



Independent Auditor's Report

To the Members of
Insync Business Solutions Limited
Report on Audit of the Financial Statements

OPINION

We have audited the standalone financial statements of **Insync Business Solutions Limited** ("the Company"), which comprise the balance sheet as at 31st March, 2022 and the statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity, and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred as "the financial statements").

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, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the company as at 31st March, 2022, total comprehensive loss (comprising of loss and other comprehensive income), the changes in equity, and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules made there-under, 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 opinion on the standalone financial statements.

KEY AUDIT MATTERS

There is no key audit matter to be reported.

INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the management discussion and analysis, Director's Report, Corporate Governance report and Other Information included in Company's Annual Report but does not include the standalone financial statements and our auditor's report thereon.



Our opinion on the standalone financial statements does not cover the other information and we will 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 and Board of Directors' Responsibilities for the Standalone Financial Statements

The Company's management and Board of Directors are 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 loss, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, management and Board and Directors are 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 is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. 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.

Materiality is the magnitude of misstatement in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonable knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) Planning the scope of our audit work and in evaluating the results of our work: and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.



- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), Standalone Statement of changes of Equity and the standalone statement of Cash Flow 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 the written representation received from the directors as on 31st March, 2022 taken on record by the board of directors, none of directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Sub-section 2 of Section 164 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. There is no pending litigations as on 31st March, 2022;
 - ii. The company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

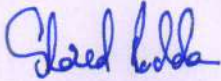
(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entities, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (iv)(a) and (iv)(b) above, contain any material misstatement
 - v. The company has not declared or paid any dividend during the year. Accordingly, the provisions of Section 123 of the Act are not applicable.



3. With respect to the matter to be included in the Auditors Report under section As required by section 143(5) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its directors during the current year is in accordance with the provision of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.

For SPMG & Company
Chartered Accountants
Firm Reg. No. 0509249C



CA Sharad Poddar
Partner
M. No. -087853
UDIN: 22087853AJWQGC8531



Place: New Delhi
Dated: 27.05.2022

Annexure A to the Independent Auditor's Report on the financial statements

(Referred to in Para 1 under the heading 'Report on other Legal and Regulatory Requirements' of our report of even date to The Members of Insync Business Solutions Limited on the standalone financial statements for the year ended 31st March, 2022)

1. a) (A) The Company has maintained proper records of Property, Plant and Equipment's. However, Identification numbers and quantitative details of Property, Plant and Equipment's are not mentioned.

(B) The Company has maintained proper records showing full particulars of intangible assets.

b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets were verified in a phased manner over a period of three year. In accordance with this programme physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain fixed assets were physically verified during the year and no material discrepancies are noticed on such verification.

c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no immovable property in the name of the company.

d) The According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) or intangible assets or both during the year.

e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made there under.
2. a) The Company does not hold any inventory. Therefore, the provisions of paragraph 3 (ii)(a) of the Order are not applicable to the Company.

(b) The Company has not been sanctioned working capital limits in excess of five crores rupees, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
3. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year except as stated in sub-clause (B) below.
 - a) A. Based on the audit procedures carried on by us and as per the information and explanations given to us, Company has not granted any loans or stood guarantee or provided advances or provided securities to subsidiaries and associate.



B. Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has granted loans to a party other than subsidiaries and associate as below:

Particulars	Loans (In Rs.)
Aggregate amount during the year:-	
- Loan to Employees	Rs. 30,000
Balance outstanding as at balance sheet date:-	
- Loan to Employees	Rs. 41,500

