



INDEPENDENT AUDITOR'S REPORT

To The Members of Zeal Global Services Private Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Zeal Global Services Private Limited** ("the Holding Company") and its associate, (the Holding Company and its associate together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2020, and the Consolidated Statement of Profit and Loss, the consolidated Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with Accounting Standards prescribed under section 133 of the Act other accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at March 31, 2020, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Holding's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures thereto, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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 on the other information that we obtained prior to the date of this auditor's report, 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 Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept.

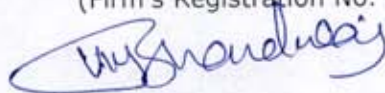


- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standard specified under section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2020 taken on record by the Board of Directors of the Holding Company, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) This report does not include Report on the internal 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 financial controls is not applicable to the Parent Company basis the exemption available to the Company under Ministry of Corporate Affairs notification number G.S.R. 583(E) dated 13th June, 2017, read with corrigendum dated July 13, 2017 on reporting on internal financial control 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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Group did not have any pending litigations which impact the consolidated financial position. (Refer to note 26(i) to the consolidated financial statements);
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts. (Refer to note 26(ii) to the consolidated financial statements);
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its associate companies incorporated in India. (Refer to note 38 to the consolidated financial statements).

For **BHAGI BHARDWAJ GAUR & CO.**

Chartered Accountants

(Firm's Registration No. 007895N)



VIJAY KUMAR BHARDWAJ

Partner

(Membership No. 086426)

UDIN: 21086426AAAAO8809 (Generated on January 31, 2021)



Place : New Delhi

Date : December 01, 2020

Zeal Global Services Private Limited
CIN : U74950DL2014PTC264849
Consolidated Balance Sheet as at March 31, 2020
All amounts are in INR unless otherwise stated

Particulars	Notes	As at March 31, 2020	As at March 31, 2019
I. EQUITY AND LIABILITIES			
Shareholders' funds			
(a) Share capital	3	60,00,000	60,00,000
(b) Reserves and surplus	4	3,73,58,399	3,26,78,163
Non-current liabilities			
(a) Long-term Borrowings	5	65,84,177	67,93,177
(b) Long Term Provisions	6	10,87,609	6,37,784
Current liabilities			
(a) Short-term borrowings	5	1,92,16,058	15,55,810
(b) Trade payables	7		
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro		14,42,31,161	8,45,39,629
(c) Short Term Provisions	6	7,020	10,311
(d) Other current liabilities	8	56,01,094	20,27,799
TOTAL		22,00,85,518	13,42,42,673
II. ASSETS			
Non-current assets			
(a) Property, plant and equipment	9	29,38,702	23,86,483
(b) Intangible Assets	10	1,49,763	-
(c) Non Current Investments	11	15,86,239	-
(d) Long-term loans and advances	12	1,65,79,112	1,81,27,112
(e) Deferred Tax Assets (Net)	13	5,41,397	1,75,897
(f) Non current tax assets	14	1,49,01,143	33,72,366
(g) Other non-current assets	15	3,53,45,970	3,53,45,970
Current assets			
(a) Trade Receivables	16	3,62,16,527	5,98,29,591
(b) Cash and bank balance	17	10,63,50,061	1,01,75,891
(c) Short Term Loans and advances	12	54,02,154	48,29,363
(d) Other current assets	15	74,450	-
TOTAL		22,00,85,518	13,42,42,673
Summary of Significant Accounting policies	1-2		

See accompanying notes forming part of the financial statements

1-40

In terms of our report attached

For **Bhagi Bhardwaj Gaur & Co.**
Chartered Accountants
Firm Reg. no. 007895N

Vijay Kumar Bhardwaj

Vijay Kumar Bhardwaj
Partner
M. No. 086426



For and on behalf of the Board of Directors

Nipun Anand

Nipun Anand
Director
DIN : 06788513

Panna Lal Anand

Panna Lal Anand
Director
DIN : 01968578

Place : New Delhi
Date: December 01, 2020

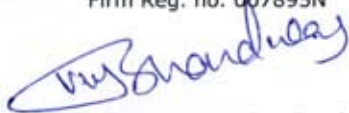
Place : New Delhi
Date: December 01, 2020

Zeal Global Services Private Limited
CIN : U74950DL2014PTC264849
Consolidated Statement of Profit and Loss for the year ended March 31, 2020
All amounts are in INR unless otherwise stated

