

## **INDEPENDENT AUDITOR'S REPORT**

**To the Members of  
*IRIS LOGIX SOLUTIONS PRIVATE LIMITED***

### **Report on the Audit of Standalone Financial Statements**

#### **Opinion**

We have audited the standalone financial statements of **IRIS LOGIX SOLUTIONS PRIVATE LIMITED (“the Company”)**, which comprise the balance sheet as at March 31, 2020, the statement of Profit and Loss and statement of cash flows for the period then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its loss and cash flows for the period ended on that date.

#### **Basis for Opinion**

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

#### **Key Audit Matters**

Key audit matters (“KAM”) are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

## **Other Information**

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the standalone financial statements and our auditors' report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone 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.

## **Management's Responsibility for the standalone financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

## **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the standalone 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 Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls over financial reporting 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 standalone 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 auditors' 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 standalone financial statements, including the disclosures, and whether the standalone 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 standalone financial statements of the

current period and are therefore the key audit matters. We describe these matters in our auditors' 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.

### **Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, 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**" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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 purpose 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 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 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 written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 and on behalf of

**M. P. Chitale & Co**

*Chartered Accountants*

Firm's registration number: 101851W

**Viraj Londhe**

*Partner*

Membership number: 45761

Place: Mumbai

Date: June 26, 2020

## **“Annexure A” to the Independent Auditors’ Report**

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of the Company for the period ended March 31, 2020:

- 1) The Company does not have any fixed assets. Hence reporting under this clause is not applicable.
- 2) The Company is engaged in the business of providing services in connection with providing software-related services. Accordingly it does not hold any physical inventories. Consequently, the reporting regarding inventories under clause 3(ii) of CARD is not applicable in the case of the Company.
- 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, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Goods and Service Tax and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2020 for a period of more than six months from the date on when they become payable.  
  
(b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, Goods and Service Tax duty of customs, duty of excise, value added tax outstanding on account of any dispute.

- 8) In our opinion and according to the information and explanations given to us, the Company has not taken any loan either from banks or financial institutions or from the government and has not issued any debentures.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans during the period. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and 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 period.
- 11) The Company is private limited Company and it has not given any managerial remuneration. Hence the clause is not applicable to the Company.;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the period under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For and on behalf of

**M. P. Chitale & Co**

*Chartered Accountants*

Firm's registration number: 101851W

**Viraj Londhe**

*Partner*

Membership number: 45761

Place: Mumbai

Date: June 26, 2020



**“Annexure B” to the Independent Auditor’s Report of even date on the Standalone Financial Statements of IRIS LOGIX SOLUTIONS PRIVATE LIMITED**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

To the Members of  
IRIS Logix Solutions Private Limited

We have audited the internal financial controls over financial reporting of IRIS Logix Solutions Private Limited (“the Company”) as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

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. 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.

**Auditors’ Responsibility**

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.

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 judgement, including the assessment of the risks of material misstatement of the 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 over Financial Reporting**

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**

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**

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 and on behalf of

**M. P. Chitale & Co**

*Chartered Accountants*

Firm's registration number: 101851W

**Viraj Londhe**

*Partner*

Membership number: 45761

Place: Mumbai

Date: June 26, 2020

IRIS Logix Solutions Private Limited  
Balance Sheet as at 31 March, 2020

Particulars		Note No.	As at 31 March, 2020
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a)	Share capital	3	1,000,000
(b)	Reserves and surplus	4	(306,693)
<b>2 Share application money pending allotment</b>			
<b>3 Non-current liabilities</b>			
(a)	Long-term borrowings		-
(b)	Deferred tax liabilities (Net)		-
(c)	Long-term provisions		-
<b>4 Current liabilities</b>			
(a)	Short-term borrowings		-
(b)	Trade payables		-
	i) total outstanding dues of micro enterprises and small enterprises; and		4,720
	ii) total outstanding dues of creditors other than micro enterprises and small enterprises		58,625
(c)	Other current liabilities	5	136,621
(d)	Short-term provisions	6	47,421
<b>TOTAL</b>			<b>940,695</b>
<b>II. ASSETS</b>			
<b>Non-current assets</b>			
<b>1 (a) Property, Plant and Equipment</b>			
(i)	Tangible assets		-
(ii)	Intangible assets		-
(iii)	Capital work-in-progress		-
(iv)	Intangible assets under development		-
(b)	Non-current investments		-
(c)	Long-term loans and advances		-
(d)	Other non-current assets		-
<b>2 Current assets</b>			
(a)	Trade receivables		-
(b)	Cash and Bank Balance	7	931,529
(c)	Short-term loans and advances		-
(d)	Other current assets	8	9,165
<b>TOTAL</b>			<b>940,695</b>

