INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GATI IMPORT EXPORT TRADING LIMITED

Report on Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **GATI IMPORT EXPORT TRADING LIMITED** (the 'Company'), which comprise the balance sheet as at 31st March 2022, the statement of Profit and Loss including Other Comprehensive income, 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 the significant accounting policies and other explanatory information here in after referred to as "the financial statements".

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards specified under Section 133 of the Act, of the state of affairs of the Company as at 31st March 2022, its loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis on the matter

- We draw your attention to Note 5, Note 17 and Note 18 of the financial statements stating that the balances in Security Deposit, Trade Payables and other financial liabilities respectively as on balance sheet date are subject to confirmations and reconciliations and the impact that may result on reconciliation of the same cannot be ascertained.

- We draw attention to the Note 16 of the financial statements. The Company incurred a net Loss of Rs.**56,73,741/-** for the year ended 31st March 2022 (net loss of Rs.4,56,19,886 as on 31st March 2021).

  The Management of the company has represented that in case of need, the Holding company/Ultimate Holding company shall infuse the required capital/loan for furtherance of operations. Hence, the financial statements are prepared on going concern basis.

Our Opinion on the financial statements is not modified in respect of above matters.

Other Information:

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Director's Report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the 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 financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("IND AS") specified under section 133 of the Act. The responsibility also includes maintenance of the adequate accounting records for safeguarding 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors of the company 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 of the company are responsible for overseeing the financial reporting process of the company.

LAXMINIWAS & Co. HYDERABAD CHARTERED ACCOUNTANTS

Auditor's Responsibility for Audit of Financial Statements:

Our objectives are to obtain reasonable assurance about whether the financial statements 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 based on 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.

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 entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, then 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, then 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 entity 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 the Board of Directors, 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 the Board of Directors 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.

LAXMINIVAS & Co. HYDERABAD CHARTERED ACCOUNTANTS

Report on Other Legal and Regulatory Requirements

1. 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**", a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. 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 including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account;

   d) In our opinion, the aforesaid financial statements comply with the Indian Accounting standards specified under Section 133 of the Act, read with relevant rules issued there under.

   e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March,2022 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 with reference to these Financial Statements and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**" to this report;

   (g) In our opinion, the managerial remuneration for the year ended March 31, 2022 is in accordance with the provisions of section 197 read with Schedule V to the Act;

   (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) There are no pending litigations on or by the company, the impact of which needs to be disclosed in financial statement.

      ii) The Company does not have any long-term contracts, including derivative contracts, for which there were any material foreseeable losses; and

      iii) There was no amount required to be transferred to the Investor Education and Protection Fund during the year ended 31st March 2022.

      iv) (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediaries shall, whether, directly or indirectly lend or invest in other person or entity identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other person or entity identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on the audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

(v) The company has not declared any dividends during the year.

For **Laxminiwas & Co.**
Chartered Accountants
Firm's Registration Number: 011168S

Guha Roy Ashish Kumar
Partner
Membership Number: 018659
UDIN: 22018659AOPNEK1164

LAXMINIWAS & Co. HYDERABAD CHARTERED ACCOUNTANTS

Hyderabad
Date: 13th June, 2022

Annexure A to the Auditors' Report

(Referred to in paragraph 2 under 'Report on other legal and regulatory requirements' section of our report to the Members of Gati Import Export Trading Limited of even date)

(i)

a. (A) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not have any property, plant and equipment or intangible assets or both assets as on 31st March 2022. Therefore, the clause (i) (a), (b), (c) and (d) of the order is not applicable to the company and hence not commented upon.

b. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceeding initiated or are pending against the company for holding any benami property under the Benami Transaction Prohibition Act 1988. Therefore, the Clause (i)(e) of the Order is not applicable to the Company and hence not commented upon.

(ii).

a. According to the information and explanation given to us, the inventory has been physically verified by the management and third-party auditor during the year. However, company provided 100% provision on the value of the stock as at balance sheet date.

b. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not been sanctioned working capital limit in excess of Five crore rupees, in aggregate from banks or financial institutions on the basis of security of current assets. Therefore, the Clause (ii)(b) of the Order is not applicable to the Company and hence not commented upon.

(iii). According to the information and explanations given to us and on the basis of our examinations of the records of the company, the company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, Clause 3(iii) (a), (b), (c), (d), (e) and (f) are not applicable to the company and hence not commented upon.

(iv). According to the information and explanations given to us and on the basis of our examination of the records, Company has not undertaken any transactions within the purview of section 185 and 186 of the Act. Accordingly, Clause (iv) of the order is not applicable to the company, hence not commented upon.