Particulars	Notes	Year ended March 31, 2020	Year ended March 31, 2019
I. Revenue from operation	18	76,48,88,849	52,21,64,183
II. Other income	19	22,19,879	15,34,419
III. Total Revenue (I + II)		76,71,08,728	52,36,98,602
IV. Expenses:			
Cost of services rendered	20	68,15,54,662	45,32,59,019
Employee Benefit Expense	21	3,08,62,400	2,08,45,018
Finance Cost	22	4,30,028	71,630
Depreciation and amortization Expense	23	19,73,910	3,72,621
Other expenses	24	3,42,56,678	2,20,37,019
V. Total expenses		74,90,77,678	49,65,85,307
VI. Profit before Tax (III - V)		1,80,31,050	2,71,13,295
VII. Tax expense:			
Current Tax		50,35,080	80,79,558
Deferred Tax		(3,65,500)	(1,33,569)
Adjustment of tax related to earlier years		512	-
Total Tax Expense		46,70,092	79,45,989
VIII. Profit After Tax (VI - VII)		1,33,60,958	1,91,67,306
Add: Share in Profit in Associates		(7,23,761)	-
		1,26,37,197	1,91,67,306
IX. Earnings per equity share (face value of INR 10 each)	33		
Basic (in INR)		22.27	31.95
Diluted (in INR)		22.27	31.95
See accompanying notes forming part of the financial statements		1-40	

In terms of our report attached

For Bhagi Bhardwaj Gaur & Co.
Chartered Accountants
Firm Reg. no. 007895N



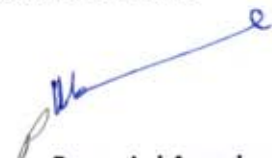
Vijay Kumar Bhardwaj
Partner
M. No. 086426



For and on behalf of the Board of Directors



Nipun Anand
Director
DIN : 06788513



Panna Lal Anand
Director
DIN : 01968578

Place : New Delhi
Date: December 01, 2020

Place : New Delhi
Date: December 01, 2020

Zeal Global Services Private Limited
U74950DL2014PTC264849
Consolidated Cash Flow Statement Year ended March 31, 2020
All amounts are in INR unless otherwise stated

Particulars	Year ended March, 31 2020	Year ended March, 31 2019
A. Cash flow from operating activities		
Net Profit before extra ordinary items & tax	1,80,31,050	2,71,13,295
Adjustments for:		
Depreciation	19,73,910	3,72,621
Interest Income	(21,78,935)	(14,83,934)
Other Income	(4,500)	(50,485)
Interest Expenses	4,30,028	71,630
Operating Profit before working capital changes	1,82,51,553	2,60,23,127
Changes in working capital		
(Increase) / Decrease in Sundry Debtors	2,36,13,064	(47,97,882)
(Increase) / Decrease in Loans & Advances	9,75,209	(1,74,35,612)
(Increase) / Decrease in Other current assets	(74,450)	(24,85,314)
Increase / (Decrease) in Current Liabilities	40,19,829	(12,72,437)
Increase / (Decrease) in trade payable	5,96,91,532	3,62,88,166
Increase / (Decrease) in non Current Assets	-	(3,53,45,970)
Increase / (Decrease) in non Current Liabilities	-	6,37,784
	8,82,25,183	(2,44,11,265)
Cash generated from operations	10,64,76,737	16,11,862
Taxes paid (Net of Refund)	1,65,64,370	80,79,558
Net cash generated from operating activities	8,99,12,367	(64,67,696)
B. Cash flow from investing activities		
Purchase/Sale of Fixed Assets (Net)	(26,75,891)	(23,49,713)
Investments in shares	(23,10,000)	-
Interest Received	21,78,935	14,83,934
Other Income	4,500	50,485
Net cash used for investing activities	(28,02,456)	(8,15,294)
C. Cash flow from financing activities		
Proceeds from long term borrowings (Net)	1,74,51,248	11,02,610
Dividend Paid	-79,56,960	-
Interest paid	(4,30,028)	(71,630)
Net cash generated from financing activities	90,64,259	10,30,980
Net increase/ (decrease) in cash or cash equivalents	9,61,74,170	(62,52,009)
Cash and cash equivalents at beginning of year	1,01,75,891	1,64,27,900
Cash and cash equivalents at end of year	10,63,50,061	1,01,75,891

