

UFO SOFTWARE TECHNOLOGIES PRIVATE LIMITED

Valuable Techno Park, Plot No. 53/1,
Road No. 7, MIDC, Andheri (East)
Mumbai - 400093

AUDITED STANDALONE FINANCIAL STATEMENTS

FOR

FINANCIAL YEAR 2020-21

M/s. Shetty Naik & Associates Chartered Accountants

31, Madhuban Industrial Estate, Plot No. 30,
Off Mahakali Caves Road, Near Paper Box Industry,
Andheri East, Mumbai -400093.

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INDEPENDENT AUDITOR'S REPORT

To the Members of **UFO Software Technologies Private Limited**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of UFO SOFTWARE TECHNOLOGIES PRIVATE LIMITED ("the Company"), which comprises of the balance sheet as at 31st March 2021, and the statement of Profit and Loss (including other Comprehensive Income), the cash flow statement and the Statement of Changes in Equity for the year then ended on that date, 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 Indian Accounting Standards under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India,

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2021,
- b) In the case of the Statement of Profit and Loss, of the Profit of the Company including other comprehensive income, for the year ended on that date, and
- c) In the case of Cash Flow Statement, of the cash flows and changes in equity for the year ended on that date.

Basis for Opinion

We have conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone 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 (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the





Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Responsibility of Management for the 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 financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, 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 Ind As financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind As 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 responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the IND AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.





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

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

Other Matters:

Effects of COVID 19 -

The management does not foresee the need for any adjustment on account of COVID 19 in the financial statements as on March 31st 2021, as it does not significantly impact the current financial year as the company is into the business of Digital Platforms which is not adversely affected by Covid.

Since the situation is constantly evolving, as informed, the management is closely monitoring the situation and the overall effect of these events on the company and its operations. The management of the Company has carried out an assessment of the appropriateness of going concern and other related aspects, and as on the date of approval of these financial results, it believes that there is no significant impact.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order 2016 issued by the department of Companies Affairs in terms of sub-section (11) of section 143 of the Act, we give in "**Annexure A**" a statement on the matter specified in paragraphs 3 and 4 of the order.
2. As required by Section 143(3) of the Act, we report that:
 - (i) 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.
 - (ii) 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 and proper returns adequate for the purpose of our audit have been received from the branches not visited by us.
 - (iii) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.





- (iv) In our opinion, the aforesaid 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, Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (v) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
- (vi) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, reporting on Internal Financial Control is exempt to certain private companies vide MCA notification G.S.R. 583(E) dated 13th June, 2017.
- (vii) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- The company does not have any pending litigations which would impact its financial position.
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **SHETTY NAIK & ASSOCIATES**

Chartered Accountants

ICAI Reg. No.: 124851W

CA. JAGDISH SHETTY

Partner

Membership No: 111936

Place: Mumbai

Dated: May 21, 2021

UDIN: 21111936AAAAX6884





ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date)

1. (a) According to information and explanations given to us, the Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed asset.

(b) According to the information and explanations given to us, the company has a regular programme of physical verification of its fixed assets by which fixed assets are verified. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification.

(c) According to information and explanations given to us, and on the basis of our examination of the records of the Company, the company does not own any immovable property and hence the said sub-clause is not applicable in its case.
2. The company is primarily involved in the technology support services. Accordingly, the company does not hold any physical inventories. Thus, the paragraph 3(ii) of the order is not applicable.
3. According to information and explanations given to us, the Company has not granted any loan, 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) of the Order are not applicable to the Company during the year.
4. According to information and explanations given to us, the Company has not granted unsecured loans covered under the provisions of 186 of the Act exceeding the limits prescribed under Sec. 186(2).
5. According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the rules framed there under during the year.





