

B S R & Associates LLP

Chartered Accountants

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INDEPENDENT AUDITORS' REPORT

To the Members of Spoton Logistics Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Spoton Logistics Private Limited ("the Company"), which comprise the standalone balance sheet as at 31 March 2020, the standalone statement of profit and loss, and the standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2020, and loss and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs 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 Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone financial statements.

Emphasis of matter

We draw attention to Note 26 (c) of the standalone financial statements, which describes contingent liability regarding the provident fund contribution pursuant to the Supreme Court Judgement dated 28 February 2019. The Company has been legally advised that there are interpretative challenges on the application of the judgement retrospectively. Based on the legal advice and in the absence of reliable measurement of the provision for earlier periods, the Company has made provision for provident fund contribution pursuant to the judgement only from the date of Supreme Court order.

Our opinion is not modified in respect of this matter.

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Independent Auditors' Report on the Audit of the Standalone Financial Statements of Spoton Logistics Private Limited for the year ended 31 March 2020 (continued)

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Board of Directors' Report, but does not include the financial statements and our auditors' report thereon. The information included in the Board of Directors' Report is expected to be made available to us after the date of this auditors' report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the other information included in the Board of Directors' Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the applicable laws and regulations.

Management's and Board of Directors' Responsibility 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 Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring 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, the Management and Board of 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 the Board of Directors 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 Standalone Financial Statements

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

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Independent Auditors' Report on the Audit of the Standalone Financial Statements of Spoton Logistics Private Limited for the year ended 31 March 2020 (continued)

Auditor's Responsibilities for the Audit of the Standalone Financial Statements (continued)

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to the standalone financial statements 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 in the standalone financial statements made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

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

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Independent Auditors' Report on the Audit of the Standalone Financial Statements of Spoton Logistics Private Limited for the year ended 31 March 2020 (continued)

Report on Other Legal and Regulatory Requirements (continued)

2. (A) 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, and standalone statement of cash flows 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.
- e) On the basis of the written representations received from the directors as on 31 March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to the standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations as at 31 March 2020 on its financial position in its standalone financial statements - Refer Note 26 to the standalone 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.
- iv. The disclosures regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these standalone financial statements since they do not pertain to the financial year ended 31 March 2020.

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Independent Auditors' Report on the Audit of the Standalone Financial Statements of Spoton Logistics Private Limited for the year ended 31 March 2020 (continued)

Report on Other Legal and Regulatory Requirements (continued)

(C) With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanation given to us, the Company is a private limited company and accordingly the provisions of Section 197 of the Act are not applicable to the Company.

for B S R & Associates LLP

Chartered Accountants

Firm's Registration No: 116231W/W-100024

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Vipin Lodha

Partner

Membership No. 076806

ICAI UDIN: 21076806AAAAAF2800

Place: Bengaluru

Date: 12 February 2021

B S R & Associates LLP

Annexure A to the Independent Auditors' report on the standalone financial statements of Spoton Logistics Private Limited for the year ended 31 March 2020.

With reference to the Annexure A referred to in paragraph 1 in the report on Other Legal and Regulatory Requirements of the Independent Auditors' Report to the members of Spoton Logistics Private Limited ("the Company") for the year ended 31 March 2020, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment except for the situation of leasehold improvements and tagging of its fixed assets. The Company is in the process of updating tagging and situation of leasehold improvements in the fixed asset register.
- (b) The Company has a regular programme of physical verification of its property, plant and equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its fixed assets. Pursuant to the programme, property, plant and equipment, except leasehold improvements and motor vehicles have been physically verified during the year and no material discrepancies were noticed on such verification.
- (c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no immovable properties that are owned by the Company. Accordingly, paragraph 3(i)(c) of the Order is not applicable to the Company.
- (ii) The Company is a service company, primarily engaged in domestic road transportation business. Accordingly, it does not hold any physical inventories. Consequently, the provisions of clause 3(ii) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ("the Act"). Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Act, with respect to the investments made. Further, there are no loans, guarantees and security given in respect of which provisions of Section 185 and 186 of the Act are applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of the directives issued by the Reserve Bank of India, provisions of Section 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed thereunder.
- (vi) According to the information and explanations given to us, the Central Government of India has not prescribed the maintenance of cost records under Section 148(1) of the Act, read with Rule 3 of the Companies (Cost records and audit) Rules, 2014, for any services rendered by the Company.
- (vii) (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 Provident fund, Employees' State Insurance, Income Tax, Goods and Services Tax, Cess and any other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities though there have been slight delays in deposit of Professional Tax. As explained to us, the Company did not have any dues on account of Duty of Customs, Duty of Excise, Value Added Tax, Sales Tax and Service Tax during the year.

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Annexure A to the Independent Auditors' report on the standalone financial statements of Spoton Logistics Private Limited for the year ended 31 March 2020 (continued)

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Income Tax, Goods and Services Tax, Cess and other material statutory dues were in arrears, as at 31 March 2020, for a period of more than six months from the date they became payable. As explained to us, the Company did not have any dues on account of Duty of Customs, Duty of Excise, Value Added Tax, Sales Tax and Service Tax during the year.

- (b) According to the information and explanations given to us, there are no dues of Income tax, Goods and Services Tax, Service Tax, Value Added Tax and Cess which have not been deposited by the Company on account of disputes other than those set out below:

Name of the statute	Nature of dues	Amount (in Rs.)	Period to which the amount relates	Forum where dispute is pending
The Finance Act 1994	Service tax, Interest and Penalty	600,428,960 (14,204,000)*	FY 2012-2017	CESTAT - Bengaluru
Value Added Tax- Bihar	Tax and Penalty	5,336,670	FY 2016-17	Commercial Tax Tribunal - Bihar

*Amounts mentioned in parenthesis represent payments made under protest.

- (viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institutions and banks. The Company did not have any outstanding loans or borrowings from Government or dues to debenture holders during the year.
- (ix) According to the information and explanations given to us and based on examination of the records, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable to the Company.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us, the Company is a private limited company and accordingly the provisions of Section 197 read with Schedule V to the Act are not applicable to the Company. Accordingly, paragraph 3(xi) of the Order is not applicable to the Company.
- (xii) According to the information and explanations given to us, in our opinion, the Company is not a Nidhi Company as prescribed under Section 406 of the Act. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 188 of the Act, where applicable, and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards. The provisions of Section 177 of the Act are not applicable to the Company.
- (xiv) According to the information and explanations given to us and based on 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, paragraph 3 (xiv) of the Order is not applicable to the Company.

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Annexure A to the Independent Auditors' report on the standalone financial statements of Spoton Logistics Private Limited for the year ended 31 March 2020 (continued)

- (xv) According to the information and explanations given to us and based on our examination of records of the Company, the Company has not entered into any non-cash transaction with directors or person connected with him. Accordingly, paragraph 3 (xv) of the Order is not applicable to the Company.
- (xvi) According to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3 (xvi) of the Order is not applicable to the Company.

for B S R & Associates LLP

Chartered Accountants

Firm's Registration Number: 116231W /W-100024

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Vipin Lodha

Partner

Membership number: 076806

ICAI UDIN: 21076806AAAAAF2800

Place: Bengaluru

Date: 12 February 2021

B S R & Associates LLP

Annexure B to the Independent Auditors' report on the standalone financial statements of Spoton Logistics Private Limited for the year ended 31 March 2020

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to standalone financial statements of Spoton Logistics Private Limited ("the Company") as of 31 March 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at 31 March 2020, 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 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.

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Annexure B to the Independent Auditors' report on the standalone financial statements of Spoton Logistics Private Limited for the year ended 31 March 2020

Auditors' Responsibility (continued)

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone 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 standalone financial statements.

Meaning of Internal Financial controls with Reference to Standalone Financial Statements

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial controls with Reference to Standalone Financial Statements

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 standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

for B S R & Associates LLP

Chartered Accountants

Firm's Registration No: 116231W/W-100024

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Vipin Lodha

Partner

Membership No. 076806

ICAI UDIN: 21076806AAAAAF2800

Place: Bengaluru

Date: 12 February 2021

Spoton Logistics Private Limited
Standalone Balance sheet

(Amount in Rs.)

