 31 March 2020		As at 31 March 2019	
	No	% holding in the class	No	% holding in the class
Equity shares of Rs. 10 each fully paid				
Equity Share Classified As "A" Class				
Contech Logistics Solutions Private Limited	7,00,000	48.28%	7,00,000	48.28%
Equity Share Classified As "B" Class				
Avinash Sethia jointly with Contech Logistics Solutions Private Limited	3,75,000	25.86%	3,75,000	25.86%
Pradeep Sharma jointly with Contech Logistics Solutions Private Limited	2,25,000	15.52%	2,25,000	15.52%
Indu Sethia jointly with Contech Logistics Solutions Private Limited	1,50,000	10.34%	1,50,000	10.34%
	<u>14,50,000</u>	<u>100.00%</u>	<u>14,50,000</u>	<u>100.00%</u>

(ii) Reconciliation of number of the equity shares outstanding at the beginning and at the end of the year:

Equity Shares	As at 31 March 2020		As at 31 March 2019	
	No	Amount	No	Amount
At the beginning of the year	14,50,000	145,00,000	14,50,000	145,00,000
Issued during the period - Bonus shares				
Outstanding at the end of the year	<u>14,50,000</u>	<u>145,00,000</u>	<u>14,50,000</u>	<u>145,00,000</u>

(iii) Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates:

Particulars	Equity shares with voting rights	Equity shares with differential voting rights	Compulsorily convertible preference shares	Optionally convertible preference shares
Number of shares				
As at 31 March, 2020				
Contech Logistics Solutions Pvt. Ltd. the	7,00,000			
Ailargo Logistics Ltd, the Ultimate Holding	Nil			

7 Financial Liabilities

7.1 Borrowings

	Effective interest rate %	Maturity	31 March 2020	31 March 2019
<u>Non-current borrowings</u>				
<i>Borrowings (unsecured)</i>				
Liability component of compound financial instruments				
Non-convertible preference shares	11.90%	29 May 2025	85,827	76,699
Total non-current borrowings			<u>85,827</u>	<u>76,699</u>
Aggregate secured loans			-	-
Aggregate unsecured loans			85,827	76,699

Comptech Solutions Pvt.Ltd.
Notes to the financial statements as at and for the year ended 31 March 2020

7.2 Other financial liabilities

	Non-current portion		Current portion	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Other financial liabilities at amortised cost				
Security deposits received	9,38,990	8,51,011	6,16,679	5,70,716
Total other financial liabilities at amortised cost	9,38,990	8,51,011	6,16,679	5,70,716
Total other financial liabilities	9,38,990	8,51,011	6,16,679	5,70,716

7.3 Trade payables

	31 March 2020	31 March 2019
Trade payables	6,32,768	3,25,122
	6,32,768	3,25,122

7.4 Other payables

	31 March 2020	31 March 2019
Provision for expenses	6,92,500	4,88,800
	6,92,500	4,88,800

8 Other liabilities

	Non-current portion		Current portion	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Statutory dues payable	-	-	40,094	59,191
Deferred Lease Income	95,594	1,85,785	90,187	1,30,224
	95,594	1,85,785	1,30,281	1,89,415

9 Current tax liabilities

	31 March 2020	31 March 2019
Provision for tax (net of advance tax)	-	726
	-	726

Comptech Solutions Pvt.Ltd.
Notes to the financial statements as at and for the year ended 31 March 2020

10 Income tax

10(a). Non-current tax Assets (net)

Particulars	31 March 2020	31 March 2019
Advance tax recoverable (net of provision for taxes)	7,63,310	11,01,770
Pre deposit for stay on Demand	40,00,000	40,00,000
	47,63,310	51,01,770

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2020 and 31 March 2019:

	31 March 2020	31 March 2019
Accounting profit before income tax	69,12,210	78,33,237
At India's statutory income tax rate of 25.168% (31 March 2019: 26.00%)	17,39,665	20,36,642
Computed tax expenses		
Expenses not allowed for tax purpose	13,05,583	10,30,944
Expense allowance for tax purpose	(8,65,127)	(8,78,441)
Difference in Tax Rates	(39,167)	-
Other Impact	(13,829)	20,196
At the effective income tax rate of 30.77% (31 March 2019: 28.2%)	21,27,125	22,09,341
Income tax expense reported in the statement of profit and loss	21,27,125	22,09,341
	21,27,125	22,09,341

10(b). Deferred tax:

Deferred tax relates to the following:

	Balance Sheet		Profit and Loss	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Rent Income Straight Lining	3,44,840	3,80,519	(35,679)	(6,723)
Deferred Lease Income	(46,759)	-	(46,759)	-
Fair valuation of securities deposit	56,909	45,311	11,598	35,287
Compounded financial instruments	16,710	19,635	(2,925)	(1,911)
Deferred tax expense/(income)			(73,765)	26,652
Deferred tax assets/(liabilities)	(3,71,700)	(4,45,466)		
MAT Credit entitlement	-	-	-	-
Net deferred tax assets/(liabilities)	(3,71,700)	(4,45,466)	-	-

Reflected in the balance sheet as follows:

	31 March 2020	31 March 2019
Deferred tax assets (continuing operations)		-
Deferred tax liabilities:		
Continuing operations	(3,71,700)	(4,45,466)
Deferred tax assets/(liabilities), net	(3,71,700)	(4,45,466)

Reconciliation of deferred tax asset/(liabilities) (net):

	31 March 2020	31 March 2019
Opening balance as of 1 April	(4,45,465)	(4,18,813)
Tax expense/(income) during the period recognised in profit or loss	(73,765)	26,652
Closing balance as at 31 March	(3,71,700)	(4,45,465)

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

The Company has tax losses which arose in India of Rs.163,763 (31 March 2019: Rs.431,992) that are available for offsetting for eight years against future taxable profits of the companies in which the losses arose. Majority of these losses will expire within a period of 1 year. No deferred tax asset has been created on the same.

Comptech Solutions Pvt.Ltd.
Notes to the financial statements as at and for the year ended 31 March 2020

11 Other operating income

	31 March 2020	31 March 2019
Other operating income		
Rental income	114,94,876	113,68,169
Sundry balances written back	-	37
Others	29,21,202	22,68,619
	144,16,079	136,36,825

12 Finance income

	31 March 2020	31 March 2019
Interest income on		
- fixed deposits with banks	12,34,635	9,94,586
- Income Tax Refund	32,616	-
	12,67,251	9,94,586

13 Depreciation and amortisation

	31 March 2020	31 March 2019
Depreciation of property, plant and equipment (note 2)	3,06,781	3,05,256
Depreciation on investment properties (note 3)	10,23,772	10,20,974
	13,30,554	13,26,230

14 Finance costs

	31 March 2020	31 March 2019
Interest expense		
Interest expense on Financial Liability measured at amortized cost	1,43,070	1,21,394
	1,43,070	1,21,394

15 Other expenses

	31 March 2020	31 March 2019
Legal and professional fees	4,49,450	3,89,380
Travelling expenses	7,342	4,920
Repairs to others	37,06,576	25,11,644
Rates and taxes	30,015	1,53,978
Electricity charges	29,08,781	21,66,452
Payment to auditors (refer note below)	75,000	75,000
Insurance	50,315	17,664
Brokerage and commission	31,512	31,512
Miscellaneous Expenses	38,505	-
	72,97,496	53,50,550
Payments to the auditor:	31 March 2020	31 March 2019
As auditor		
Audit fee	75,000	75,000
	75,000	75,000

Comptech Solutions Private Limited

Notes to the financial statements for the year ended 31 March 2020

16. Earnings Per Share (EPS)

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	31 March 2020	31 March 2019
Net Profit after tax attributable to Equity Shareholders	4,785,085	5,623,896
Weighted average and outstanding number of Equity shares for basic and diluted EPS	14,50,000	14,50,000
Basic and diluted EPS	3.30	3.88

17 (I) Commitments and contingencies

Appeal pending before Commissioner of Income tax (Appeals) for FY 2015-16

The income tax department ("department") had issued assessment order dated 24th December, 2018 for FY 2015-16 for the company, whereby, the department had made addition of Rs. 4.49 Cr u/s. 56(2)(viib) of the Income Tax Act, 1961 and consequently raised Tax demand of Rs. 1.99 cr. During FY 2015-16, the company had issued 15,220 non-cumulative and non-convertible redeemable preference shares having face value of Rs.10/- each, fully paid up at Rs.3,000/- each to the holding company, M/s. Contech Transport Services Pvt Ltd, which is wholly owned subsidiary of Allcargo Logistics Limited. The department has held that these preference share have been allotted at a consideration which exceeds the fair market value of shares and considered as deemed income u/s. 56(2)(viib) of the Income tax Act. The company has filed an appeal before the CIT(A) against the assessment order and raised contention that the department has incorrectly made addition by applying net asset value method for calculation of Fair Market Value of preference share under rule 11UA(C)(b) instead of rule 11UA(C)(c) which deals with calculation of fair market value of preference shares. Second argument against the assessment order is that section 56(2)(viib) of the Income tax is not applied to the company in which the public is substantially interested. By combine reading of section 2(71) with section 2(87) of the Income tax Act, the company being step down subsidiary of the Allcargo Logistics Limited is nothing but a company in which public is Substantially interested and therefore section 56(2)(viib) is not applicable to the company. We have pre deposited Rs. 40 lakhs with Income Tax Department for obtaining stay on Demand as per Section 220(6) of the Income Tax Act, 1961. The company has reviewed all its pending litigations and proceedings and has adequately created provisions wherever required and disclosed as contingent liability, where applicable in the financial statement. The Company's management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect of the Company's results of operations or financial condition.