- b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of the grant of all loans are, prima facie, not prejudicial to the interest of the Company. Further, the Company has not given any guarantee, Investment made or any security during the year.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. However, the company has given advance to staff only.
- d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given.
- e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan given falling due during the year, which has been renewed or extended or fresh loans given to settle the overdue of existing loans given to the same party.
- f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans either repayable on demand or without specifying any terms or period of repayment.
4. According to information and explanations given to us and based on audit procedures performed, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans given, investments made, guarantees and securities given. Therefore, the provisions of paragraph 3 (iv) of the Order are not applicable to the Company.
5. As per the information and explanations given to us, the Company has not accepted any deposits as mentioned in the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Act and relevant rules framed there under.
6. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sec on 148 of the Act, for any of the services rendered by the Company. Accordingly, clauses 3(vi) of the Companies (Auditor's Report) Order are not applicable to the Company.
7. a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income- tax, Goods and Service tax, Duty of customs, Cess and other material



statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Goods and Services Tax, Provident Fund, Employees State Insurance, Income-Tax, Goods and Service tax, Duty of customs, Cess and other material statutory dues were in arrears as at 31st March, 2022 for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to us, there are no disputed dues in respect of income tax or Sales tax or Service tax or goods and service tax, Duty of customs, Duty of excise, Value added tax which have not been deposited with the appropriate authorities.
8. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.
9. a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or other lender.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no term loans were taken by the company.
- d) According to the information and explanations given to us and on an overall examination of the financial statement of the Company, we report that no funds were raised on short term basis which were utilized for long term purposes by the company.
- e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(e) of the Order is not applicable.
- f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.
10. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, clause 3(x)(a) of the Order is not applicable.



(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

11. (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) According to the information and explanations given to us, no whistle blower complaints have been received by the Company during the year.

12. According to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

13. According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

14. Based on information and explanations provided to us and our audit procedures, in our opinion, the provision of internal audit is not applicable on the company. Accordingly, paragraph 3(xiv) of the Order is not applicable.

15. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

16. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

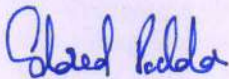
17. The Company has incurred cash losses of Rs. 11,65,903/- & Rs. 1,08,10,141/- in the financial year & immediately preceding year.

18. There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.



19. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
20. In our opinion and according to the information and explanations given to us, there is no amount required to be spent by the company in accordance with section 135 of the companies act 2013. Accordingly, clause 3 (xx) of the Order is not applicable to the Company.

For SPMG & Company
Chartered Accountants
Firm Reg. No. 0509249C



CA Sharad Poddar
Partner
M. No. -087853
UDIN: 22087853AJWQGC8531



Place: New Delhi
Dated: 27.05.2022

Annexure B to the Independent Auditor's Report on the financial statements of Insync Business Solutions Limited

Report on the Internal Financial Controls with reference to the aforesaid financial statements under Clause (i) of Sub-sec on 3 of Sec on 143 of the Companies Act, 2013 ("the Act")

(Referred to in Para 2(g) under the heading 'Report on other Legal and Regulatory Requirements' of our report of even date)

Opinion

We have audited the internal financial controls with reference to the financial statements of **Insync Business Solutions Limited** ("the Company") as of 31st March, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31st March, 2022, based on the internal financial controls with reference to standalone financial statements 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 (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 the 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 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. 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 with reference to standalone financial statements were established and maintained and whether 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 with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of such internal financial controls, 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 procedure selected depends 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 with reference to financial statements.



Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements include 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 authorizations of management and directors of the company; and
- 3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 with reference to standalone financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For SPMG & Company

Chartered Accountants

Firm Reg. No. 0509249C



CA Sharad Poddar

Partner

M. No. - 087853

UDIN: 22087853AJWQGC8531

Place: New Delhi

Dated: 27.05.2022

Insync Business Solutions Limited

Balance sheet as at March 31, 2022

(All amounts are in Indian Rupees, unless otherwise stated)