	Note	As at 31 March 2020	As at 31 March 2019
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	176,516,450	176,516,450
Reserves and surplus	3	602,267,595	980,455,514
		778,784,045	1,156,971,964
Non-current liabilities			
Long-term borrowings	4	1,113,750,000	-
Other long-term liabilities	5	24,981,844	32,688,679
Long-term provisions	6	70,601,781	40,680,778
		1,209,333,625	73,369,457
Current liabilities			
Short-term borrowings	7	745,598,035	32,265,856
Trade payables	8		
-total outstanding dues of micro enterprises and small enterprises		6,622,606	1,560,104
-total outstanding dues of creditors other than micro enterprises and small enterprises		837,458,819	751,043,125
Other current liabilities	9	232,366,932	165,193,879
Short-term provisions	10	14,500,561	8,962,087
		1,836,546,953	959,025,051
TOTAL		3,824,664,623	2,189,366,472
ASSETS			
Non-current assets			
Fixed assets			
Property, plant and equipment	11	180,405,633	143,598,192
Intangible assets	11	938,574,803	69,841,971
Intangible assets under development		7,909,000	9,883,836
Non current investments	12	215,962,000	-
Deferred tax asset (net)	35	9,938,547	38,649,526
Long-term loans and advances	13	477,689,882	285,196,932
Other non-current assets	14	935,431	5,000
		1,831,415,296	547,175,457
Current assets			
Trade receivables	15	1,479,909,265	1,058,725,008
Cash and bank balances	16	191,386,782	189,870,042
Short-term loans and advances	17	146,443,160	139,366,994
Other current assets	18	175,510,120	254,228,971
		1,993,249,327	1,642,191,015
TOTAL		3,824,664,623	2,189,366,472

Significant accounting policies

1

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached:

for **B S R & Associates LLP**
Chartered Accountants
Firm registration number: 116231W/W-100024

for and on behalf of the Board of Directors of
Spoton Logistics Private Limited
UIN : U63090GJ2011PTC108834

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Vipin Lodha
Partner
Membership No. 076806

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Abhik Mitra
Director
DIN: 00337465

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Abhishek Kabra
Director
DIN: 06782685

CHANDRASEKAR KRISHNA
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Krishna Chandrasekar
Chief Financial Officer

Place: Bengaluru
Date: 12 February 2021

Place: Bengaluru
Date: 12 February 2021

Place: Bengaluru
Date: 12 February 2021

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Pavithra P
Company Secretary

Place: Bengaluru
Date: 12 February 2021

Place: Bengaluru
Date: 12 February 2021

	Note	For the year ended 31 March 2020	For the year ended 31 March 2019
Cash flows from operating activities			
(Loss)/profit before tax		(149,050,530)	31,160,085
<i>Adjustments</i>			
Depreciation and amortisation expenses	11	341,141,586	73,887,969
Finance costs	24	212,874,409	16,123,493
Provision for doubtful debts	25	13,816,000	1,073,963
Rent equalisation expense		781,667	6,604,496
Bad debts written off	25	2,664,940	4,480,676
(Profit)/loss on sale of property, plant and equipment	21, 25	(1,530)	40,551
Interest income on bank deposits	21	(3,061,952)	(471,329)
Operating cash flows before working capital changes		419,164,590	132,899,904
Increase in trade receivables and other assets		(357,822,657)	(136,896,058)
Increase in loans and advances		(38,036,856)	(81,340,120)
Increase in liabilities and provisions		89,306,739	64,168,987
Cash generated from/(used in) operations		112,611,816	123,167,287
Income taxes paid, net of refund		(232,166,488)	(121,919,263)
Net cash used in operating activities (A)		(119,554,672)	(143,086,550)
Cash flows from investing activities			
Interest received		1,938,262	501,075
Fixed deposit (created)/matured		(80,105,532)	2,257,904
Purchase of property, plant and equipment and intangibles		(143,677,314)	(97,301,865)
Proceeds from sale of property, plant and equipment		51,601	29,764
Investment in subsidiary		(215,962,000)	-
Net cash used in investing activities (B)		(437,754,983)	(94,513,122)
Cash flows from financing activities			
Proceeds from the issue of share capital		-	9,516,450
(Repayment) of/proceeds from long term borrowings		(133,750,000)	283,828,026
Proceeds from short term borrowings		3,133,110,592	2,633,285,975
Repayments of short term borrowings		(2,419,778,412)	(2,739,226,138)
Interest paid		(207,925,136)	(16,338,409)
Net cash generated from financing activities (C)		371,657,044	171,065,904
Net decrease in cash and cash equivalents (A+B+C)		(185,652,611)	(66,533,768)
Cash and cash equivalents recorded on account of scheme of arrangement	31	107,994,250	-
Cash and cash equivalents at the beginning of the year		184,143,791	250,677,559
Cash and cash equivalents at the end of the year		106,485,430	184,143,791
<i>Cash and cash equivalents at the end of the year comprise</i>			
Cash and bank balances	16	106,485,430	184,143,791
		106,485,430	184,143,791

Notes:

- The above standalone statement of cash flows has been compiled from and is based on the balance sheet as at 31 March 2020 and the related statement of profit and loss for the year ended on that date.
- The above standalone statement of cash flows has been prepared under the indirect method as set out in the Accounting Standard - 3 on Cash Flow Statements as notified under Section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014.

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached:

for **BSR & Associates LLP**

Chartered Accountants

Firm registration number: 116231W/W-100024

VIPIN LODHA
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Date: 2021.02.12
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Vipin Lodha

Partner

Membership No. 076806

Place: Bengaluru

Date: 12 February 2021

for and on behalf of the Board of Directors of

Spoton Logistics Private Limited

UIN : U63090GJ2011PTC108834

ABHIK KUMAR MITRA
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Date: 2021.02.12
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Abhik Mitra

Director

DIN: 00337465

Place: Bengaluru

Date: 12 February 2021

ABHISHEK RAJENDRAK UMAR KABRA
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Date: 2021.02.12
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Abhishek Kabra

Director

DIN: 06782685

Place: Bengaluru

Date: 12 February 2021

CHANDRASEKA R KRISHNA
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Date: 2021.02.12
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Krishna Chandrasekar

Chief Financial Officer

Place: Bengaluru

Date: 12 February 2021

Pavithra P
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Date: 2021.02.12
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Pavithra P

Company Secretary

Place: Bengaluru

Date: 12 February 2021

Spoton Logistics Private Limited

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

1. Significant accounting policies

1.1 Company overview

Spoton Logistics Private Limited (“the Company”) was incorporated on 17 November 2011 as Private Limited Company under Companies Act, 1956.

During the year 2011-12, the Company entered into an Asset Transfer agreement dated 9 December 2011 with TNT India Private Limited (“TNT”), where in TNT agreed to sell and transfer identified assets, customer and vendor contracts in relation to domestic road business and identified employees.

Further, during 2018-19, the Company entered into scheme of arrangement (“the Scheme”) for amalgamation with Vankatesh Pharma Private Limited (“VPPL”). The scheme of arrangement was duly approved by the National Company Law Tribunal of Ahmedabad on 27 November 2019 under provision of the Companies Act 2013, and the certified true copy of the Scheme was filed with the Registrar of Companies on 10 January 2020 for regularisation. Also refer to notes 1.2 and 31.

The Company is engaged in the domestic road business i.e. transportation freight through surface transport within the territory of India. The Company has recently entered into Air business i.e. transportation of goods/consignments through Air. On 29 June 2019, the Company has changed its registered office from Bengaluru, Karnataka to Ahmedabad, Gujarat.

The Company has a subsidiary, namely Raag Technologies and Services Private Limited, (“the Subsidiary”) which carries on the business of warehouse management services.

1.2 Basis of preparation of the standalone financial statements

These standalone financial statements have been prepared in accordance with the Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under section 133 of the Companies Act, 2013 (“the Act”).

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

Comparative figures relate to the standalone numbers of the Company and have been drawn from the audited financial statements of the Company for the year ended 31 March 2019. Accordingly, the figures are not comparable. Also refer to notes to 1.1 and 31.

1.3 Use of estimates

The preparation of standalone financial statements in conformity with generally accepted accounting principles in India requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the standalone financial statements and the results of operations during the reporting period end. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

Spoton Logistics Private Limited

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

1.4 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Freight income from domestic road business is recognised on transfer of all significant risks and rewards of ownership in goods being transported and is exclusive of goods and services tax, trade and quantity discounts.

Revenue from sale of unclaimed goods are recognised as and when the unclaimed goods are sold as per the Company's policy.

Interest income arising from the deployment of funds is recognised on a time proportionate basis using transactional interest rates.

Dividend income is recognized when the right to receive the dividend is established.

1.5 Fixed assets

Property, plant and equipment are carried at cost of acquisition or construction less accumulated depreciation and provision for impairment of assets, if any. The cost of property, plant and equipment includes freight, duties, taxes and other incidental expenses related to the acquisition or construction of the respective assets. Intangible assets (other than goodwill) are recorded at their acquisition cost.

Goodwill represents the excess of the value of the net assets of the business taken over as compared to the cost of acquisition.