The accompanying policies and notes form an integral part of the financial statements

As per our Report of even date attached

For **M. P. Chitale & Co.**  
Chartered Accountants  
FRN: 101851W

For and on behalf of Board of Directors of  
**IRIS Logix Solutions Private Limited**

Viraj Londhe  
Partner  
Membership No. 45761  
Place : Mumbai  
Date : June 26, 2020

**Gautam Mahanti**  
Director  
DIN: 07163554

**Praveen Kumar Singh**  
Director  
DIN: 08638795

**Vineet Kandoi**  
Director  
DIN: 08638794

IRIS Logix Solutions Private Limited  
Statement of Profit and Loss for the year ended 31 March, 2020

Particulars		Refer Note No.	Year ended 31 March, 2020
I.	Revenue from operations	9	55,365
II.	Other income	10	13
<b>III.</b>	<b>Total Revenue (I + II)</b>		<b>55,378</b>
IV.	<b>Expenses:</b>		
	Employee benefits expense		-
	Finance costs	11	36
	Depreciation and amortization expense		-
	Other expenses	12	362,035
	<b>Total expenses</b>		<b>362,071</b>
<b>V.</b>	<b>Profit from ordinary activities before exceptional and extraordinary items and tax (III-IV)</b>		<b>(306,693)</b>
VI.	Exceptional expenses / (incomes)		-
<b>VII.</b>	<b>Profit from ordinary activities before extraordinary items and tax (V - VI)</b>		<b>(306,693)</b>
VIII.	Extraordinary Items		-
<b>IX.</b>	<b>Profit from ordinary activities before tax (VII- VIII)</b>		<b>(306,693)</b>
X	Tax expense:		
	(1) Current tax		-
	(2) Deferred tax		-
<b>XI</b>	<b>Profit (Loss) for the period from continuing operations (IX-X)</b>		<b>(306,693)</b>
XII	Profit/(loss) from discontinuing operations		-
XIII	Tax expense of discontinuing operations		-
<b>XIV</b>	<b>Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)</b>		<b>-</b>
<b>XV</b>	<b>Profit (Loss) for the period (XI + XIV)</b>		<b>(306,693)</b>
XVI	Earnings per equity share:		
	(1) Basic		(3.07)
	(2) Diluted		(3.07)

The accompanying policies and notes form an integral part of the financial statements

As per our Report of even date attached

For **M. P. Chitale & Co.**  
Chartered Accountants  
FRN: 101851W

For and on behalf of Board of Directors of  
**IRIS Logix Solutions Private Limited**

Viraj Londhe  
Partner  
Membership No. 45761  
Place : Mumbai  
Date : June 26, 2020

**Gautam Mahanti**  
Director  
DIN: 07163554

**Praveen Kumar Singh**  
Director  
DIN: 08638795

**Vineet Kandoi**  
Director  
DIN: 08638794

**IRIS Logix Solutions Private Limited**  
**Cash Flow Statement for the year ended 31 March, 2020**

	Year ended 31 March, 2020
Particulars	(Amount in ₹)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>	
<b>Profit before tax</b>	<b>(306,693)</b>
Adjustments for :	
Depreciation and amortisation	-
Interest expenses	-
<b>Total</b>	<b>-</b>
<b>Operating Cash Profit before Working Capital Changes</b>	<b>(306,693)</b>
(Increase) / Decrease in Other Current Assets	(9,165)
(Decrease) / Increase in Trade Payables	63,345
(Decrease) / Increase in Other Current Liabilities	136,621
(Decrease) / Increase in Short term Provisions	47,421
<b>Total</b>	<b>238,222</b>
Taxes Paid	-
<b><u>Net Cash Inflow / (Outflow) in course of Operating activities (A)</u></b>	<b>(68,471)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>	
Purchase of Property, Plant and Equipments (including capital advances)	-
<b><u>Net Cash Inflow / (Outflow) in the course of Investing Activities (B)</u></b>	<b>-</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	
Proceeds From Share Capital & Share Premium	1,000,000
<b><u>Net cash flow used in financing activities (C)</u></b>	<b>1,000,000</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A + B + C)</b>	<b>931,529</b>
Add: Balance of Cash/Cash Equivalents at the beginning of the year	-
Cash/Cash Equivalents at the close of the year	<b>931,529</b>
Cash equivalents as at the end of the year	931,529
	<b>931,529</b>