UDIN: 22087853AJWQGC8531

Particulars	Note no.	As at March 31, 2022	As at March 31, 2021
[I] ASSETS			
1. Non-current assets			
(a) Property, plant and equipment	2	46,323	46,802
(b) Financial assets			
- Other Financial Assets	3	818,753	739,688
(c) Deferred tax assets (Net)	4	6,624	9,289
(d) Other non-current assets	5	314,066	245,723
2. Current Assets			
(a) Financial assets			
- Trade Receivables	6	1,123,367	3,148,811
- Cash and cash equivalents	7	3,460,012	5,493,504
- Loans and advances	8	4,762,191	2,243,714
(b) Other current assets	9	538,566	340,132
TOTAL		11,069,902	12,267,663
[II] EQUITY AND LIABILITIES			
1. Equity			
(a) Equity Share capital	10	500,000	500,000
(b) Other Equity	11	9,732,754	10,877,895
2. Non-current liabilities			
(a) Financial liabilities			
(b) Provisions	12	373,399	332,072
(c) Other non-current Liabilities	13	-	81,409
3. Current liabilities			
(a) Financial liabilities			
- Trade payables	14	-	-
(i) Total outstanding dues of Micro and Small Enterprise		-	-
(ii) Total outstanding dues of creditors other than Micro and Small Enterprise		57,717	18,525
(b) Provisions	15	22,758	18,445
(c) Other Current Liabilities	16	318,410	310,158
(d) Current Tax Liabilities (net)	17	64,864	129,159
TOTAL		11,069,902	12,267,663

Summary of Significant Accounting Policies 1

The accompanying notes are an integral part of the Financial Statements

As per our report of even date attached

For SPMG & Company
Chartered Accountants
Firm Regd. No.: 509249C

For and on behalf of the Board of Directors of
Insync Business Solutions Limited

(Sharad Poddar)
Partner
M. No. 087853

(Shayam Sunder Sharma)
Director
DIN: 00272803

(Sunil Sharma)
Director
DIN: 05359128

Place: Delhi
Date: 27.05.2022

Insync Business Solutions Limited

Statement of Profit and Loss for the year ended March 31, 2022

(All amounts are in Indian Rupees, unless otherwise stated)

UDIN: 22087853AJWQGC8531

Particulars	Note no.	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue from operations	18	4,570,440	5,465,037
Other income	19	191,799	62,434
Total Income		4,762,239	5,527,471
Expenses			
Employee benefit expense	20	3,868,605	4,273,264
Finance cost	21	7,831	1,180
Depreciation and amortisation expense	22	479	2,398
Other Operating expense	23	2,051,707	12,063,168
Total expenses		5,928,621	16,340,010
Profit/ (loss) before exceptional items and tax		(1,166,382)	(10,812,539)
Exceptional items		-	-
Profit/ (loss) before tax		(1,166,382)	(10,812,539)
Tax expense			
a) Current tax		-	-
b) Deferred tax		2,665	3,657
Profit/ (loss) for the period from continuing operations		(1,169,047)	(10,816,197)
Profit/ (loss) for the period		(1,169,047)	(10,816,197)
Other comprehensive income			
- Items that will not be reclassified to profit or loss			
1 Remeasurement of defined employee benefits plan		25,240	(141,140)
Net Other Comprehensive Income		25,240	(141,140)
Total comprehensive income for the period (Profit/ loss + other comprehensive income)		(1,143,807)	(10,957,337)
Earnings per equity share (for continuing operations)			
a) Basic		(22.88)	(219.15)
b) Diluted		(22.88)	(219.15)

The accompanying notes are an integral part of the Financial Statements

As per our report of even date attached

For SPMG & Company
Chartered Accountants
Firm Regd. No.: 509249C

For and on behalf of the Board of Directors of
Insync Business Solutions Limited

(Sharad Poddar)
Partner
M. No. 087853

(Shayam Sunder Sharma)
Director
DIN: 00272803

(Sunil Sharma)
Director
DIN: 05359128

Place: Delhi
Date: 27.05.2022

Insync Business Solutions Limited

Statement of Cash Flows for the year ended 31 March 2022

(All amounts are in Indian Rupees, unless otherwise stated)

