

Independent Auditors Report

To Members of Oneworld Logistics Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone Ind AS financial statements of Oneworld Logistics Private Limited (“the Company”), which comprise the Balance Sheet as at 31st March 2021, and the statement of Profit and Loss, the Statement of Changes in Equity and statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the 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 March 31, 2021, and its loss including other comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the 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 Companies Act, 2013 and the Rules thereunder. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

We have determined that there are no key audit matters to communicate in our report.

Other Information

The Company’s Board of Directors is responsible for the other information. The other information comprise the information included in the annual report, but does not include the financial statements and our auditor’s report thereon. The annual report is expected to be made available to us after the date of this auditor’s report.

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

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

When we read the annual 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 appropriate action as applicable under the relevant laws and regulations.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian 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 scepticism throughout the audit. We also:

1. 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.
2. 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.
 3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 4. 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.
 5. 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, 2016 ("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 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, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"
- g) In our opinion, the Company has paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V of the Companies Act 2013.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- 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
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

For S C M K & Co LLP
Chartered Accountants
FRN: W100662



S M Chitnis
(Partner)

Membership No.: 043152

Place: Mumbai
Date: 28th June 2021

UDIN: 21043152AAAAI1933



Annexure – A to the Auditor’s Report

The Annexure referred to in paragraph 1 of the Auditor’s Report on Other Legal and Regulatory Requirements of even date to the members of the Company on the financial statements for the year ended 31st March, 2021.

- i. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
b) As explained to us, fixed assets have been physically verified by the management at regular intervals and no material discrepancies were noticed on such verification.
c) Based on the information and explanations given to us and based on the examination of records by us the title deeds to immovable properties are held in the name of the company.
- ii. The Company is a service company, primarily rendering services. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable to the Company.
- 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.
- iv. The Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Act. The Company has complied with provisions of Section 186 of the Act in respect of investments made or loans or guarantee or security provided to the parties covered under Section 186.
- v. The Company has not accepted any deposits from the public.
- 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.
- vii. a) According to the information and explanation given to us and based on the records of the Company examined by us, the Company is regular in depositing the undisputed statutory dues, including Provident Fund, Employees State Insurance, Income Tax, Custom Duty, Goods and Service Tax and other material statutory dues, as applicable, with the appropriate authorities in India;
b) According to the information and explanation given to us and based on the records of the Company examined by us, there are no dues of Provident Fund, Employees State Insurance, Income Tax, Custom Duty, Goods and Service Tax which have not been deposited on account of any dispute.
- viii. According to the information and explanations given to us, the Company has not defaulted in repayment of dues to the bank, financial institutions and/or government.
- ix. The Company did not raise 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.
- 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 and based on our examination of the records of the Company, the Company has paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V of the Companies Act 2013.

- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- 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. 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 under review.
- 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. Accordingly, paragraph 3(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. Accordingly, paragraph 3(xvi) of the Order is not applicable.

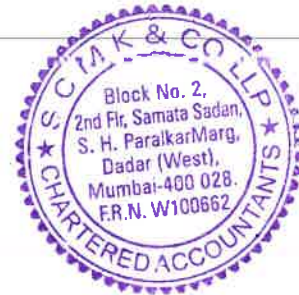
For S C M K & Co LLP
Chartered Accountants
FRN: W100662



S M Chitnis
(Partner)

Membership No.: 043152

Place: Mumbai
Date: 28th June 2021



Annexure – B to the Auditor’s Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **Oneworld Logistics Private Limited** (“the Company”) as of 31st March, 2021 in conjunction with our audit of standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S C M K & Co LLP
Chartered Accountants
FRN: W100662



S M Chitnis
(Partner)

Membership No.: 043152

Place: Mumbai
Date: 28th June 2021



ONEWORLD LOGISTICS PRIVATE LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2021

PARTICULARS	NOTE NO.	AS AT 31 ST March 2021	AS AT 31 ST March 2020
I. ASSETS			
1) Non-Current Assets			
(a) Property, Plant and Equipment	2(a)	69,38,330	-
(b) Capital work-in-progress		-	-
(c) Investment Property		-	-
(d) Goodwill		-	-
(e) Other Intangible Assets	2(b)	2,00,000	-
(f) Intangible Assets under development		-	-
(g) Biological Assets other than bearer plants		-	-
(h) Financial Assets		-	-
(i) Investments		-	-
(ii) Trade Receivables		-	-
(iii) Loans		-	-
(iv) Others (to be specified)		-	-
(i) Deferred Tax Asset (Net)		-	-
(j) Other Non-Current Assets		-	-
		71,38,330	-
2) Current Assets			
(a) Inventories		-	-
(b) Financial Assets			
(i) Investments			
(ii) Trade Receivables	3	4,00,15,718	1,44,15,082
(iii) Cash and Cash Equivalents	4	33,33,498	1,15,990
(iv) Bank balance other than (iii) above	5	15,70,465	5,18,978
(v) Loans	6	20,55,701	6,45,014
(vi) Others (to be specified)	7	30,78,001	11,62,000
(c) Current Tax Assets (Net)	8(c)	56,45,055	19,17,864
(d) Other Current Assets		-	-
		5,56,98,438	1,87,74,928
Total Assets		6,28,36,768	1,87,74,928

II. EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	9(a)	10,00,000	10,00,000
(b) Other Equity	9(b)	-5,63,13,293	-3,08,80,852
Total Equity		-5,53,13,293	-2,98,80,852
LIABILITIES			
1) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	10	36,68,943	34,66,000
(ii) Trade Payables		-	-
a. total outstanding dues of micro enterprises and small enterprises			
b. total outstanding dues of creditors other than micro enterprises and small enterprises			
(iii) Other Financial Liabilities (Other than those specified in item (b), to be specified)		-	-
(b) Provisions	11	5,80,723	1,72,892
(c) Deferred Tax Liabilities (Net)	8(d)	25,019	-
(d) Other Non-Current Liabilities		-	-
		42,74,685	36,38,892
2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	10	3,36,44,833	2,40,78,497
(ii) Trade Payables	12		
a. total outstanding dues of micro enterprises and small enterprises			
b. total outstanding dues of creditors other than micro enterprises and small enterprises		6,84,01,121	8,18,880
(iii) Other Financial Liabilities (Other than those specified in item (c))			
(b) Other Current Liabilities	13	1,08,29,422	80,17,712
(c) Provisions	11	10,00,000	1,21,01,799
(d) Current Tax Liabilities (Net)		-	-
		11,38,75,376	4,50,16,888
Total Equity and Liabilities		6,28,36,768	1,87,74,928

As per our report of even date

For Oneworld Logistics Private Limited


For S C M K & CO LLP
Chartered Accountants
Firm No. W100662


S M CHITNIS

Partner

Membership No. 43152




Makarand Pradhan
Director
DIN : 00102413


Shrikant Nibandhe
Director
DIN : 01029115

Date: 28TH JUNE, 2021

Place: Mumbai

ONEWORLD LOGISTICS PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31st MARCH, 2021

PARTICULARS	NOTE NO.	AS AT 31st March 2021	AS AT 31st March 2020
I) Revenue from Operations	14	37,14,65,209	12,64,40,826
II) Other Income	15	1,91,520	19,392
III) Total Income (I+II)		37,16,56,729	12,64,60,218
IV) Expenses			
(a) Employee Benefits Expenses	16	1,96,42,885	1,43,13,717
(b) Finance Cost	17	9,78,233	44,868
(c) Depreciation and amortization expense	18	6,78,787	-
(d) Other Expenses	19	37,61,15,921	13,16,64,275
V) Total Expenses		39,74,15,826	14,60,22,860
VI) Profit/(Loss) before share of (profit)/loss from investment in associate and tax from continuing operations (III-V)		-2,57,59,097	-1,95,62,642
VII) Share of (profit)/loss from investment in associate		-	-
VIII) Profit/(loss) before tax from continuing operations (VI-VII)		-2,57,59,097	-1,95,62,642
IX) Tax expenses from continuing operations			
(1) Current Tax	8	-	-
(2) Deferred Tax	8(a)	25,019	-
X) Profit/(Loss) for the period from continuing operations (VIII-IX)		-2,57,84,116	-1,95,62,642
XI) Profit/(Loss) from discontinued operations		-	-
XII) Tax expense of discontinued operations		-	-
XIII) Profit/(Loss) from discontinued operations (after tax) (XI-XII)		-	-
XIV) Profit/(Loss) for the period (X+XIII)		-2,57,84,116	-1,95,62,642
XV) Other Comprehensive Income			
A. Items that will not be reclassified to profit or loss in subsequent years			
Re-measurement gains (losses) on defined benefit plans		-39,668	
Income Tax Effect		-39,668	-
Net other comprehensive income to not be reclassified to profit or loss in subsequent periods		-39,668	-
Other Comprehensive Income for the year, net of tax		-39,668	-
XVI) Total Comprehensive Income for the period (XIV+XV) (Comprehensive profit (loss) and Other Comprehensive Income for the period)		-2,58,23,784	-1,95,62,642
XVII) Earning per Equity Share (for continuing operation)			
(1) Basic	20	-257.84	-195.63
(2) Diluted	20	-257.84	-195.63


As per our report of even date

For Oneworld Logistics Private Limited

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Makarand Pradhan
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DIN : 00102413


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DIN : 01029115

Date: 28th JUNE, 2021
Place: Mumbai

ONEWORLD LOGISTICS PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2021

(Amount in Rupees)