The costs of the fixed assets, which are not ready for their intended use on such date, are disclosed as capital work-in-progress.

Advances paid for acquisition of fixed assets are disclosed as capital advances under long-term loans and advances.

1.6 Depreciation/Amortisation

Depreciation on fixed assets is provided on straight-line method over the useful lives as prescribed in part C of Schedule II of the Act as follows:

Asset category	Useful life as followed by the Company	Useful life prescribed under Schedule II of Company's Act, 2013
Furniture and fittings	10 years	10 years
Office Equipments	5 years	5 years
Computers	3 years	3 years
Plant and Machinery	15 years	15 years
Vehicles	8 years	8 years

Management's estimate of useful life of the following assets are as follows:

- Goodwill arisen during the year 2011-2012:- amortized on a straight line basis over its estimated useful life of 10 years and tested for impairment on a periodic basis.
- Goodwill arising out of Scheme of arrangement in year 2018-2019:- amortized on a straight line basis over its estimated useful life of 5 years. It is tested for impairment on a periodic basis and written-off, if found impaired.
- Leasehold improvements are amortised over the lease term or useful lives of assets, whichever is less.
- Intangible assets are amortised over the period the Company expects to derive economic benefits from their use. The management believes that the period of amortisation is representative of the period over which the Company expects to derive economic benefits from the use of the asset.

Spoton Logistics Private Limited

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

1.7 Investments

Investments that are readily realisable and intended to be held for not more than a year from the date of acquisition are classified as current investments. All other investments are classified as long-term investments. Current investments are carried in standalone financial statements at lower of cost and fair value determined by category of investment. The fair value is determined using quoted market price/market observable information adjusted for cost of disposal. Long term investments are stated at cost less other than temporary decline in the value of such investments, if any. On disposal of the investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of profit and loss.

The investment in subsidiary has been carried at cost.

1.8 Employee benefits

Post employment benefits

Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards employee Provident Fund and Employee State Insurance to Government administered provident fund scheme which is a defined contribution plan. The Company's contribution is recognised as an expense in the Statement of profit and loss during the period in which the employee renders the related service.

Defined benefit plan

Gratuity

The Company's gratuity benefit scheme are defined benefit plans. The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past service costs and the fair value of any plan assets are deducted. The calculation of the Company's obligation is performed annually by an independent actuary using the projected unit credit method as at the reporting date.

The Company recognises all actuarial gains and losses arising from defined benefit plans immediately in the Statement of profit and loss. All expenses related to defined benefit plans are recognised in employee benefits expense in the Statement of profit and loss. The Company recognises gains and losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs.

Other employee benefits

Compensated absences

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance sheet date less the fair value of the plan assets out of which the obligations are expected to be settled.

Spoton Logistics Private Limited

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

1.9 Leases

Operating Lease:

Assets acquired under leases, where a significant portion of the risk and rewards of ownership are retained by the lessor, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of profit and loss on a straight line basis over the lease term.

1.10 Earnings/ (loss) per share:

The basic earnings/ (loss) per share is computed by dividing the net profit or (loss) attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year. The number of equity shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares, which would have been issued on conversion of all potentially dilutive equity shares. Potential dilutive equity shares are deemed converted as of the beginning of the year, unless they have been issued at a later date. The potentially dilutive equity shares have been adjusted for the proceeds receivable had the shares been actually issued at a fair value (i.e. the average market value of the outstanding shares). In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduce the earnings per share or increases loss per share are included.

1.11 Taxation

Income-tax expense comprises current tax (i.e. amount of tax for the year determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the year). The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future. However, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets / liabilities are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realised.

Minimum Alternative Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which MAT credit becomes eligible to be recognized, the said asset is created by way of a credit to the Statement of profit and loss and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of the MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income-tax during the specified period.

Assets and liabilities representing current and deferred tax are disclosed on a net basis when there is a legally enforceable right to set off and management intends to settle the asset and liability on a net basis.

Spoton Logistics Private Limited

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

1.12 Impairment of assets

The Company periodically assesses whether there is any indication that an asset or a group of assets, including goodwill comprising a cash generating unit may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. For an asset or group of assets that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost. An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined; if no impairment loss had been recognised.

1.13 Provisions, contingent liabilities and contingent assets

The Company recognises a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Provisions are reviewed regularly and are adjusted where necessary to reflect the current estimate of the obligation. When the Company expects a provision to be reimbursed, the reimbursement is recognised as a separate asset, only when such reimbursement is virtually certain.

Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

Loss contingencies arising from claims, litigations, assessments, fines, penalties, etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated.

The Company recognises contingent assets in the standalone financial statements in the period in which it is virtually certain that an inflow of economic benefits will arise. Contingent assets are assessed continually and no such benefits were found for the current financial year.

1.14 Stock compensation expense

The Company accounts for stock based compensation expense based on the intrinsic value method as prescribed by the Guidance Note on Accounting for Employee Share-based Payments issued by Institute of Chartered Accountants of India.

1.15 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily takes a substantial period of time to get ready for their intended use or sale are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in the Statement of profit and loss in the period in which they are incurred.

Spoton Logistics Private Limited

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

1.16 Foreign exchange transactions and translations

Foreign exchange transactions are recorded at the rates of exchange prevailing on the dates of the respective transactions. Exchange difference arising on foreign exchange transactions settled during the period are recognised in the Statement of profit and loss for the year.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rate on that date; the resultant exchange differences are recognised in the Statement of profit and loss.

1.17 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

1.18 Cash flow statement

Cash flows are reported using indirect method, whereby net profits before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated.

1.19 Accounting for Amalgamation in the nature of merger

The Company ("also called the Transferee Company") has accounted for amalgamation of Vankatesh Pharma Private Limited (hereinafter referred to as the "Transferor Company" or "the VPPL") in the nature of merger. The amalgamation has been accounted as per the purchase method in accordance with Scheme of Arrangement, duly approved by the National Company Law Tribunal of Ahmedabad on 27 November 2019 under provision of the Companies Act 2013.

The Purchase method – AS 14 Accounting for Amalgamations

Under the purchase method, the transferee company accounts for the amalgamation either by incorporating the assets and liabilities at their existing carrying amounts or by allocating the consideration to individual identifiable assets and liabilities of the transferor company on the basis of their fair values at the date of amalgamation. The identifiable assets and liabilities may include assets and liabilities not recorded in the financial statements of the transferor company.

Under purchase method, the identity of reserves other than statutory reserves is not preserved in the financial statements of transferee company.

The amount of the consideration is deducted from the value of the net assets of the transferor company acquired by the transferee company. If the result of the computation is negative, the difference is debited to goodwill arising on amalgamation and if the result of the computation is positive, the difference is credited to capital reserve.

Spoton Logistics Private Limited
Notes to the standalone financial statements (continued)

2 Share capital

(Amount in Rs.)

Particulars	As at 31 March 2020	As at 31 March 2019
Authorised		
Equity shares		
188,000,000 (Previous year: 20,000,000) equity shares of Rs. 10 each*	1,880,000,000	200,000,000

* The authorised share capital of the Company has been increased to Rs. 1,880,000,000 as per the Scheme of Arrangement. Refer to note 31.

Issued, subscribed and paid-up

Equity shares		
17,651,645 (Previous year: 17,651,645) equity shares of Rs. 10 each, fully paid-up	176,516,450	176,516,450
	176,516,450	176,516,450

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

	As at 31 March 2020		As at 31 March 2019	
	No. of shares	Amount	No. of shares	Amount
Number and value of shares at the beginning of the year	17,651,645	176,516,450	16,700,000	167,000,000
Number of shares issued during the year	-	-	951,645	9,516,450
Number of shares cancelled on account of Scheme of Arrangement*	(17,651,645)	(176,516,450)	-	-
Number of shares allotted on account of Scheme of Arrangement**	17,651,645	176,516,450	-	-
Number and value of shares outstanding at the end of the year	17,651,645	176,516,450	17,651,645	176,516,450

* as per the Scheme of Arrangement, the equity shares of the Spoton Logistics Private Limited ("Transferee Company") held by the Vankatesh Pharma Private Limited ("Transferor Company") shall stand cancelled. Accordingly, the share capital of the Transferee Company shall stand reduced to the extent of face value of shares held by the Transferor Company in the Transferee Company. Also refer to note 31.

** as per the Scheme of Arrangement, Spoton Logistics Private Limited shall, without any further application, act, instrument or deed, issue and allot 17,651,645 equity shares of Rs. 10 each, credited as fully paid up, to the equity shareholders of Vankatesh Pharma Private Limited, whose name appear in the Register of Members of the Transferor Company, as on the effective date. Also refer to note 31.

