Independent Auditors' Report

To the Members of **LEANBOX LOGISTICS SOLUTIONS PRIVATE LIMITED**

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the accompanying financial statements of Leanbox Logistics Solutions Private Limited Limited, ("the Company") which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the "Basis for Qualified Opinion" section of our report, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("IndAS") and other accounting principles generally accepted in India, of the state of affairs of "the Company" as at March 31, 2020, the Loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

We draw the attention to the fact that Company is continuously suffering losses from operations with net loss for the year ended March 31, 2020 amounting to Rs. 40,97,24,322 and as of that date, the Company's accumulated losses amount to Rs. 13,41,09,098 as against Company's share capital of Rs. 1,35,64,560 and the networth of the Company has been fully eroded . These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. In the event that the going concern assumption of the company is inappropriate, adjustments will have to be made as not a going concern.

However the financials has not been prepared with such adjustments for the year ended March 31, 2020.

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

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Emphasis of Matter

We draw attention to Note 35 to the Ind AS financial statements, which states the impact of Coronavirus disease 2019 (COVID-19) on the operations and financial position of the Company.

Our opinion is not modified in respect of this matter.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are 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

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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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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 misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably 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.

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Report on Other Legal and Regulatory Requirements.

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of sub-section (11) of section 143 of the Act, we give in the **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order.

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 purpose of our audit;

   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

   d. In our opinion, the aforesaid financial statements comply with Ind AS specified under Section 133 of the Act, read with relevant rule issued there under.

   e. On the basis of written representations received from the Directors as on March 31, 2020, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020, from being appointed as a director in terms of Section 164 (2) of the Act.

   f. With respect to the adequacy of Internal financial controls over financial reporting of the company and the operating effectiveness of such control, refer to our separate report in **"Annexure B"** our report express an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial control over financial reporting.

   g. With respect to the other matters to be included in the Auditor's in the Auditor's Report in accordance with requirement of section 197(16) of the Act, as amended:

      i. In our opinion and to the best of our information and according to the explanations given to us, provisions of section 197 of the Act are not applicable to the Company.

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h. 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, as amended, in our opinion and to the best of our information and according to the explanation given to us:

   i. There are no pending litigations against the Company, which would materially impact financial position in its financial statements.

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   iii. There were no amounts, which were required to be transferred, to the Investor Education and Protection Fund by the Company.

For **NGS & Co. LLP**
Chartered Accountants
Firm Registration No. : 119850W

Ganesh Toshniwal
Partner
Membership Number: 046669
Mumbai
July 30, 2020
UDIN: 20046669AAAAEJ7627

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Annexure A to the Independent Auditor's Report

(Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report to the members of Leanbox Logistics Solutions Private Limited of even date)

i. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

   b) According to the information and explanations given to us, the Fixed Assets have been physically verified by the management during the year, no material discrepancies were noticed on such verification with book records. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and nature of its assets.

   c) According to the information and explanations given to us, the Company does not own any immovable properties. Therefore, paragraph 3 (i)(c) of the order is not applicable.

ii. The management has conducted physical verification of inventory at regular intervals during the year. In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventory. The discrepancies noticed on verification between physical stocks and the book records were not material having regard to the size of the operations of the company.

iii. Based on the audit procedure and according to information and explanations given to us, the Company has not granted any loan secured or unsecured to the companies, firm, or other parties covered in the register maintained under section 189 of the Act. Therefore, paragraph 3 (iii) of the order is not applicable.

iv. In our opinion and according to the information and explanations given to us, the Company has not given any loan, investment, guarantees or security during the year under audit with respect to the provisions of section 185 and 186 of the Act. Therefore, paragraph 3 (iv) of the Order is not applicable.

v. According to information and explanations given to us, the Company has not accepted any deposits within the meaning of Section 73 to 76 of the Act and Rules framed thereunder to the extent notified. Therefore, paragraph 3(v) of the order is not applicable.

vi. In our opinion and according to the information and explanations given to us, maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Therefore, paragraph 3(vi) of the order is not applicable.

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vii. a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities except as detailed below:

Name of the statute	Nature of the dues	Amount (Rs.)	Period to which amount relates	Due date	Date of Payment
Provident Fund Act, 1952	Provident Fund	1,52,498	May-19	15-06-2019	09-10-2019
The Income Tax Act, 1961	Tax Deducted at Source	6,50,221	Apr-19	07-05-2019	30-05-2019
The Income Tax Act, 1961	Tax Deducted at Source	95,963	Mar-20	30-04-2020	27-07-2020
The Income Tax Act, 1961	Tax Deducted at Source	13,47,907	Mar-20	30-04-2020	Not yet paid

b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Value Added Tax, Goods and Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.

c) According to the information and explanations given to us, there are no material dues of income tax, sales tax, goods and service tax, customs duty, value added tax, cess and other material statutory dues which have not been deposited with the appropriate authorities on account of any dispute.

viii. In our opinion and according to the information and explanations given to us, the Company has not taken any loan either from banks, financial institutions or from the government and has not issued any debentures. Therefore, paragraph 3(viii) of the order is not applicable.

ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instrument) and term loans during the year. Therefore, paragraph 3(ix) of the order is not applicable.

x. According to the information and explanations given to us, no material fraud by the company or on the Company by its officer or employees has been noticed or reported during the course of our audit.

xi. According to the information and explanations given by the management, the provisions of section 197 read with Schedule V of the Act are not applicable to the company. Therefore, paragraph 3(xi) of the order is not applicable.

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xii. In our opinion and according to the information given to us, the Company is not a Nidhi Company. Therefore, paragraph 3(xii) of the order is not applicable.

xiii. According to the information and explanation give to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 & 188 of the Act where applicable and details have been disclosed in the Financial statements as required by the applicable accounting standard.

xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has made preferential allotment of shares during the year in compliance with the requirement of section 42 of the Act and amount raised has been used for the purpose for which the funds were raised.

xv. According to the information and explanation give to us and based on our examination of the records, Company has not entered into any non-cash transactions with the directors or persons connected with him. Therefore, paragraph 3(xv) of the order is not applicablex

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For NGS & Co. LLP
Chartered Accountants
Firm Registration No.: 119850W

NGS & CO. LLP MUMBAI CHARTERED ACCOUNTANTS

Ganesh Toshniwal
Partner
Membership No. 046669
Mumbai
July 30, 2020
UDIN: 20046669AAAAEJ7627

Annexure - B to the Auditors' Report
Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

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

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

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Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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.

Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For **NGS & Co. LLP**
Chartered Accountants
Firm Registration No.: 119850W

NGS & CO. LLP
MUMBAI
CHARTERED ACCOUNTANTS

Ganesh Toshniwal
Partner
Membership Number: 046669
Mumbai
July 30, 2020
UDIN: 20046669AAAAEJ7627

LEANBOX LOGISTICS SOLUTIONS PRIVATE LIMITED
BALANCE SHEET AS AT MARCH 31, 2020

(Amount in Rs.)

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
ASSETS			
1. Non-Current Assets			
Property, Plant and Equipment	2	98,74,765	47,38,698
Right-of-Use Assets	3	5,21,85,020	-
Other Intangible Assets	4	1,79,06,449	1,01,26,457
Financial Assets			
Other Financial Assets	5	-	6,60,000
Other non current assets	6	1,27,10,072	39,21,348
Total Non-Current Assets		**9,26,76,306**	**1,94,46,503**
2. Current Assets			
Inventories	7	1,07,24,306	58,14,216
Financial Assets			
Trade Receivables	8	3,62,60,463	2,48,45,354
Cash and Cash Equivalents	9	2,30,62,756	2,95,78,171
Other Financial Assets	10	1,45,32,000	31,20,050
Other Current Assets	11	2,33,24,945	76,47,463
Total Current Assets		**10,79,04,471**	**7,10,05,254**
Total Assets		**20,05,80,776**	**9,04,51,757**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	12	1,35,64,560	35,70,000
Other Equity	13	(13,41,09,098)	4,23,60,733
Total Equity		**(12,05,44,538)**	**4,59,30,733**
Liabilities			
1. Non-Current Liabilities			
Deferred Tax Liabilities	14	-	14,79,555
Lease Liabilities	15	3,42,92,163	-
Provisions	16	61,91,311	-
Total Non-Current Liabilities		**4,04,83,474**	**14,79,555**
2. Current Liabilities			
Financial Liabilities			
Borrowings	17	5,16,26,425	50,10,787
Trade Payables	18		
(a) Micro and Small Enterprises		-	-
(b) Others		19,03,52,481	2,58,99,066
Lease Liabilities	19	2,10,60,496	-
Other Current Liabilities	20	99,73,025	1,11,31,616
Provisions	21	76,29,412	10,00,000
Total Current Liabilities		**28,06,41,840**	**4,30,41,469**
Total Equity and Liabilities		**20,05,80,776**	**9,04,51,757**

Significant Accounting Policies and Notes forming part of the financial statements 1-37

In terms of our report attached

For NGS & Co. LLP
Chartered Accountants

NGS & CO. LLP CHARTERED ACCOUNTANTS MUMBAI

Ganesh Toshniwal
Partner
Membership No. 046669
Mumbai
June 30, 2020

For and on behalf of the Board of Directors

LEANBOX LOGISTICS SOLUTIONS PVT. LTD. MUMBAI

Samson Charuvil Samuel
Director
DIN No. 07523995

Gaurav Seth
Director
DIN No. 07524168

LEANBOX LOGISTICS SOLUTIONS PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020 **(Amount in Rs.)**

Particulars	Note No.	Year Ended March 31, 2020	Year Ended March 31, 2019
INCOME			
Revenue From Operations	22	1,02,06,72,958	57,63,73,663
Other Income	23	82,92,502	28,74,497
Total Income (I)		**1,02,89,65,460**	**57,92,48,160**
EXPENSES			
Purchases of stock-in-trade		53,17,03,806	45,36,26,473
Changes in inventories of Stock-in-Trade		(49,10,090)	25,06,319
Cost of Services		52,03,25,567	5,03,14,538
Employee Benefits Expense	24	15,40,23,257	3,80,08,059
Finance Costs	25	52,95,374	11,986
Depreciation and Amortization Expense	2, 3 & 4	2,97,11,794	34,59,735
Other Expenses	26	20,40,19,629	7,32,92,788
Total Expenses (II)		**1,44,01,69,337**	**62,12,19,898**
Profit Before Tax {(I) - (II)}		**(41,12,03,877)**	**(4,19,71,738)**
Tax Expense			
(1) Current Tax		-	-
(2) Deferred Tax		(14,79,555)	13,04,402
Profit For The Year		**(40,97,24,322)**	**(4,32,76,140)**
Other Comprehensive Income For The Year			
(i) Items that will not be reclassified subsequently to profit or loss		-	-
Total Other Comprehensive (Loss) / Income		-	-
Total Comprehensive Income For The Year		**(40,97,24,322)**	**(4,32,76,140)**
Earnings Per Equity Share of Face Value of ₹ 5/- each			
Basic		**(349.98)**	**(121.22)**
Diluted		(349.98)	(121.22)

Significant Accounting Policies and Notes forming part of the financial statements **1-37**

In terms of our report attached

For NGS & Co. LLP
Chartered Accountants

Ganesh Toshniwal
Partner
Membership No. 046669
Mumbai
June 30, 2020

For and on behalf of the Board of Directors

Samson Samuel
Director
DIN No. 07523995

Gaurav Seth
Director
DIN No. 07524168

LEANBOX LOGISTICS SOLUTIONS PRIVATE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020 **(Amount in Rs.)**