See accompanying notes forming part of the financial statements

1-40

For **Bhagi Bhardwaj Gaur & Co.**
Chartered Accountants
F.R.No.007895N

For and on behalf of the Board of Directors

Vijay Kumar Bhardwaj
Partner
M. No. 086426



Place : New Delhi
Date: December 01, 2020

Nipun Anand
Director
DIN : 06788513

Panna Lal Anand
Director
DIN : 01968578

Particulars	As at	As at
	March 31, 2020	March 31, 2019
3 Share Capital		
Authorised		
6,00,000 Equity Shares of Rs. 10/- each (Previous year 6,00,000 equity shares of Rs. 10/- each)	60,00,000	60,00,000
Issued, Subscribed & Paid Up		
6,00,000 Equity Shares of Rs. 10/- each (Previous year 6,00,000 equity shares of Rs. 10/- each)	60,00,000	60,00,000
Total issued, subscribed & fully Paid up Share capital	60,00,000	60,00,000

a. Reconciliation of shares outstanding at the beginning and at the end of the Reporting Period

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	Amount	No. of shares	Amount
At the beginning of the Period	6,00,000	60,00,000	6,00,000	60,00,000
Issued during the period	-	-	-	-
Outstanding at the end of the period	6,00,000	60,00,000	6,00,000	60,00,000

b. Terms/Rights attached to Equity Shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, holder of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Details of Shareholders holding more than 5 % share in the Company

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	% holding	No. of shares	% holding
Equity shares of Rs. 10 each fully paid				
Panna Lal Anand	3,56,400	59.40%	3,56,400	59.40%
Nipun Anand	2,37,600	39.60%	2,37,600	39.60%
Vishal Sharma	6,000	1.00%	6,000	1.00%

4 Reserves and Surplus

Particulars	As at	As at
	March 31, 2020	March 31, 2019
Retained earnings	3,73,58,399	3,26,78,163
	3,73,58,399	3,26,78,163

4.1 Retained earnings

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year	3,26,78,163	1,35,10,857
Profit for the year	1,26,37,197	1,91,67,306
Dividend on equity shares	(66,00,000)	-
Dividend distribution tax	(13,56,960)	-
Balance at the end of the year	3,73,58,399	3,26,78,163

5 Borrowings

Particulars	As at	As at
	March 31, 2020	March 31, 2019
Non-current		
Unsecured Loans		
From Directors & Shareholders	65,84,177	67,93,177
	65,84,177	67,93,177
Current		
Secured Loans		
Overdraft facility from bank (over draft facility secured by property owned by Directors)	1,92,16,058	15,55,810
	1,92,16,058	15,55,810

6 Provisions

Particulars	As at	As at
	March 31, 2020	March 31, 2019
Non-current		
Provision for gratuity		
	10,87,609	6,37,784
	10,87,609	6,37,784
Current		
Provision for gratuity		
	7,020	10,311
	7,020	10,311



7 Trade Payable

	<u>As at</u> <u>March 31, 2020</u>	<u>As at</u> <u>March 31, 2019</u>
(i) total outstanding dues of micro enterprises and small enterprises (see note below)	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	14,42,31,161	8,45,39,629
	<u>14,42,31,161</u>	<u>8,45,39,629</u>

Micro, Small and Medium Enterprises Development Act

Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended March 31, 2020 and March 31, 2019 is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

(i) The principal amount and the interest due thereon remaining unpaid to any supplier covered under MSMED Act:

- Principal amount
- Interest thereon

(ii) The amount of interest paid by the buyer in terms of section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year

(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act

(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year

(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006

Due to Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management. This has been relied upon by the auditor.

8 Other Liabilities

	<u>As at</u> <u>March 31, 2020</u>	<u>As at</u> <u>March 31, 2019</u>
Current		
Statutory liabilities	23,42,956	11,46,591
Advance from customer	16,58,138	8,81,208
Dividend Payable	16,00,000	-
	<u>56,01,094</u>	<u>20,27,799</u>

11 Non Current Investment

	<u>As at</u> <u>March 31, 2020</u>	<u>As at</u> <u>March 31, 2019</u>
Investment in equity instruments (unquoted)		
Teleoort Commerce In Private Limited (2,31,000 shares of INR 10 each)	15,86,239	-
	<u>15,86,239</u>	<u>-</u>

12 Loans & advances

	<u>As at</u> <u>March 31, 2020</u>	<u>As at</u> <u>March 31, 2019</u>
Non - current (unsecured and considered good)		
Security Deposits	1,65,79,112	1,81,27,112
	<u>1,65,79,112</u>	<u>1,81,27,112</u>
Current (unsecured and considered good)		
Advance to vendor (see note below)	51,74,155	47,79,363
Advance to Employees	2,27,999	50,000
	<u>54,02,154</u>	<u>48,29,363</u>

Note:

1. It includes advance given to related party amounting to INR 30,80,110 and INR 44,04,103 for the year ended March 31, 2020 and March 31, 2019 respectively.