PARTICULARS	FOR THE YEAR ENDED 31 st MARCH, 2021	FOR THE YEAR ENDED 31 st MARCH, 2020
A. Cash flow from operating activities:		
Profit before tax	(2,57,59,097)	(1,95,62,642)
<i>Adjustments:</i>		
Depreciation & amortization	6,78,787	-
Interest Expense	9,78,233	44,868
Interest Income	(1,91,520)	(19,392)
Provision for ESOP	3,91,343	-
Provision for Gratuity	3,68,163	1,72,892
<i>Working capital changes :</i>		
Trade Payable	6,75,82,241	(60,42,192)
Other Current Liabilities	28,11,710	80,14,762
Short-Term Provisions	(1,11,01,799)	1,21,01,799
Trade Receivables	(2,56,00,636)	(1,44,15,082)
Bank balance other than cash and cash equivalents	(10,51,487)	(5,18,978)
Other Current Assets	(19,16,001)	(11,62,000)
Short-Term Loans and Advances	(14,10,687)	(6,45,014)
Net cash generated from operations	57,79,250	(2,20,30,979)
Direct taxes Paid	(37,27,191)	(19,17,864)
Net cash generated by operating activities	20,52,059	(2,39,48,843)
B. Cash flow from investing activities:		
Purchased of Fixed Assets	(78,17,117)	
Interest Income	1,91,520	19,392
Net cash used in investing activities	(76,25,597)	19,392
C. Cash flow from financing activities:		
Loan Raised	95,66,336	2,40,78,497
Interest Expense	(7,75,290)	(44,868)
Net cash (used in) / generated from financing activities	87,91,046	2,40,33,629
Net increase in cash and cash equivalents during the year	32,17,508	1,04,178
Cash and cash equivalents at the beginning of the year	1,15,990	11,812
Cash and cash equivalents at the end of the year	33,33,498	1,15,990

As per our report of even date

For Oneworld Logistics Private Limited


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S M CHITNIS

Partner

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Makarand Pradhan
Director
DIN : 00102413


Shrikant Nibandhe
Director
DIN : 01029115

Date: 28th JUNE, 2021

Place: Mumbai

ONEWORLD LOGISTICS PRIVATE LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2021

A. Equity Share Capital

Particulars	31.03.2021	31.03.2020
No. of Shares		
Issued, subscribed and fully paid up	1,00,000	1,00,000
Share Capital		
Equity Share of ₹ 10 each	10,00,000	10,00,000

B. Other Equity

Particulars	Reserve and Surplus			
	Securities Premium Reserve	Retained Earnings	Share Based Payment Reserve	Total
Opening balance as at 1st April 2020		-3,08,80,852	-	-3,08,80,852
Profit for the year	-	-	3,91,343	3,91,343
Other comprehensive Income	-	-	-	-
Total Comprehensive Income as at 31st March 2021	-	-3,08,80,852	3,91,343	-3,04,89,509

As per our report of even date

For Oneworld Logistics Private Limited


For S C M K & CO LLP
Chartered Accountants
Firm No. W100662



S M CHITNIS
Partner
Membership No. 43152



Makrand Pradhan
Director
DIN : 00102413



Shrikant Nibandhe
Director
DIN : 01029115

Date: 28TH JUNE, 2021
Place: Mumbai

ONEWORLD LOGISTICS PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

Note 2(a) : Property, plant and equipment

Particulars	Owned Building	Office Equipment	Vehicle	Furniture and Fixture	Computer	Total
Cost as at 01st April, 2020	-	-	-	-	-	-
Additions	-	51,45,330	-	19,02,328	5,19,459	75,67,117
Disposals	-	-	-	-	-	-
Closing gross carrying amount	-	51,45,330	-	19,02,328	5,19,459	75,67,117
Accumulated depreciation						
Accumulated depreciation as at 1st April, 2020	-	-	-	-	-	-
Depreciation charge during the year	-	3,42,420	-	1,35,567	1,50,800	6,28,787
Disposals	-	-	-	-	-	-
Closing Accumulated depreciation	-	3,42,420	-	1,35,567	1,50,800	6,28,787
Net carrying amount as at 31st March, 2021	-	48,02,910	-	17,66,761	3,68,659	69,38,330

Note 2(b) : Intangible Assets

Particulars	Amount in ₹
Cost as at 01st April, 2020	-
Additions	2,50,000
Transfers	-
Closing gross carrying amount	2,50,000
Accumulated amortisation	
Accumulated amortisation as at 01st April, 2020	-
Amortisation charge during the year	50,000
Closing Accumulated amortisation	50,000
Net carrying amount as at 31st March, 2021	2,00,000

ONEWORLD LOGISTICS PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

Note 3 : Trade Receivables

Particulars	31.03.2021	31.03.2020
Outstanding for a period of over six months from the date they are due for payment		
Trade Receivable :-		
a. Trade Receivables considered good - Secured	-	-
b. Trade Receivables which have significant increase in Credit Risk		
c. Trade Receivables considered good - Unsecured		
(-) Impairment allowance (allowance for bad and doubtful debts)	-	-
	-	-
Other receivables		
d. Trade Receivables considered good - Unsecured	4,00,15,718	1,44,15,082
Unsecured, which have significant increase in Credit Risk		-
	4,00,15,718	1,44,15,082
(-) Impairment allowance (allowance for bad and doubtful debts)	-	-
	4,00,15,718	1,44,15,082
Total	4,00,15,718	1,44,15,082

Note 4 : Cash and Cash Equivalent

Particulars	31.03.2021	31.03.2020
Balances with banks : in current accounts	33,33,498	1,15,990
Cash on hand	-	-
Total	33,33,498	1,15,990

Note 5 : Bank balances other than cash and cash equivalents

Particulars	31.03.2021	31.03.2020
Fixed deposits		
- with original maturity for more than 3 months but less than 12 months	-	-
- with original maturity of less than 12 months at the balance sheet date	15,70,465	5,18,978
Total	15,70,465	5,18,978