(II) Leases

Operating lease commitments

Company as lessee :- Nil

Company as lessor :-

The Table below provides details of Maturity Analysis of Lease Payments to be received on undiscounted basis:-

Period	31 March 2020	31 March 2019
Within one year	-	4,28,400
After one year but not more than five years	-	-
More than five years	-	-
Total	-	4,28,400

Comptech Solutions Private Limited

Notes to the financial statements for the year ended 31 March 2020

(III) a. Dues to Micro and small Enterprises

Under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) which came into force from 02 October 2006, certain disclosures are required to be made relating to MSME. On the basis of the information and records available with the Company, the following disclosures are made for the amounts due to the Micro and Small Enterprises.

Particulars	31 March 2019	31 March 2018
Principal amount remaining unpaid to any supplier as at the period end.	NIL	NIL
Interest due thereon	NIL	NIL
Amount of interest paid by the Company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting period.	NIL	NIL
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED.	NIL	NIL
Amount of interest accrued and remaining unpaid at the end of the accounting period	NIL	NIL
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowances as a deductible expenditure under the MSMED Act, 2006	NIL	NIL

b. Earnings in Foreign Currency :- Nil

c. Expenditure in Foreign Currency :- Nil

18. a. List Related Parties:-

Holding Company :-

Contech Logistics Solutions Pvt. Ltd. (formerly Contech Transport Services Pvt. Ltd.)

Ultimate Holding Company

Allcargo Logistics Limited

Fellow subsidiaries

Hindustan Cargo Limited

Joint venture of the Ultimate Holding Company

Avvashya CCI Logistics Private Limited

Key Managerial Personnel

1. Mr. Adarsh Hegde
2. Mr. Jatin Chokshi

Comptech Solutions Private Limited

Notes to the financial statements for the year ended 31 March 2020

b) Transaction with related parties

Nature of Transaction	Holding Company/Ultimate Holding Company		Associates/Joint ventures of the Ultimate Holding Company	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Rent Income				
Allcargo Logistics Ltd.	41,81,760	41,81,760	-	-
Avvashya CCI Logistics Pvt Ltd	-	-	13,73,126	13,07,793
Business support income				
Avvashya CCI Logistics Pvt Ltd	-	-	69,552	50,029
Allcargo Logistics Ltd.	27,79,912	16,44,963	-	-
Security deposit received				
Allcargo Logistics Limited	-	6,96,960	-	-
Trade Receivable				
Allcargo Logistics Ltd	34,21,464	7,43,920		-
Security Deposit payable				
Allcargo Logistics Limited	6,96,960	6,96,960	-	-
Avvashya CCI Logistics Pvt Ltd	-	-	1,88,280	1,88,280

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2020, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2019: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

19. Fair Value

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to the short-term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counter party. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities
- Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly
- Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data

20 a) Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the Company. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirement is met through a mixture of equity, internal accruals, and borrowings.

Comptech Solutions Private Limited

Notes to the financial statements for the year ended 31 March 2020

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents, other bank balances and current investments excluding discontinued operations.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2020 and 31 March 2019.

b) Financial risk management

Trade receivables

Outstanding customer receivables are regularly monitored and impairment analysis is performed at each reporting date on an individual basis.

21. COVID 19 Impact:

The Company has assessed the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of Receivables, Investments and other assets / liabilities. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial results has used internal and external sources of Information. As on current date, the Company has concluded that the Impact of COVID - 19 is not material based on these estimates. Due to the nature of the pandemic, the Company will continue to monitor developments to identify significant uncertainties in future periods, if any

22. Prior year comparatives:-

Previous year figures have been regrouped / rearranged, wherever necessary to correspond with the current year classification/ disclosure.

As per our report of even date attached.

For Shaparia Mehta & Associates LLP
ICAI firm registration No.112350W/ W-100051
Chartered Accountants

Sd/-

Sanjiv Mehta
Partner
Membership No:034950

Date: 22nd June 2020

For and on behalf of Board of directors of
Comptech Solutions Pvt.Ltd.
CIN No:U72300DL1996PTC078496

Sd/-

Sd/-

Adarsh Hegde
Director
DIN: 00035040

Jatin Chokshi
Director
DIN:00495015

Date:22nd June 2020