13 Deferred tax asset		As at March 31, 2020	As at March 31, 2019
Deferred tax assets/ (liabilities)		5,41,397	1,75,897
Deferred tax assets/(liabilities)		5,41,397	1,75,897
Year ended March 31, 2020	Opening Balance	Recognised in Profit or Loss	Closing balance
Deferred tax assets/ (liabilities) in relation to			
Property, plant and equipment	7,392	2,58,508	2,65,900
Provision for employee benefits	1,68,505	1,06,992	2,75,497
	1,75,897	3,65,500	5,41,397
Deferred tax liabilities (net)	1,75,897	3,65,500	5,41,397
Year ended March 31, 2019	Opening Balance	Recognised in Profit or Loss	Closing balance
Deferred tax assets/ (liabilities) in relation to			
Property, plant and equipment	42,328	(34,936)	7,392
Provision for employee benefits	-	1,68,505	1,68,505
	42,328	1,33,569	1,75,897
Deferred tax liabilities (net)	42,328	1,33,569	1,75,897
14 Non current tax assets		As at March 31, 2020	As at March 31, 2019
Prepaid Taxes (net of income tax provision)		1,49,01,143	33,72,366
		1,49,01,143	33,72,366
15 Other assets		As at March 31, 2020	As at March 31, 2019
Non - current			
Other recoverable		3,53,45,970	3,53,45,970
		3,53,45,970	3,53,45,970
Current			
Balance with government authorities		53,425	-
Prepaid expenses		21,025	-
		74,450	-
16 Trade Receivables		As at March 31, 2020	As at March 31, 2019
Unsecured, Considered Good		3,62,16,527	5,98,29,591
		3,62,16,527	5,98,29,591
a. The average credit period to customers ranges upto 30 days.			
b. Age of receivables			
Within the credit period		3,52,59,173	5,88,71,676
1-180 days past due		-	-
more than 180 days past due		9,57,354	9,57,915
		3,62,16,527	5,98,29,591



17 Cash and bank balance

	<u>As at</u> <u>March 31, 2020</u>	<u>As at</u> <u>March 31, 2019</u>
Cash and cash equivalents		
Balances with banks		
- In current account	3,11,25,189	3,52,860
- In overdraft facilities	95,366	95,366
- In Deposits with bank (having maturity of less than three months) (See note 1 below)	5,59,17,660	-
Cash in hand	<u>8,68,666</u>	<u>1,08,633</u>
	8,80,06,881	5,56,859
Other bank balances		
- Deposits with bank (having maturity of more than three months but less than twelve months) (See note 2 below)	1,83,43,180	96,19,032
	<u>1,83,43,180</u>	<u>96,19,032</u>
	10,63,50,061	1,01,75,891

Note:

1. It includes interest accrued amounting to INR 72,185 and INR Nil for the year ended March 31, 2020 and March 31, 2019 respectively.
2. It includes interest accrued amounting to INR 2,89,402 and INR 12,00,796 for the year ended March 31, 2020 and March 31, 2019 respectively.

18 Revenue From Operation

	<u>Year ended</u> <u>March 31, 2020</u>	<u>Year ended</u> <u>March 31, 2019</u>
18.1 Revenue from contracts with customer		
Sale of Service	76,48,88,849	52,21,64,183
Total revenue from operations	<u>76,48,88,849</u>	<u>52,21,64,183</u>

19 Other Income

	<u>Year ended</u> <u>March 31, 2020</u>	<u>Year ended</u> <u>March 31, 2019</u>
Interest Income on		
- Deposits with bank	21,78,935	14,83,934
- Income tax refund	36,444	-
Miscellaneous income	4,500	50,485
	<u>22,19,879</u>	<u>15,34,419</u>

20 Cost of services rendered

	<u>Year ended</u> <u>March 31, 2020</u>	<u>Year ended</u> <u>March 31, 2019</u>
Air Frieht	67,65,66,402	44,50,19,160
Commission paid	49,88,260	82,39,859
	<u>68,15,54,662</u>	<u>45,32,59,019</u>

21 Employee Benefit Exoense

	<u>Year ended</u> <u>March 31, 2020</u>	<u>Year ended</u> <u>March 31, 2019</u>
Salary, wages & bonus	2,89,06,420	1,90,76,822
Contribution to Provident and Other Fund	5,41,154	4,96,884
Gratuity Expense	4,46,534	6,48,095
Staff Welfare Exoense	9,68,292	6,23,217
	<u>3,08,62,400</u>	<u>2,08,45,018</u>