As per our Report of even date attached

For **M. P. Chitale & Co.**  
Chartered Accountants  
FRN: 101851W

Viraj Londhe  
Partner  
Membership No. 45761  
Place : Mumbai  
Date : June 26, 2020

For and on behalf of Board of Directors of  
**IRIS Logix Solutions Private Limited**

**Gautam Mahanti**  
Director  
DIN: 07163554

**Praveen Kumar Singh**  
Director  
DIN: 08638795

**Vineet Kandoi**  
Director  
DIN: 08638794

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**  
**(All amounts in ₹)**

**Note**

**1 Corporate information**

IRIS Logix Solutions Private Limited, a company incorporated under the Act. The Company is a private Company within the meaning of Section 2 (68) of the Companies Act, 2013 and accordingly. The registered office of the Company is located at T-231, Tower 2, 3rd Floor, International Infotech Park, Vashi, Navi Mumbai – 400 703.

IRIS Logix specifically caters to the Transporter community by offering an app and api based e-way bill platform.

The financial statements of the Company for the year were approved and adopted by Board of Directors of the Company in its meeting held on June 26, 2020.

**2 Significant accounting policies**

**a Basis of preparation of financial statements**

These financial statements are prepared and presented in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act').

The accounts have been prepared on historical cost basis using the accrual basis of accounting. The preparation of financial statements as per this policy requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as on the date of the financial statements and the reported income and expenses during the reporting period. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the acquisition of assets / inputs for processing and their realisation in cash and cash equivalents, the company has ascertained its normal operating cycle as 12 months for the purpose of current / non current classification of assets and liabilities.

**b Revenue Recognition**

Subscription income is recognized as revenue over the period of the subscription on straight line basis.

Other Income

- i. Interest on Bank deposits is recognized on accrual basis.
- ii. Any other income is recognized on accrual basis, when no significant uncertainty as to measurability or collectability exists.

**c Property, Plant and Equipments**

Tangible Property, Plant and Equipments are stated at the cost of acquisition less accumulated depreciation. Cost includes incidental expenses incurred during the acquisition/ installation, and excludes taxes and duties for which credit has been claimed.

Intangible assets are recorded at the consideration paid for acquisition of such asset and are carried at cost less accumulated amortisation and impairment.

**d Depreciation & Amortization**

Tangible Property, Plant and Equipments are depreciated on straight line basis over the useful life as specified in Schedule II of Companies Act, 2013.

Individual assets whose cost does not exceed ₹ 5,000/- are depreciated fully in the year of purchase.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**  
(All amounts in ₹)

**e Impairments**

At each Balance Sheet date, the Company assesses whether there is any indication that an asset may be impaired. If any such indication exists, management estimates the recoverable amount. Recoverable amount is higher of an asset's net selling price and value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognised in the Statement of Profit and Loss to the extent carrying amount exceeds recoverable amount. Assessment is also done at each Balance sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or many have decreased.

**f Investments**

Long term investments are stated at cost, and provision for diminution is made when in the management's opinion there is a decline, other than temporary, in the carrying value of such investments. Short term investments are valued at lower of cost and net realizable value.

**g Provisions and contingent liabilities**

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed. Contingent assets are not recognized in the financial statements.

**h Miscellaneous Expenditure including share issue expenses**

Preliminary and other miscellaneous expenses including share issue expenses are written off as and when incurred in accordance with the requirements of accounting standard 26.

**i Prepaid Expenses**

Expenses which are incurred in one year and which spill over to the subsequent years are recognised as prepaid on proportionate basis.