(b) List of persons holding more than 5% shares in the Company and shares held by the Holding Company

Name of the shareholder	As at 31 March 2020		As at 31 March 2019 (refer note below)	
	No of shares	% holding	No of shares	% holding
Vankatesh Pharma Private Limited	-	-	17,651,644	99.99%
Samara Alternate Investment Fund	7,466,563	42.30%	-	-
Samara Capital Partners Fund II Limited	5,169,432	29.29%	-	-
Virginia Tech Foundation, Inc.	602,739	3.41%	-	-
Xponentia Fund Partners LLP	2,065,787	11.70%	-	-
Xponentia Opportunities Fund – I	2,347,124	13.30%	-	-

Note: Vankatesh Pharma Private Limited is the Holding Company up to 30 August 2018. Pursuant to the Scheme of Arrangement, the equity shares held by Vankatesh Pharma Private Limited in the Company shall stand cancelled and the Company issued and allotted fully paid up equity shares of equal number to the equity shareholders of the Vankatesh Pharma Private Limited, whose name appear in the Register of Members as on the effective date. Also refer to note 31.

(c) Rights, preference and restrictions attached to equity shares

The Company has only one class of shares referred to as equity shares having par value of Rs 10. All equity shares carry similar voting rights of 1:1 and similar dividend rights. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting except interim dividend where approval of the Board of Directors is considered sufficient.

(d) Buy back of shares, issue of bonus shares and shares allotted as fully paid up pursuant to contract(s) without payment being received in cash

There have been no buyback of shares, issue of bonus shares and issue of shares pursuant to contract without payment being received in cash for the period of five years immediately preceding the balance sheet date.

(e) Refer note 30 for terms and disclosure in relation to employee stock option plan.

Spoton Logistics Private Limited
Notes to the standalone financial statements (continued)

3 Reserves and surplus

(Amount in Rs.)

Particulars	As at 31 March 2020	As at 31 March 2019
Securities premium account		
Opening balance	951,428,026	667,600,000
Add: Additions during the year	-	283,828,026
Closing balance	[A] 951,428,026	951,428,026
Deficit in Statement of profit and loss		
Opening balance	29,027,488	42,073,698
Less: Transfer from Vankatesh Pharma Private Limited (loss resulting from transactions between 30 August 2018 to 31 March 2019) as part of Scheme of Arrangement of Merger (also refer to note 31)	(116,675,582)	-
Less: Amortisation of goodwill for the period from 30 August 2018 to 31 March 2019 arising as a result of the Scheme of Arrangement of Merger (also refer to notes 11 and 31)	(147,532,516)	-
Add: Loss for the year	(113,979,821)	(13,046,210)
Closing balance	[B] (349,160,431)	29,027,488
	C = [A + B] 602,267,595	980,455,514

4 Long-term borrowings

(Amount in Rs.)

Particulars	As at 31 March 2020	As at 31 March 2019
Secured		
Term loan		
from financial institution (refer to notes below and 40 (b))	1,113,750,000	-
	1,113,750,000	-

Note: Terms of secured term loan (including current maturities of long-term debt) from financial institution and nature of security.

Term loan amounting to Rs. 1,216,250,000 [previous year: Nil] from Piramal Capital & Housing Finance Limited is to be repaid in five annual installments (1st year - 0%, 2nd year - 10%, 3rd year -15%, 4th year - 25%, 5th year 30% and 6th year 30%) with interest rate of Piramal PLR minus spread (current year interest rate range 13.50% - 14.65% p.a). The said loan is secured by first charge on all the present fixed assets and movable assets and second charge on present and future receivables and future fixed and movable assets.

5 Other long-term liabilities

(Amount in Rs.)

Particulars	As at 31 March 2020	As at 31 March 2019
Security deposits	16,210,681	15,788,397
Rent equalisation reserve	8,771,163	16,900,282
	24,981,844	32,688,679

6 Long-term provisions

(Amount in Rs.)

Particulars	As at 31 March 2020	As at 31 March 2019
Provision for employee benefits		
- gratuity (refer to note 29)	56,895,855	33,511,418
- compensated absences	13,705,926	7,169,360
	70,601,781	40,680,778

Spoton Logistics Private Limited
Notes to the standalone financial statements (continued)

7 Short-term borrowings

(Amount in Rs.)

Particulars	As at 31 March 2020	As at 31 March 2019
<i>Secured</i>		
Loan repayable on demand from banks (refer to note below)		
- cash credit	174,951,459	6,955,389
- working capital loan	570,000,000	-
<i>Unsecured</i>		
from banks		
- credit cards/cash credit	646,576	25,310,467
	745,598,035	32,265,856

Notes:

Terms of secured short term borrowings from banks:

Cash credit, Overdraft facilities and Working capital demand loans carry interest ranging between 8.85% to 9.75% per annum (Previous year: 9.1% to 12.5% per annum) computed on a monthly basis on the actual amount utilised, and are repayable on demand.

Short term borrowings from banks are secured by:

- Charge on present and future current assets and movable fixed assets of the Company.
- Letter of comfort by Samara Capital Partners Fund II Limited and Xponentia Fund Partners LLP (shareholders of the Company).

The Company's bank facilities have the following covenants:

Covenants	Lender	Financial year 2019-20
i) Adjusted total net worth		> 800 million
ii) Total liabilities/Total Net worth	HDFC Bank	< 3x
iii) Interest coverage ratio		> 5x
iv) Total Debt/EBITDA	Axis Bank	< or equal to 4.0x

The financial covenants mentioned above have not been complied with. However in view of the ongoing relationship with the lending banks, the Company's management believes that this non-compliance will not result either in levy of penalty or discontinuation of the Company's bank facilities.

Unsecured loans:

Repayable on monthly basis.

8 Trade payables

(Amount in Rs.)

Particulars	As at 31 March 2020	As at 31 March 2019
Total outstanding dues of micro enterprises and small enterprises (refer to note 36)	6,622,606	1,560,104
Total outstanding dues of creditors other than micro enterprises and small enterprises	837,458,819	751,043,125
	844,081,425	752,603,229

9 Other current liabilities

(Amount in Rs.)

Particulars	As at 31 March 2020	As at 31 March 2019
Current maturities of long-term debt*	102,500,000	-
Interest accrued but not due on borrowings	4,413,202	-
Statutory liabilities	35,171,541	76,936,393
Capital creditors	4,006,975	14,643,192
Employee payables	68,866,494	64,475,199
Other payables		
- for expenses	4,114,024	4,755,185
- rent equalisation reserve	13,294,696	4,383,910
	232,366,932	165,193,879

* For details refer to notes 4 and 40 (b).

10 Short-term provisions

(Amount in Rs.)

Particulars	As at 31 March 2020	As at 31 March 2019
Provision for employee benefits		
- gratuity (refer to note 29)	10,158,252	5,469,023
- compensated absences	4,342,309	3,493,064
	14,500,561	8,962,087

Spoton Logistics Private Limited
Notes to the standalone financial statements (continued)

11 Property, plant and equipment and Intangibles

(Amount in Rs)

Particulars	Gross block at cost					Accumulated depreciation and amortisation				Net block		
	As at 1 April 2019	Additions during the year	Additions due to amalgamation (refer to notes 3 and 31)	Deletions during the year	As at 31 March 2020	As at 1 April 2019	Additions due to amalgamation (refer to notes 3 and 31)	Charge for the year	Deletions during the year	As at 31 March 2020	As at 31 March 2020	As at 31 March 2019
Property, plant and equipment, owned												
Furniture and fittings	16,169,737	5,410,907	-	-	21,580,644	7,132,243	-	1,423,503	-	8,555,746	13,024,898	9,037,494
Leasehold improvements	73,789,202	15,451,990	-	-	89,241,192	48,548,370	-	12,889,304	-	61,437,674	27,803,518	25,240,832
Office equipments	66,379,933	17,892,202	-	-	84,272,135	32,328,791	-	12,303,270	-	44,632,061	39,640,074	34,051,142
Computers	116,810,448	33,444,794	-	51,600	150,203,642	65,639,623	-	28,629,418	1,531	94,267,510	55,936,132	51,170,825
Plant and machinery	28,462,957	22,395,893	-	-	50,858,850	4,935,000	-	2,416,653	-	7,351,653	43,507,197	23,527,957
Vehicles	672,694	-	-	-	672,694	102,752	-	76,128	-	178,880	493,814	569,942
Total (A)	302,284,971	94,595,786	-	51,600	396,829,157	158,686,779	-	57,738,276	1,531	216,423,524	180,405,633	143,598,192
Intangible assets, owned												
Goodwill	112,395,372	-	1,264,069,668	-	1,376,465,040	83,080,183	147,532,515	264,838,750	-	495,451,448	881,013,592	29,315,189
Computer software	118,573,589	35,598,989	-	-	154,172,578	78,046,807	-	18,564,560	-	96,611,367	57,561,211	40,526,782
Total (B)	230,968,961	35,598,989	1,264,069,668	-	1,530,637,618	161,126,990	147,532,515	283,403,310	-	592,062,815	938,574,803	69,841,971
Total (A) + (B)	533,253,932	130,194,775	1,264,069,668	51,600	1,927,466,775	319,813,769	147,532,515	341,141,586	1,531	808,486,339	1,118,980,436	213,440,163