Particulars		As at March 31, 2020	As at March 31, 2019
Cash Flows from Operating Activities			
Profit before taxes		(41,12,03,877)	(4,19,71,738)
Adjustments for:			
Depreciation and amortisation expense		2,97,11,794	34,59,735
Finance Cost		52,95,374	11,986
Interest income		1,27,050	(28,41,395)
Excess Provisions/Liabilities Written Back		(64,66,659)	-
Discard of Fixed Assets		5,59,41,742	-
Change in operating assets and liabilities:			
(Increase)/Decrease in inventories		(49,10,090)	25,06,319
(Increase) in trade receivables		19,79,06,990	(1,20,08,749)
(Increase)/Decrease in Other Financial Assets		(1,50,17,482)	4,28,97,906
(Increase)/Decrease in Other assets		1,19,48,579	
Increase/(decrease) in Trade payables, other liabilities and provisions		(8,58,28,887)	2,49,76,594
Cash generated from the operations		(22,24,95,464)	1,70,30,658
Tax Paid (Net)		(87,88,724)	(21,29,908)
Net Cash generated by operating activities	**(A)**	**(23,12,84,188)**	**1,49,00,750**
Cash Flow from Investing Activities			
Payments for purchase of fixed assets		(2,10,81,353)	(93,21,934)
Proceeds from sale of fixed assets		37,09,319	-
Contractual Lease Payments		(1,65,82,806)	-
Interest income		(1,27,050)	28,41,395
Net Cash used in investing activities	**(B)**	**(3,40,81,890)**	**(64,80,539)**
Cash Flow from Financing Activities			
Proceeds from Issue of Shares		14,99,99,999	-
Proceeds from Unsecured Loans		4,66,15,638	50,10,787
Finance Cost		(22,33,225)	(11,986)
Net Cash provided by/ (used in) financing activities	**(C)**	**19,43,82,412**	**49,98,801**
Net increase/ (decrease) in Cash and Cash Equivalents	**(A+B+C)**	**(7,09,83,666)**	**1,34,19,012**
Cash and Cash Equivalents at the beginning of the year		2,95,78,171	1,61,59,160
Cash and Bank Balances at the end of the year		(4,14,05,495)	2,95,78,171
Add: Cash and cash equivalents acquired through business combination		6,44,68,251	-
Cash and cash equivalents as per Balance Sheet		**2,30,62,756**	**2,95,78,171**

Significant Accounting Policies and Notes forming part of the financial statements 1-37

In terms of our report attached

For NGS & Co. LLP
Chartered Accountants

Ganesh Toshniwal
Partner
Membership No. 046669
Mumbai
June 30, 2020

For and on behalf of the Board of Directors

Samson Charuvil Samuel
Director
DIN No. 07523995

Gaurav Seth
Director
DIN No. 07524168

LEANBOX LOGISTICS SOLUTIONS PRIVATE LIMITED
STATEMENT OF CHANGES IN EQUITY

(Amount in Rs.)

A) Equity Share Capital

Particulars	Number	Amount
As at March 31, 2018	**3,57,000**	**35,70,000**
Changes in equity share capital	-	-
As at March 31, 2019	**3,57,000**	**35,70,000**
Changes in equity share capital	9,99,456	99,94,560
As at March 31, 2020	**13,56,456**	**1,35,64,560**

B) Other Equity

Particulars	Securities Premium Reserve	Retained earning	Equity Component of Compulsory Convertible Debentures	Total Other Equity
As at April 01, 2018	**8,82,14,700**	**(1,25,77,626)**	**99,99,799**	**8,56,36,873**
Profit for the year	-	(4,32,76,140)	-	(4,32,76,140)
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	**-**	**(4,32,76,140)**	**-**	**(4,32,76,140)**
As at March 31, 2019	**8,82,14,700**	**(5,58,53,767)**	**99,99,799**	**4,23,60,733**
As at April 01, 2019	**8,82,14,700**	**(5,58,53,767)**	**99,99,799**	**4,23,60,733**
Adjustment on adoption of Ind AS 116		(9,95,909)		**(9,95,909)**
Adjusted balance as at April 1, 2019	**8,82,14,700**	**(5,68,49,675)**	**99,99,799**	**4,13,64,824**
Profit for the year	-	(40,97,24,322)	-	**(40,97,24,322)**
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	**-**	**(40,97,24,322)**	**-**	**(40,97,24,322)**
Issue of Share Capital	24,42,50,199	-		**24,42,50,199**
Conversion of Compulsory Convertible Debentures			(99,99,799)	**(99,99,799)**
As at March 31, 2020	**33,24,64,899**	**(46,65,73,997)**	**-**	**(13,41,09,098)**

Nature and Purpose of Reserves:

a) Securities Premium Reserve

Securities Premium Reserve is created when shares are issued at premium. The Company may issue fully paid-up bonus shares to its members out of the security premium reserve account, and company can use this reserve for buy-back of shares.

b) Retained Earnings

Retained earnings are the profits that the Company has earned till date less any transfer to General Reserve, dividends or other distributions paid to the shareholders.

Significant Accounting Policies and Notes forming part of the financial statements **1-37**

In terms of our report attached

For NGS & Co. LLP
Chartered Accountants

Ganesh Toshniwal
Partner
Membership No. 046669
Mumbai
June 30, 2020

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For and on behalf of the Board of Directors

Samson Charuvil Samuel
Director
DIN No. 07523995

Gaurav Seth
Director
DIN No. 07524168

LEANBOX LOGISTICS SOLUTIONS PVT. LTD. * MUMBAI

LEANBOX LOGISTICS SOLUTIONS PRIVATE LIMITED
Notes to Accounts forming part of Financial Statements for the year ended March 31, 2020

1. Summary of Significant Accounting Policies

1.1. Corporate Information

Leanbox Logistics Solution Private Limited ("the Company") is a private company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India.

The Company is engaged in the business of Trading of FMCG Products and providing logistics and warehousing services.

1.2. Statement of compliance

The financial statements of the company comply in all material aspects with Indian Accounting Standards notified under Section 133 of the Companies Act, 2013, read with [Companies (Indian Accounting Standards) Rules, 2015] (as amended).

1.3. Statement of compliance and basis of preparation

These financial statements are prepared in accordance with 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 at the end of each reporting period.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purposes in these Financial Statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102 'Share-based payment', leasing transactions that are within the scope of Ind AS 17 'Leases', and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 'Inventories' or value in use in Ind AS 36 'Impairment of Assets'.
In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below

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1.4. Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the Statement of Profit or Loss when the asset is derecognised.

The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows:

Asset	Useful Life
Plant and Equipment	8 years
Office Equipment	5 years
Furniture and Fixtures	10 years
Electrical Installations	10 Years
Computers	3 Years

The residual values, estimated useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

1.5. Intangible Assets

Intangible assets are stated at acquisition cost and other cost incurred, which is attributable to preparing the asset for its intended use, less accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on straight line basis over their estimated useful economic life. The estimated useful lives of intangible assets are as follows:

Assets	Useful Life
Software	3 years

An item of Intangible Asset is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the Statement of Profit or Loss when the asset is derecognized.

The residual values, estimated useful lives and methods of amortization of Intangible Assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

1.6. Leases

The Company evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116.

The Company as a lessee

The Company enters into an arrangement for lease of land, buildings, plant and machinery including computer equipment and vehicles. Such arrangements are generally for a fixed period but may have extension or termination options. The Company assesses, whether the contract is, or contains, a lease, at its inception.