6. According to the information and explanations given to us, the requirement for maintenance of cost records specified by the Central Government under Section 148(1) of the Act is not applicable to the Company during the year.
7. (a) According to the information and explanation given to us, the Company has been generally regular in depositing the undisputed statutory dues including income tax, sales tax, service tax, value added tax, cess and other material statutory dues as applicable to the appropriate authorities. No undisputed amounts payable in respect of aforesaid statutory dues were outstanding 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 records of the Company and the information and explanations given to us, there are no disputed dues on account of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, Goods and Service Tax, Cess which have not been deposited by the Company on account of disputes, except for the following:

Name of the Statute	Nature of Dues	Amount (Rs in Lacs)	Period	Forum where dispute is pending
The Income Tax Act, 1961	Income - Tax	Rs. 1.49	Assessment Year 2009-10	Income Tax Officer

8. Based on the audit procedures and on the information and explanation given by the management, we are of the opinion that the company has no loans or borrowings from the banks. Accordingly, the provisions of clause 3(viii) of the Order are not applicable to the Company during the year.
9. According to the information and explanations given to us, the Company has not raised moneys by way of public offer (including debt instruments) or term loans during the year.
10. According to the information and explanation given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanation given to us, the Company has not paid any





managerial remuneration to its directors, including managing director and whole-time director and its manager. Accordingly, the provisions of clause 3(xi) of the Order are not applicable to the Company.

12. The Company is not a Nidhi Company. Accordingly, the provisions of clause 3(xii) of the Order are not applicable to the Company.
13. The provisions of Section 177 of the Act relating to Audit Committee are not applicable to the Company during the year. According to the information and explanations given to us and based on our examination of the records of the Company, the transactions with related parties are in compliance with Section 188 of the Act wherever applicable and the details have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanations given to us, the Company has not made preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them during the year. Accordingly, the provisions of clause 3(xv) of the Order are not applicable.
16. 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.

For SHETTY NAIK & ASSOCIATES

Chartered Accountants

ICAI Reg. No.:124851W

CA. JAGDISH SHETTY

Partner

Membership No: 111936

Date: May 21, 2021



UFO Software Technologies Private Limited
Balance Sheet as at 31st March, 2021

Particulars	Notes	(Amount in Rs.)	
		As at 31st Mar, 2021	As at 31st March, 2020
I. ASSETS			
Non-Current Assets			
Property, Plant and Equipment		-	-
Intangible Assets under Development		12,68,269	-
Other Intangible Assets		-	-
Other Non Current Assets		-	-
Total Non-current Assets (A)		12,68,269	-
Current Assets			
Financial Assets:			
Cash and cash equivalents	2	37,42,854	35,65,579
Others	3	1,02,819	3,75,382
Other Current Assets	4	2,31,224	15,902
Total Current Assets (B)		40,76,897	39,56,862
Total Assets (A + B)		53,45,166	39,56,862
II. EQUITY AND LIABILITIES			
Equity			
Share Capital	5	24,82,190	24,82,190
Reserves and Surplus (Other Equity)	6	10,95,831	10,94,524
Total Equity (A)		35,78,021	35,76,714
Liabilities			
Non Current Liabilities			
Other Non-Current Liabilities		-	-
Total Non-Current Liabilities (B)		-	-
Current Liabilities			
Financial Liabilities:			
Borrowings		-	-
Trade Payables	7	14,93,601	-
Other Financial Liabilities		-	-
Short-Term Provisions	8	2,60,863	3,80,148
Other Current Liabilities	9	12,682	-
Total Current Liabilities (C)		17,67,145	3,80,148
Total Equity and Liabilities(A+B+C)		53,45,166	39,56,862

Significant accounting policies and Notes on Financial Statements 1
Notes referred to above form an integral part of Financial Statements

For Shetty Naik & Associates
Chartered Accountants
ICAI Firm Registration No. 124851W

Jagdish Shetty
Partner
Membership No. 111936
Place: Mumbai
Date: 21st May, 2021



For and on behalf of Board of Directors of
UFO Software Technologies Private Limited
CIN: U74899MH2005PTC284653

Ashish Sadanand Malushte
Director
DIN No.00024923
Place: Mumbai
Date: 21st May, 2021



Sushil Agrawal
Director
DIN No.00003163
Place: Mumbai
Date: 21st May, 2021

UFO Software Technologies Private Limited
Cash Flow Statement for the Year Ended 31st March, 2021