UDIN: 22087853AJWQGC8531

Particulars	As at March 31, 2022	As at March 31, 2021
1. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	(1,166,382)	(10,812,539)
Adjustments for :		
Depreciation and amortisation	479	2,398
Interest income	(106,865)	(42,434)
Finance costs	7,831	-
Other Adjustments	-	-
	<u>(1,264,938)</u>	<u>(10,852,575)</u>
Working capital adjustments:		
(Increase)/Decrease in Trade Receivables	2,025,444	9,142,340
(Increase)/Decrease in Loans and Advances	(2,518,477)	2,374,645
(Increase)/Decrease in Other Assets	(345,842)	(352,240)
Increase/(Decrease) in Trade Payables	39,192	(43,825)
Increase/(Decrease) in Provisions	69,547	33,085
Increase/(Decrease) in Current Liabilities	(137,452)	(65,196)
Cash Generated from Operations	<u>(2,132,526)</u>	<u>236,234</u>
Income Tax Paid	-	-
NET CASH GENERATED/(USED IN) BY OPERATING ACTIVITIES (1)	<u>(2,132,526)</u>	<u>236,234</u>
2. CASH FLOW FROM INVESTING ACTIVITIES		
Interest Income	106,865	42,434
NET CASH GENERATED/(USED IN) BY INVESTING ACTIVITIES (2)	<u>106,865</u>	<u>42,434</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Finance costs	(7,831)	-
NET CASH GENERATED/(USED IN) BY FINANCING ACTIVITIES (3)	<u>(7,831)</u>	<u>-</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (1+2+3)	<u>(2,033,492)</u>	<u>278,668</u>
Cash and cash equivalents at the beginning of the year	5,493,504	5,214,836
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>3,460,013</u>	<u>5,493,504</u>

Particulars	As at March 31, 2022	As at March 31, 2021
a. Components of Cash and Cash Equivalents :		
(i) Balances with banks		
- In current accounts	1,162,885	3196376.91
(ii) Cash in hand	2,297,127	2297127
Total	<u>3,460,012</u>	<u>5,493,504</u>

As per our report of even date attached

For SPMG & Company
Chartered Accountants
Firm Regd. No.: 509249C

For and on behalf of the Board of Directors of
Insync Business Solutions Limited

(Sharad Poddar)
Partner
M. No. 087853

(Shayam Sunder Sharma)
Director
DIN: 00272803

(Sunil Sharma)
Director
DIN: 05359128

Place: Delhi
Date: 27.05.2022

Insync Business Solutions Limited

Statement of changes in equity for the year ended March 31, 2022

(All amounts are in Indian Rupees, unless otherwise stated)

UDIN: 22087853AJWQGC8531

a. Equity share capital

	Opening balance as at 01 Apr 2021	Changes in equity share capital during the year	Closing balance as at 31 March, 2022
Equity shares of Rs.10 each	500,000	-	500,000
	500,000	-	500,000

	Opening balance as at 01 Apr 2020	Changes in equity share capital during the year	Closing balance as at 31 March 2021
Equity shares of Rs.10 each	500,000	-	500,000
	500,000	-	500,000

b. Other Equity

For the year ended 31 March, 2022

Particulars	Share premium	Retained earnings	Other Items of OCI	Total Equity
As at 1 April 2021	-	11,019,035	#REF!	#REF!
Profit for the period	-	(1,169,047)	-	(1,169,047)
Other Adjustments	-	(1,333)	-	(1,333)
Other comprehensive income/(loss)	-	-	25,240	25,240
TOTAL	-	9,848,654	#REF!	#REF!

For the year ended 31 March, 2021

Particulars	Share premium	Retained earnings	Other Items of OCI	Total Equity
As at 1 April 2020	-	21,835,231	#REF!	#REF!
Profit for the period	-	(10,816,197)	-	(10,816,197)
Other Adjustments	-	-	-	-
Other comprehensive income/(loss)	-	-	(141,140)	(141,140)
TOTAL	-	11,019,035	#REF!	#REF!