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A contract is, or contains, a lease if the contract conveys the right to –
a) control the use of an identified asset,
b) obtain substantially all the economic benefits from use of the identified asset, and
c) direct the use of the identified asset

The Company determines the lease term as the non-cancellable period of a lease, together with periods covered by an option to extend the lease, where the Company is reasonably certain to exercise that option.

The Company at the commencement of the lease contract recognizes a Right-of-Use (RoU) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term leases) and low-value assets. For these short term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

The cost of the right-of-use asset comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease, plus any initial direct costs, less any lease incentives received. Subsequently, the right-of-use assets are measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful life of right-of-use assets are determined on the same basis as those of property, plant and equipment.

The Company applies Ind AS 36 to determine whether RoU asset is impaired and accounts for any identified impairment loss as described in the impairment of non-financial assets below.
For lease liabilities at the commencement of the lease, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate that the Company would have to pay to borrow funds, including the consideration of factors such as the nature of the asset and location, collateral, market terms and conditions, as applicable in a similar economic environment.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.
The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-of-use assets. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in statement of profit and loss.

Lease liability payments are classified as cash used in financing activities in the statement of cash flows.

The Company as a lessor
Leases under which the Company is a lessor are classified as finance or operating leases. Lease contracts where all the risks and rewards are substantially transferred to the lessee, the lease contracts are classified as finance leases. All other leases are classified as operating leases.

For leases under which the Company is an intermediate lessor, the Company accounts for the head-lease and the sub-lease as two separate contracts. The sub-lease is further classified either as a finance lease or an operating lease by reference to the RoU asset arising from the head-lease.

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1.7. Inventories

Stock-in-trade are valued at lower of cost and net realizable value. Costs of inventories are determined on FIFO basis. Cost of inventories comprises all costs of purchases and other costs incurred in bringing the inventories to their present condition and location.

1.8. Revenue Recognition

Revenue is recognised to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Revenue recognition prescribed in five-step model

Step 1: Identify the contract(s) with a customer – Contracts may be written, oral or implied by customary business practices, but revenue can be recognised only on those contracts that are enforceable and have commercial substance.

Step 2: Identify the separate performance obligations in the contract – Performance obligations are explicitly or implicitly promised goods or services in a contract as well those arising from customary business practices. An entity needs to identify performance obligations which are distinct.

Step 3: Determine the transaction price – The transaction price is the amount of consideration to which an entity expects to be entitled. It includes variable consideration, impact of significant financing components, fair value of non-cash consideration and impact of consideration payable to the customer.

Step 4: Allocate the transaction price to the separate performance obligations- The standard requires allocation of the total contract price to the various performance obligations based on their relative stand-alone selling prices, with limited exceptions.

Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation – Revenue recognition can occur either over time or at a point in time. Revenue recognition for a performance obligation occurs over time only if it meets one of the three prescribed criteria.

Incentive Income
Incentive Income is recognized as per contractual agreement with the party.

Interest Income
For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset.

Rendering of services
Incomes from logistics services rendered are recognized on the completion of the services as per the terms of contract. Revenue is recognized at the fair value of consideration received or receivable, to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

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Sale of Goods

Sale of products are recognised when the products are dispatched which coincides with the transfer of control to the buyer of products. Sales are exclusive of Sales Tax/ Goods and Service Tax & sales returns.

1.9. Employee benefits

i. Defined Contribution Plan:

Company's contributions paid/payable during the year to the Superannuation Fund, ESIC, Provident Fund and Labour Welfare Fund are recognised in the Statement of Profit and Loss.

ii. Defined Benefits Plan:

For defined retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss.

Past service cost is recognised in Statement of Profit and Loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorized as follows:

a. Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);

b. Net interest expense or income; and

c. Re-measurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'.

Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the Balance Sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, performance incentives and similar benefits other than compensated absences in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of compensated absences are measured on the basis of actuarial valuation as on the balance sheet date.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

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1.10. Segment Reporting - Identification of Segments

An operating segment is a component of the group that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the group's chief operating decision maker to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the chief operating decision maker evaluates the group's performance and allocates resources based on an analysis of various performance indicators by geographic segments.

1.11. Current versus Non-Current Classification

An asset is considered as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is considered as current when it is:

- Expected to be settled in normal operating cycle
- 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.

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

1.12. Taxation

<u>Current tax</u>
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.
The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

<u>Deferred tax</u>
Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised utilized. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

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The carrying amount of deferred tax assets is reviewed at the end of each reporting period 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 asset to be recovered.
Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.
The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

<u>Current and deferred tax for the year</u>
Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

1.13. Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.14. Provisions, Contingent liabilities & 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.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

<u>Onerous contracts</u>
Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent liabilities are 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 or a present obligation that

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arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

A contingent asset is disclosed where an inflow of economic benefits is probable.

1.15. Borrowing Costs

Borrowing costs, directly attributable to the acquisition, construction or production of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective asset, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are charged in the period they occur in the Statement of Profit and Loss.

1.16. Impairment

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying cost of the assets exceed its recoverable value. An impairment loss, if any, is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the assets no longer exist or have decreased.

1.17. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit 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.

1.18. Key sources of estimation uncertainty and critical accounting judgments

In the course of applying the accounting policies, the Company is required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future periods.

Key sources of estimation uncertainty

a. Useful lives of property, plant and equipment

Management reviews the useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. Accordingly, depreciable lives are reviewed annually using the best information available to the management.

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b. ***Impairment of property, plant and equipment***

Determining whether the property, plant and equipment are impaired requires an estimate in the value in use of cash generating units. It requires to estimate the future cash flows expected to arise from the cash generating units and a suitable discount rate in order to calculate present value. When the actual cash flows are less than expected, a material impairment loss may arise.

c. ***Provisions, liabilities and contingencies***

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past events that can reasonably be estimated. The timing of recognition requires application of judgment to existing facts and circumstances which may be subject to change.

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of an outflow of resources embodying economic benefits are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized.

d. *Leases*

Ind AS 116 requires lessees to determine the lease term as the non- cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by lease basis and there by assesses whether tis reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

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Leanbox Logistics Solutions Private Limited

Notes forming part of financial statements for the year ended March 31, 2020 (Amount in Rs.)