	(Amount in Rs.)	
Particulars	For the Year Ended 31st March, 2021	For the Year Ended 31st March, 2020
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax	1,00,854	1,76,208
<u>Adjustment to reconcile profit before tax to net cash flows</u>		
Interest Income	(2,57,178)	(2,55,622)
Operating Profit before Working Capital Changes	(1,56,324)	(79,414)
Movements in working capital :		
Increase / (decrease) in trade payables	14,93,601	
Increase / (decrease) in short-term provisions	(1,46,598)	(22,700)
Increase / (decrease) in other non current liabilities	12,682	
Decrease / (increase) in current other financial assets	2,72,563	
Decrease / (increase) in other current assets	(2,15,323)	(2,372)
Cash generated from operations	12,60,600	(1,04,486)
Direct taxes paid (net of refunds)	1,930	(4,363)
Non Cash Effect of Previous Year Income Tax	(74,164)	
Net Cash Flow from Operating Activities	11,88,367	(1,08,849)
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets, including capital work in progress and capital advances & right to use	(12,68,269)	
Income from Investing Activities	2,57,178	2,55,621
Maturity of bank deposits having original maturity more than 3 months (net)		33,98,873
Net Cash used in Investing activities	(10,11,091)	36,54,494
C CASH FLOW FROM FINANCING ACTIVITIES		
Net Cash used in Financing activities	-	-
Net increase in cash & Cash Equivalents	1,77,276	35,45,645
Cash and Cash equivalents at the beginning of the year	35,65,578	19,933
Cash and Cash equivalents at the end of the year	37,42,854	35,65,578
Components of cash and cash equivalents		
Cash on hand	526	526
Balance with banks:		
- on Current accounts	57,348	65,052
- on Fixed deposits	36,84,980	35,00,000
Total Cash and Cash Equivalents (Note 2)	37,42,854	35,65,578

Notes to Cash Flow Statement

- Components of Cash and Cash Equivalents include cash and bank balances in current account
- The Cash Flow Statement has been prepared in accordance with the requirements of Indian Accounting Standard "Ind AS-7 Cash Flow Statement."

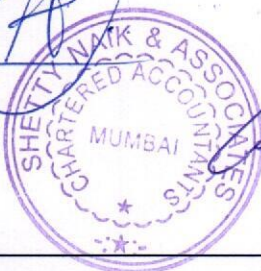
For Shetty Naik & Associates
Chartered Accountants
ICAI Firm Registration No. 124851W

For and on behalf of Board of Directors of
UFO Software Technologies Private Limited
CIN: U74899MH2005PTC284653

Jagdish Shetty
Partner
Membership No. 111936
Place: Mumbai
Date: 21st May, 2021

Ashish Sadanand Malushte
Director
DIN No.00024923
Place: Mumbai
Date: 21st May, 2021

Sushil Agrawal
Director
DIN No.00003163
Place: Mumbai
Date: 21st May, 2021



UFO Software Technologies Private Limited
Statement of Profit & Loss for the Year Ended 31st March, 2021

Particulars	Notes	(Amount in Rs.)	
		Audited Year Ended 31st Mar, 2021	Audited Year ended March 31, 2020
Revenue:			
Revenue from operations		-	-
Other Income	10	-	2,55,622
Total Revenue (I)		-	2,55,622
Expenses:			
Operating Direct Costs	11	25,000	-
Employee Benefit Expense		-	-
Other Expenses	12	1,27,483	79,185
Total Expenses (II)		1,52,483	79,185
Earnings before Interest, Tax, Depreciation and Amortization (EBITDA) (I - II)		(1,52,483)	1,76,437
Depreciation and Amortization Expense		-	-
Finance Cost	13	3,841	229
Finance Income	14	(2,57,178)	-
Profit Before Tax		1,00,854	1,76,208
Tax Expense:			
Current Tax - Pertaining to profit for C.Y.		25,383	44,348
Tax Expenses relating to prior years		74,164	-
Deferred tax		-	-
Total Tax Expense (VI)		99,547	44,348
Profit/(Loss) for the year (V - VI)		1,307	1,31,860
Other Comprehensive Income (OCI)			
A) OCI not to be reclassified to profit or loss in subsequent period		-	-
B) Re-measurement gains /(losses) on defined benefit plans (net of tax impact)		-	-
Other Comprehensive Income (OCI)		-	-
Total Comprehensive Income for the year		1,307	1,31,860
Earnings per equity share (Face Value of Rs. 10 each)			
Basic		0.01	0.53
Diluted		0.01	0.53

