

BLUE SKY INFOTECH
Balance Sheet as at 31st March

Particulars	Note	March 31, 2021	March 31, 2020
LIABILITIES			
Capital Accounts			
Partners Capital Account	3	1,00,000	1,00,000
Partners Current Account	4	1,17,76,606	1,17,72,326
Current liabilities			
Short-term borrowings	5	2,84,00,000	3,90,51,250
Other Current Liabilities	6	49,82,211	44,43,427
Total		4,52,58,817	5,53,67,003
ASSETS			
Non-Current Assets			
Fixed assets at WDV	7	3,42,396	4,08,772
Long Term Loans and Advances	8	-	2,20,748
Current Assets			
Inventories	9	3,42,51,290	1,82,49,341
Trade Receivables	10	9,76,573	45,98,064
Cash and bank balances	11	32,36,716	36,02,832
Short-Term Loans and Advances	12	64,51,841	2,82,87,246
Total		4,52,58,817	5,53,67,003

Summary of Significant Accounting Policies 2

The notes are an integral part of these financial statements.

For and on behalf of Blue Sky Infotech

As per my report of even date attached
SATISH KUMAR N
Chartered Accountant

C. Kaushik
KAUSHIK SRINIVASAN
Partner

Lakshmi Kaushik
LAKSHMI KAUSHIK
Partner

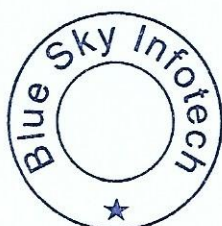
Satish Kumar N
SATISH KUMAR N
Proprietor

M.No.: 237735

UDIN: 21237735AAAAEZ9775

Place: Bangalore
Date: 27-10-2021

Place: Bangalore
Date: 27-10-2021



BLUE SKY INFOTECH

Statement of Profit and Loss for the year ended 31st March

Particulars	Note	March 31, 2021	March 31, 2020
Revenue From Operations		21,16,27,704	16,70,56,377
Other Income	13	3,79,447	6,845
Total Revenue		21,20,07,151	16,70,63,222
Expense:			
Direct Expenses	14	3,39,79,938	2,42,51,777
Purchases of Stock-in-Trade	15	18,50,74,411	12,72,29,490
Changes in Inventories of Stock-in-Trade	16	(1,60,01,949)	23,76,578
Employee Benefit Expense	17	47,01,260	56,36,619
Depreciation and Amortization Expense	7	66,375	66,629
Other Expenses	18	12,39,973	22,27,615
Total Expenses :		20,90,60,008	16,17,88,707
Profit Before Tax		29,47,143	52,74,514
Tax Expense:			
Current Tax		9,28,740	17,38,000
Profit/(Loss) for the year transferred to Partners Current Account		20,18,403	35,36,514

Summary of Significant Accounting Policies

2

The notes are an integral part of these financial statements.

For and on behalf of Blue Sky Infotech

As per my report of even date attached

SATISH KUMAR N

Chartered Accountant

S. Kaushik

KAUSHIK SRINIVASAN

Partner

Lakshmi

LAKSHMI KAUSHIK

Partner

Satish Kumar N

SATISH KUMAR N

Proprietor

M.No.: 237735

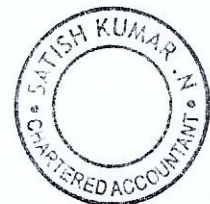
UDIN: 21237735AAAAEZ9775

Place: Bangalore

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Place: Bangalore

Date: 27-10-2021



1. Background

M/s Blue Sky Infotech is a partnership firm which commenced operations on 1st June 2014 with the principal place of business at no. 1201, 12th Floor, Akruti Atria, N S Phadke Marg, Opp Teli Galli, Sai Wadi, Andheri (E) Mumbai - 400 069 and branches at Chennai and Bangalore. The firm is formed to provide service in the field of Digital signatures and trading in crypto tokens.

2. Summary of significant accounting policies:

I. Basis of preparation

The financial statements have been prepared in accordance with the generally accepted accounting principles in India under historical cost convention on accrual basis. Consequently, these financial statements have been prepared to comply with all material aspects with the accounting standards notified by The Institute of Chartered Accountants of India.

