

**Sevenloop Technology Private Limited**

NA2 63 nethravathi apartments Vijaya Bank layout bilekahalli Bengaluru Bangalore KA 560076 IN

Balance Sheet as at 31 March 2022

Particulars	Note	31 March 2022
<b>Equity &amp; Liabilities</b>		
Shareholders' Funds		
Share Capital	3	4,33,260
Reserves & Surplus	4	17,07,06,286
		<u>17,11,39,546</u>
Share application money pending allotment		6,35,993
<b>Current Liabilities</b>		
Trade Payables	5	1,35,984
Other Current Liabilities	6	33,32,960
		<u>34,68,943</u>
		<u><u>17,52,44,483</u></u>
<b>Assets</b>		
<b>Non-Current Assets</b>		
<b>Property, Plant And Equipment</b>		
Tangible Assets	7	4,00,098
Other non-current assets	8	1,34,340
		<u>5,34,438</u>
<b>Current Assets</b>		
Inventories	9	17,37,440
Cash And Cash Equivalents	10	16,86,33,511
Short-Term Loans And Advances	11	23,09,151
Other Current Assets	12	20,29,943
		<u>17,47,10,045</u>
		<u><u>17,52,44,483</u></u>
<b>Corporate Information &amp; Significant Accounting Policies</b>	<b>1 &amp; 2</b>	

*The accompanying notes are an integral part of the financial statements*

In terms of our report of even date

For Vasani &amp; Sampath LLP

Chartered Accountants

Firm Registration Number:0045425/S200070



Hareesh H Sharma

Partner

Membership No. 234070

Place : Bangalore

Date : 12th May 2022



For and on behalf of the Board of Directors

Sevenloop Technology Private Limited



Sharan Ramakrishna Urubail

Director

DIN. 07086492

Place : Bangalore

Date : 12th May 2022



Ankush Mittal

Director

DIN. 07683531

Place : Bangalore

Date : 12th May 2022



**Sevenloop Technology Private Limited**

NA2 63 nethravathi apartments Vijaya Bank layout bilekahalli Bengaluru Bangalore KA 560076 IN

**Statement of Profit and Loss for the period ended 31 March 2022**

Particulars	Notes	Period ended 31 March 2022
<b>Incomes</b>		
Revenue From Operations		-
<b>Total Revenue</b>		-
<b>Expenses</b>		
Purchases of Stock In Trade		-
Changes In Inventories Of Stock-in-trade	13	17,37,440
Employee Benefits Expense	14	(17,37,440)
Depreciation And Amortization Expense	15	22,77,177
Other Expenses	16	16,350
<b>Total Expenses</b>		55,77,911
<b>Profit Before Exceptional Items And Tax</b>		<b>78,71,438</b>
<b>Exceptional Items</b>		(78,71,438)
<b>Profit Before Tax</b>		-
<b>Tax Expense:</b>		<b>(78,71,438)</b>
Tax Expense		
Less: MAT Credit Entitlement		
Less: Deferred Tax Adjustment		
<b>Profit for The Year/Period from Continuing Operations</b>		<b>(78,71,438)</b>
<b>Earnings Per Equity Share :</b>		
Basic		(777.35)
Diluted		(585.41)

Corporate Information &amp; Significant Accounting Policies

1 &amp; 2

*The accompanying notes are an integral part of the financial statements*

In terms of our report of even date

For Vasam &amp; Sampath LLP

Chartered Accountants

Firm Registration Number:004542S/S200070



Hareesh H Sharma

Partner

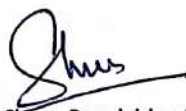
Membership No. 234070

Place : Bangalore

Date : 12th May 2022

For and on behalf of the Board

Sevenloop Technology Private Limited



Sharan Ramakrishna Urubail

Director

DIN. 07086492

Place : Bangalore

Date : 12th May 2022



Ankush Mittal

Director

DIN. 07683531

Place : Bangalore

Date : 12th May 2022



**Sevenloop Technology Private Limited**

NA2 63 nethravathi apartments Vijaya Bank layout bilekahalli Bengaluru Bangalore KA 560076 IN