Note 6 : Loans

Particulars	31.03.2021		31.03.2020	
	Non-Current	Current	Non-Current	Current
Unsecured, considered good				
Others	-	20,55,701	-	6,45,014
Total	-	20,55,701	-	6,45,014

Note 7 : Other Financial Assets

Particulars	31.03.2021		31.03.2020	
	Non-Current	Current	Non-Current	Current
Unsecured, considered good				
Security Deposit	-	30,78,001	-	11,62,000
Total	-	30,78,001	-	11,62,000

ONEWORLD LOGISTICS PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

Note 8 : Income Taxes

a. Income Tax expense

Particulars	31.03.2021	31.03.2020
Current Tax		
Current tax expense	-	-
Deferred Tax		
Decrease in deferred tax assets	-	-
Increase in deferred tax liabilities	25,019	-
Total deferred tax expense (benefit)	25,019	-
Total Income tax expenses	25,019	-

b. Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

Particulars	31.03.2021	31.03.2020
Profit before income tax expense		
Tax rate (%)	0.00%	0.00%
Tax at the Indian Tax Rate	-	-
Tax effect of amounts which are not deductible (taxable) in calculating taxable income	-	-
Tax effect of amounts which are deductible in calculating taxable income	-	-
Deferred Tax Expense	25,019	-
MAT Credit Entitlement	-	-
Income Tax Expense	25,019	-

c. Current tax assets / (liability)

Particulars	31.03.2021	31.03.2020
Opening income tax asset / (liability) at the beginning of the year / period	19,17,864	-
Income tax paid	60,61,107	19,17,864
Income Tax Refund	-23,33,916	-
MAT Credit Utilised	-	-
Reclass to Debtors	-	-
Current income tax payable for the period / year	-	-
Net current income tax asset / (liability) at the end of the year / period	56,45,055	19,17,864
Income tax asset	56,45,055	19,17,864

d. Deferred tax (liabilities) / assets (net)

Particulars	31.03.2021	31.03.2020
Deferred income tax assets		
Property, plant and equipment	-	-
Provisions	-	-
Financial Assets at Fair Value through OCI	-	-
Others	-	-
Total deferred tax assets	-	-
Deferred income tax liabilities		
Property, plant and equipment	25,019	-
Financial Assets at Fair Value through OCI	-	-
Financial Assets at Fair Value through Profit and Loss	-	-
Others	-	-
Total deferred tax liabilities	25,019	-
Net Deferred tax (liabilities) / assets	-25,019	-

e. Deferred tax assets

Movements in deferred tax assets

Particulars	Property, plant and equipment	Provisions	Financial Assets at Fair Value through OCI	Others	Total
At 1st April, 2020					
Charged / (Credited)					
- to profit and loss					
- Others					
- to other comprehensive Income					
At 31st March, 2021	-	-	-	-	-

f. Deferred tax liabilities

Movements in deferred tax liabilities

Particulars	Property, plant and equipment	Financial Assets at Fair Value through OCI	Financial Assets at Fair Value through profit and loss	Others	Others
At 1st April, 2020					
Charged / (Credited)					
- to profit and loss	25,019	-	-	-	25,019
- Others	-	-	-	-	-
- to other comprehensive income	-	-	-	-	-
At 31st March, 2021	25,019	-	-	-	25,019

ONEWORLD LOGISTICS PRIVATE LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2021

Note 9(a) : Equity Share Capital

Particulars	31.03.2021	31.03.2020
Authorised capital		
5,00,000 Equity Shares of ₹ 10 each	50,00,000	50,00,000
Issued, subscribed and paid up		
1,00,000 Equity Share of ₹ 10 each	10,00,000	10,00,000

i. Reconciliation of number of the equity shares outstanding at the beginning and at the end of the year

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	No. of Shares	Amount in ₹	No. of Shares	Amount in ₹
Equity Shares				
At the beginning of the year	1,00,000	10,00,000	1,00,000	10,00,000
(+) Issued during the year	-	-	-	-
(-) Forfeited during the year	-	-	-	-
Outstanding at the end of the year	1,00,000	10,00,000	1,00,000	10,00,000

ii. Details of shareholder holding more than 5% equity shares of the company

Name of Shareholder	As at 31st March, 2021		As at 31st March, 2020	
	No. of shares	% holding	No. of shares	% holding
Total Transport Systems Private Limited	1,00,000	100%	1,00,000	100%

Note 9(b) : Other Equity

Particulars	Reserve and Surplus			
	Securities Premium Reserve	Retained Earnings	Share Based Payment Reserve	Total
Opening balance as at 1st April 2020		3,08,80,862		3,08,80,862
Profit for the year	-	-2,57,84,116	3,91,343	-2,53,92,773
Other comprehensive Income	-	-39,668	-	-39,668
Total Comprehensive Income as at 31st March 2021	-	-5,67,04,636	3,91,343	-5,63,13,293