Significant accounting policies and Notes on financial statements
Notes referred to above form an integral part of financial statements

For Shetty Naik & Associates
Chartered Accountants
ICAI Firm Registration No. 124851W

For and on behalf of Board of Directors of
UFO Software Technologies Private Limited
CIN: U74899MH2005PTC284653

Jagdish Shetty
Partner
Membership No. 111936
Place: Mumbai
Date: 21st May, 2021



Ashish Sadanand Malushte
Director
DIN No.00024923
Place: Mumbai
Date: 21st May, 2021

Sushil Agrawal
Director
DIN No.00003163
Place: Mumbai
Date: 21st May, 2021



UFO Software Technologies Private Limited

Statement of Change in Equity as at 31st March 2021

Particulars	Equity Share Capital	Other Equity		Total equity attributable to equity holders of the Company
		Reserves & Surplus	OCI	
		Retained Earnings	Securities Premium	
Balance as on April 1, 2020	24,82,190	10,94,524	-	35,76,714
Shares issued & subscribed during the year				-
Profit for the year		1,307		1,307
Other Comprehensive Income			-	-
Balance as on March 31, 2021	24,82,190	10,95,831	-	35,78,021

Statement of Change in Equity as at 31st March 2020

Particulars	Equity Share Capital	Other Equity		Total equity attributable to equity holders of the Company
		Reserves & Surplus	OCI	
		Retained Earnings	Securities Premium	
Balance as on April 1, 2019	24,82,190	9,62,664	-	34,44,854
Shares issued & subscribed during the year				-
Profit for the year		1,31,860		1,31,860
Other Comprehensive Income			-	-
Balance as on March 31, 2020	24,82,190	10,94,524	-	35,76,714

For Shetty Naik & Associates
Chartered Accountants
ICAI Firm Registration No. 124851W

Jagdish Shetty
Partner
Membership No. 111936
Place: Mumbai
Date: 21st May, 2021



For and on behalf of Board of Directors of
UFO Software Technologies Private Limited
CIN: U74899MH2005PTC284653

Ashish Sadanand Malushte
Director
DIN No.00024923
Place: Mumbai
Date: 21st May, 2021



Sushil Agrawal
Director
DIN No.00003163
Place: Mumbai
Date: 21st May, 2021

UFO Software Technologies Private Limited

CIN: U74899MH2005PTC284653

Notes to Financial Statements as at and for the year ended 31st March 2021

1. Corporate Information

UFO Software Technologies Private Limited ("the Company") is a private company limited by shares, incorporated and domiciled in India and incorporated under the provisions of the Companies Act applicable in India on 20th September 2005. The Company is into the business of providing software solutions and development. The registered office of the Company is located at Office No.902, 9th Floor, Ackruti Star, Central Road, MIDC, Andheri (East), Mumbai Thane MH 400093.

2. Significant Accounting Policies

2.1 Going Concern:

The financial statements are prepared on going concern basis.

2.2 Basis of Preparation

These financial statements of the Company have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) to comply with Section 133 of the Companies Act, 2013 ("the 2013 Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and relevant provisions of The Companies Act, 2013. For all periods up to and for the year ended 31 March 2016, the Company has prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014.

Accordingly, the Company has prepared these Financial Statements which comprise the Balance Sheet as at 31 March, 2021, the Statement of Profit and Loss for the year ended 31 March 2021, the Statement of Cash Flows for the year ended 31 March 2021 and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as 'financial statements').

The Financial Statements (FS) were authorized for issue in accordance with a resolution of the Directors on 21st May 2021.

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 realized in normal operating cycle or within twelve month after the reporting period or



UFO Software Technologies Private Limited

CIN: U74899MH2005PTC284653

Notes to Financial Statements as at and for the year ended 31st March 2021

- Cash or cash equivalents 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 or 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 only.