Statement of Cash Flows for the period ended 31 March 2022

Particulars	Period ended 31 March 2022
<b>Cash Flow From Operating Activities</b>	
Net Profit Before Taxation And Extraordinary Items	
Add: Non-Cash/ Non-Operating Expenses	
(A) Depreciation	(78,71,438)
(B) Finance Costs	16,350
<b>Operating Profit Before Working Capital Changes</b>	
Working Capital Changes	(78,55,088)
Changes In Current Assets	
Changes In Current Liabilities	(60,76,534)
Cash Generated From Operations	34,68,943
Less: Income Tax Expense	(1,04,62,678)
<b>Net Cash Flows From Operating Activities</b>	
	(1,04,62,678)
<b>Cash Flows From Investing Activities</b>	
Purchase Of Fixed Assets	
Changes In Other Non Current Assets	(4,16,448)
<b>Net Cash (Utilized) In Investing Activities</b>	
	(1,34,340)
	(5,50,788)
<b>Cash Flows From Financing Activities</b>	
Finance Costs	
Share Capital	
Loans Received	17,96,46,977
<b>Net Cash from Financing Activities</b>	
	17,96,46,977
<b>Increase In Cash &amp; Cash Equivalents During the period</b>	
	16,86,33,511
Balance of Cash & Cash Equivalents at the Beginning of the Period	
Balance of Cash & Cash Equivalents at the End of the Period	
	16,86,33,511
The accompanying notes are an integral part of the financial statements	


In terms of our report of even date  
For Vasan & Sampath LLP  
Chartered Accountants  
Firm Registration Number:004542S/S200070



Hareesh H Sharma  
Partner  
Membership No. 234070

Place : Bangalore  
Date : 12th May 2022

For and on behalf of the Board  
Sevenloop Technology Private Limited



Sharan Ramakrishna Urubail  
Director  
DIN. 07086492

Place : Bangalore  
Date : 12th May 2022



Ankush Mittal  
Director  
DIN. 07683531

Place : Bangalore  
Date : 12th May 2022





# Sevenloop Technology Private Limited

Notes forming part of the Financial Statements for the period ended 31 March 2022

## 1 Corporate Information

Sevenloop Technology Private Limited ("the Company") is engaged in the business of selling and wholesaling of all kinds of products through various online and/or offline modes. The Company was incorporated under Indian corporate law and was registered as a private limited company on 10 April 2021.

## 2 Significant Accounting Policies

The significant accounting policies have been predominantly presented below in the order of the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended). The Company is a **Small and Medium Sized Company** as defined in the General Instructions in respect of Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended). Accordingly, the Company has complied with the Accounting Standards as applicable to a Small and Medium Sized Company.

### 2.1 Basis of Preparation

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India ("Indian GAAP") on accruals basis. Indian GAAP comprises mandatory accounting standards as prescribed under section 133 of the Companies Act, 2013 read with Rule-7 of the Companies (Accounts) Rules, 2014. Accounting policies have been consistently applied except, where a newly issued accounting standard is adopted for the first time or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

### 2.2 Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

### 2.3 Inventories

Inventories are valued at the lower of cost (on FIFO / weighted average basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including applicable taxes, duties and levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable duties.

### 2.4 Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises 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.

### 2.5 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of 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 based on the available information.

### 2.6 Revenue Recognition

#### **Sale of goods**

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales exclude Goods and services tax.



## 2.7 Property, Plant and Equipment

- a) Property, Plant and Equipment are stated at cost less accumulated depreciation less accumulated impairment, if any. Cost comprises purchase price and other costs directly attributable to bringing the assets to their present location and working condition for their intended use.
- b) Property, Plant and Equipment are tested for impairment and assets which are not expected to generate any future cash flows are stated at their Net Realizable Value.
- c) Useful life of the assets are as follows:

Category of Assets	Useful Life
Furniture and Fittings	5 years
Computers	3 years
Office Equipment	5 years
Vehicles	6 years
Plant and Machinery	5 years

## 2.8 Depreciation

- a) Depreciation on Fixed Assets is calculated on pro-rata basis with reference to the date on which the asset is put to use or disposed.
- b) The Company has provided depreciation on the fixed assets on Straight Line Method (SLM) at useful life as mentioned above in Note 2.7.