ONEWORLD LOGISTICS PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

Note 10 : Borrowings

Particulars	31.03.2021		31.03.2020	
	Non-Current	Current	Non-Current	Current
A. Secured Borrowings				
- from Banks	-	-	-	-
- from Related Parties	-	-	-	-
- from Others	-	-	-	-
A. Unsecured Borrowings				
- from Banks	-	-	-	-
- from Related Parties	36,68,943	3,36,44,833	34,66,000	2,40,78,497
- from Others	-	-	-	-
Total	36,68,943	3,36,44,833	34,66,000	2,40,78,497

Note 11 : Provisions

Particulars	31.03.2021		31.03.2020	
	Non-Current	Current	Non-Current	Current
Provision for Expenses	-	10,00,000	-	1,21,01,799
Provision for Gratuity	5,80,723	-	1,72,892	-
Total	5,80,723	10,00,000	1,72,892	1,21,01,799

Note 12 : Trade Payables

Particulars	31.03.2021		31.03.2020	
	Non-Current	Current	Non-Current	Current
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	6,84,01,121	-	8,18,880
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-
Total	-	6,84,01,121	-	8,18,880

Note 13 : Other Liabilities

Particulars	31.03.2021		31.03.2020	
	Non-Current	Current	Non-Current	Current
Audit Fees Payable	-	50,000	-	15,000
Deposits	-	-	-	-
Statutory Payables	-	72,50,034	-	65,70,501
Other Liabilities	-	1,39,558	-	14,32,211
Advance From Customers	-	33,89,830	-	-
Total	-	1,08,29,422	-	80,17,712

ONEWORLD LOGISTICS PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

Note 14: Revenue from Operations

Particulars	31.03.2021	31.03.2020
Last Mile Delivery	37,14,65,209	12,64,40,826
Total	37,14,65,209	12,64,40,826

Note 15: Other Income

Particulars	31.03.2021	31.03.2020
Interest Income	1,91,520	19,392
Total	1,91,520	19,392

Note 16 : Employee benefit expenses

Particulars	31.03.2021	31.03.2020
Salaries, wages and bonus	1,85,42,232	1,40,07,585
Contribution to statutory funds	3,56,821	1,72,892
Staff welfare expenses	7,43,832	1,33,240
Total	1,96,42,885	1,43,13,717

Note 17: Finance Cost

Particulars	31.03.2021	31.03.2020
Interest Expense	9,78,233	44,868
Total	9,78,233	44,868

Note 18: Depreciation and amortization expense

Particulars	31.03.2021	31.03.2020
Depreciation	6,78,787	-
Total	6,78,787	-

Note 19 : Other expenses

Particulars	31.03.2021	31.03.2020
Handling Expenses	34,36,89,319	11,49,29,254
Advertising and Publicity	17,016	98,960
Business Promotion	10,75,660	5,32,826
Communication Expense	10,42,307	2,77,913
Conveyance and Travelling Expense	17,23,407	15,79,836
Electricity expense	6,13,698	1,39,423
Postage expense	47,786	73,099
Printing and stationery	5,61,047	2,17,478
Rent, rates and taxes	53,97,233	73,11,591
Repairs and Maintenance charges	13,79,167	19,45,263
Other expenses	2,05,19,281	45,43,632
	37,60,65,921	13,16,49,275
Payment to Auditor		
As auditors:		
Audit fees	50,000	15,000
Tax audit fees	-	-
In other capacities:		
Taxation matters	-	-
Certification matters	-	-
Other services	-	-
	50,000	15,000
Total	37,61,15,921	13,16,64,275

Note 20 : Earnings per share

Particulars	31.03.2021	31.03.2020
Profit attributable to the equity holders of the company used in calculating basic earnings per share and diluted earnings per share		
Profit for the period	-2,57,84,116	-1,95,62,642
Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share	1,00,000	1,00,000
Nominal value of shares	10.00	10.00
Earnings per equity share (basic and diluted)	-257.84	-195.63
Employee Stock Option Plan that could potentially dilute basic earnings per share in the future, but were not included in the calculation of diluted earnings per share because they are antidilutive for the period presented		

ONEWORLD LOGISTICS PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

Note 21 : Earnings in Foreign Exchange

Particulars	31.03.2021	31.03.2020
Total	-	-

Note 22 : Expenditure in Foreign Currency

Particulars	31.03.2021	31.03.2020
Total	-	-

Note 23 : Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	31.03.2021	31.03.2020
(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 are actually paid	-	-

ONEWORLD LOGISTICS PRIVATE LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2021

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of accounting and preparation of financial statements:

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (the 'Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 under the provisions of the Companies Act, 2013 (the 'Act') and subsequent amendments thereof. These financial statements are prepared under the historical cost convention on the accrual basis except for derivative financial instruments and certain other financial assets and liabilities which have been measured at fair value (refer accounting policy regarding financial instruments). The financial statements have been prepared on a going concern basis.

Current versus Non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is treated as current when it is:

- expected to be realized or intended to sold or consumed in normal operating cycle or twelve months after reporting period,
- held primarily for the purpose of trading or
- cash or cash equivalent unless restricted from being exchanged or used to settle liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is treated as current when it is:

- expected to be settled in normal operating cycle or within twelve months after reporting period,
- it is held primarily for the purpose of trading or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other assets are classified as non-current.