Summary of significant accounting policies

The accompanying notes are an integral part of the Financial Statements

As per our report of even date attached

For SPMG & Company

Chartered Accountants

Firm Regd. No.: 509249C

(Sharad Poddar)

Partner

M. No. 087853

For and on behalf of the Board of Directors of

Insync Business Solutions Limited

(Shayam Sunder Sharma)

Director

DIN: 00272803

(Sunil Sharma)

Director

DIN: 05359128

Place: Delhi

Date: 27.05.2022

Insync Business Solutions Limited

Notes to the Financial Statements for the year ended 31 March, 2022

(All amounts are in Indian Rupees, unless otherwise stated)

2 PROPERTY, PLANT AND EQUIPMENT:

Property, plant and equipment consist of the following for the year ended March 31, 2022:

Particulars	Land	Buildings	Office Equipment	Computer equipment	Furniture and fixtures	Vehicles	Total
Gross carrying value as of April 1, 2021:	-	-	-	792,600	133,900	-	926,500
Additions	-	-	-	-	-	-	-
Deletions	-	-	-	-	-	-	-
Gross carrying value as of March 31, 2022 :	-	-	-	792,600	133,900	-	926,500
Accumulated depreciation as of April 1, 2021:	-	-	-	752,970	126,728	-	879,698
Depreciation	-	-	-	-	479	-	479
Accumulated depreciation on deletions	-	-	-	-	-	-	-
Accumulated depreciation as of March 31, 2022:	-	-	-	752,970	127,207	-	880,177
Carrying value as of March 31, 2022:	-	-	-	39,630	6,693	-	46,323

PROPERTY, PLANT AND EQUIPMENT:

Property, plant and equipment consist of the following for the year ended March 31, 2021:

Particulars	Land	Buildings	Office Equipment	Computer equipment	Furniture and fixtures	Vehicles	Total
Gross carrying value as of April 1, 2020:	-	-	-	792,600	133,900	-	926,500
Additions	-	-	-	-	-	-	-
Deletions	-	-	-	-	-	-	-
Gross carrying value as of March 31, 2021:	-	-	-	792,600	133,900	-	926,500
Accumulated depreciation as of April 1, 2020:	-	-	-	752,970	124,330	-	877,300
Depreciation	-	-	-	-	2,398	-	2,398
Add/(Less): Adjustments	-	-	-	-	-	-	-
Accumulated depreciation on deletions	-	-	-	-	-	-	-
Accumulated depreciation as of March 31, 2021:	-	-	-	752,970	126,728	-	879,698
Carrying value as of March 31, 2021:	-	-	-	39,630	7,172	-	46,802

Insync Business Solutions Limited

Notes to the Financial Statements for the year ended 31 March, 2022

(All amounts are in Indian Rupees, unless otherwise stated)

	As at 31/03/2022	As at 31/03/2021
3 Non Current Financial Assets - Others :		
- Long term Bank deposits	803,753	724,688
- Security deposits	15,000	15,000
Total:	818,753	739,688
4 Deferred Tax Assets (Net) :		
Deferred tax assets (net)		
- Depreciation and amortisation	6,624	9,289
Total:	6,624	9,289
The management, based on future projections, is of the view that there would be sufficient taxable income in foreseeable future, which will enable the Company to utilize the Deferred tax assets.		
5 Other Non Current Assets :		
- TDS & IT Refund Receivables	314,066	245,723
Total:	314,066	245,723
6 Current Financial Assets - Trade Receivables :		
Unsecured		
- Considered good	1,123,367	3,148,811
Total:	1,123,367	3,148,811
7 Cash and Cash Equivalents :		
(i) Balances with banks		
- In current accounts	1,162,885	3,196,377
(ii) Cash on hand	2,297,127	2,297,127
Total:	3,460,012	5,493,504
8 Current Financial Assets - Loans & Advances :		
- Advances to Employee	41,500	24,500
- Advance to Suppliers*	4,720,691	2,219,214
Total:	4,762,191	2,243,714
* Includes advance to Holding Company (Refer Note No. 1.15)	4,720,691	2,219,214
9 Other Current Assets :		
- Indirect Tax Recoverables	32,359	27,033
- Unbilled Revenue	302,620	-
- TDS & IT Refund Receivables	203,587	313,099
Total:	538,566	340,132