## 2.8 Foreign Currency Transactions

All transactions in foreign currency are recorded on the basis of the exchange rate prevailing as at the date of transaction. The difference, if any, on actual payment / realization is dealt in the profit & loss account. Monetary assets and liabilities denominated in foreign currency are restated at rates prevailing at the year-end. The net loss or gain arising out of such conversion is dealt in the profit & loss account.

## 2.9 Employee Benefits

Employee benefits include provident fund, a defined contribution plan.

### Defined contribution plans

The Company's contribution to provident fund is considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made. The Provident fund is managed by the Government of India.

## 2.10 Taxes on Income

The Current charge for income tax is based on the tax liability computed as per the Income Tax Act 1961.

A Deferred tax asset or liability is recognized for the timing differences between the profit as per financial statements and the profit offered for income taxes, based on the tax rates that have been enacted or substantially enacted at the Balance Sheet date. Deferred tax assets are recognized only if there is reasonable certainty that sufficient future taxable income will be available, against which they can be realized. Deferred tax assets / liabilities are reviewed as at each balance sheet date.

## 2.11 Earnings per share

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

Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

## 2.12 Provisions And Contingent Liability:

A provision is recognized when the company has a present obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and in respect of which a reliable estimate can be made. Provisions are not discounted to present value and are determined based on the best estimate as at the balance sheet date, required to settle the obligation. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.





**Sevenloop Technology Private Limited**

Notes forming part of the Financial Statements for the period ended 31 March 2022

**3. Share Capital**
**Authorized**

Equity Share Capital  
(30,000 Shares of INR 10/- each)  
Preference Share Capital  
(7,000 Shares of INR 100/- each)

**Issued, Subscribed & Paid Up Capital**

Equity Share Capital  
(10,126 Equity Shares of INR 10/- each)  
Preference Share Capital  
(3,320 CCPS of INR 100/- each)

**TOTAL**

31 March 2022	
Number of shares	Amount
30,000	3,00,000
7,000	7,00,000
10,126	1,01,260
3,320	3,32,000
13,446	4,33,260

**3(a)- Reconciliation of the number of shares subscribed and amount outstanding at the beginning and at the end of the reporting period:**
**A) Equity Shares**

Number of shares at the beginning of the year/period  
Add: Number of shares issued during the period

**TOTAL**
**B) Compulsory Convertible Preference Shares**

Number of shares at the beginning of the year/period  
Add: Number of shares issued during the period

**TOTAL**

10,126	1,01,260
10,126	1,01,260
3,320	3,32,000
3,320	3,32,000

**3(b)- Shares in the company held by each shareholder holding more than 5 per cent.**

Class of shares / Name of shareholder	Number of shares held	% holding in that class of shares
Equity shares of INR 10 each fully paid-up held by- Ankush Mittal	5,000	49.58%
Sharan Ramakrishna Urubail	5,000	49.58%
<b>TOTAL</b>	<b>10,000</b>	<b>99.17%</b>
Preference shares of INR 10 each fully paid-up held by- Matrix Partners India Investment III LLC	2,031	61.17%
India Foundation Fund Series 1 (A Scheme of Multiply Ventures India Trust)	719	21.66%
Better Capital Ventures I, LP	287	8.64%
<b>TOTAL</b>	<b>3,037</b>	<b>91.48%</b>

**3(c)- Shares in the company held by each promoter.**

Class of shares / Name of promoter	Number of shares held	% holding in that class of shares
Equity shares of INR 10 each fully paid-up held by- Ankush Mittal	5,000	49.58%
Sharan Ramakrishna Urubail	5,000	49.58%
<b>TOTAL</b>	<b>10,000</b>	<b>99.17%</b>