22 Finance Cost

	<u>Year ended</u> <u>March 31, 2020</u>	<u>Year ended</u> <u>March 31, 2019</u>
Interest on borrowings	2,56,412	22,596
Interest on delayed payments	37,379	49,034
Other finance cost	1,36,237	-
	<u>4,30,028</u>	<u>71,630</u>



23 Depreciation and amortization Expense

	Year ended March 31, 2020	Year ended March 31, 2019
Depreciation on Property, plant and equipment	17,80,297	3,72,621
Amortization on Intangible Asset	1,93,613	-
	19,73,910	3,72,621

24 Other Expenses

	Year ended March 31, 2020	Year ended March 31, 2019
Advertisement Expense	6,37,468	-
Bank charges	5,75,410	4,88,888
Telephone & Internet Expenses	4,66,300	3,35,744
Legal & professional charges	10,55,495	19,79,498
Courier & postage	1,56,171	1,89,464
Electricity and water charges	5,60,195	3,16,678
Foreign exchange fluctuation losses (net)	45,75,398	2,79,593
Fillino fees	3,502	-
Office expenses	5,14,540	2,94,220
Payment to auditors	50,000	50,000
Printing & stationery	8,06,971	3,26,690
Festival Expense	9,29,927	6,56,287
Business promotion	41,70,207	36,73,979
Rent	27,25,722	13,20,718
Rent on machinery	8,30,494	-
Security expenses	2,10,974	1,19,891
Repair & maintenance		
-Other	19,77,308	10,76,227
Donation	3,26,601	2,49,200
Trade and other receivable written off	-	43,175
Travelling and conveyance	1,22,14,962	92,31,524
Website development charges	1,44,983	39,833
Miscellaneous expense	13,24,050	13,65,410
	3,42,56,678	2,20,37,019

25 Payment to Auditors

	Year ended March 31, 2020	Year ended March 31, 2019
Statutory audit fees	35,000	35,000
Tax audit fees	15,000	15,000
	50,000	50,000



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26 Contingent liabilities and commitments (to the extent not provided for)

- (i) Contingent liabilities
The Company does not foresee any liability arising in future on account of any litigation/event not accounted for.
- (ii) Commitments
The Company does not have any long-term contracts including derivative contracts for which there are any material foreseeable losses.

27 Segment Reporting

- A. Basis for segmentation
The operations of the Company are limited to one segment viz. "Air Cargo Service", which as per AS - 17 "Segment Reporting" is considered the only reportable segment.
- B. Geographic Segment
The Company provides all its services only from its office located in India and does not have any separate identifiable geographic segment.
- C. Major Customer
There are customers which accounted for 10% or more of the company's revenue.

28 Related Party Disclosures

In accordance with the requirements of Accounting Standard (AS) - 18 "Related Party Disclosures" the names of the related party where control exists/able to exercise significant influence along with the aggregate transactions / year end balances with them.

A. Related Parties with whom transaction have taken place during the year

Key Managerial Person (KMP)

Mr. Nipun Anand
Mr. Panna Lal Anand
Mr. Vishal Sharma

Relatives of Key Managerial Person

Enterprises over which KMP have significant control

ZIV Logistics & Shipping Pvt Ltd
Citi Construction
ZION Air
Skyairways air services private limited
Teleport Commerce In Private Limited
Vynboxes Services private limited
Jaero tech

B. Transaction during the year

Particulars	KMP/Relatives of KMP		Enterprises over which KMP have significant control	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
a. Services Paid				
Teleport Commerce In Private Limited	-	-	13,48,051	-
Citi Construction	-	-	-	1,50,000
Skyairways air services private limited	-	-	2,59,89,824	-
			2,73,37,875	1,50,000
b. Sale of Service				
ZIV Logistics and Shipping Private Limited	-	-	11,59,356	14,29,347
Vynboxes Services private limited	-	-	1,23,796	-
Skyairways air services private limited	-	-	2,70,77,433	-
			11,59,356	14,29,347
c. Remuneration Paid				
Nipun Anand	15,24,200	13,96,000	-	-
Panna Lal Anand	9,80,000	-	-	-
Vishal Sharma	28,46,600	26,70,000	-	-
	15,24,200	13,96,000	-	-
d. Reimbursement received				
Teleport Commerce In Private Limited	-	-	48,16,876	-
Zion air	-	-	39,293	-
ZIV Logistics and Shipping Private Limited	-	-	2,96,250	-
			51,52,419	-
e. Commission paid				
ZION Air	-	-	11,90,000	-
Panna lal anand	2,28,600	-	-	-
	2,28,600	-	11,90,000	-
f. Advance given				
Jaero tech	-	-	10,000	-
Zeal technologies	-	-	1,00,000	-
			1,10,000	-