2. Property, Plant and Equipment

Particulars	Leasehold Improvement	Electrical Installation	Computer	Plant and Equipment	Furniture and Fixture	Office Equipment	Total
Cost							
Balance as at April 1, 2018	-	3,29,379	16,06,662	13,42,232	10,20,202	7,50,187	50,48,661
Additions	-	-	2,87,056	2,20,000	5,32,643	1,44,605	11,84,303
Disposals/Transfer	-	-	-	-	-	-	-
Balance as at March 31, 2019	-	**3,29,379**	**18,93,717**	**15,62,232**	**15,52,845**	**8,94,792**	**62,32,964**
Balance as at April 1, 2019	-	3,29,379	18,93,717	15,62,232	15,52,845	8,94,792	62,32,964
Additions	27,23,194	2,05,46,821	3,38,849	88,91,415	1,58,44,492	93,24,508	5,76,69,279
Disposals/Transfer	(15,99,824)	(2,00,89,351)	-	(67,90,431)	(1,53,79,957)	(70,88,127)	(5,09,47,690)
Balance as at March 31, 2020	**11,23,370**	**7,86,849**	**22,32,566**	**36,63,216**	**20,17,379**	**31,31,173**	**1,29,54,553**
Accumulated Depreciation							
As At April 1, 2018	-	14,548	2,76,308	85,448	52,591	54,592	4,83,486
Depreciation	-	31,291	5,45,849	1,73,016	1,10,613	1,50,012	10,10,780
Adjustments	-	-	-	-	-	-	-
As At March 31, 2019	-	**45,838**	**8,22,157**	**2,58,464**	**1,63,204**	**2,04,604**	**14,94,266**
Balance as at April 1, 2019	-	45,838	8,22,157	2,58,465	1,63,204	2,04,604	14,94,267
Depreciation	3,14,332	6,82,434	6,65,474	4,42,962	9,37,662	12,75,973	43,18,837
Adjustments	(2,14,641)	(6,10,255)	-	(1,81,836)	(7,77,155)	(9,49,427)	(27,33,315)
Balance as at March 31, 2020	**99,691**	**1,18,017**	**14,87,631**	**5,19,590**	**3,23,711**	**5,31,149**	**30,79,789**
Net Book Value							
Balance as at March 31, 2020	**10,23,679**	**6,68,832**	**7,44,935**	**31,43,626**	**16,93,668**	**26,00,024**	**98,74,765**
Balance as at April 1, 2019	-	2,83,540	10,71,561	13,03,767	13,89,641	6,90,188	47,38,698

3. Intangible Assets

	Software	Total
Cost		
As At April 1, 2018	**51,50,037**	**51,50,037**
Additions	81,37,631	81,37,631
Disposals/Transfer	-	-
As At March 31, 2019	**1,32,87,668**	**1,32,87,668**
Balance as at April 1, 2019	**1,32,87,668**	**1,32,87,668**
Additions	2,89,17,247	2,89,17,247
Disposals/Transfer	(1,45,57,483)	(1,45,57,483)
Balance as at March 31, 2020	**2,76,47,432**	**2,76,47,432**
Accumulated Amortisation		
As At April 1, 2018	**7,12,256**	**7,12,256**
Amortisation	24,48,955	24,48,955
Disposals/Transfer	-	-
As At March 31, 2019	**31,61,211**	**31,61,211**
Balance as at April 1, 2019	**31,61,211**	**31,61,211**
Amortisation	97,00,569	97,00,569
Disposals/Transfer	(31,20,797)	(31,20,797)
Balance as at March 31, 2020	**97,40,983**	**97,40,983**
Net Book Value		
Balance as at March 31, 2020	**1,79,06,449**	**1,79,06,449**
Balance as at April 1, 2019	1,01,26,457	1,01,26,457

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LEANBOX LOGISTICS SOLUTIONS PRIVATE LIMITED

Notes forming part of financial statements for the year ended March 31, 2020 **(Amount in Rs.)**

Note No.	Particulars	As at March 31, 2020	As at March 31, 2019
3	**Changes in the carrying value of right of use assets**		
	Land and Building		
	As at April 1, 2019	-	-
	Addition on account of Transition to Ind AS 116 - April 1, 2019	**1,64,69,174**	
	Additions	5,14,08,235	-
	Disposals	-	-
	As at March 31, 2020	**6,78,77,409**	
	Accumulated depreciation		
	Additions	1,56,92,389	-
	Disposals	-	
	As at March 31, 2020	1,56,92,389	
	Net Block as at March 31, 2020	**5,21,85,020**	-
5	**Non-Current Financial Assets - Loans**		
	(Unsecured, Considered Good)		
	Security Deposits	-	6,60,000
	Total	**-**	**6,60,000**
6	**Other non current assets**		
	Deduction of Income Tax (Net of provisions)	1,27,10,072	39,21,348
	Total	**1,27,10,072**	**39,21,348**
7	**Inventories**		
	(Valued at lower of cost and net realisable value)		
	Stock-in-trade	1,07,24,306	58,14,216
	Total	**1,07,24,306**	**58,14,216**
8	**Trade Receivables**		
	Unsecured		
	Considered Good	3,62,60,463	2,48,45,354
	Considered Doubtful	1,49,121	-
		3,64,09,584	**2,48,45,354**
	Less: Expected Credit Loss Allowance	(1,49,121)	-
	Total	**3,62,60,463**	**2,48,45,354**
	The movement in the expected credit loss allowance is given below:		
	Balance at the beginning of the year	-	-
	Additions during the year, net	1,49,121	-
	Uncollectable receivables charged against allowance	-	-
	Balance at the end of the year	**1,49,121**	-
9	**Cash and Cash Equivalents**		
	Balances with Banks		
	On Current Accounts	2,07,11,589	2,22,53,691
	Cash on Hand	23,51,167	12,97,473
	Cheques in Hand	-	60,27,007
	Total	**2,30,62,756**	**2,95,78,171**
10	**Current Financial Assets-Loans**		
	Unsecured Security Deposits		
	Considered Good	1,45,32,000	31,20,050
	Considered Doubtful	9,02,470	-
		1,54,34,470	**31,20,050**
	Less: Provision	(9,02,470)	-
	Total	**1,45,32,000**	**31,20,050**
11	**Other Current Assets**		
	Input Taxes	1,64,53,383	-
	Others*	68,71,562	76,47,463
	*(Include Prepaid Expenses, Advance to suppliers, Staff Advance and Accrued Income)		
	Total	**2,33,24,945**	**76,47,463**

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Notes forming part of financial statements for the year ended March 31, 2020 (Amount in Rs.)