**Surplus/(Deficit) in Profit & Loss Account**

Opening balance  
Profit / (Loss) for the year/period  
Closing Balance

Opening balance  
Securities Premium  
Closing Balance  
**TOTAL**

(78,71,438)
(78,71,438)
17,85,77,724
17,85,77,724
17,07,06,286



**Sevenloop Technology Private Limited**  
Notes forming part of the Financial Statements for the period ended 31 March 2022

31 March 2022

**5. Trade Payables**

Acceptances	-
Other than Acceptances	1,35,984
<b>TOTAL</b>	<b>1,35,984</b>

**5.1 Trade Payables Ageing Schedule**

Particulars	Current Year			
	Outstanding for following periods from due date of payment			
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years
(i) MSME	-	-	-	-
(ii) Others	1,35,984	-	-	-
(iii) Disputed Dues - MSME	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-

**6. Other Current Liabilities**

Accrued Expenses	25,85,474
Statutory remittances	5,76,705
Advance From Customers	87,100
Reimbursements to Directors	83,680
<b>TOTAL</b>	<b>33,32,960</b>



Sevenloop Technology Private Limited

Notes forming part of the Financial Statements for the period ended 31 March 2022

7 Property, Plant and Equipment and Intangible Assets

Property, Plant and Equipment

Particulars	Gross block at cost					Depreciation			Net Block	
	As at 10 April 2021	Additions	Disposals	Acquisitions through business combinations	Amount of change due to revaluation	Other Adjustments	As at 31 March 2022	As at 10 April 2021	As at 31 March 2022	As at 10 April 2022
Computers and Laptops	-	4,16,448	-	-	-	-	4,16,448	-	16,350	-
Furniture and Fittings	-	-	-	-	-	-	-	-	-	-
Office Equipment	-	-	-	-	-	-	-	-	-	-
Vehicles	-	-	-	-	-	-	-	-	-	-
Plant and Machinery	-	-	-	-	-	-	-	-	-	-
<b>TOTAL</b>	-	<b>4,16,448</b>	-	-	-	-	<b>4,16,448</b>	-	<b>16,350</b>	<b>4,00,098</b>





**8. Other Non Current Assets**

31 March 2022

## Security deposits

Unsecured, considered good

## TOTAL

1,34,340

1,34,340

**9. Inventories**

## Stock-in-trade (acquired for trading)

- In Stock

- In Transit

## TOTAL

17,37,440

17,37,440

**10. Cash and cash equivalents**

## Cash on hand

1,00,000

## Balances with banks

16,82,57,379

## Balances with e- wallets

2,76,131

## TOTAL

16,86,33,511

16,86,33,511

**11. Short-Term Loans And Advances**

## Advances to vendors

23,09,151

## TOTAL

23,09,151

23,09,151

**12. Other current assets**

## Balances With Government Authorities

1,15,124

## Prepaid Expenses

19,14,819

## TOTAL

20,29,943

20,29,943



**13. Cost of Goods Sold**

Period ended 31 March  
2022

**Purchases of Stock-in-trade**

Purchases

**Changes in Inventories of Stock-in-trade**

17,37,440

Opening balance

Less: Closing Inventory

Change in Inventories

17,37,440  
(17,37,440)

**14. Employee Benefits Expenses**

Salaries & Wages

Contribution to Provident & Other Funds

**TOTAL**

22,38,609  
38,568

22,77,177

**15. Depreciation and amortization expense**

Depreciation of Tangible Fixed Assets

**TOTAL**

16,350

16,350

**16. Other Expenses**

Facility Costs

Professional Charges\*

Travel & Conveyance

Rates and Taxes

Communication expenses

Hiring & Recruitment Charges

Office Expenses

Insurance charges

Bank Charges

**TOTAL**

28,81,998  
18,91,359  
3,83,031  
2,50,465  
75,034  
46,520  
23,883  
14,142  
11,480  
55,77,911