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

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

a) Foreign Currency:

Transactions in foreign currencies are initially recorded at their respective functional currency (i.e. Indian rupee) spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in the statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Exchange differences arising on translation / settlement of foreign currency monetary items are recognized as income or expenses in the period in which they arise.

b) Fair Value Measurement:

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets, and significant liabilities, such as contingent consideration.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

c) **Revenue Recognition:**

Revenue for Last Mile Delivery is recognized when the consignment is delivered as per terms of service agreed with the principal

d) **Taxes:**

Current Income Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognized outside the Statement of Profit and Loss is recognized outside the Statement of Profit and Loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax

Deferred tax is provided using liability approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the

extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized 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 relating to items recognized outside statement of profit and loss is recognized outside statement of profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI (Other Comprehensive Income) or directly in equity.

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

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized.

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

e) Property, plant and equipment:

Freehold land is carried at historical cost. Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises the purchase price and any cost attributable to bringing the asset to its working condition for its intended use. Borrowing cost relating to acquisition of tangible assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use. Capital work in progress is stated at cost.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and

equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in statement of profit and loss as incurred.

Depreciation

Depreciation is calculated on a reducing balance method over the estimated useful lives of the assets as follows:

Category	Useful lives (in years)
Building	30 to 60
Furniture and Fixtures	10
Office Equipment	5
Vehicle	8 to 10
Computer	3 to 6

The Company, based on internal assessment and management estimate. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

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

f) **Borrowing Costs:**

Borrowing costs includes interest and amortization of ancillary cost over the period of loans which are incurred in connection with arrangements of borrowings.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

g) **Leases:**

Leases are recognised as a right-of-use asset and a corresponding liability at that date at which the lease asset is available for use by the Company. Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of the contract. Ind AS 116 defines a lease as a contract, or a part of a contract, that convey as the right of use an asset (the underlying asset) for a period of time in exchange of consideration. To assess

whether as contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expenses on a straight line basis over the term of the lease.

h) Provisions:

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pretax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

i) Contingent Liabilities:

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extreme rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

j) Retirement and other employee benefits:

- **Short-term employee benefits**

Employee benefits payable wholly within twelve months of availing employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits such as salaries and wages, bonus and ex-gratia to be paid in exchange of employee services are recognized in the period in which the employee renders the related service.

- **Post-employment benefits**

Defined Contribution Plans:

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 Provident Fund and Employees State Insurance Corporation ('ESIC'). The contribution is recognized as an expense in the Statement of Profit and Loss during the period in which employee renders the related service. There are no other obligations other than the contribution payable to the Provident Fund and Employee State Insurance Scheme.

Defined Benefit Plan:

Gratuity liability, wherever applicable, is provided for on the basis of an actuarial valuation done as per projected unit credit method, carried out by an independent actuary at the end of the year. The Company's gratuity benefit scheme is a defined benefit plan.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

k) Cash and cash equivalents:

Cash comprise of cash on hand and demand deposits at the bank. Cash equivalents comprise of short term highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and demand deposit, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

l) 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 noncash 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 in the Cash flow statement.

m) Earning per share:

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

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

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

n) Non-current assets held for sale:

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

Property, plant and equipment and intangible assets once classified as held for sale to owners are not depreciated or amortized.

o) Intangible Assets:

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

p) Investment Property:

An investment in land or building, which is not intended to be occupied substantially for use by, or in the operations of the Company, is classified as investment property. Investment properties are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in statement of profit and loss as incurred.

Depreciation on building component of investment property is calculated on a straight-line basis using the rate arrived at based on the useful life estimated by the management which is 60 years.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee or on the basis of appropriate ready reckoner value based on recent market transactions.

Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in statement of profit and loss in the period of derecognition.

q) Impairment of non-financial assets:

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

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

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

n) Non-current assets held for sale:

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

Property, plant and equipment and intangible assets once classified as held for sale to owners are not depreciated or amortized.

o) Intangible Assets:

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

p) Investment Property:

An investment in land or building, which is not intended to be occupied substantially for use by, or in the operations of the Company, is classified as investment property. Investment properties are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in statement of profit and loss as incurred.

Depreciation on building component of investment property is calculated on a straight-line basis using the rate arrived at based on the useful life estimated by the management which is 60 years.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee or on the basis of appropriate ready reckoner value based on recent market transactions.

Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in statement of profit and loss in the period of derecognition.

q) Impairment of non-financial assets:

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual

assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset exceeds neither its recoverable amount nor the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

1.2 Significant accounting judgements, estimates and assumptions:

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Some of the significant accounting judgement and estimates are given below:

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries. The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets.