II. Use of estimates

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

III. Tangible assets

Tangible assets are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any, except in case of land. Subsequent expenditures related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. The firm capitalizes all costs relating to acquisition, installation and construction of fixed assets, up to the date when the assets are ready for commercial use.

Items of fixed assets that are retired from active use and are held for disposal are stated at the lower of their net book value and net realizable value and are shown separately in the financial statements. Any expected loss is recognized in the Profit and Loss account, losses arising from the retirement of, and gains or losses arising from the disposal of fixed assets which are carried at cost are recognized in the Profit and Loss account.

Depreciation on fixed assets including additions/deletions to fixed assets is calculated as per the provisions of Income Tax Act 1961.

IV. Inventories

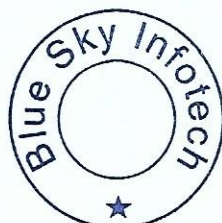
Inventories are valued at the lower of cost, computed on a weighted average cost basis and estimated net realizable value.

V. Revenue Recognition

Revenue from sale of products is recognized on invoice and delivery. Revenue on service is recognized once the service is completely provided to customers.

VI. Other Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.



VII. Current and Deferred Tax

Tax expense comprising current tax and deferred tax are recognized in the Profit and Loss Statement for the year. Current tax is the amount of income tax determined to be payable in respect of taxable income as computed under the tax laws.

Deferred tax is recognized for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or subsequently enacted by the Balance sheet date. At the end of Balance sheet date, the Firm reassesses unrecognized deferred tax assets, if any.

VIII. Employee benefits

The Firm's obligations towards various employee benefits have been recognized as follows:

Short-term employee benefits:

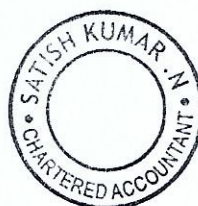
All employee benefits payable wholly within twelve months of rendering service are classified as short-term employee benefits. Benefits such as salaries, allowances, short-term compensated absences and the expected cost of other benefits is recognized in the period in which the employee renders the related service.

IX. Provisions, Contingent Liabilities and Contingent Assets

A provision shall be recognized when a person has a present obligation as a result of past events; it is reasonably certain 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. If these conditions are not met, no provision shall be recognized.

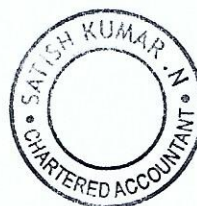
Contingent liabilities are disclosed in the notes when the firm has a possible obligation or a present obligation and it is possible that a cash flow will not be required to settle the obligation. Contingent liabilities are not provided for.

Contingent assets are neither recognized nor disclosed in the financial statements.



BLUE SKY INFOTECH**Notes forming part of the Financial Statements**

Note Particulars	March 31, 2021	March 31, 2020
3 Partners Capital Account		
Kaushiks' capital account	1,000	1,000
Lakshmis' capital account	99,000	99,000
Total	1,00,000	1,00,000
4 Partners Current Account		
Kaushiks' current account:		
Opening Balance	1,37,899	1,02,534
Add: Transactions during the period [Net]	(33,323)	-
Add(less): Profit(loss) transferred from PL	20,184	35,365
Total	1,24,760	1,37,899
Lakshmis' current account:		
Opening Balance	1,16,34,427	81,33,277
Add: Transactions during the period [Net]	(19,80,800)	-
Add(less): Profit(loss) transferred from PL	19,98,219	35,01,149
Total	1,16,51,845	1,16,34,427
	1,17,76,606	1,17,72,326
5 Short-Term Borrowings		
Unsecured loans from V Srinivasan	2,84,00,000	3,90,51,250
Total	2,84,00,000	3,90,51,250
6 Other Current Liabilities		
Statutory Payables (Tax deducted at source)	11,56,354	20,31,424
Provision for tax [Net of TDS]	2,12,268	1,65,147
Advance received from customers	45,221	2,45,690
Employee benefits payable	7,86,692	7,33,576
Security Deposits payable	383	-
Other Payables	27,81,293	12,67,590
Total	49,82,211	44,43,427



BLUE SKY INFOTECH

Notes forming part of the Financial Statements

7 Tangible assets

(Amount in Rs.)