(Amount in Rs)

Particulars	Gross block at cost				Accumulated depreciation and amortisation				Net block	
	As at 1 April 2018	Additions during the year	Deletions during the year	As at 31 March 2019	As at 1 April 2018	Charge for the year	Deletions during the year	As at 31 March 2019	As at 31 March 2019	As at 31 March 2018
Property, plant and equipment, owned										
Furniture and fittings	13,492,473	2,677,264	-	16,169,737	6,003,630	1,128,613	-	7,132,243	9,037,494	7,488,843
Leasehold improvements	49,911,236	23,877,966	-	73,789,202	35,465,165	13,083,205	-	48,548,370	25,240,832	14,446,071
Office equipments	58,547,244	7,832,689	-	66,379,933	21,113,276	11,215,515	-	32,328,791	34,051,142	37,433,968
Computers	82,949,213	33,948,664	87,429	116,810,448	43,785,911	21,870,826	17,114	65,639,623	51,170,825	39,163,302
Plant and machinery	21,056,207	7,406,750	-	28,462,957	3,356,689	1,578,311	-	4,935,000	23,527,957	17,699,518
Vehicles	672,694	-	-	672,694	26,624	76,128	-	102,752	569,942	646,070
Total (A)	226,629,067	75,743,333	87,429	302,284,971	109,751,295	48,952,598	17,114	158,686,779	143,598,192	116,877,772
Intangible assets, owned										
Goodwill	112,395,372	-	-	112,395,372	71,840,646	11,239,537	-	83,080,183	29,315,189	40,554,726
Computer software	84,745,393	33,828,196	-	118,573,589	64,350,973	13,695,834	-	78,046,807	40,526,782	20,394,420
Total (B)	197,140,765	33,828,196	-	230,968,961	136,191,619	24,935,371	-	161,126,990	69,841,971	60,949,146
Total (A) + (B)	423,769,832	109,571,529	87,429	533,253,932	245,942,914	73,887,969	17,114	319,813,769	213,440,163	177,826,918

Spoton Logistics Private Limited
Notes to the standalone financial statements (continued)

12 Non current investments

(Amount in Rs.)

Particulars	As at 31 March 2020	As at 31 March 2019
Long term investments, unquoted at cost		
Investments in subsidiary:		
3,250 [previous year: Nil] equity shares of Raag Technologies and Services Private Limited of Rs. 100 each, fully paid-up*	215,962,000	-
	215,962,000	-
Aggregate amount of unquoted investments	215,962,000	-

* Represents 65% investment in equity share capital of Raag Technologies and Services Private Limited acquired by the Company on 29 November 2019 from the existing shareholders ("the existing shareholders"). The investment was made in 3,250 equity shares of Rs. 100 each at a value of Rs. 66,450 each.

As part of the acquisition, the Company also has option to buy certain percentage of the share capital held by the existing shareholders based on the terms and conditions stated in the Option Deed Agreement. In the event such an option is not exercised by the Company, the existing shareholders can require the Company to purchase such additional percentage of the share capital as per the terms and conditions stated in the Option Deed Agreement. Refer to note 26 (d) (iii).

13 Long-term loans and advances

(Amount in Rs.)

Particulars	As at 31 March 2020	As at 31 March 2019
<i>Unsecured, considered good</i>		
Capital advances	2,547,168	1,675,692
Security deposits	172,549,515	140,918,841
Advance tax, net of provision for tax (net of tax provision Rs. 76,589,077) (Previous year Rs. 191,804,933)	245,925,207	85,328,424
Minimum alternate tax credit entitlement	41,349,071	41,349,071
Prepaid expenses	1,014,921	1,620,904
Balance with government authorities	14,304,000	14,304,000
	477,689,882	285,196,932

14 Other non-current assets

(Amount in Rs.)

Particulars	As at 31 March 2020	As at 31 March 2019
Bank deposits due to mature after 12 months of the reporting date	935,431	5,000
	935,431	5,000

*Refers to margin money deposits against bank guarantee issued by banks, which are lien marked with various government authorities. These deposits cannot be withdrawn by the Company within 12 months of balance sheet date.

15 Trade receivables

(Amount in Rs.)

Particulars	As at 31 March 2020	As at 31 March 2019
<i>Unsecured</i>		
Debts due for a period exceeding six months from the date they became due for payment		
- considered good	16,701,500	37,356,950
- considered doubtful	37,423,186	17,951,239
	54,124,686	55,308,189
Less: Provision for doubtful debts	(37,423,186)	(17,951,239)
	16,701,500	37,356,950
Other debts		
- considered good	1,463,207,765	1,021,368,058
- considered doubtful	8,206,417	13,862,364
	1,471,414,182	1,035,230,422
Less: Provision for doubtful debts	(8,206,417)	(13,862,364)
	1,463,207,765	1,021,368,058
	1,479,909,265	1,058,725,008

Spoton Logistics Private Limited
Notes to the standalone financial statements (continued)

16 Cash and bank balances

(Amount in Rs.)

Particulars	As at 31 March 2020	As at 31 March 2019
Cash and cash equivalents		
Cash on hand	1,184,547	933,895
Balance with banks		
- in current accounts	105,300,883	183,209,896
- in fixed deposit accounts with banks	-	-
	106,485,430	184,143,791
Other bank balances		
Balance with banks		
- in fixed deposit accounts with banks (refer note below)*	84,901,352	5,726,251
	191,386,782	189,870,042

* Fixed deposits with an original maturity period of less than 3 months are classified as "Cash and cash equivalents" and fixed deposits with a original maturity period of greater than 3 months, but with a maturity date of less than 12 months from balance sheet date are classified as "Other bank balances".

Deposits are marked as security for the facilities mentioned below:

(i) amount of Rs. 6,240,071 (previous year Rs. 5,726,251) marked as lien for Bank guarantee taken with HDFC Bank for Government authorities and others parties.

(ii) amount of Rs. 78,661,281 (previous year Rs. Nil) towards Debt Service Reserve Amount (DSRA) to cover 3 months interest and principal of term loan.

17 Short-term loans and advances

(Amount in Rs.)

Particulars	As at 31 March 2020	As at 31 March 2019
<i>Unsecured, considered good</i>		
Advances to suppliers	14,139,013	25,217,796
Staff advances	1,322,979	1,256,170
Balance with government authorities	5,917	6,499,142
Prepaid expenses	130,975,251	106,393,886
	146,443,160	139,366,994

18 Other current assets

(Amount in Rs.)

Particulars	As at 31 March 2020	As at 31 March 2019
Interest accrued on fixed deposits	1,425,612	301,922
Unbilled revenue	174,084,508	253,927,049
	175,510,120	254,228,971

Spoton Logistics Private Limited
Notes to the standalone financial statements (continued)

19 Revenue from operations

<i>(Amount in Rs.)</i>		
Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Sale of services		
Income from freight	6,870,266,295	6,000,989,500
	6,870,266,295	6,000,989,500

20 Other operating income

<i>(Amount in Rs.)</i>		
Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Income from sale of unclaimed goods	4,754,236	2,856,019
	4,754,236	2,856,019

21 Other income

<i>(Amount in Rs.)</i>		
Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest income		
- on fixed deposits	3,061,952	471,329
- on income tax refund	3,585,012	-
-profit on sale of fixed assets	1,530	-
	6,648,494	471,329

22 Operational expenses

<i>(Amount in Rs.)</i>		
Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Linehaul charges	3,166,765,379	2,792,202,256
Pick-up and delivery charges	1,720,895,085	1,452,352,253
Franchisee commission	47,700,509	26,401,896
Packing materials and consumables	27,368,266	26,904,902
	4,962,729,239	4,297,861,307

23 Employee benefits expense

<i>(Amount in Rs.)</i>		
Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Salaries, wages and allowances	650,972,830	713,098,636
Contribution to provident and other funds (refer to note 29)	38,499,585	55,975,695
Staff welfare expenses	49,930,029	43,946,229
	739,402,444	813,020,560

24 Finance costs

<i>(Amount in Rs.)</i>		
Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest on short term borrowings	22,327,450	16,094,080
Interest on long term borrowings	190,344,303	-
Interest on dues to micro and small enterprises	202,656	29,413
	212,874,409	16,123,493