Insync Business Solutions Limited

Notes to the Financial Statements for the year ended 31 March, 2022

(All amounts are in Indian Rupees, unless otherwise stated)

Particulars	As at 31.03.2022	As at 31.03.2021
10. Share capital		
A. Authorised Capital		
1,00,000 Equity Shares of Re. 10/- each fully paid up with voting rights	1,000,000	1,000,000
B. Issued, Subscribed And Fully Paid Up		
50,000 EQUITY SHARES OF Rs. 10/- EACH fully paid up with voting rights	500,000	500,000
Total :	500,000	500,000

Rights, preferences and restrictions attached to shares

The Company has one class of equity shares having a par value of Rs 1/- each. Each shareholder is eligible for one vote per share held. The dividend, if any as and when proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

11. Other Equity

Other equity consist of the following:

(a) Retained earnings

	As at 31.03.2022	As at 31.03.2021
(i) Opening balance	10,877,895	21,835,231
(ii) Add: Profit for the period	(1,169,047)	(10,816,197)
(iii) Add: Remeasurement of defined employee benefit plans	25,240	(141,140)
	9,734,087	10,877,895

Less : Appropriations

(i) Appropriation/Adjustments	(1,333)	-
	9,732,754	10,877,895

Total : 9,732,754 10,877,895

10A. Details of shareholders holding more than 5% shares in the Company

Equity shares of Rs. 10 each, fully paid up held by:

	As at 31 March, 2022		As at 31 March, 2021	
	Number	% Holding	Number	% Holding
-FCS Software Solutions Limited	50,000	100.00%	50,000	100.00%

10B. Reconciliation of number of shares outstanding and amount of share capital as at March 31, 2022 and March 31, 2021

	No. of Shares	Amount	No. of Shares	Amount
Number of shares at the beginning of the period	50000	500,000	50000	500,000
Add/Less: Changes in number of shares				
Number of shares at the end of the period.	50000	500,000	50000	500,000

Insync Business Solutions Limited

Notes to the Financial Statements for the year ended 31 March, 2022

(All amounts are in Indian Rupees, unless otherwise stated)

	As at 31/03/2022	As at 31/03/2021
12 Non-Current Provisions :		
- Provision for Leave Encashment	71,676	58,478
- Provision for gratuity	301,723	273,594
Total:	373,399	332,072
	As at 31/03/2022	As at 31/03/2021
13 Other Non Current Liabilities :		
- Security Deposits-ID Cards	-	81,409
Total:	-	81,409
	As at 31/03/2022	As at 31/03/2021
14 Current Financial Liabilities - Trade Payables :		
Unsecured		
(i) Total outstanding dues of Micro and Small Enterprise	-	-
(ii) Total outstanding dues of creditors other than Micro and Small Enterprise	57,717	18,525
Total:	57,717	18,525
	As at 31/03/2022	As at 31/03/2021
15 Current Provisions :		
- Provision for Leave Encashment	5,221	4,141
- Provision for gratuity	17,537	14,304
Total:	22,758	18,445
	As at 31/03/2022	As at 31/03/2021
16 Other Current Liabilities :		
- Others (Payables)	318,410	310,158
Total:	318,410	310,158
	As at 31/03/2022	As at 31/03/2021
17 Current Tax Liabilities (net)		
- Income Tax Provision	-	-
- Indirect tax payable and other statutory liabilities	64,864	129,159
Total:	64,864	129,159

Insync Business Solutions Limited

Notes to the Financial Statements for the year ended 31 March, 2022

(All amounts are in Indian Rupees, unless otherwise stated)