12 **Equity Share Capital**

	March 31, 2020		As at March 31, 2019	
	Number	Amount	Number	Amount
Authorised				
Equity Shares of Rs. 10/- each	1,50,00,000	15,00,00,000	5,00,000	50,00,000
Total	**1,50,00,000**	**15,00,00,000**	**5,00,000**	**50,00,000**
Issued, Subscribed and Paid up				
Equity Shares of Rs. 10/- each	13,56,456	1,35,64,560	3,57,000	35,70,000
Total	**13,56,456**	**1,35,64,560**	**3,57,000**	**35,70,000**

(i) **Reconciliation of Number of Equity Shares**

Particulars	As at March 31, 2020	As at March 31, 2019
	Number of Shares	Number of Shares
Opening Balance (Equity Shares of Rs. 10/- each)	3,57,000	3,57,000
Add : Shares Issued during the year	9,99,456	-
Closing Balance (Equity Shares of Rs. 10/- each)	**13,56,456**	**3,57,000**

(ii) Terms/Rights Attached to Equity Shares

The company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share.

(iv) The Company does not have a holding company

(v) Shares in the Company held by each shareholder holding more than 5% shares and number of Shares held are as under:

Name of Shareholder	As at March 31, 2020		As at March 31, 2019	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares				
Mr. Samson Charuvil Samuel	1,07,100	7.90	1,07,100	30.28
Mr. Gaurav Seth	71,400	5.26	71,400	19.72
Future Supply Chain Solutions Limited	6,69,568	49.36	1,78,500	50.00
Future Enterprises Limited	5,08,388	37.48	-	-
Total	**13,56,456**	**100.00**	**3,57,000**	**100.00**

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Notes forming part of financial statements for the year ended March 31, 2020 **(Amount in Rs.)**

Note No.	Particulars	As at March 31, 2020	As at March 31, 2019
13	**Other Equity**		
	Securities Premium Reserve	33,24,64,899	8,82,14,700
	Equity Component of CCD	-	99,99,799
	Retained earning	(46,65,73,997)	(5,58,53,767)
	Total	**(13,41,09,098)**	**4,23,60,733**
14	**Deferred tax liabilities (net)**		
	Major components of the Deferred tax balances consist of the following:		
	Deferred Tax Liabilities:		
	Related Fixed assets	-	14,78,010
	Deferred Tax Asset :		
	Related to Preliminary Expenses	1,320	1,545
	Related Fixed assets	1,56,234	-
	Unabsorbed Depreciation & Business Loss adjusted for timing difference	10,23,35,591	-
	Disallowances under Income tax Act, 1961 - Bonus, ECL, Gratuity and Leave encashment	15,81,866	-
	Total	-	**14,79,555**
15	**Other Non-Current Financial Liabilities**		
	Lease Liability	3,42,92,163	-
	Total	**3,42,92,163**	-
16	**Non Current Provisions**		
	Provision for Employee Benefits		-
	Gratuity	38,98,426	
	Leave Encashment	22,92,885	
	Total	**61,91,311**	-
17	**Short Tem Borrowings**		
	(Unsecured, Considered Good)		
	Inter Corporate Deposit from Related Parties	1,66,26,425	50,10,787
	Inter Corporate Deposit from Others	3,50,00,000	-
	Total	**5,16,26,425**	**50,10,787**
18	**Trade Payables**		
	Trade Payables to Micro and Small Enterprises	-	-
	Trade Payables to Others	19,03,52,481	2,58,99,066
	Total	**19,03,52,481**	**2,58,99,066**
19	**Other Financial Liabilities**		
	Lease Liability	2,10,60,496	-
	Total	**2,10,60,496**	-
20	**Other Current Liabilities**		
	Employee Related	62,16,041	96,126
	Payable to Related Parties	-	1,38,430
	Other Payables*	37,56,984	1,08,97,061
	Total	**99,73,025**	**1,11,31,616**
	* Includes statutory dues and Creditors for Expenses		
21	**Current Provisions**		
	Provision for Expenses	69,06,971	10,00,000
	Provision for Employee Benefits		
	Gratuity	4,06,572	-
	Leave Encashment	3,15,869	-
	Total	**76,29,412**	**10,00,000**

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LEANBOX LOGISTICS SOLUTIONS PRIVATE LIMITED

Notes forming part of financial statements for the year ended March 31, 2020 (Amount in Rs.)

Note No.	Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
22	**Revenue From Operations**		
	Sales of traded goods (FMCG)	55,53,84,532	48,01,25,687
	Other Operating Income		
	Logistic Services	31,20,74,023	9,26,17,840
	Warehousing Income	15,32,14,403	26,07,000
	Others	-	10,23,137
	Total	**1,02,06,72,958**	**57,63,73,663**
23	**Other Income**		
	Interest Income on -		
	IT Refund	1,27,050	
	Others	-	28,41,395
	Excess Provisions/Liabilities Written Back	64,66,659	-
	Other Income	16,98,794	33,102
	Total	**82,92,502**	**28,74,497**
24	**Employee Benefits Expense**		
	Salaries, Wages and Bonus	14,48,59,828	3,61,37,034
	Contribution to Provident and Other Funds	51,22,805	10,42,110
	Staff Welfare Expenses	40,40,624	8,28,915
	Total	**15,40,23,257**	**3,80,08,059**
25	**Finance Costs**		
	Interest Expense	52,95,374	11,986
	Total	**52,95,374**	**11,986**
26	**Other Expenses**		
	Auditors Remuneration	2,00,000	2,00,000
	Electricity Expenses	54,44,514	4,04,105
	Rates and Taxes	8,40,573	5,000
	Insurance Charges	34,30,516	3,21,717
	Legal and Professional Charges	74,61,880	84,64,195
	Manpower Outsourcing	-	2,67,01,634
	Rent	3,71,12,522	85,34,835
	Repairs and Maintenance - others	46,64,359	4,35,378
	Transportation Charges	-	1,64,03,364
	Expected Credit Loss Allowance	1,49,121	-
	Bad Debts written off	4,93,65,511	1,63,658
	Discard of Fixed Assets	5,59,41,742	-
	Miscellaneous Expenses	3,94,08,891	1,16,58,903
	Total	**20,40,19,629**	**7,32,92,788**