Spoton Logistics Private Limited
Notes to the standalone financial statements (continued)

25 Other expenses

	<i>(Amount in Rs.)</i>	
Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Rent (refer to note 32)	344,507,472	269,091,367
Lease and hire charges (refer to note 32)	39,136,219	29,764,502
Rates and taxes	874,080	5,610,154
Power and fuel	36,799,155	34,468,149
Office maintenance	36,377,508	37,951,490
Insurance	2,784,327	1,704,914
Repairs and maintenance		
- plant and machinery	1,454,705	711,103
- others	11,035,552	12,985,941
Legal and professional charges (refer to note 27)	39,895,290	128,665,055
Sub-contractor costs	38,460,261	42,115,593
Travelling and conveyance	41,276,055	45,008,710
Printing and stationery	9,608,270	7,812,410
Provision for doubtful debts	13,816,000	1,073,963
Corporate social responsibility expenses	1,358,839	3,729,558
Information technology service cost	35,551,796	38,310,387
Postage and telephone	29,056,047	28,116,167
Bank charges	2,274,254	1,513,748
Bad debts written off	2,664,940	4,480,676
Security expenses	78,803,746	75,525,118
Loss on sale of fixed assets	-	40,551
Sales and marketing expenses	8,837,362	3,583,878
	774,571,878	772,263,434

26 Contingent liabilities and commitments

(Amount in Rs.)

Particulars	As at 31 March 2020	As at 31 March 2019
a) Service Tax		
During year 2017-18, the Commissioner of service tax department had issued show cause notices (SCNs) for raising demands of Rs. 189,386,504 and Rs. 221,636,252 on 28 March 2018 for the period from January 2012 to March 2015 and from April 2015 to June 2017 respectively, in respect of classification of services of the Company's vendors as a Goods Transport Agency for that period. The SCN alleged that vehicle hire services availed by the Company for transporting the goods of its customers both between the cities and within the city should be classified under " Goods Transportation Agency" ("GTA") as per section 65 (105) (zpz) of the Finance Act prior to July 1, 2012 and the Company is required to pay the service tax under the reverse tax charge mechanism. The Company had responded to these SCNs in 2017-18.	600,428,960	600,428,960
During the previous year the Department passed adjudication order on 6 September 2018 with a service tax demand of Rs.189,386,504 and along with interest and penalty of Rs.189,386,204 for the period from January 2012 to March 2015. The Company has filed an appeal before CESTAT against the order after paying Rs.14,204,000 under protest. The SCN relating to the period from April 2015 to June 2017 is yet to be adjudicated as at 31 March 2020.		
Based on the underlying facts, applicable laws and industry standards, the Company is confident of prevailing against the department's position and does not anticipate any adverse financial outcome.		
b) Sales Tax Department-Bihar		
During the year 2017-18, the Assistant Commissioner of Commercial Tax - Investigation and Bureau (Bihar), has raised demand Rs.5,336,670 (including penalty) on failure of producing statutory records reflecting proper account of goods under provision of section 61 of BVAT Act 2005, read with Rule 41 of WBVAT rules 2005. The Company filed a writ petition before the Patna High Court directing the department not to take action till the Company's application is heard by the Tribunal.	5,336,670	5,336,670
The Hon'ble High Court upon hearing has directed the department not to take any coercive action against the Company for recovery of the disputed amount till the Company's revision application is taken up for hearing by the Commercial Tax Tribunal. As at 31st March 2020, The Commercial Tax Tribunal is yet to hear the said matter.		
Based on the facts of the case, the Company is confident of prevailing against the department's position and does not anticipate any adverse financial outcome.		
c) Other matters		
-demands not acknowledged by the Company	622,441	2,917,238
- provident fund [refer to note (i) below]	55,656,598	55,656,598
(d) Commitments		
- estimated amount of contracts remaining to be executed on capital account (net of advances)	16,614,340	19,294,262
	678,659,009	683,633,728

Note (i)

The Hon'ble Supreme Court of India ('SC') by their order dated February 28, 2019, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. There are interpretative challenges and considerable uncertainty, including estimating the amount retrospectively. The Company has been legally advised that there are interpretative challenges on the application of Judgement retrospectively. Based on the legal advice and in the absence of the reliable measurement of the provision for earlier periods, the Company has complied with order on a prospective basis, from the date of SC Order. The Company considered exposure related to the period before the date of SC order and shown as a contingent liability.

Note (ii)

Appointment of Company Secretary

As per Section 203 of Companies Act 2013, read with rule 8A of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, if the Company does not have a whole time Company Secretary ("CS"), the Company shall be punishable with fine which shall not be less than Rs. 1 lakh but which may extend to Rs. 5 lakhs and every director and key managerial personnel of the Company who is in default shall be punishable with fine which may extend to Rs. 50,000 and where the contravention is a continuing, with a further fine which may extend to Rs. 1,000 per day until the date of appointment.

Since the paid up capital of the Company is Rs. 176,516,450 i.e. more than five crore rupees (ten crores w.e.f. 01 April 2020 as amended vide notification dated 03 January 2020, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014), the Company was required to have a whole time CS. The Company appointed whole time CS on 02 May 2019 and made two compounding applications with Registrar of Companies, one for compounding of offense till 02.11.2018 (till the time of adjudication provision became effective) and second for adjudication from 02.11.2018 (date of effectiveness of adjudication provision) till 02.05.2019 (date of appointment of Company Secretary). The Company's management does not expect significant penalty arising out of the compounding proceedings.

Note (iii)

Also refer to note 12 which explains the Company's commitment as part of acquisition of investment in a subsidiary.

Spoton Logistics Private Limited
Notes to the standalone financial statements (continued)

27 Auditors` remuneration (excluding GST)

Particulars	<i>(Amount in Rs.)</i>	
	For the year ended 31 March 2020	For the year ended 31 March 2019
Statutory audit	2,765,000	2,250,000
Tax audit	350,000	350,000
Limited review	650,000	-
Out of pocket expenses reimbursed	178,255	130,000
	3,943,255	2,730,000

28 Earnings per share

Reconciliation of basic and diluted shares used in computing earnings per share

Particulars	<i>(Amount in Rs.)</i>	
	For the year ended 31 March 2020	For the year ended 31 March 2019
Loss after tax attributable to equity shareholders	(113,979,821)	(13,046,210)
Number of equity shares at the beginning of the year	17,651,645	16,700,000
Add: Weighted average number of equity shares issued during the year	-	573,594
Number of weighted average equity shares considered for calculation of basic earnings per share	17,651,645	17,273,594
Earnings per share		
Basic	(6.46)	(0.76)
Diluted	(6.46)	(0.76)

29 (a) Defined contribution plans

The Company makes contributions, determined as a specified percentage of employee salaries in respect of qualifying employees towards Provident Fund and state plans such as Employees' State Insurance (ESI), which is a defined contribution plan. The Company has no obligations other than to make the specified contributions. The Company's contribution is recognised as an expense in the Statement of profit and loss during the period in which the employee renders the related services.

During the year, the Company has recognised the following amounts in the Statement of profit and loss, which are included in contribution to provident and other funds:

Particulars	(Amount in Rs.)	
	For the year ended 31 March 2020	For the year ended 31 March 2019
Provident Fund and Employee's Pension Scheme	33,350,856	28,012,233
Employees' State Insurance	5,148,729	6,099,844

(b) Defined benefit plans

The Company provides for gratuity, a defined benefit plan (the Gratuity Plan), to its employees. The Gratuity Plan provides a lump sum payment to vested employees, at retirement or termination of employment, of an amount based on the respective employee's last drawn salary and years of employment with the Company. The gratuity plan of the Company is non-funded.

Reconciliation of opening and closing balances of the present value of the defined benefit obligation.