**j Taxation**

Tax expense for the year comprises of current tax and deferred tax. Current tax is measured by the amount of tax expected to be paid to the taxation authorities on the taxable profits after considering tax allowances and exemptions and using applicable tax rates and laws.

**k Goods and Services Tax (GST)**

The Goods and Services Tax, namely CGST, SGST and IGST, hereinafter referred to as GST, was levied on the sale of products and services rendered by the Company and as per the provisions of the applicable GST Act. The Input tax Credit was claimed in respect of eligible expenses and shall be adjusted against the GST payable as per the provisions of the applicable GST Act. The unutilised input credit under the GST provisions as on the balance sheet date was disclosed as other current asset in the balance sheet.

**l Earnings per share**

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.

**m Cash and Bank Balance**

Cash and cash equivalents include cash in hand, demand deposits with banks and other short term highly liquid investments with original maturities of three months or less.



Particulars	As at 31 March, 2020	
	Number	₹
<b>Authorised</b>		
Equity Shares of ₹ 10/- each	150,000	1,500,000
<b>Issued</b>		
Equity Shares of ₹ 10/- each	100,000	1,000,000
<b>Subscribed &amp; Paid up</b>		
Equity Shares of ₹ 10/- each fully paid	100,000	1,000,000
<b>Total</b>	<b>100,000</b>	<b>1,000,000</b>

**Reconciliation of shares outstanding at the beginning and at the end of the reporting period.**

Particulars	Equity Shares	
	As at 31 March, 2020	
	Number	₹
Shares outstanding at the beginning of the year	-	-
Shares Issued during the year	100,000	1,000,000
Shares bought back during the year	-	-
Shares outstanding at the end of the year	100,000	1,000,000

The Company does not have any holding company.

Shares in the Company held by each shareholder holding more than 5 percent share specifying the number of shares held:

Name of Shareholder	As at 31 March, 2020	
	No. of Shares held	% of Holding
IRIS Business Services Limited	76,000	76%
Logistics Fund India LLP	24,000	24%
<b>Total</b>	<b>100,000</b>	

As per records of the Company, including its Register of Members and other declarations received from them regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

**Aggregate number of shares issued as fully paid up for consideration other than cash, bonus shares issued and shares bought back during the period of 5 years immediately preceding the reporting date.**

Particulars	Year (Aggregate No. of Shares)
<b>Equity Shares :</b>	<b>2019-20</b>
Fully paid up pursuant to contract(s) without payment being received in cash	-
Fully paid up by way of bonus shares	-
Shares bought back	-

**Rights, preferences and restrictions attached to equity shares**

The company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the company's residual assets. The 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 an 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 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 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.

**Note 4 Reserves and Surplus**

Particulars	As at 31 March, 2020
	₹
<b>a. Capital Reserves</b>	
Opening Balance	-
(+) Current Year Transfer	-
(-) Written Back in Current Year	-
Closing Balance	-
<b>b. Capital Redemption Reserve</b>	
Opening Balance	-
(+) Current Year Transfer	-
(-) Written Back in Current Year	-
Closing Balance	-
Opening balance	-
(+) Net Profit/(Net Loss) For the current year	(306,693)
(+) Transfer from Reserves	-
(-) Proposed Dividends	-
(-) Interim Dividends	-
Closing Balance	<b>(306,693)</b>
<b>Total</b>	<b>(306,693)</b>

**Note 5 Other Current Liabilities**

Particulars	As at 31 March, 2020
	₹
(a) Current maturities of long-term debt	-
(b) Income billed in Advance	108,720
(c) Other Payables	
- Statutory Dues	24,877
- Others	3,024
<b>Total</b>	<b>136,621</b>

**Note 6 Short Term Provisions**

Particulars	As at 31 March, 2020
	₹
Provision for Expenses Payable	
- Audit Fees	36,000
- Others	11,421
<b>Total</b>	<b>47,421</b>

**Note 7 Cash & Bank Balance**

Particulars	As at 31 March, 2020
	₹
<b>Cash &amp; Bank Balance</b>	
a. Balances with banks	929,868
b. Cash on hand	1,661
<b>Total</b>	<b>931,529</b>

**Note 8 Other current assets**

Particulars	As at 31 March, 2020
	₹
GST Input Credit	9,165
<b>Total</b>	<b>9,165</b>