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g. Donation paid				
Zeal Foundation	-	-	1,50,000	-
	-	-	1,50,000	-
h. Renovation charges paid				
Panna Lal anand	4,67,478	1,48,500	-	-
	4,67,478	1,48,500	-	-
i. Loan taken				
Nipun Anand	-	2,00,000	-	-
	-	2,00,000	-	-
k. Dividend Paid				
Panna Lal anand	39,20,400	-	-	-
Nipun Anand	26,13,600	-	-	-
Vishal Sharma	66,000	-	-	-
	66,00,000	-	-	-
l. Repayment of loan				
Panna Lal anand	1,88,600	4,50,000	-	-
Nipun Anand	-	2,00,000	-	-
Citi Construction	-	4,50,000	-	-
ZIV Logistics and Shipping Private Limited	-	3,200	-	-
	1,88,600	6,53,200	-	-

C. Balances outstanding as at the year end

Particulars	KMP/Relatives of KMP		Enterprises over which KMP have significant control	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
a. Trade receivable				
Vynboxes	-	-	4,00,000	-
ZIV Logistics and Shipping Private Limited	-	-	15,13,025	6,92,456
Teleport	-	-	29,68,825	-
	-	-	48,81,850	6,92,456
b. Borrowings				
Nipun anand	31,32,777	31,32,777	-	-
Panna Lal anand	33,51,400	35,40,000	-	-
	64,84,177	66,72,777	-	-
c. Advance given				
ZION Air	-	-	30,20,110	-
Zeal technologies	-	-	1,00,000	-
Jaero Tech	-	-	10,000	-
	-	-	31,30,110	-
d. Dividend payable				
Panna Lal anand	14,20,400	-	-	-
Nipun anand	1,13,600	-	-	-
Vishal Sharma	66,000	-	-	-
	16,00,000	-	-	-



29 Employee Benefits

The Company participates in defined contribution and benefit schemes, the assets of which are held (where funded) in separately administered funds.

For defined contribution schemes the amount charged to the statement of profit or loss is the total of contributions payable in the year.

A. Defined contribution plan

The Company makes contributions towards provident fund and employee state insurance scheme to a defined contribution retirement benefit plan for qualifying employees. The Company's contribution to the Employees Provident Fund and Employees State Insurance scheme is deposited with the Regional Provident Fund Commissioner. Under the scheme, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit scheme to fund the benefits.

During the year, the Company has recognised INR 4,26,104 (Previous year INR 4,10,046) for Employer's contributions to the Provident Fund and INR 1,15,050 (Previous year INR 86,838) for Employee State Insurance Scheme contribution in the Statement of Profit and Loss. The contribution payable to the plan by the Company is at the rate specified in rules to the scheme.

B. Defined benefit plan - Gratuity plan

The gratuity liability arises on retirement, withdrawal, resignation and death of an employee. The aforesaid liability is calculated on the basis of fifteen days salary (i.e. last drawn basic salary) for each completed year of service subject to completion of five years service.

Risks associated with Plan Provisions

Risks associated with the plan provisions are actuarial risks. These risks are:- (i) interest risk (discount rate risk), (ii) mortality risk and (iii) salary risk.

Interest risk (discount rate risk)	A decrease in the bond interest rate (discount rate) will increase the plan liability.
Mortality risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants. For this report we have used Indian Assured Lives Mortality (2012-14) ultimate table (PY)(IALM (2006-08) ultimate table). A change in mortality rate will have a bearing on the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

In respect of the plan in India, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at 31 March, 2020 by Charan Gupta Consultants Private Limited. The present value of defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

The following tables summarise the components of net benefit expense recognized in the statement of profit and loss and amounts recognized in the balance sheet for the gratuity plan.