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

The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements have been presented in Indian Rupees (INR), which is the company's functional currency

2.3 Summary of significant accounting policies

(a) Use of Estimates

The preparation of Financial Statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of revenue, expenses, assets and liabilities and disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

(b) Property, Plant and Equipment (PPE):

- i. Recognition and measurement



UFO Software Technologies Private Limited

CIN: U74899MH2005PTC284653

Notes to Financial Statements as at and for the year ended 31st March 2021

All items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

The cost of an item of property, plant and equipment comprises:

- a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired

Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the year in which the costs are incurred.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Property, plant and equipment except freehold land held for use in the production, supply or administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any

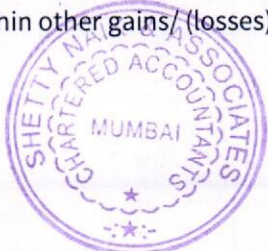
ii. Subsequent expenditure

Parts of an item of PPE having different useful lives and significant value and subsequent expenditure on Property, Plant and Equipment arising on account of capital improvement or other factors are accounted for as separate components only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

(c) Depreciation on Tangible Fixed Assets

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognised using straight line method as per useful life prescribed under Schedule II of The Companies Act, 2013 for the current financial year.

Depreciation is charged on a monthly pro-rata basis for assets purchased or sold during the year. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/ (losses).



UFO Software Technologies Private Limited

CIN: U74899MH2005PTC284653

Notes to Financial Statements as at and for the year ended 31st March 2021

The useful life of PPE is the period over which PPE is expected to be available for use by the Group.

The Company has used the following useful lives to provide depreciation on its property, plant and equipments:

Particulars	Useful lives as per management's estimate (in years)
Computer Systems	3

Useful life of above property, plant and equipments are those prescribed under schedule II.

The Company reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

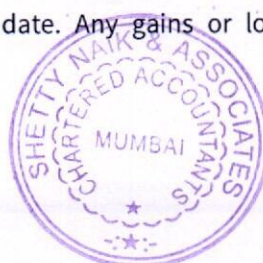
(d) Revenue recognition

- In accordance with Ind AS 115, when the outcome of a transaction involving rendering of Services can be estimated reliably and there is no pending performance obligation, revenue associated with the transaction shall be recognised.
- Dividend income is recognised when the right to receive payment is established.
- Interest income is recognized in accordance with the Effective Interest Method (EIM) as specified in Ind AS 39, if applicable.
- The Company recognises revenues on sale, net of discounts, sales incentives, rebates granted, returns, sales taxes/GST and duties when the services are rendered to the customer.

(e) Foreign currency translation

The functional currency of the Company is Indian Rupees which represents the currency of the primary economic environment in which it operates.

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions are generally recognised in profit or loss. Monetary balances arising from the transactions denominated in foreign currency are translated to functional currency using the exchange rate as on the reporting date. Any gains or loss on such translation, are generally recognised in profit or loss.



UFO Software Technologies Private Limited

CIN: U74899MH2005PTC284653

Notes to Financial Statements as at and for the year ended 31st March 2021

(f) Current income taxes and deferred tax:

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current Tax:

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Group operates. The tax rates and tax laws use to compute the amount are those that are enacted or substantively enacted, at the reporting date.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

Deferred Tax:

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised for all deductible temporary differences and the carry forward of any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax losses can be utilized, except:

When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

In respect of deductible differences associated with investments in subsidiaries deferred tax assets are recognized only to the extent that is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets are reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

Current and deferred tax are recognised in the Statement of Profit and Loss, except when the same relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax relating to such items are also recognised in other comprehensive income or directly in equity respectively.



Minimum alternate tax (MAT):

Tax liability under Minimum Alternate Tax ("MAT") is considered as current tax. MAT entitlement is considered as deferred tax. Minimum Alternative Tax ("MAT") credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

(f) Financial Instruments:

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

i. Initial Recognition and Measurement:

Financial assets and financial liabilities are initially measured at fair value. Transaction costs, that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss), are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs, directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss, are recognised immediately in the Statement of Profit and Loss.

ii. Classification and Subsequent Measurement

• Financial Assets:

The Group classifies financial assets as subsequently measured at amortised cost, or fair value through profit or loss (FVTPL) on the basis of both:

- (i) Business model for managing the financial assets, and
- (ii) The contractual cash flow characteristics of the financial asset.