ONEWORLD LOGISTICS PRIVATE LIMITED

Note 24 : Related Party disclosures

a. Name of related parties

i. Related parties where control exists:

Total Transport Systems Private Limited Holding Company

ii. Other related parties:

CP World Logistics India Private Limited Group Company

Total Transport Systems Private Limited, Nepal Group Company

Seedeer (India) E-Commerce Private Limited Group Company

iii. Entities over which key managerial personnel or their relatives exercise significant influence:

Total Cargoport India Private Limited

Jag Software Solution Private Limited

WSA SHPG Bombay Private Limited

CLA Express Private Limited

iv. Key managerial personnel:

<u>Name</u>	<u>Designation</u>
Mr Prashant Rane	CEO
Mr. Shrikant Nibandhe	Director
Mr Sanjiv Potnis	Director
Mr Makrand Pradhan	Director

b. i. Summary of transactions with related parties:

Particulars	Amount (₹)	
	31.03.2021	31.03.2020
<u>Professional Fees</u>		
Prashant Rane	12,58,400	-
<u>Employee Stock Option Plan</u>		
Prashant Rane	3,91,343	-
<u>Support Charges</u>		
Total Transport Systems Limited	-	32,21,804
<u>Balance Outstanding at the End of the Year</u>		
<u>Interest Expenses</u>		
Total Transport Systems Limited	2,19,398	-
<u>Loan From</u>		
Total Transport Systems Limited	36,68,943	34,66,000
<u>Creditors</u>		
Total Transport Systems Limited	3,36,44,833	2,40,78,497

b. ii. Summary of balances with related parties:

Particulars	Amount (₹)	
	31.03.2021	31.03.2020
Loans	36,68,943	34,66,000
Advances	-	-
Interest receivable on Loans	-	-
Interest receivable on Advances	-	-
Deposits	-	-
Trade receivables	-	-
Trade payables	3,36,44,833	2,40,78,497

ONEWORLD LOGISTICS PRIVATE LIMITED

Note 25 : Net employment defined benefit liabilities

a. Defined Contributions Plans

For the holding company an amount of ₹ 0 (31st March, 2020: ₹ 0) contributed to provident funds, ESIC and other funds is recognised by as an expense and included in "Contribution to Provident & Other Funds" under "Employee benefits expense" in the Consolidated Statement of Profit and Loss.

b. Defined Benefits Plans

As per the Payment of Gratuity Act, 1972, the Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on resignation or retirement at 15 days salary (last drawn salary) for each completed year of service.

The following table's summaries the components of net benefit expense recognised in the Statement of Profit and Loss and the funded status and amounts recognised in the balance sheet

Particulars	31.03.2021	31.03.2020
I. Consolidated Statement of profit and loss - Net employee benefit expense recognised in employee cost		
Current service cost	3,56,821	1,72,892
Past service cost (vested benefits) recognised during the year	-	-
Interest cost on defined benefit obligation	11,342	-
Interest income on plan assets	-	-
Expected return on plan assets	-	-
Net actuarial loss to be recognised	-	-
Net benefits expenses recognised in the Statement of Profit and Loss	3,68,163	1,72,892
II. Balance Sheet - Details of provision and fair value of plan assets		
Benefit obligation	3,56,821	1,72,892
Fair value of plan assets	-	-
Surplus / (Deficit)	-	-
Net Liability recognised in the Balance Sheet	3,56,821	1,72,892
III. Change in the present value of the defined benefit obligation are as follows:		
Opening defined benefits obligations	1,72,892	-
Interest cost	11,342	-
Current service cost	3,56,821	1,72,892
Past service cost	-	-
Benefits paid	-	-
Acquisitions / Divestiture	-	-
OCI	-	-
Actuarial changes arising from changes in demographic assumptions	-	-
Actuarial changes arising from changes in financial assumptions	-695	-
Actuarial changes arising from changes in experience assumptions	40,363	-
Liability at the end of the year	5,80,723	1,72,892
IV. Change in Fair Value of Plan Assets		
Opening fair value of plan assets	-	-
Interest income on plan assets	-	-
Contributions by employer	-	-
Benefits paid	-	-
Acquisitions / Divestiture	-	-
Actuarial gain / (loss) on plan assets	-	-
Fair Value of Plan Assets at the end of the year	-	-
V. Total Cost recognised in Comprehensive Income		
Cost recognised in P&L	-	-
Remeasurement effects recognised in OCI	-	-
VI. Investment details of Plan Assets		
Total Plan Assets	-	-

Maturity profile of defined benefit obligation:

Particulars	31.03.2021	31.03.2020
Year 1	970	355
Year 2	1,015	375
Year 3	1,066	396
Year 4	29,599	420
Year 5	56,011	17,620
Year 6 to 10	2,86,426	94,498
Year 11 & Above	11,25,242	3,26,140

The principal assumptions used in determining gratuity obligations for the plans of the Company are as follows:

Particulars	31.03.2021	31.03.2020
Discount rate	6.57% p.a	6.56% p.a
Salary escalation	10.00% p.a	10.00% p.a

A quantitative sensitivity analysis for the significant assumptions as at 31st March, 2021

Defined benefit obligation	31.03.2021	31.03.2020
Projected Benefit Obligation on Current Assumptions	5,80,723	1,72,892
Delta effect of +1% change in the rate of discounting	-63,743	-18,958
Delta effect of -1% change in the rate of discounting	75,918	22,480
Delta effect of +1% change in the rate of salary increase	72,620	21,504
Delta effect of -1% change in the rate of salary increase	-62,437	-18,567
Delta effect of +1% change in employee turnover rate	-33,928	-10,733
Delta effect of -1% change in employee turnover rate	37,446	11,788

The Indian Parliament has approved the Code on Social Security, 2020 impacting employee remuneration and welfare benefits. The effective date from which the changes are applicable is yet to be notified. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under consideration by the Ministry. However, the date on which the Code will come into effect has not been notified. The Company will assess the financial impact, if any, of the Code when it becomes effective and will record necessary adjustments in the financial statements.