(Amount in Rs)

Particulars	As at	
	31 March 2020	31 March 2019
(i) Change in projected benefit obligations		
Obligations at the beginning of the year	38,980,441	26,288,378
Service cost	10,892,956	5,904,983
Benefits paid	(2,120,378)	(2,609,876)
Interest cost	2,862,979	1,896,243
Actuarial loss	16,438,109	7,500,713
Obligations at the end of the year	67,054,107	38,980,441
(ii) Actual return on plan assets		
Expected Return on plan assets	-	-
Actuarial (loss)/gain on plan assets	-	-
Actual return on plan assets	-	-
(iii) Reconciliation of present value of the obligation and the fair value of the plan assets:		
Fair value of plan assets at the end of the year	-	-
Present value of the defined benefit obligations at the end of the year	67,054,107	38,980,441
Liability recognised in the balance sheet	(67,054,107)	(38,980,441)
(iv) Expense recognised in Statement of profit and loss	For the year ended 31 March 2020	For the year ended 31 March 2019
Service cost	10,892,956	5,904,983
Interest cost	2,862,979	1,896,243
Actuarial loss	16,438,109	7,500,713
Net gratuity cost	30,194,044	15,301,939
(v) Assumptions:		
Discount rate	6.13%	7.55%
Expected rate of salary increase	8.00%	8.00%
Attrition rate	18.00%	18.00%
Retirement age	60 years	60 years

The estimate of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

(vi) Details for the present value of defined obligation, fair value of assets, surplus /(deficit) of assets and past experience adjustments of current year and preceding four years are as under :

Five-year information	31 March 2020	31 March 2019	31 March 2018	31 March 2017	31 March 2016
Amounts for the current and previous four periods are as follows:					
Defined benefit obligation	67,054,107	38,980,441	26,288,378	19,597,812	15,365,700
Fair value of plan assets	-	-	-	-	-
Deficit in the plan	67,054,107	38,980,441	26,288,378	19,597,812	15,365,700
Experience adjustments arising on plan liabilities	9,122,569	2,092,833	2,807,482	719,418	359,803
Experience adjustments arising on plan assets	-	-	-	-	-

30 Employee stock option plans

Employee stock option plan 2013:

The Startrek Logistics Private Limited ESOP -2013 (now called as Spoton Logistics Private Limited) was approved by the Board of Directors of the Company in June 2013 and by the shareholders in August 2013. The ESOP 2013 plan provides the maximum exercisable share into not more than 3% paid up capital to the employees. The plan is administered by a Board or a sub committee. The plan was revised and approved by the board of directors and shareholders of the Company on 2 April 2019 and total number of Employee Stock Options to be granted under the Stock Option Scheme was increased to 9% of paid up capital. Options will be issued to employees of the Company at an exercise price, which shall be determined and established of an equity share in the recent funding immediately preceding the date of grant or any other price not less than the face value of the shares as determined by the Board. The equity shares covered under these options would vest not more than five years from the date of grant of such options. Option activity during the year ended 31 March 2020 and the related weighted average exercise price of stock options under the Startrek Logistics Private Limited ESOP plan 2013 (now called as Spoton Logistics Private Limited) is presented below:

Particulars	For the year ended 31 March 2020		For the year ended 31 March 2019	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Options outstanding at the beginning of the year	627,575	50	597,638	50
Granted during the year	-	-	417,500	-
Exercised during the year	-	-	-	-
Forfeited / lapsed during the year	-	-	(387,563)	50
Options outstanding at the end of the year	627,575	50	627,575	50
Exercisable at the end of the year	627,575	50	627,575	50

During the previous year, as per the scheme para 7 (f) the Board of Directors of the Company has decided to accelerate to vesting of unvested options, as result all options outstanding under this scheme are exercisable at the end of the year.

The options outstanding as at 31 March 2020 have an exercise price of Rs. 50 and the weighted average remaining contractual life of 3.92 years.

Employee stock option plan 2018:

The Spoton Logistics Private Limited ESOP-2018 was approved by the Board of Directors of the Company and shareholders effective from 12 October 2018. The ESOP 2018 plan provides for the issue of 1,300,000 options to the employees. The plan is administered by a Board or a sub committee. Options will be issued to employees of the Company at an exercise price, which shall be determined and established of an equity share in the recent funding immediately preceding the date of grant or any other price not less than the face value of the shares as determined by the Board. The equity shares covered under these options would vest not more than five years from the date of grant of such options. Option activity during the year ended 31 March 2020 and the related weighted average exercise price of stock options under the Spoton Logistics Private Limited ESOP-2018, is presented below:

Particulars	For the year ended 31 March 2020		For the year ended 31 March 2019	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Options outstanding at the beginning of the year	690,180	308.25	-	-
Granted during the year	-	-	690,180	308.25
Exercised during the year	-	-	-	-
Forfeited / lapsed during the year	-	-	-	-
Options outstanding at the end of the year	690,180	308.25	690,180	308.25
Exercisable at the end of the year	690,180	308.25	690,180	308.25

The options outstanding as at 31 March 2020 have an exercise price of Rs. 308.25 and the weighted average remaining contractual life of 3.92 years.

Had the compensation been determined using the fair value approach described in the aforesaid Guidance Note, the Company's net profit and basic and diluted earnings per share as reported would have reduced to the pro forma amounts as indicated:

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Loss for the year	(113,979,821)	(13,046,210)
Add: Stock based compensation expense determined under the intrinsic value method	-	-
Less: Stock based compensation expense determined under the fair value method	-	(76,564,150)
Adjusted net profit	(113,979,821)	(89,610,360)
Basic earnings per share as reported	(6.46)	(0.76)
Pro forma basic earnings per share	(6.46)	(5.19)
Diluted earnings per share as reported	(6.46)	(0.76)
Proforma diluted earnings per share	(6.46)	(5.19)

Determination of exercise price:

Exercise price of an equity share shall be determined and established in the recent funding immediately preceding the date of grant or any other price not less than the face value of the shares as determined by the Board.

- 31 Scheme of Arrangement ("the Scheme") between Vankatesh Pharma Private Limited and Spoton Logistics Private Limited and their respective shareholders under section 230 to 232 read with Section 66 of the Companies Act, 2013 ("the Act") and the rules made thereunder.

I) Names and general nature of business of the amalgamating companies

Vankatesh Pharma Private Limited (hereinafter referred to as the "Transferor Company" or "the VPPL") is a company under the Companies Act, 1956 having its registered office Opposite to SEZ Naman Industrial Estate, ATPO Matoda, Village Matoda, Taluka Sanand, Ahmedabad, Survey No 520/1 & 520/2, Gujarat, Ahmedabad- 382213, India. The Company was primarily engaged in Business Advisory Services (focusing on pharmaceutical products).

Spoton Logistics Private Limited is a Company (hereinafter referred to as the "Transferee Company" or "SLPL") with its registered office Opposite to SEZ Naman Industrial Estate, ATPO Matoda, Village Matoda, Taluka Sanand, Ahmedabad, Survey No 520/1 & 520/2, Gujarat, Ahmedabad- 382213, India. The Company is engaged in the domestic road business i.e. transportation freight through surface and air transport, within the territory of India.

II) Effective date of arrangement for accounting purposes

Effective date of the Scheme for accounting purposes is 30 August 2018.

The Scheme of Arrangement was duly approved by the National Company Law Tribunal of Ahmedabad on 27 November 2019 under provision of the Companies Act 2013, and the certified true copy of the Scheme was filed with the Registrar of Companies on 10 January 2020 for regularisation.

(III) The method of accounting used to reflect the scheme of arrangement:

As per Scheme of Arrangement submitted to the NCLT, with the effect from the appointed date, the Transferee Company shall account for the arrangement in the books by following 'Purchase Method of Accounting' laid down by Accounting Standard 14 (Accounting for amalgamations) notified under the Companies (Accounting Standard) Rules, 2006. Also refer to notes 1.1 and 1.2.

The details of assets and liabilities acquired:

Particulars	Amount (Rs.)
Assets:	
Non current assets	
Other non-current assets (refer note (i) below)	-
Current assets	
Cash and bank balances	107,994,250
Short-term loan and advances	64,000
Other current asset (refer note (i) below)	-
	<u>108,058,250</u>
Total assets (A)	108,058,250
Liabilities:	
Non current liabilities	
Long term borrowings	1,350,000,000
	<u>1,350,000,000</u>
Current liabilities	
Trade payables (refer note (i) below)	-
Other current liabilities	22,089,418
Short-term provisions	38,500
	<u>22,127,918</u>
Total liabilities (B)	1,372,127,918
	(1,264,069,668)
Net liability (C= A-B)	(1,264,069,668)
Transferred to Goodwill	(1,264,069,668)
	(refer note (ii) below)

Notes:

- (i) The Transferor Company had entered into a Reimbursement Agreement ("the agreement") on 06 December 2018 with one of its shareholders, namely Samara Capital Partners Fund II Limited ("Samara") for reimbursement of insurance premium amounting to INR 54,000,000 (USD 750,000) obtained by Samara from a foreign insurer, wherein the Transferor Company was a beneficiary. The insurance premium was recognized as a liability due to Samara by the Transferor Company with a corresponding debit to prepayments. These balances of liability and prepayment were transferred to the Transferee Company as part of the assets and liabilities acquired through the Scheme.