A Financial Asset is measured at amortised cost if both of the following conditions are met:

- (i) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and
- (ii) The contractual terms of the financial asset give rise on specified dates to cash flows, that are solely payments of principal and interest on the principal amount outstanding.

Such financial instruments are subsequently measured at amortised cost using the effective interest rate (EIR) method.



Other financial assets are classified and measured at fair value through profit or loss (FVTPL)

• **Financial Liabilities and Equity Instruments**

a) Classification as debt or equity

Debt and equity instruments issued by a company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

b) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of directly attributable transaction costs.

c) Financial liabilities

Financial liabilities are classified as measured at amortised cost or 'FVTPL'. A Financial Liability is classified as at FVTPL if it is classified as held-for-trading or it is a derivative (that does not meet hedge accounting requirements) or it is designated as such on initial recognition.

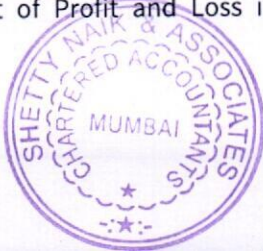
A financial liability is classified as held for trading if:

- It has been incurred principally for the purpose of repurchasing it in the near term; or
- On initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- The financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- It forms part of a contract containing one or more embedded derivatives, and IND AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with IND AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on measurement recognised in Statement of Profit and Loss. The net gain or loss recognised in Statement of Profit and Loss incorporates any interest paid on the



UFO Software Technologies Private Limited

CIN: U74899MH2005PTC284653

Notes to Financial Statements as at and for the year ended 31st March 2021

financial liability and is included in the 'other gains and losses' line item in the Statement of Profit and Loss.

d) Other financial liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

(g) Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for the events for bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share is computed by dividing the profit/ (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares.

(h) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Long term provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Claims against the Company, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent Assets are neither recognized nor disclosed in the financial statements.



UFO Software Technologies Private Limited

CIN: U74899MH2005PTC284653

Notes to Financial Statements as at and for the year ended 31st March 2021

(i) Cash and cash equivalents:

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less, which are subject to insignificant risk of changes in value.

(j) Measurement of EBITDA:

As per Guidance Note on Division II- Ind AS Schedule III to the Companies Act 2013, the Company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The Company measures EBITDA on the basis of profit from continuing operations. In its measurement, the Company does not include depreciation and amortization expense, finance costs, finance income and tax expense.

(k) Significant Accounting Judgements, Estimates and Assumptions:

The preparation of FS, in conformity with the Ind AS, requires judgements, estimates and assumptions to be made, that affect the reported amounts of assets and liabilities on the date of the FS, the reported amounts of revenues and expenses during the reporting period and the disclosures relating to contingent liabilities as of the date of the FS. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in outcomes different from the estimates. Difference between actual results and estimates are recognized in the period in which the results are known or materialise. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in the current and future periods.

(i) Judgements:

In the process of applying the Company's accounting policies, the management makes judgements, which have the most significant effect on the amounts recognised in the FS.

(ii) Estimates and Assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of asset and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the FS were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes



UFO Software Technologies Private Limited

CIN: U74899MH2005PTC284653

Notes to Financial Statements as at and for the year ended 31st March 2021

or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(iii) Recognition and Measurement of Provisions and Contingencies:

Key assumptions about the likelihood and magnitude of an outflow of resources as disclosed in Note (h) above.

3 Impact of COVID

In the month of March 2020, the World Health Organization (WHO) declared spread of "Novel Corona Virus (COVID-19)" as a "Global Pandemic". The situation is constantly evolving and the measures put in place by various countries across the world are having wide-ranging impacts on local, provincial, national and global economies. Management has closely monitored the situation and is of the belief that there is no significant impact of COVID-19 on the company and its operations.



UFO Software Technologies Private Limited
Notes on Financial Statements as at 31st March, 2021

Note : 2 Cash & Cash Equivalent

(Amount in Rs.)