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27. Contingent Liabilities not provided for : Nil (2019: Rs. Nil)

28. Capital Commitments net of advances Rs. Nil (2019: Rs. Nil)

29. Foreign currency earnings and outgo: Rs. Nil (2019: Rs. Nil)

30. **Auditors Remuneration**

Particulars	2019-20	2018-19
Statutory Audit Fees	1,50,000	1,50,000
Tax Audit Fees	50,000	50,000

31. Related Party Disclosure required by the "Ind AS 24 - Related Party Disclosure" is given below:
Names of related parties where control exists:

Holding Company	Future Enterprises Limited (w.e.f. June 28, 2019 upto December 17, 2019)
Key Management Personnel	Samson Charuvil Samuel - Director Gaurav Seth - Director Samir Kedia - Director Vimal Dhurve - Director
Investee Company	Future Enterprises Limited (w.e.f. December 18, 2019) Future Supply Chain Solutions Limited
Enterprises significantly influenced by KMP or their relative (With whom there are transactions)	Vulcan Express Private Limited

Transactions with related parties:

Key Management Personnel

a) Mr. Gaurav Seth (Amount in Rs.)

Particulars	2019-20	2018-19
Director Remuneration	36,00,000	36,00,000

b) Mr. Samson Charuvil Samuel (Amount in Rs.)

Particulars	2019-20	2018-19
Director Remuneration	48,00,000	48,00,000

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Notes to Accounts forming part of Financial Statements for the year ended March 31, 2020

Investee Company

c) Future Enterprise Limited (Amount in Rs.)

Particulars	**2019-20**	**2018-19**
Allotment of Equity Shares	14,99,99,879	-
Expenses		
Rent	15,74,424	-
ICD		
-Taken	4,00,00,000	-
-Repaid	4,00,00,000	-
Balance Payable as on March 31,	-	-

Investee Company

d) Future Supply Chain Solutions Limited (Amount in Rs.)

Particulars	**2019-20**	**2018-19**
Allotment of Equity Shares	9,42,44,960	-
Income		
Transportation Income	31,23,080	-
Assets Sold	37,09,319	-
Expenses		
Warehousing and Distribution Charges	3,40,38,672	-
Transportation Charges	92,53,172	87,37,330
Interest Expense	11,91,034	-
Vehicle Hire Charges	1,38,546	-
Miscellaneous Expenses	1,05,107	-
ICD		
-Taken	8,91,26,425	90,00,000
-Repaid	7,75,00,000	40,00,000
Balance Payable as on March 31,	9,24,37,365	62,59,452

Enterprises significantly influenced by KMP or their relatives

e) Vulcan Express Private Limited (Amount in Rs.)

Particulars	**2019-20**	**2018-19**
Income		
Transportation Income	1,27,76,569	-
Balance Payable as on March 31,	-	-

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Notes to Accounts forming part of Financial Statements for the year ended March 31, 2020

32. **Earnings per share**

Particulars	2019-20	2018-19
Profit / (Loss) for the year (Rs.)	**(40,97,24,322)**	**(4,32,76,140)**
Weighted Average Number of equity shares for Basic and Diluted EPS	11,70,700	3,57,000
Face value of ordinary shares (Rs.)	10/-	10/-
Basic Earnings per share (Rs.)	(349.98)	(121.22)
Diluted Earnings per share (Rs.)	(349.98)	(121.22)

33. **As per Ind AS 19, the disclosures as defined in the Accounting Standard are given below:**

Change in Defined Benefit Obligation

Particulars	Gratuity (Unfunded)	Leave Encashment
	As at March 31, 2020	As at March 31, 2020
Present value of obligation at the beginning of the year		
Service Cost		
a. Current service cost	43,04,998	26,08,754
b. Past service cost	-	-
Interest Cost		
Benefit payments directly by employer	-	-
Other Expenses /Adjustments	-	-
Present value of obligation at the end of the year	**43,04,998**	**26,08,754**

Change in Fair Value of Plan Assets

Particulars	Gratuity (Unfunded)	Leave Encashment
	As at March 31, 2020	As at March 31, 2020
Fair value of plan assets at end of prior year	-	-
Adjustment to Opening Fair Value	-	-
Expected Return on Plan Assets	-	-
Employer contributions	-	-
Participant contributions	-	-
Benefit payments from plan assets	-	-
Settlements	-	-
Acquisition / Divestiture	-	-
Actuarial Gain/(Loss) on Plan Assets	-	-
Fair value of plan assets at end of year	-	-

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Net Defined Benefit Liability / (Asset)

Particulars	Gratuity (Unfunded)	Leave Encashment
	As at March 31, 2020	As at March 31, 2020
Defined Benefit Obligation	43,04,998	26,08,754
Fair value of Plan Assets	-	-
(Surplus) / Deficit	43,04,998	26,08,754
Effect of Asset Ceiling	-	-
Net Defined Benefit Liability / (Asset)	**43,04,998**	**26,08,754**

Expenses recognized in Statement of Profit and Loss

Particulars	Gratuity (Unfunded)	Leave Encashment
	Year Ended March 31, 2020	Year Ended March 31, 2020
Service cost		
a. Current service cost	43,04,998	26,08,754
b. Past service cost	-	-
c. (Gain) / loss on settlements	-	-
d. Total service cost	43,04,998	26,08,754
Net interest cost		
a. Interest expense on DBO	-	-
b. Interest (income) on plan assets	-	-
c. Interest expense on effect of (asset ceiling)	-	-
e. Total net interest cost	-	-
Defined benefit cost included in P&L	**43,04,998**	**26,08,754**

Re-measurement Effects recognised in Other Comprehensive Income (OCI)

Particulars	Gratuity (Unfunded)
	Year Ended March 31, 2020
a. Actuarial (Gain) / Loss	-
b. Return on Plan Assets (Greater) / Less than Discount rate	-
c. Changes in asset ceiling /onerous liability (excluding interest income)	-
F. Total Actuarial (Gain)/Loss included in OCI	-

A note on Sensitivity analysis-
Sensitivity analysis for each significant actuarial assumptions namely Discount rate and Salary assumptions have been shown in the table above at the end of the reporting period, showing how the defined benefit obligation would have been affected by the changes.