**Note 9 Revenue from Operations**

Particulars	Year ended 31 March, 2020
	₹
Sale of services	55,365
<b>Total</b>	<b>55,365</b>

**Note 10 Other Income**

Particulars	Year ended 31 March, 2020
	₹
Other non-operating income (net of expenses directly attributable to such income)	13
<b>Total</b>	<b>13</b>

**Note 11 Finance Cost**

Particulars	Year ended 31 March, 2020
	₹
Bank charges/ commission	36
<b>Total</b>	<b>36</b>

## Note 12(a)

Other Expenses (I)

Particulars	Year ended 31 March, 2020
	₹
Legal, Professional and Consultancy Fees	280,156
Travelling and Conveyance	8,612
Donation	15,000
Internet Co-Location Charges	1,919
Subscription Charges	7,548
Registration Fees	3,000
Rates and taxes, excluding, taxes on income	3,800
Miscellaneous expenses	2,000
<b>Total</b>	<b>322,035</b>

## Note 12(b)

Other Expenses (II)

Particulars	Year ended 31 March, 2020
	₹
Payment to auditors as	
Auditor	40,000
<b>Total</b>	<b>40,000</b>

<b>Note 12(a+b)</b>	<b>362,035</b>
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**  
**(All amounts in ₹)**

**Note 13 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006**

	<b>As at 31 March, 2020</b>
Principal amount remaining unpaid to any supplier as at the end of the accounting year	4,720
Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.	

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts in ₹)

### Note 14 Additional information to the financial statements

#### Related Party Transactions

1. Gautam Mahanti, Director
2. Vineet Kandoi, Director
3. Praveen Kumar Singh, Director

#### **a. a firm or a Private company, in which a director, manager or his relative is a partner; or a member or director**

IRIS Employee Wellness LLP in which Mr. Gautam Mahanti, Director, is a designated partner

IRIS Filing Solutions Private Limited, in which Mr. Gautam Mahanti is a Director

#### **b. a holding, subsidiary or an associate company of such company;**

IRIS Business Services Limited, which is a holding Company

Logistics Fund India LLP, which is an associate Company

#### **c. a subsidiary of a holding company to which it is also a subsidiary**

IRIS Business Services (Asia) Pte. Ltd., Singapore

IRIS Business Services LLC, USA

Atanou S.R.L., Italy

#### **d. Directors (other than an independent director) or key managerial personnel of the holding company**

Mr. S. Swaminathan, Whole Time Director & CEO, IRIS Business Services Limited

Ms. Deepta Rangarajan, Whole Time Director, IRIS Business Services Limited

Mr. K. Balachandran, Whole Time Director & CFO, IRIS Business Services Limited

Jay Mistry, Company Secretary & Compliance Officer, IRIS Business Services Limited

### Note 15 Transactions and balances with related parties

Particulars	Relationship with Related Party	Transactions during 2019-20	Outstanding as at 31.03.2020
<b><u>Reimbursement of Expenses</u></b>			
Gautam Mahanti	Director	22,537	8,421
Vineet Kandoi	Director	6,024	6,024

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**  
(All amounts in ₹)

**Note 16** Details of Movement in Provisions and contingent liabilities, in terms of Accounting Standard 29 is as under:

<b>Nature of Provision</b>	<b>Opening Balance as on 01-04-2019</b>	<b>Additions during the year</b>	<b>Reversal/ adjustments</b>	<b>Closing Balance as on 31/03/2020</b>
Provision for Other Expenses Payable	-	47,421	-	47,421

**Note 17** Expenditure and Earnings in foreign currency

There is no foreign currency expenditure or earnings for the year ended 31st March, 2020.

**Note 18** In the opinion of the Board, all assets other than Property, Plant and Equipments and non-current investments have a realisable value in the ordinary course of business which is not different from the amount at which it is stated.

For **M. P. Chitale & Co.**  
Chartered Accountants  
FRN: 101851W

Viraj Londhe  
Partner  
Membership No. 45761  
Place : Mumbai  
Date : June 26, 2020

**Gautam Mahanti**  
Director  
DIN: 07163554

**Vineet Kandoi**  
Director  
DIN: 08638794

**Praveen Kumar Singh**  
Director  
DIN: 08638795