(v). According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of

LAXMINIWAS & Co. HYDERABAD CHARTERED ACCOUNTANTS

Deposits) Rules, 2014 (as amended). Accordingly, the provisions of Clause (v) of the Order are not applicable to the Company and hence not commented upon.

(vi). According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, in respect of the services rendered by the Company. Therefore, the Clause (vi) of the Order is not applicable to the Company and hence not commented upon.

(vii). According to the information and explanations given to us and on the basis of our examination of the records, in respect of statutory dues:

a. The company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax, Sales tax, Wealth tax, Service tax, Customs duty, Excise duty, Value added tax, Goods and Service Tax, Cess and any other statutory dues applicable to it as on March 31, 2022. No undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, Goods and Service Tax, Cess and other material statutory dues were in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

b. According to the information and explanations given to us and on the basis of our examination of the records, there are no dues of Income tax, Sales tax, Wealth Tax, Service tax, Customs duty, Excise duty, Value added tax, Goods and Service Tax and Cess which have not been deposited with the appropriate authorities on account of any dispute.

(viii). According to the information and explanations given to us, all the transactions have been recorded completely and there has not been any tax assessments during the year under Income Tax Act, 1961. Therefore, the Clause (viii) of the Order is not applicable to the Company and hence not commented upon.

(ix). (a) According to the information and explanations given to us and on the basis of our examination of the records, the company has not defaulted in repayments of loans or borrowings or in payment of interest thereon to any lender. Therefore, the Clause (ix) (a) of the Order is not applicable to the Company and hence not commented upon.

(b) According to the information and explanations given to us, the company has not been declared willful defaulter by any bank or financial institution or any other lenders. Therefore, the Clause (ix)(b) of the Order is not applicable to the Company and hence not commented upon.

(c) According to the information and explanations given to us and on the basis of our examinations of the records of the company, the Company has not obtained any loans during the period. Therefore, the Clause (ix) (c) of the Order is not applicable to the Company and hence not commented upon.

LAXMINIWAS & Co. HYDERABAD CHARTERED ACCOUNTANTS

(d) According to the information and explanations given to us, the company has not obtained any short-term loans during the year. Therefore, the Clause (ix) (d) of the Order is not applicable to the Company and hence not commented upon.

(e) According to the information and explanations given to us, the company does not have any subsidiaries, associates or joint ventures. Therefore, the Clause 3(ix)(e) of the Order is not applicable to the Company and hence not commented upon.

(f) According to the information and explanations given to us, the company does not have any subsidiaries, associates or joint ventures. Therefore, the Clause (ix) (f) of the Order is not applicable to the Company and hence not commented upon.

(x). (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company 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, Clause (x)(a) of the Order is not applicable and hence not commented upon.

(b) According to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially optionally convertible) during the year. Accordingly, Clause (x)(a) of the Order is not applicable and hence not commented upon.

(xi). (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, based upon the audit procedures performed for the purpose of reporting the true and fair view of the Financial Statements and according to the information and explanations provided by the management, we report that no fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year. Accordingly, Clause (xi)(a) of the Order is not applicable and hence not commented upon.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, as no fraud has been reported during the year, hence the compliance with Clause (xi) (b) of the order is not applicable and hence not commented upon.

(c) According to the information and explanations given to us, there were no whistle-blower complaints in the company. Therefore, the Para 3 (xi) (c) of the Order is not applicable to the Company and hence not commented upon.

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(xii). According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is not Nidhi Company. Therefore, Clause (xii) (a), (b) and (c) of the Order is not applicable to the Company.

(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 and in accordance with the provisions of the Companies Act, 2013 based on the size and nature of the business, Internal audit is not applicable to the company. Accordingly, Clause xiv (a) and (b) of the Order is not applicable and hence not commented upon.

(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, Clause (xv) of the Order is not applicable and hence not commented upon.

(xvi). (a) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not required to registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, Clause (xvi)(a) of the order is not applicable and hence not commented upon.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has not conducted any Non-Banking Financial or Housing Finance activities from the Reverse Bank of India as per the Reserve Bank of India Act 1934.

(c). According to the information and explanations given to us and on the basis of our examination of the records of the company, the company is not a core investment company. Accordingly, Clause (xvi)(c) of the Order is not applicable and hence not commented upon.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the company, neither the company nor its group of company is a core investment company. Accordingly, Clause (xvi)(d) of the Order is not applicable and hence not commented upon.