\* Professional Charges include payment to the Auditor as under

Statutory Audit

Taxation Matters

**TOTAL**

65,000  
10,000  
75,000



17. Earnings and Expenditure in Foreign Currency

Particulars	For the period ended 31st March 2022
Earnings in Foreign Currency	-
Expenditure in Foreign Currency	17,70,702

18. Related Party Disclosures

Related Party	Nature
Sharan Ramakrishna (Unsubd)	Director
Ankurush Mittal	Director

a) Transactions with Related Parties during the year

Related Party	Nature	For the period ended 31st March 2022
Sharan Ramakrishna (Unsubd)	Salary	3,66,667
Ankurush Mittal	Salary	3,66,667
Sharan Ramakrishna (Unsubd)	Unsecured loan received	2,00,000
Sharan Ramakrishna (Unsubd)	Unsecured loan repaid	2,00,000
Sharan Ramakrishna (Unsubd)	Reimbursements	1,98,769
Ankurush Mittal	Reimbursements	2,39,021

b) Balance due to/from related parties:

Related Party	Nature	As at 31st March 2022
Ankurush Mittal	Reimbursements payable to related parties	83,680

19. Earnings/(Loss) per Share

Particulars	For the period ended 31st March 2022
Net profit/(loss) attributable to Equity	(78,71,438)
Weighted average number of equity shares (Unsubd) of Rs 10 each used for calculation of basic earnings per share	10,126
Earnings/(loss) per share, Basic	(777.35)
Weighted average number of equity shares (Unsubd) of Rs 10 each used for calculation of diluted earnings per share	13,446
Earnings/(loss) per share, Diluted	(585.41)

20. Deferred tax (liability) / asset

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Satisfying the concept of prudence, the said Deferred tax asset has not been recognized.

21. Contingent liabilities and commitments

Particulars	For the period ended 31st March 2022
<b>Contingent Liabilities</b>	
(a) Claims against the Company not acknowledged as debt	-
(b) Bank Guarantees	-
(c) Other money for which the Company is contingently liable	-
<b>Commitments</b>	
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	-
Tangible assets	-
Intangible assets	-
(b) Uncalled liability on shares and other investments partly paid	-
(c) Non-cancellable contractual commitments relating to acquisition of intangible assets	-
(d) Non-cancellable contractual commitments relating to purchase of business (Identify business)	-
(e) Equity funding of subsidiary & Ltd.	-





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

Particulars	For the period ended 31st March 2022
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-
(iv) The amount of interest due and payable for the year	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above	-

As required by the Micro, Small and Medium Enterprises Development Act, 2006, the Company has ascertained Micro and Small Scale Business Enterprises to whom the company owes dues as at March 31st 2022. There are no such dues as at the year-end.

23. Figures are rounded off to nearest Indian Rupee.

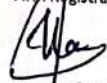
24. Previous year figures are not presented as this is the first year of preparation of financials.

In terms of our report attached.

For Vasan & Sampath

Chartered Accountants

Firm Registration Number:0045425/S200070



Hardeep H Sharma  
Partner

Membership No. 234070

Place : Bangalore

Date : 12th May 2022

For and on behalf of the Board of Directors  
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Sharad Ramakrishna Urubail  
Director  
DIN. 07086492

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Director  
DIN. 07683531

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25. Ratios

Ratio	Numerator	Denominator	Current Period
Current Ratio	17,47,10,045	34,68,943	50.36
Debt-Equity Ratio	-	17,90,10,984	0.00
Debt Service Coverage Ratio	N/A	N/A	N/A
Inventory turnover Ratio	-	17,37,440	0.00
Trade Receivables turnover Ratio	N/A	N/A	N/A
Trade Payables turnover Ratio	17,37,440	1,35,984	12.78
Net capital turnover Ratio	-	17,12,41,101	N/A
Net profit Ratio	N/A	N/A	N/A
Return on Equity Ratio	-	17,90,10,984	0.00
Return on Capital employed	-	17,17,75,539	0.00
Return on investment	-	17,90,10,984	0.00