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Note 26 : Leases

Rental charges stated below either pertain to short term lease or low value assets and hence not consider for Right of Use Assets.

Lease Obligations	31.03.2021	31.03.2020
	Lease Payments	Lease Payments
Rent Paid	1,61,14,596	35,12,190
Total	1,61,14,596	35,12,190

ONEWORLD LOGISTICS PRIVATE LIMITED

Note 27:- Disclosure of Share Based Payments

a) Scheme Details :

During the year, the holding Company has approved at its Extra-ordinary General Meeting, Stock Option Schemes i.e ONEWORLD LOGISTICS EMPLOYEES STOCK OPTION PLAN, 2020 under which options have been granted at exercise price to be vested from time to time on basis of eligibility criteria.

Financial Year (Year of Grant)	Number of Options Outstanding	Financial Year's of Vesting	Exercise Price	Range of Fair Value's at Grant Date
	As at 31st March 2021			
Oneworld Logistics ESOP 2020 - Details of Options granted but not vested as on 31st March 2021	5263	F.Y 2021-22 to F.Y 2023-24	Rs.2082.15	490.99 - 815.13

b) Compensation Expenses arising on account of the Share Based Payments :

Description	Year ended 31st March 2021
Expenses arising from Equity Settled Share-Based Payment Transactions	Rs.3,91,343

c) Fair Value on the grant date :

The fair value at grant date is determined using "Black Scholes Model" which takes into account the exercise price, term of the option, share price at grant date and expected price volatility of the underlying shares, expected dividend yield and the risk free interest rate for the term of the option.

Description	Option-1	Option-2	Option-3
Spot price	2,250.00	2,250.00	2,250.00
Exercise Price	2,082.15	2,082.15	2,082.15
Risk free rate	5.399%	5.399%	5.399%
Dividend Yield (Stocks)	0.00%	0.00%	0.00%
Annual Volatility (std devn) of the spot logarithmic return	40.0%	40.0%	40.0%
Time to maturity of the option (in years)	1.00	2.00	3.00
	0.53	0.61	0.69
	0.13	0.05	-0.00
Fair Value of Option	490.99	672.86	815.13

d) Movement in Share Options during the year :

No movement in Share Options during the financial year.

Particulars	As at 31st March 2021	
	Number of share options	Weighted Average Exercise Price
Balance at the beginning of the year	-	-
Granted during the year	5,263.00	2,082.15
Exercised during the year	-	-
Expired / Lapsed during the year	-	-
Balance at the end of the year	5,263.00	-

Share Based Payments :-

Equity-settled share based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding instruments at the grant date. Details regarding the determination of the fair value of equitysettled share based payments transactions are set out in Note 25.c) The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Consolidated Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the Share Based Payments Reserve. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

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Note 28 : Contingent liabilities and commitments

Particulars	31.03.2021	31.03.2020
Contingent liabilities		
a. Disputed liabilities		
- Income Tax	-	-
- Customs	-	-
- Service Tax	-	-
- Sales Tax	-	-
- Good and Service Tax	-	-
- Entry Tax	-	-
- Stamp Duty	-	-
b. Bank Guarantees	15,00,000	5,00,000
c. Commitments	-	-

Note 29 : Segment Reporting

Disclosure of segment reporting as per the requirements of Ind AS 108 "Operating Segment" is reported in the consolidated financial statements of the Company. Therefore, the same has not been separately disclosed in the standalone financial statements in line with the requirement of Ind AS 108.

ONEWORLD LOGISTICS PRIVATE LIMITED

Note 30 : Financial Risk Management

The holding Company's principal financial liabilities, comprises of loans and borrowings and trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables, loans and cash and cash equivalents that derive directly from its operations.

A. Market Risk

The holding Company's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:

a. price risk

The above risks may affect the Company's income or the value of its financial instruments. The objective of the Company's management of market risk is to maintain this risk within acceptable parameters, while optimising returns. The Company's exposure to, and management of, these risks is explained below.

a. Price Risk

Price per shipment is fixed which is common for all customers. The rate varies in normal season and festive season, as there is additional incentive/Bonus to handle festive time shipments. The Price is fixed differently, if any Station partnership is also in place.

B. Credit Risk

This business is purely of B2C nature. Shipment is handed over to the final customer, either against on-line payment or Cash On Delivery. No credit is offered to any customer. The charges remain uncollected only for "Undelivered shipments"

C. Liquidity Risk

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2021.

Year Ended	(Rs in lakhs)		
	On Demand	Less than 1 Year	More than 1 year
Borrowings	-	336.44	76.68
Trade Payables	-	684.01	-
Total	-	1,020.45	76.68

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2020

Year Ended	(Rs in lakhs)		
	On Demand	Less than 1 Year	More than 1 year
Borrowings	-	240.78	34.66
Trade Payables	-	8.19	-
Total	-	248.97	34.66

D. Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The holding Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to ourshareholders. The capital structure of the Group is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The holding Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.