	As at 31/03/2022	As at 31/03/2021
18 REVENUE FROM OPERATIONS		
IT Enabled Services;		
- Domestic	4,570,440	5,465,037
Total:	4,570,440	5,465,037
19 OTHER INCOME		
Other income (net) consist of the following:		
- Interest income	106,865	42,434
- Other Income	84,934	20,000
Total:	191,799	62,434
Interest income comprise:		
- Interest on bank deposits	79,065	42,434
- Other interest (including interest on income tax refunds)	27,800	-
Total:	106,865	42,434
20 EMPLOYEE BENEFIT EXPENSES		
Employee costs consist of the following:		
- Salaries, incentives and allowances	3,679,535	4,055,099
- Contributions to provident and other funds	189,070	218,165
Total:	3,868,605	4,273,264
21 FINANCE COSTS (at effective interest rate method)		
Finance costs consist of the following:		
- Bank Charges	7,831	1,180
Total:	7,831	1,180
22 DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation of Property, Plant and equipment	479	2,398
Total:	479	2,398
23 OTHER OPERATING EXPENSES		
Other operating expenses consist of the following:		
- Fees to external consultants	67,160	134,460
- Communication expenses	202,142	256,386
- Rent	1,560,000	1,560,000
- Conveyance	-	15,000
- Auditors Remuneration (refer to note (i) below)	25,000	25,000
- Other expenses	197,405	10,072,322
Total:	2,051,707	12,063,168
(i) payment to Auditors net of GST, where applicable.		
- Annual Audit fee	25,000	25,000
Total	25,000	25,000

INSYNC BUSINESS SOLUTIONS LIMITED

Regd. Office: 205, 2nd Floor, Agarwal Chamber IV, 27, Near Sawarker Block, Vikas Marg, Shakarpur Delhi - 110092

CIN: U72900DL2009PLC196146

NOTES TO STANDALONE FINANCIAL STATEMENTS

1. COMPANY OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES

1.1 Company Overview:

Insync Business Solutions Limited ('the company') was incorporated on 18th November, 2009 in India. The company business consists of software development and marketing and providing support services mainly for corporate business entities in the BPO and software development services.

1.2 Basis of preparation of financial statements

These financial statements are prepared in accordance with the Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis, except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant amendment rules issued thereafter.

Effective April 1, 2016, the Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101, *First Time Adoption of Indian Accounting Standards*, with April 1, 2015 as the transition date. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

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.

1.3 Use of estimates

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

1.4 Revenue recognition

Revenue from software development services and other projects on a time-and material basis is recognized based on service rendered and billed to clients as per the terms of specific contracts. In the case of fixed-price contracts, revenue is recognized based on the milestones achieved, as specified in the contracts, on a percentage of completion basis. Interest on development of surplus funds is recognized using the time-proportion method, based on interest rates implicit in the transaction.

1.5 Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition including incidental costs related to acquisition and installation less accumulated depreciation and impairment loss, if any. All direct costs are capitalized till the assets are ready to be put to use. Fixed assets under construction, advances paid towards acquisition of fixed assets and cost of assets not put to use before the period/year end, are disclosed as capital work in progress. The company depreciates property, plant and equipment over their estimated useful lives using the written down value method. The estimated useful lives of assets are as follows:

Fixed Assets	Useful lives of Assets
Computer equipment ⁽¹⁾	3 Years
Furniture and fixtures ⁽²⁾	10 Years

⁽¹⁾The useful lives for these assets are same as useful lives prescribed under Part C of Schedule II of the Companies Act, 2013.

1.6 Impairment

Management periodically assesses using external and internal sources where there is an indication that an asset may be impaired. Impairment occurs where the carrying value exceed the present value of future cash flow expected to arise from the continuing use of the asset and its eventual disposal. The impairment loss to be expensed is determined as the excess of carrying amount over the higher of the assets net sales price or present value as determined above. The management is of the view that impairment does not apply to the Company, hence not recognized.

1.7 Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation.

1.8 Functional & Foreign currency

Functional currency:

The functional currency of the Company is the Indian rupee. These financial statements are presented in Indian rupees.

Transactions and translations:

Foreign-currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from such translations are included in net profit in the Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the Balance sheet.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction. However, the company has not entered into any foreign currency transactions during the year.