A. Current Ratio = Current Assets divided by Current Liabilities

B. Debt-equity ratio = Total debt divided by Total equity where total debt refers to sum of current & non current borrowings and lease liabilities

C. Debt Service Coverage Ratio (DSCR) = Earnings available for debt services (Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc) divided by Total interest and lease payments and principal repayments

D. Return on equity ratio : Net profit after tax less preference dividend divided by Average Shareholder Equity

E. Inventory turnover ratio : Cost of materials consumed divided by Average Inventory (Opening + Closing balance / 2)

F. Trade Receivables turnover ratio = Credit Sales (Total revenue from operations + Opening Unbilled- Closing Unbilled-Opening unearned revenue+ Closing Unearned revenue) divided by Average trade receivables ( Opening + Closing balance / 2)

G. Trade payables turnover ratio = Credit purchases (Cost of goods sold+ other expenses+ Opening provision for expenses- Closing Provision for expenses- Impairment loss allowance on financial asset- Loss on sale of fixed asset- forex gain loss-Expenditure on CSR-Bad debt/Deposits written off) divided by average trade payables

H. Net capital turnover ratio = Net Sales divided by Working Capital

I. Net profit ratio = Net profit after tax divided by Revenue from operations

J. Return on Capital employed- pre cash (ROCE)=Earnings before interest and taxes(EBIT) divided by Average Capital Employed- pre cash (Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability)

K. Return on investment: PAT divided by Total Equity

A. Current Ratio = Current Assets divided by Current Liabilities

Ratio Name	Definition	31st March 2022	Ratio 21-22 (a/b)
Current ratio	Current Assets (a) Current Liabilities(b)	17,47,10,045 34,68,943	50.36

B. Debt-equity ratio = Total debt divided by Total equity where total debt refers to sum of current & non current borrowings

Ratio Name	Definition	31st March 2022	Ratio 21-22 (a/b)
Debt-equity ratio	Total debt (a) Total Equity(b)	- 17,90,10,984	-

C. Debt Service Coverage Ratio (DSCR) = Earnings available for debt services divided by Total interest and principal repayments

Ratio Name	Definition	31st March 2022	Ratio 21-22 (a/b)
Debt-equity ratio	EBITDA (a) Interest+ PrincipalRepayments(b)	- -	N/A

D. Return on equity ratio : Net profit after tax divided by Equity

Ratio Name	Definition	31st March 2022	Ratio 21-22 (a/b)
Return on equity ratio	PAT (a) Avg Equity(b)	- 17,90,10,984	-



E. Inventory turnover ratio : Cost of materials consumed divided by closing inventory			
Ratio Name	Definition	31st March 2022	Ratio 21-22 (a/b)
Inventory turnover ratio	Cost of materials consumed (a) Avg Inventory (b)	-	-
		17,37,440	-

F. Trade Receivables turnover ratio = Credit Sales divided by Closing trade receivables			
Ratio Name	Definition	31st March 2022	Ratio 21-22 (a/b)
Trade Receivables turnover ratio	Credit sales (a) Avg Trade receivables(b)	-	-
		-	N/A

G. Trade payables turnover ratio = Credit purchases divided by closing trade payables			
Ratio Name	Definition	31st March 2022	Ratio 21-22 (a/b)
Trade payables turnover ratio	Cr purchases(a) Avg Trade payables(b)	17,37,440	1,35,984

H. Net capital Turnover Ratio = Revenue from Operations divided by Net Working capital whereas net working capital = current assets - current liabilities

Ratio Name	Definition	31st March 2022	Ratio 21-22 (a/b)
Net capital Turnover Ratio	Revenue from operations(a) Net Working capital (b)	-	-
		17,12,41,101	-

I. Net profit ratio = Net profit after tax divided by Revenue from operations

Ratio Name	Definition	31st March 2022	Ratio 21-22 (a/b)
Net profit ratio	PAT(a) Revenue from operations(b)	N/A	N/A
		N/A	N/A