The Mortality and Attrition does not have a significant impact on the Liability, hence are not considered a significant actuarial assumption for the purpose of Sensitivity analysis

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The assumptions used in preparing the sensitivity analysis is
Discount rate at +1% and – 1%
Salary assumption at +1 % and -1%

The method used to calculate the liability in these scenarios is by keeping all the other parameters and the data same as in the base liability calculation except the parameters to be stressed.
There is no change in the method from the previous period and the points /percentage by which the assumptions are stressed are same to that in the previous year

Defined Benefit Obligation	Gratuity (Unfunded)
	Year Ended March 31, 2020
Discount rate	
a. Discount rate - 100 basis points	45,70,675
a. Discount rate - 100 basis points impact (%)	6.17%
b. Discount rate + 100 basis points	40,67,686
b. Discount rate + 100 basis points impact (%)	-5.51%
Salary increase rate	
a. Rate - 100 basis points	41,17,020
a. Rate - 100 basis points impact (%)	-4.37%
b. Rate + 100 basis points	45,52,494
b. Rate + 100 basis points impact (%)	5.75%

Actuarial Assumptions

I have used actuarial assumptions other than the Discount Rate received as an input by the Company. Any changes to actuarial assumptions, methods or plan provisions since the prior valuation are described in this report.
I do not have access to or possess complete information of various factors affecting the determination of assumptions, such as Company's internal communications and policies, I am unable to comment on the assumptions chosen by the Company, however at a generic level, they do not appear to be unreasonable.

Discount Rate

The discount rate used is determined by reference to the market yields at the balance sheet date on the government bonds in accordance with paragraph 83 of the IND AS 19.
Source - https://www.ccilindia.com/RiskManagement/SecuritiesSegment/Pages/ZCYC.aspx

Salary Escalation rate

The estimates of Future salary increases takes into account regular increases, price inflation, promotional increases and other relevant factors if applicable
The principal assumptions used at fiscal year end March 31, 2020 are shown in the table below. The assumptions as at the balance sheet date are used to determine the present value of defined benefit obligation at that date.

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Financial Assumptions

Particulars	Gratuity (Unfunded)
	As on March 31, 2020
Discount Rate	6.58%
Salary Increase Rate	0% for 1st year, 5% thereafter

Demographic Assumptions

Particulars	Gratuity (Unfunded)
	As on March 31, 2020
Mortality Rate *	IALM (2012-14) Ultimate
Withdrawal Rate	10.00%
Retirement age	58 years

34. **Segment reporting**

Based on the guiding principles given in Ind AS 108 on 'Operating Segments', the Company's business activity is bifurcated in two segments namely Trading of FMCG Products and Logistic Services. Accordingly, the disclosure requirements of Ind AS 108 are given below:

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Segment Revenue		
Trading of FMCG Products	55,53,84,532	48,11,48,823
Logistic Services	31,20,74,023	9,26,17,840
Warehousing Services	15,32,14,403	-
Unallocated	82,92,502	54,81,497
Total	**1,02,89,65,460**	**57,92,48,160**
Segment Results		
Trading of FMCG Products	(4,02,28,666)	(1,18,46,378)
Logistic Services	(28,16,19,358)	94,69,738
Warehousing Services	3,52,47,180	-
Unallocated	(12,46,03,032)	(3,95,95,098)
Profit before tax	**(41,12,03,876)**	**(4,19,71,738)**
Segment Assets		
Trading of FMCG Products	8,77,32,359	2,51,87,431
Logistic Services	(35,72,909)	2,08,01,728

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Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Warehousing Services	7,59,25,378	-
Unallocated	4,04,95,949	4,44,62,599
Total	**20,05,80,776**	**9,04,51,757**
Segment Liabilities		
Trading of FMCG Products	3,26,70,700	1,09,00,164
Logistic Services	13,21,76,999	2,02,49,546
Warehousing Services	6,22,91,772	-
Unallocated	9,39,85,843	1,33,71,315
Total	**32,11,25,314**	**4,45,21,025**

35. **Business Combination**

During the year, the Board of Directors of the Company had approved a Scheme of Arrangement under Sections 230-232 read with Section 66 of the Companies Act, 2013 ("Scheme") between the Company and its investee Company Future Supply Chain Solutions Limited ("FSC"). The Company has executed requisite agreement on May 20, 2019. The Scheme envisages demerger of "Last Mile Delivery Business Undertaking" of FSC and vest into the Company on April 1, 2019 on a going concern basis. The company has issued 4,71,235 equity shares @ Rs.200 per equity share to FSC on May 20, 2019. After such allotment, the shareholding of FSC increased to 77.15% of total paid share capital of the company on fully diluted basis and hence FSC became holding company of the Company. However consequent to issue and allotment of new equity share by the Company to Future Enterprises Limited on June 28, 2019, shareholding of FSC in the Company has reduced and accordingly, FSC has ceased to be holding company of the Company w.e.f June 28,2019.

Assets acquired and liabilities recognised on the appointed date under pooling of interest method:

Particulars	Amount (Rs.)
Current assets	
Cash and cash equivalents	6,44,68,251
Trade and other receivables	20,93,22,099
Other Current Assets	2,33,60,530
Non-current assets	
Property, plant and equipment	5,09,47,690
Intangible Assets	1,45,57,483
Current liabilities	
Trade and other payables	25,63,14,099
Other Current Liabilities and Provisions	1,20,96,993

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36. The operations of the Company were suspended following countrywide lockdown announced due to onslaught of COVID-19. The Company has since obtained required permissions and started its operations partially in respect of essential commodities as and when the same was allowed gradually across the country.
The Company believes that the pandemic is not likely to impact the recoverability of the carrying value of its assets. The Company is closely monitoring the developments and possible effects that may result from the current pandemic on its financial condition, liquidity and operations and is actively working to minimize the impact of this unprecedented situation. As the situation is continuously evolving, the eventual impact may be different from the estimates made as of the date of approval of these Financial Statements.

37. Previous year figures have been recast/ restated wherever necessary.

As per our report of even date

For NGS & Co. LLP
Chartered Accountants

NGS & CO. LLP MUMBAI CHARTERED ACCOUNTANTS

Ganesh Toshniwal
Partner
Membership No. 046669
Mumbai
June 30, 2020

For and on behalf of the Board of Directors

Samson Charuvil Samuel
Director
DIN No. 07523995

Gaurav Seth

Gaurav Seth
Director
DIN No. 07524168

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