1.9 Earnings per equity share

Basic earnings per share is computed by dividing the net profit attributable to the equity holders of the Company by weighted average number of equity shares outstanding during the year in conformity with the Ind-AS-33. Diluted earnings per share is computed by dividing the net profit attributable to the

equity holders of the Company by weighted average number of equity and equivalent diluted equity shares outstanding during the year-end, except where the results would be anti-dilutive.

1.10 Taxation

Income tax expense comprises current and deferred income tax. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted at the Balance Sheet date. Deferred income tax assets and liabilities are recognized for all temporary timing differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements as prescribed in Ind-AS-12. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The Company does not offset current tax assets and current tax liabilities on net basis, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

1.11 Employee benefits

1.11.1 Gratuity

The Company provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees of the company. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company.

The Company recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability / (asset) are recognized in other comprehensive income.

1.11.2 Provident fund

Eligible employees of the company receive benefits from a provident fund, which is a defined benefit plan. Both the eligible employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. Amounts collected under the provident fund plan are deposited in a government administered provident fund. The companies have no further obligation to the plan beyond its monthly contributions.

1.11.3 Compensated absences

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each Balance Sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the Balance Sheet date.

1.12 Cash flow statement

Cash flows are reported using the indirect method, whereby profit/(loss) for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

Amendment to Ind AS 7:

Effective April 1, 2017, the Company adopted the amendment to Ind AS 7, which require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement. The adoption of the amendment did not have any material impact on the financial statements.

1.13 Other income

Other income is comprised primarily of interest income and Misc income. Interest income is accounted for on accrual basis.

1.14 Investment

Investments are classified into non-current and current investments based on the intent of management at the time of acquisition. Non-current investments including investment in subsidiaries and associate companies are measured at Fair value through other comprehensive income. Net Assets value as certified by expert is considered as Fair Market Value for the purpose of valuation of investment in all companies including subsidiaries.

1.15 Related Party Transactions:

A. Details of related Parties with whom transactions have taken place:

Entities where Control/significant Influence of KMP exists:

FCS Software Solutions Ltd.

Key Management Personnel

Dalip Kumar – Director

Shayam Sunder Sharma – Director

Sunil Sharma- Director

A. Transactions with the Related Parties

Party Name	Nature of Relation	Nature of transaction	31.03.2022	31.03.2021
FCS Software Solutions Ltd.	Holding Co.	Rent Expenses	15,60,000/-	15,60,000/-

B. Balance Outstanding with the Related Parties:

Party Name	Nature of Relation	Nature of outstanding	31.03.2022	31.03.2021
FCS Software Solutions Ltd.	Holding Co.	Advance to Supplier	47,20,691/-	22,19,214/-

1.16 Expenditure in Foreign Currency

	31.03.2022	31.03.2021
Expenditure incurred	Nil	Nil

1.17 Earning in Foreign Exchange

	31.03.2022	31.03.2021
Income Earned	Nil	Nil

1.18 Corporate Social Responsibility (CSR) committee has not been formed by the Company, as the company does not qualified the norms specified as required under section 135 of Companies Act, 2013 to contribute towards CSR.

1.19 The outbreak of Coronavirus disease (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The management has evaluated the impact of this pandemic on its business operations and based on its review, there is no significant impact on its business operations. However, the impact assessment of COVID 19 is a continuing process given the uncertainties associated with its nature and duration and accordingly the impact may be different from that estimated as at the date of approval of these financial statements. The Company will continue monitoring any material changes to future economic conditions.

1.20 Sundry Debtors and creditors are subject to confirmations.

1.21 Previous year figures have been re-grouped/re-classified wherever necessary to correspond with the current year's classification/disclosures.

AUDITOR'S REPORT

As per our separate report of even date

For SPMG & Company

Chartered Accountants

Firm Regd. No.: 509249C

For and on behalf of the Board of Directors of

Insync Business Solutions Limited

(Sharad Poddar)

Partner

M. No. 087853

UDIN: 22087853AJWQGC8531

(Shayam Sunder Sharma)

Director

DIN: 00272803

(Sunil Sharma)

Director

DIN: 05359128

Place: Delhi

Date: 27.05.2022