J. Return on Capital employed- pre cash (ROCE)=Earnings before interest and taxes(EBIT) divided by Capital Employed- pre cash

Ratio Name	Definition	31st March 2022	Ratio 21-22 (a/b)
Return on Capital employed	EBIT (a) Capital employed(b)	-	-
		17,17,75,539	-

K. Return on investment:

Ratio Name	Definition	31st March 2022	Ratio 21-22 (a/b)
Return on investment	PAT (a) Avg Equity(b)	-	-
		17,90,10,984	-

In terms of our report attached.

For Vasanth & Sampath LLP

Chartered Accountants

Firm Registration Number:004542S/S200070

Hareesh H Sharma

Partner

Membership No. 234070

For and on behalf of the Board of Directors

Sevenloop Technology Private Limited

Sharan Ramakrishna Urubail

Director

DIN. 07086492

Ankush Mittal

Director

DIN. 07683531

Place : Bangalore

Date : 12th May 2022

Place : Bangalore

Date : 12th May 2022

Place : Bangalore

Date : 12th May 2022





**INDEPENDENT AUDITOR'S REPORT**

To,  
The Members  
Sevenloop Technology Private Limited

**Report on audit of the Financial Statements**

**Opinion**

We have audited the accompanying financial statements of **Sevenloop Technology Private Limited** ("the Company"), which comprise the balance sheet as at **31<sup>st</sup> March, 2022**, the Statement of Profit and Loss and statement of cash flows for the period then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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<sup>st</sup> March, 2022, its loss and cash flows for the period ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the 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.

**Other information**

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.



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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 and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Management's responsibility for the financial statements**

The Company's board of directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The board of directors are also responsible for overseeing the Company's financial reporting process.

#### **Auditor's responsibilities for the audit of the financial statements**

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

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

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





- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls, in certain cases if applicable and refer 2(f) below.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- a) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on other legal and regulatory requirements**

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 balance sheet, the statement of profit and loss, and the cash flow statement dealt with by this report are in agreement with the books of account;
- d) In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;
- e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2022 taken on record by the board of directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
- f) This report does not include report on the financial controls under clause (i) of Sub-section 3 of Section 143 of Companies Act, 2013 (the 'Report on internal financial controls'), since in our opinion and according to the information and explanation given to us, the said report on internal financials controls is not applicable to the Company basis the exemption available to the Company under the MCA notification no. G.S.R 583(E) dated June 13, 2017, read with corrigendum dated July 13, 2017 on reporting on internal financial controls over financial reporting;
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us; and
  - i. The Company does not have any pending litigations which would impact its financial position;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
  - iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the company.

For Vasan & Sampath LLP,  
Chartered Accountants  
Firm Registration No.: 004542S/S200070

  
Hareesh H Sharma  
Partner  
Membership No.: 234070  
UDIN: 22234070AJDOUD1751



Place: Bangalore  
Date: 12<sup>th</sup> May 2022

**Annexure "A" to the Independent Auditor's Report**

(Referred to in paragraph 1 under 'Report on other legal and regulatory requirements' section of our report of even date to financial statements of Company)

- i. In respect of the Company's fixed assets:
  - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its Property, Plant and Equipment and Intangible assets
  - b) Property, Plant and Equipment has been physically verified by the management at reasonable intervals; No material discrepancies were noticed on such verification
  - c) According to the information and explanations given to us and on the basis of our examination of the records, the Company does not hold any immovable property as at March 31, 2022;
- ii.
  - a) The company has adequate records of inventory and has physically verified the inventory as at the year end. No significant discrepancies are noticed on physical verification;
  - b) According to the information and explanations given to us, the company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. Consequently, comment on clause (ii)(b) of the Order is not applicable.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the Act. Consequently, comment on clause (iii) of the order is not applicable;
- iv. The Company has not made any loans and investments, guarantees, and security covered by provisions of Section 185 and 186 of the Act. Consequently, comment on clause (iv) of the order is not applicable;
- v. The Company has not accepted any deposits from the public. Consequently, comment on clause (v) of the order is not applicable;
- vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company. Consequently, comment on clause (vi) of the order is not applicable;
- vii.
  - a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has generally been regular in depositing material undisputed statutory dues including provident fund, employee state insurance, income-tax, goods and service tax, cess and other statutory dues, during the year with the appropriate authorities.