(i) Statement of profit and loss

Net employee benefit expense recognized in employee cost:

	Year Ended March 31, 2020	Year Ended March 31, 2019
Current service cost	5,86,415	2,63,908
Past Service Cost	-	3,84,187
Interest cost on benefit obligation	49,644	-
Actuarial (gain) / loss	(1,89,525)	-
Net benefit expense	<u>4,46,534</u>	<u>6,48,095</u>

(ii) Balance Sheet

Benefit Asset / Liability

	Year Ended March 31, 2020	Year Ended March 31, 2019
Present value of defined benefit obligation	10,94,629	6,48,095
Plan (liability)	<u>10,94,629</u>	<u>6,48,095</u>

(iii) Change in present value of the defined benefit obligation are as follows:

	Year Ended March 31, 2020	Year Ended March 31, 2019
Opening defined benefit obligation	6,48,095	-
Current service cost	5,86,415	2,63,908
Past Service Cost	-	3,84,187
Interest cost	49,644	-
Benefits paid	-	-
- directly paid by the enterprise	-	-
Actuarial (gain) / loss	(1,89,525)	-
Closing defined benefit obligation	<u>10,94,629</u>	<u>6,48,095</u>



(iv) The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

	Refer Note Below	Year Ended March 31, 2020	Year Ended March 31, 2019
Discount rate	1	6.80%	7.66%
Increase in compensation cost	2	6.50%	6.50%

Notes

- 1 The discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of obligations.
- 2 The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

(v) **Demographic assumptions:**

	Year Ended March 31, 2020	Year Ended March 31, 2019
Retirement age	60 Years	60 Years
Mortality rate	IALM (2012-14)	IALM (2006-08)
Average Outstanding service of Employee upto retirement	25.24 years	27.59 years
No of Employees	63	40
Attrition rate :		
Upto 30 years	5.00%	5.00%
from 31 to 44 years	3.00%	3.00%
Above 44 years	2.00%	2.00%

(vi) **Sensitivity analysis**

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase. The sensitivity analyses below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

	As at March 31, 2020		As at March 31, 2020	
	Decrease	Increase	Decrease	Increase
Discount Rate (-/+0.5%)	93,152	(83,436)	46,006	(41,927)
Salary Growth Rate (-/+0.5%)	(84,027)	92,970	(42,553)	46,302

30 **Earnings in foreign currency**

		Amount in Foreign Currency		Amount in INR	
		Year Ended	Year Ended	Year Ended	Year Ended
		March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Air and other freight charges received	USD	3,28,491	7,08,834	2,31,81,920	5,12,45,049
		3,28,491	7,08,834	2,31,81,920	5,12,45,049

31 **Expenditure in foreign currency**

		Amount in Foreign Currency		Amount in INR	
		Year Ended	Year Ended	Year Ended	Year Ended
		March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Air Freight and other expenses paid	USD	73,38,687	61,12,079	52,23,41,388	43,01,99,326
	AUD	33,721	1,35,363	18,87,799	8,35,163
		73,72,409	62,47,442	52,42,29,187	43,10,34,489

32 **Unhedged Foreign Currency Exposure**

		Amount in Foreign Currency		Amount in INR	
		Year Ended	Year Ended	Year Ended	Year Ended
		March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
I. Assets					
Trade Receivable	USD	5,591	48,811	4,21,453	33,89,412
		5,591	48,811	4,21,453	33,89,412
II. Liabilities					
Trade Payable	USD	57,513	6,27,450	47,46,729	4,35,69,809
	AUD	21,042	1,810	9,75,947	88,802
		78,556	6,29,260	57,22,676	4,36,58,611



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33 Earning Per share(EPS)

Earnings Per Share is calculated in accordance with Accounting Standard 20 - 'Earnings Per Share' - (AS-20), notified by the Company's (Accounting Standards) Rules, 2006 (as amended).

		Year ended March 31, 2020	Year ended March 31, 2019
Net profit after tax	In lacs	1,33,60,958	1,91,67,306
Weighted average number of equity shares outstanding during the year	Numbers	6,00,000	6,00,000
Nominal value of equity shares	INR	10	10
Basic earnings per share	INR	22.27	31.95
Diluted earnings per share	INR	22.27	31.95

- 34** During the previous year, it came to the knowledge of the management of the company that an amount of INR 3,53,45,970/- paid by the company to one of its Creditors through RTGS was actually paid to an anonymous person who forged the details of the Creditor to create a fraudulent bank account with the motive to cheat the Company and hacked the Creditor's mailing portal to communicate the false information to the Company.

Since, the Company has a policy in place for the employees of Company to verify any change in payee's details before processing the payment, which they failed to and therefore such amount stands to be recovered from such employees and has been shown as Other Recoverable (Refer note 13).

- 35** The group does not have any material associates warranting a disclosure in respect of individual associates.