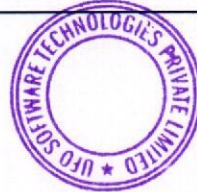
Sr. No	Particulars	As at 31st Mar, 2021	As at 31st March, 2020
		Total	Total
1	Cash-in-Hand	526	526
2	Balance with Banks	57,348	65,052
3	Bank Fixed deposit	36,84,981	35,00,001
	Total	37,42,854	35,65,579

Note : 3 Other Financial Assets - Current

Sr. No	Particulars	As at 31st Mar, 2021	As at 31st March, 2020
		Total	Total
1	Interest Accrued but not Due	83,531	83,480
2	TDS Receivable & Income Tax	19,289	2,91,902
	Total	1,02,819	3,75,382

Note : 4 Other Current Assets

Sr. No	Particulars	As at 31st Mar, 2021	As at 31st March, 2020
		Total	Total
1	Prepaid Assets	-	15,902
2	Receivable from Revenue Authorities (GST)	2,31,224	-
	Total	2,31,224	15,902



UFO Software Technologies Private Limited
Notes on Financial Statements as at 31st March, 2021

Note : 5 Share Capital

			(Amount in Rs.)
Sr. No	Particulars	As at 31st Mar, 2021	As at 31st March, 2020
		Total	Total
1	AUTHORIZED CAPITAL 2,50,000 Equity Shares of Rs.10 each	25,00,000	25,00,000
2	ISSUED, SUBSCRIBED & PAID UP CAPITAL 2,48,219 equity shares of Rs 10/- each fully paid up	25,00,000	25,00,000
		24,82,190	24,82,190
	Total	24,82,190	24,82,190

(5.1) The Company has only one class of shares referred to as equity shares having a par value of Rs.10/-. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(5.2) The reconciliation of number of shares outstanding as on March 31, 2021 is set below:-

Particulars	As at 31st Mar, 2021	As at 31st March, 2020
Number of shares at the beginning	2,48,219	2,48,219
Add/less: Shares issued/ buyback / redeemed during the year	-	-
Number of shares at the end	2,48,219	2,48,219

(5.3) Shares held by each shareholder holding more than 5% shares

Sr.No.	Name of Shareholders	As at 31st Mar, 2021		As at 31st March, 2020	
		% of Total Shares	Number of Shares	% of Total Shares	Number of Shares March 31, 2020
1	UFO Moviez India Limited (Holding Company)	100%	-	96%	2,38,219
1	UFO Moviez India Limited (Holding Company) (Inclg. Nominee Shareholders)	100%	2,48,219		-
	Total	100%	2,48,219	96%	2,38,219

(5.4) As per the records of the company, including its register of shareholders\members and others declaration received from the shareholders regarding beneficial interests. The above shareholding represents both legal and beneficial ownership of shares.

(5.5) During the year ended March 31, 2021 company has not declared Dividend.

Note : 6 Reserve & Surplus

			(Amount in Rs.)
Sr. No	Particulars	As at 31st Mar, 2021	As at 31st March, 2020
		Total	Total
1	Profit & Loss Account Balance carried forward from Previous Year	10,94,524	9,62,664
	Add: Profit for the year	1,307	1,31,860
	Total	10,95,831	10,94,524

Note : 7 Trade Payables

Sr No.	Particulars	As at 31st Mar, 2021	As at 31st March, 2020
		Total	Total
1	Trade Payable - Related Party (For Related Party Disclosure Refer Note 16)	14,83,875	
2	Trade Payable - Others (For details of dues to micro and small enterprises Refer Note 18)	9,726	
	Total	14,93,601	-

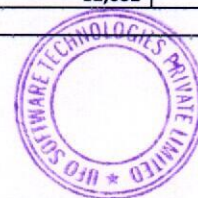
Note : 8 Short Term Provisions

Sr No.	Particulars	As at 31st Mar, 2021	As at 31st March, 2020
		Total	Total
1	Income Tax Provision	1,74,063	3,68,348
2	Audit Fees Payable	36,800	11,800
3	Other Provision for Expenses	50,000	-
	Total	2,60,863	3,80,148



Note : 9 Other Current Liabilities

Sr No.	Particulars	As at 31st Mar, 2021	As at 31st March, 2020
		Total	Total
1	Statutory Liability - TDS Payable	12,682	
	Total	12,682	-



UFO Software Technologies Private Limited

Notes on Financial Statements for the Year Ended 31st March, 2021

Note : 10 Other Income

(Amount in Rs.)