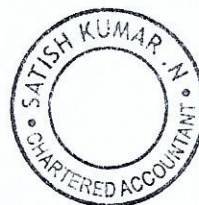
	Gross Block					Depreciation	
	WDV as at 01/04/2020	Additions > 180 days	Additions < 180 days	Deletions	As at 31-03-2021	Depreciation Rate	WDV as at 31/03/2021
Own Assets:							
Furniture and Fixtures	13,883	-	-	-	13,883	10%	12,494
Office Equipments	3,71,874	-	-	-	3,71,874	15%	3,16,093
Computers & Computer Software	23,015	-	-	-	23,015	40%	13,809
Total	4,08,771	-	-	-	4,08,771		3,42,396
March 31, 2020	2,71,600	23,800	1,80,000	-	4,75,400	-	4,08,772



BLUE SKY INFOTECH

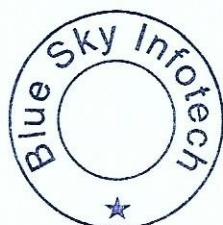
Notes forming part of the Financial Statements

Note	Particulars	March 31, 2021	March 31, 2020
8	Long Term Loans and Advances		
	Security deposit	-	2,20,748
	Total	-	2,20,748
9	Inventories		
	Digital Signature	3,36,45,845	1,70,63,428
	Tokens/FP devices	6,05,445	11,85,913
	Total	3,42,51,290	1,82,49,341
10	Trade Receivables		
	Unsecured outstanding receivables	9,76,573	45,98,064
	Total	9,76,573	45,98,064
11	Cash and bank balances		
	Cash and cash equivalents		
	Bank Balances :		
	In current accounts	32,36,716	36,02,832
	Total	32,36,716	36,02,832
12	Short-Term Loans and Advances		
	Unsecured, considered goods		
	- Associate Company	-	2,16,00,000
	Prepaid Expenses	24,132	71,566
	Unbilled Revenue	-	24,91,977
	Other Advances	75,937	-
	Balances with government authorities(Net)	63,51,772	41,23,703
	Total	64,51,841	2,82,87,246



BLUE SKY INFOTECH**Notes forming part of the Financial Statements**

Note	Particulars	March 31, 2021	March 31, 2020
13	Other Income		
	Provisions no longer required written back	3,52,791	-
	Interest on fixed deposits	26,656	6,845
	Total	3,79,447	6,845
14	Direct Expenses		
	Courier and collection charges	2,93,677	5,00,860
	DSC/PAN sales and issuance expenses	3,19,55,034	1,56,43,379
	Marketing expenses	1,26,352	70,13,986
	Payment gateway charges	16,04,875	10,93,552
	Total	3,39,79,938	2,42,51,777
15	Purchases of Stock-in-Trade		
	Purchase of Tokens	9,19,37,500	8,21,78,910
	Purchase of Digital Signature	9,31,36,911	4,50,50,580
	Total	18,50,74,411	12,72,29,490
16	Changes in Inventories of Stock-in-Trade		
	Opening Stock		
	Tokens/FP devices	11,85,913	9,51,705
	Digital Signature	1,70,63,428	1,96,74,214
		1,82,49,341	2,06,25,919
	Closing Stock		
	Tokens/FP devices	6,05,445	11,85,913
	Digital Signature	3,36,45,845	1,70,63,428
		3,42,51,290	1,82,49,341
	Total	(1,60,01,949)	23,76,578
17	Employee Benefit Expense		
	Salary and allowances	39,55,324	49,14,561
	Bonus and incentives	7,36,692	7,00,000
	Staff welfare expenses	9,244	22,058
	Total	47,01,260	56,36,619
18	Other Expenses		
	Rent expenses	1,06,332	2,26,874
	Fee, rates and taxes	5,500	2,58,785
	Advertisement and Marketing Expenses	19,174	-
	Administration expenses	1,01,901	16,645
	Bank charges	3,872	4,735
	Communication expenses	3,24,095	8,54,154
	Miscellaneous expenses	-	13,008
	Technology expenses	4,90,083	5,75,145
	Insurance expenses	71,566	73,597
	Repair & Maintenance	8,000	21,200
	Courier charges	-	2,668
	Professional charges	65,000	67,500
	Printing and stationary	5,673	5,635
	Interest on income tax	23,180	37,911
	Traveling and boarding expenses	8,933	34,890
	Electricity charges	6,664	34,869
	Total	12,39,973	22,27,615