Aggregate information of Associates that are not individually material

	As at March 31, 2020	As at March 31, 2019
The Group's share of profit/(loss) from continuing operations in associates :		
Teleport Commerce In Pvt Ltd	(7,23,761)	-
The Group's share of profit/(loss) from discontinuing operations	(7,23,761)	-

36 Disclosure of interest in associates

Associates	Principal activities	Country of incorporation	Ownership interest	
			As at March 31, 2020	As at March 31, 2019
			Teleport Commerce In Pvt Ltd	Air Cargo Service

37 Additional information to be consolidated financial statements, as required under schedule III of the companies Act, 2013 of the entities consolidated as subsidiaries/associates/joint venture

Name of entity	Net assets (in INR)		Share in profit or (loss) (in INR)	
	Amount	As a % of consolidated net assets	Amount	As a % of consolidated profit of loss
Indian associates (as per equity method)				
Teleport Commerce In Pvt Ltd	-	-	(7,23,761)	33%

- 38** There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

- 39** The spread of Covid-19 from mid-March is having an unprecedented impact on people and economy. However, this has not significantly impacted company's operations and results for the year ended March 31, 2020. The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of trade receivables, tangible assets, intangible assets, assets under strategic review and investments. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information. The Company based on current estimates expects the carrying amount of these assets will be recovered.

- 40** The Company has regrouped/reclassified certain balances of previous year to conform with current year's presentation.

For and on behalf of the Board of Directors

Nipun Anand
Director
DIN : 06788513

Place : New Delhi
Date: December 01, 2020

Panna Lal Anand
Director
DIN : 01968578



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9 Property, plant and equipment

			<u>As at March 31, 2020</u>	<u>As at March 31, 2019</u>
Furniture & Fixture			7,23,885	7,28,948
Office Equipment			16,35,617	9,83,167
Computer & Printers			5,79,200	6,74,369
			<u>29,38,702</u>	<u>23,86,483</u>
	<u>Furniture & Fixture</u>	<u>Office Equipment</u>	<u>Computer</u>	<u>Total</u>
Cost/ carrying value:				
Balance as at 01 April 2018	3,50,299	2,32,941	4,85,084	10,68,324
Additions	6,69,851	9,74,730	7,05,132	23,49,713
Disposals/ adjustments	-	-	-	-
Balance as at 31 March 2019	<u>10,20,150</u>	<u>12,07,671</u>	<u>11,90,216</u>	<u>34,18,037</u>
Additions	2,10,799	16,98,642	4,23,074	23,32,516
Disposals/ adjustments	-	-	-	-
Balance as at 31 March 2020	<u>12,30,949</u>	<u>29,06,313</u>	<u>16,13,290</u>	<u>57,50,552</u>
Accumulated depreciation:				
Balance as at 01 April 2018	2,26,099	98,162	3,34,672	6,58,933
Depreciation expense	65,103	1,26,343	1,81,175	3,72,621
Disposals/ adjustments	-	-	-	-
Balance as at 31 March 2019	<u>2,91,202</u>	<u>2,24,504</u>	<u>5,15,847</u>	<u>10,31,554</u>
Depreciation expense	2,15,862	10,46,193	5,18,242	17,80,297
Disposals/ adjustments	-	-	-	-
Balance as at 31 March 2020	<u>5,07,064</u>	<u>12,70,697</u>	<u>10,34,090</u>	<u>28,11,850</u>
Balance as at 31 March 2019	7,28,948	9,83,167	6,74,369	23,86,483
Balance as at 31 March 2020	7,23,885	16,35,617	5,79,200	29,38,702



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10 Intangible Assets

	<u>As at</u> <u>March 31, 2020</u>	<u>As at</u> <u>March 31, 2019</u>
Computer Software	1,49,763	-
	<u>1,49,763</u>	<u>-</u>
	<u>Computer</u> <u>Software</u>	<u>Total</u>
Cost/ carrying value:		
Balance as at 01 April 2018	-	-
Additions	-	-
Disposals/ adjustments	-	-
Balance as at 31 March 2019	<u>-</u>	<u>-</u>
Additions	3,43,376	3,43,376
Disposals/ adjustments	-	-
Balance as at 31 March 2020	<u>3,43,376</u>	<u>3,43,376</u>
Accumulated depreciation:		
Balance as at 01 April 2018	-	-
Depreciation expense	-	-
Disposals/ adjustments	-	-
Balance as at 31 March 2019	<u>-</u>	<u>-</u>
Depreciation expense	1,93,613	1,93,613
Disposals/ adjustments	-	-
Balance as at 31 March 2020	<u>1,93,613</u>	<u>1,93,613</u>
Balance as at 31 March 2019	-	-
Balance as at 31 March 2020	<u>1,49,763</u>	<u>1,49,763</u>