Sr. No	Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
		Total	Total
1	Interest received from FD	-	2,55,622
	Total	-	2,55,622

Note : 11 Direct Expenses

Sr. No	Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
		Total	Total
1	AWS Expenses	25,000	-
	Total	25,000	-

Note : 12 Other Expenses

Sr. No	Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
		Total	Total
1	Legal & Professional Expenses	1,02,029	63,885
2	Rate & Taxes	500	3,500
3	Audit Fees	25,000	11,800
4	Miscellaneous Expenses	(46)	-
	Total	1,27,483	79,185

Note : 13 Finance Cost

Sr. No	Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
		Total	Total
1	Bank Charges	3,841	74
2	Interest & Penalty		155
	Total	3,841	229

Note : 14 Finance Income

Sr. No	Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
		Total	Total
1	Interest on Fixed Deposits [Inclusive of TDS]	2,57,178	-
	Total	2,57,178	-

Note : 15 Earnings Per Share

Sr. No	Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
		Total	Total
1	Profit-Loss attributable to Equity Shareholders (Rs.)	1,307	1,31,860
2	Weighted average number of equity shares outstanding (in lakhs)	2,48,219	2,48,219
3	Earnings per Share (basic and diluted) (Rs.)	0.01	0.53
4	Nominal Value per share (Rs.)	10	10



UFO Software Technologies Private Limited
Notes on Financial Statements for the Year Ended 31st March, 2021

Note 16 : Related Party Disclosure (In accordance with Ind AS 24)

Related Parties

Name	Relationship
UFO Moviez India Limited	: Holding Company
Mr. Ashish Malushte	: Key Management Personnel (Board of Directors)
Mr. Sushil Kumar Agrawal	: Key Management Personnel (Board of Directors)

Particulars	(Amount in Rupees)	
	Year Ended 31st Mar, 2021	Year ended March 31, 2020
UFO Moviez India Limited		
* Expenses		
Expenses incurred by UFO (Capex / Opex)	12,68,269	
* Excluding GST		
Balance Outstanding		
(A) Trade Payable		
UFO Moviez India Limited	14,83,875	

Note 17: Segment Reporting

The company is primarily engaged in only one business segment i.e. digital conversion fees and only one geographical segment i.e. INDIA. Accordingly, the Company has only one identifiable segment reportable under Ind AS 108 "Operating Segment" (Segment Reporting).

Note 18:

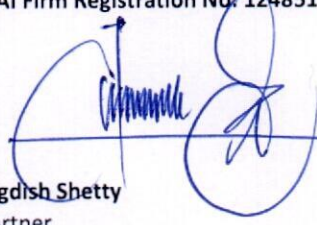
Based on information available with the management, there is no amount due to micro, small scale and medium enterprises as per the Micro, Small and Medium Enterprises Development Act, 2006.

Note 19:

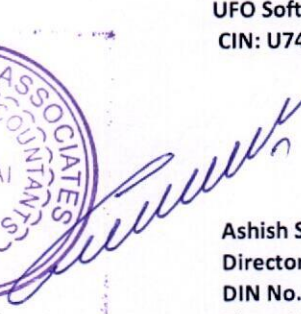
In the opinion of the Board and to the best of their knowledge and belief, the value on realization of current assets, loans and Advance in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet.

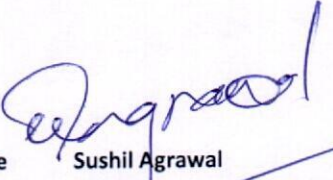
For Shetty Naik & Associates
Chartered Accountants
ICAI Firm Registration No. 124851W

For and on behalf of Board of Directors of
UFO Software Technologies Private Limited
CIN: U74899MH2005PTC284653


Jagdish Shetty
Partner
Membership No. 111936
Place: Mumbai
Date: 21st May, 2021




Ashish Sadanand Malushte
Director
DIN No.00024923
Place: Mumbai
Date: 21st May, 2021


Sushil Agrawal
Director
DIN No.00003163
Place: Mumbai
Date: 21st May, 2021