BLUE SKY INFOTECH

Notes forming part of Financial Statements

19 Related party disclosures**A. Disclosure related to subsidiary and associate companies****(A.1) Particulars of subsidiary and associate companies :**

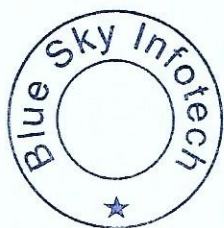
Sl No	Name of the company	Address	Relationship	% of shares held
1	M/s eMudhra Limited	#56, Sai Arcade, Deverabesenahalli, Bangalore, Karnataka.	Group Company	NA
2	M/s eMudhra Technology Limited	#56, Sai Arcade, Deverabesenahalli, Bangalore, Karnataka.	Group Company	NA
3	M/s Cedar Grove Real Estates Pvt Limited	#56, Sai Arcade, Deverabesenahalli, Bangalore, Karnataka.	Group Company	NA
4	M/s Emudhra Consumer Services Limited	#56, Sai Arcade, Deverabesenahalli, Bangalore, Karnataka.	Group Company	NA
5	M/s Smart Craft Private Limited	#56, Sai Arcade, Deverabesenahalli, Bangalore, Karnataka.	Group Company	NA

(A.2) Summary of transactions with subsidiary and associate companies:

Sl No	Summary of Transactions	Mar-21	Mar-20
1	Sales of products	7,82,65,000	6,34,90,000
2	Purchase of products	10,95,30,000	15,74,00,000
3	Purchase of services	2,60,00,000	

(A.3) Detailed transaction of subsidiary and associate companies:

Sl No	Particulars	Transactions	
		Mar-21	Mar-20
1	Sales of products:		
	eMudhra Limited	7,82,65,000	19,90,000
	eMudhra Technologies Limited		6,15,00,000
2	Purchase of products:		
	Emudhra Limited	10,95,30,000	15,74,00,000
3	Purchase of Services:		
	Smart Craft Private Limited	2,60,00,000	
4	Loan Provided(Received), Net		
	Emudhra Limited	(2,16,00,000)	2,16,00,000
5	Commission received		
	Emudhra Limited	1,69,90,000	1,12,10,000



B. Disclosure related to director and key managerial personnel**(B.1) Particulars of director and key managerial personnel :**

Sl No	Key managerial personnel	Relationship
1	Kaushik Srinivasan	Partner
2	Lakshmi Kaushik	Partner

(B.2) Summary of transactions director and key managerial personnel

Sl No	Summary Transactions	Mar-21	Mar-20
1	Advances Paid/(received), Net	1,06,51,250	2,40,51,250
2	Salary and allowances paid	13,21,307	11,18,029

(B.3) Detailed transaction of subsidiary and associate companies

Sl No	Particulars	Transactions	
		Mar-21	Mar-20
1	Advances Paid/(received), Net		
	V. Srinivasan	1,06,51,250	2,40,51,250
2	Salary and allowances paid		
	Lakshmi Kaushik	13,21,307	11,18,029

(B.4) Summary of transaction of subsidiary and associate companies

Sl No	Nature of transaction	Related party	Nature of relationship	Balances	
				March 31,2021	March 31,2020
1	Due to				
		V. Srinivasan	Promoter group	(2,84,00,000)	(3,90,51,250)

Note:

1. The information disclosed above is based on the names of the parties as identified by the management, which has been relied upon by the auditors.
2. The names of the related parties with whom the transaction has been carried out only has been reported.