As explained to us, the Company did not have any undisputed amounts outstanding as at last day of the financial year for a period of more than six months from the date they became payable.

According to the information and explanations given to us, there are no material dues of provident fund, employee state insurance, income tax, goods and service tax, cess which have not been deposited with the appropriate authorities on account of any dispute.





b) According to the information and explanations given to us, there are no statutory dues including provident fund, employee state insurance, dues of income-tax, goods and service tax, cess and other material statutory dues which have not been deposited with the appropriate authorities on account of any dispute;

viii. According to the information and explanations given to us, the company has not surrendered any transactions or disclosed any income during the year in the tax assessments under the Income Tax Act, 1961 which have not been recorded in the books of account. Consequently, comment on clause (viii) of the Order is not applicable;

ix.

a) The Company has not defaulted in repayment of any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Consequently, comment on clause (ix)(a) of the Order is not applicable;

b) According to the information and explanations given to us, the company has not been declared a willful defaulter by any bank or financial institution or other lender. Consequently, comment on clause (ix)(b) of the Order is not applicable.

c) According to the information and explanations given to us, the company has not availed any term loans. Consequently, comment on clause (ix)(c) of the Order is not applicable;

d) According to the information and explanations given to us, the company has not utilized funds raised on short term basis for long term purposes. Consequently, comment on clause (ix)(d) of the Order is not applicable;

e) According to the information and explanations given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Consequently, comment on clause (ix)(e) of the Order is not applicable;

f) According to the information and explanations given to us, during the year the company has not raised loans on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Consequently, comment on clause (ix)(f) of the Order is not applicable;

x.

a. According to the information and explanations give to us and based on our examination of the records of the Company, 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. Consequently, comment on clause (x)(a) of the Order is not applicable;

b. According to the information and explanations given to us and based on our examination of the records of the Company, requirements of section 42 and section 62 of the Act and the Rules framed thereunder have been complied with. The company has utilized funds raised by way of preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) for the purposes for which they were raised;

xi.

a. 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.





- b. No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;
- c. According to the information and explanations given to us, the company has not received any whistle-blower complaints during the year.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Consequently, comment on clause (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 sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. In our opinion and based on our examination, the company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Companies Act 2013.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Consequently, comment on clause (xv) of the Order is not applicable;
- xvi.
- The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934, comment on clause (xvi) of the Order is not applicable;
  - According to the information and explanations given to us, the company has non conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934;
  - According to the information and explanations given to us, the company is not a Core Investment Company as defined in the regulations made by the Reserve Bank of India;
  - According to the information and explanations given to us, the Group does not have more than one CIC as a part of the Group;
- xvii. According to the information and explanations given to us and based on our examination of the records of the Company, the company has incurred cash loss of INR 78.55 lakh for the period ended 31<sup>st</sup> March 2022 (Previous Year – INR NIL);
- xviii. There has been resignation of the statutory auditors during the year, and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date;
- xx. According to the information and explanations give to us and based on our examination of the records of the Company, as the company does not attract the provisions u/s 135 in relation to the applicability of CSR. Consequently, comment on clause (xx)(a) & (xx)(b) of the Order is not applicable;



- xxi. The Company is not required to prepare consolidated financial statements. Consequently, comment on clause (xxi) of the Order is not applicable.

For Vasan & Sampath LLP,  
Chartered Accountants  
Firm Registration No.: 004542S/S200070



Hareesh H Sharma  
Partner  
Membership No: 234070  
UDIN: 22234070AJDOUD1751



Place: Bangalore  
Date: 12<sup>th</sup> May 2022