Subsequent to the balance sheet date, the Company's management has obtained a legal opinion and based on which, it has been concluded that the Reimbursement agreement was not in compliance with the Foreign Exchange Management Act, 1999 ("FEMA") and the regulations issued thereunder. Accordingly, the agreement has been cancelled on 10 February 2021, with effect from 06 December 2018 and the underlying transaction and balances have been reversed in the Company's books. Consequently, the liability due to Samara of INR 54,000,000 and prepayment of INR 53,728,448 (non-current INR 46,648,707 and current INR 7,079,741) have not been considered as part of the assets and liabilities acquired under the Scheme. In addition, the amortization of prepayment carried out in the books of the Transferor Company between 30 August 2018 and 31 March 2019 has also not been considered as part of the loss transferred from the Transferor Company under the Scheme. Also refer to note 3.

- (ii) The difference between the net liability of the Transferor Company transferred to and recorded in the books of the Transferee Company and the amount credited to the equity share capital is adjusted against the goodwill account. Also refer to notes 2 and 11.

32 Operating leases

The Company is obligated under non-cancellable operating leases for office premises. Total lease rental expense under non-cancellable operating leases amounted to Rs. 104,207,060 (previous year: Rs. 73,315,710) for the year ended 31 March 2020. Future minimum lease payments under non-cancellable operating leases are as follows:

Period	For the year ended 31 March 2020	For the year ended 31 March 2019
Not later than 1 year	120,875,715	83,622,150
Later than 1 year and not later than 5 years	210,991,288	69,601,118
Later than 5 years	-	-
	331,867,003	153,223,268

The Company is also obligated under cancellable lease for hub, service center and office premises, which are cancellable at the option of both the lessor and lessee. Total rental expense under cancellable operating lease entered amounted to Rs. 279,436,631 (previous year: Rs. 225,540,159).

An amount Rs.781,667 (Previous year Rs. 6,604,497) was recognised as rent expenses in respect of rent equalisation.

33 Segment information

The Company's sole business segment is domestic road transport services engaged in domestic cargo shipments by land and the only geographical segment is 'India'. Consequently, the requirement for a separate disclosure as required under Accounting Standard 17 - 'Segment Reporting' is not applicable.

34 Related party disclosures

A. Name of related parties and description of relationship:

1. Enterprises having control over the Company*

Trinte Equity Holdings Limited (up to 23 August 2018)
Vankatesh Pharma Private Limited (w.e.f. 24 August 2018 to 30 August 2018)
Samara Alternate Investment Fund (w.e.f. 31 August 2018)
Samara Capital Partners Fund II Limited (w.e.f. 31 August 2018)
Virginia Tech Foundation, Inc. (w.e.f. 31 August 2018)
Xponentia Fund Partners LLP (w.e.f. 31 August 2018)
Xponentia Opportunities Fund – I (w.e.f. 31 August 2018)

2. Parties where control exists irrespective of whether transactions have occurred or not*

Raag Technologies and Services Private Limited
(subsidiary company w.e.f. 30 November 2019)

3. Key management personnel

Abhik Mitra – Director
Krishna Chandrasekar - Director (upto 23 August 2018)
Krishna Chandrasekar - Chief financial officer (w.e.f. 24 August 2018)
Pavithra P - Company secretary
Devinjit Singh-Director (w.e.f. 24 August 2018)
Perumal Ramamurthy Srinivasan-Director (w.e.f. 24 August 2018)
Abhishek Kabra-Director (w.e.f. 24 August 2018)
Goutam Gode-Director (w.e.f. 24 August 2018)

B. The following is a summary of transactions with related parties by the Company:

Particulars	(Amount in Rs.)	
	For the year ended 31 March 2020	For the year ended 31 March 2019
Issue of equity shares (including premium)		
Vankatesh Pharma Private Limited	-	293,344,476
Investment in equity shares		
Raag Technologies and Services Private Limited	215,962,000	-
Key managerial remuneration (including applicable end of service benefits)**		
Abhik Mitra- Director	20,481,996	121,590,379
Krishna Chandrasekar	7,140,470	9,321,851
Pavithra P	752,179	-

*Also refer to notes 2 and 12.

**Key managerial remuneration includes bonus paid in current year.

35 Deferred tax asset, net

(Amount in Rs.)

Particulars	As at 31 March 2020	As at 31 March 2019
Deferred tax assets*		
Provision for rent equalisation	7,710,694	7,437,548
Provision for doubtful debts	15,944,808	11,116,945
Provision for gratuity, leave encashment and bonus	36,383,341	21,986,265
	60,038,843	40,540,758
Deferred tax liability		
Excess of depreciation/ amortisation on fixed assets under income-tax law over depreciation/ amortisation provided in accounts	(50,100,296)	(1,891,232)
Net deferred tax assets	9,938,547	38,649,526

*The Company has not recognised deferred tax asset on unabsorbed brought forwarded losses in absence of virtual certainty of future taxable profits in accordance with AS-22 - "Accounting for taxes on income".

- 36 The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2020 and as at 31 March 2019 has been made in the standalone financial statements based on information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier as at the balance sheet date.

(Amount in Rs)

Particulars	As at 31 March 2020	As at 31 March 2019
The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year:		
Principal	6,419,950	1,532,952
Interest	202,656	27,152
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year:		
Principal	7,311,075	1,532,952
Interest	56,565	29,413
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	16,232	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	218,888	27,152
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	218,888	2,261

37 Expenditure on Corporate Social Responsibility Activities

As per Section 135 of the Companies Act, 2013, a Company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The funds are allocated to the activities which are specified in Schedule VII of the Companies Act, 2013:

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
(a) Gross amount required to be spent by the Company during the year	1,358,839	4,755,185
(b) Amount spent during the year on:		
i) Construction/acquisition of any asset	-	-
ii) On purpose other than (i) above*	-	-
	-	-

* Out of previous years unspent amount, during the current year the Company spent Rs. 2,000,000 towards donation.

Spoton Logistics Private Limited

Notes to the standalone financial statements (continued)

- 38 The details regarding specified bank notes held and transacted during 8 November 2016 to 30 December 2016 has not been made in these standalone financial statements since the requirement does not pertain to financial year ended 31 March 2020.
- 39 The COVID-19 pandemic is rapidly spreading throughout the world. The event significantly affects the economic activity worldwide and, as a result, could affect the operations and results of the Company.

The Company's operations were impacted due to the lockdown restrictions imposed by the Government. The Management is of the view that subsequent to the lockdown period, the operations of the Company are returning to normalcy. However the Management is closely monitoring any foreseeable impact of COVID on the operations of the Company and is confident of obtaining regular supply of logistics services for foreseeable period. The Management has also performed an extensive analysis of the impact of COVID on the assumptions used in preparing these standalone financial statements and has concluded that no adjustments are required in these standalone financial statements on this account. The actual impact of COVID-19 on the standalone financial statements may differ from that estimated as at the date of approval of the standalone financial statements and the Company's management continues to closely monitor any material changes to future economic conditions.

40 Post balance sheet events

- a) On 30 September 2020, the Company has allotted of 2,173,913 equity shares, by way of rights issue to the existing shareholders of the Company. The shares which have a face value of Rs.10 each were issued at a premium of Rs.174 fully paid amounting to Rs. 399,999,992.
- b) The Company has also issued 950 senior, secured, unrated, unlisted, redeemable, non-convertible debentures of face value Rs.1,000,000 each, aggregating to Rs. 950,000,000, on a private placement basis as per the terms and conditions contained in the debenture trust deed dated 24 December 2020 executed between the Company and Vistra ITCL (India) Limited (Debenture Trustee). The proceeds from issue of aforementioned debentures have been utilised towards refinancing the outstanding term loan from Piramal Capital & Housing Finance Limited. Also refer to notes 4 and 9.

As per our report of even date attached:

for **B S R & Associates LLP**

Chartered Accountants

Firm registration number: 116231W/W-100024

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LODHA** Digitally signed
by VIPIN LODHA
Date: 2021.02.12
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Vipin Lodha

Partner

Membership No. 076806

Place: Bengaluru

Date: 12 February 2021

for and on behalf of the Board of Directors of

Spoton Logistics Private Limited

UIN : U63090GJ2011PTC108834

ABHIK KUMAR
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ABHIK KUMAR
Date: 2021.02.12
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Abhik Mitra

Director

DIN: 00337465

Place: Bengaluru

Date: 12 February 2021

ABHISHEK
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Date: 2021.02.12
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Abhishek Kabra

Director

DIN:06782685

Place: Bengaluru

Date: 12 February 2021

CHANDRA
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Date: 2021.02.12
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Krishna Chandrasekar

Chief Financial Officer

Place: Bengaluru

Date: 12 February 2021

Pavithra P Digitally signed
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Date: 2021.02.12
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Pavithra P

Company Secretary

Place: Bengaluru

Date: 12 February 2021