LAXMINIWAS & CO. HYDERABAD CHARTERED ACCOUNTANTS

(xvii). According to the information and explanations given to us and on the basis of our examination of the records of the company, the company incurring cash losses in the financial year amounting to **Rs.3,12,940 /-** and in the immediately preceding financial year amounting to Rs 2,13,13,140/-.

(xviii). According to the information and explanations given to us and on the basis of our examination of the records of the Company, there has been no resignation of the statutory auditors during the year. Accordingly, Clause (xviii) of the Order is not applicable and hence not commented upon.

(xix). According to the information and explanations given to us and on the basis of our examination of the records of the Company, on the basis of financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, there is material uncertainty exists as on the date of audit report. The company is not in a position of meetings its liabilities on the date of balance sheet however as per note to Financial Statements of Holding company are planning to take over the company and absorb all the liabilities.

(xx). According to the information and explanation provided to us and based on the examination of records of the company. The company is not subjected to compliance requirement with respect to section 135 of The Companies Act, 2013. Therefore, the Clause (xx) (a) & (b) of the Order is not applicable to the Company and hence not commented upon.

(xxi). According to the information and explanation provided to us and based on the examination of records of the company, it does not hold any subsidiary, Joint venture and associate, Therefore, the Clause(xxi) of the Order is not applicable to the Company and hence not commented upon.

For **Laxminiwas & Co.**
Chartered Accountants
Firm's Registration Number: 011168S

Guha Roy Ashish Kumar
Partner
Membership Number: 018659
UDIN: 22018659AOPNEK1164

LAXMINIWAS & Co. HYDERABAD CHARTERED ACCOUNTANTS

Hyderabad
Date: 13th June, 2022

Annexure - B to the Auditors' Report

Referred to in paragraph **3** under "Report on other Legal and Regulatory Requirements section of our report to the members of Gati Import Export Trading Limited of even date)

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 **Gati Import Export Trading Limited** ("the Company") as of 31st March 2022 in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of directors of the company 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 issued by Institute of Chartered accountants of India and the standards on auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 was established and maintained and if such controls operated effectively in all material respects.

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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 the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone financial statements, whether due to fraud or error.

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

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 the preparation of Standalone 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 Standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 Standalone financial statements.

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.

LAXMINIWAS & Co. HYDERABAD CHARTERED ACCOUNTANTS

Opinion

In our opinion, to the best of our information and according to the explanations given to us, 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, 2022, 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 **Laxminiwas & Co.**
Chartered Accountants
Firm's Registration Number: 011168S

Guha Roy Ashish Kumar
Partner
Membership Number: 018659
UDIN: 22018659AOPNEK1164.

LAXMINIWAS & Co. HYDERABAD CHARTERED ACCOUNTANTS

Hyderabad
Date: 13th June, 2022

CIN: U60232TG2008PLC057092

GATI IMPORT EXPORT TRADING LIMITED

AUDITED BALANCE SHEET AS AT 31st MARCH, 2022

(In Rupees)

Particulars	Note	As at March 31, 2022	As at March 31, 2021
Assets			
Non-Current Assets			
Property, Plant & Equipment	4A	-	-
Intangible Assets	4B	0	1,20,249
Financial Assets			
Security Deposits	5	50,337	46,272
Defereed Tax asset (Net)	6	-	5,12,369
Other Non Current Tax Assets	7	88,304	1,61,541
Total Non-Current Assets		**1,38,641**	**8,40,431**
Current Assets			
Inventories	8	0	43,30,612
Financial Assets			
Trade Receivables	9	-	8,01,164
Cash & Cash Equivalents	10	1,04,59,049	1,87,70,913
Bank Balances other than above	11	29,01,101	-
Other Current Financial Assests	12	89,896	87,650
Other Current Assets	13	79,43,707	72,89,640
Asset Classified - Held for Sale	14	3,94,816	1,97,60,000
Total Current Assets		**2,17,88,569**	**5,10,39,979**
Total Assets		**2,19,27,210**	**5,18,80,410**
Equity & Liabilites			
Equity			
Equity Share Capital	15	2,30,00,000	2,30,00,000
Other Equity	16	(1,77,04,568)	(1,20,30,828)
Total Equity		**52,95,432**	**1,09,69,172**
Liabilities			
Current Liabilities			
Financial Liabilities			
Trade Payables	17	1,27,43,779	3,20,00,167
Other Financial Liabilities	18	38,87,999	89,11,071
		1,66,31,778	**4,09,11,238**
Total Liabilities		**1,66,31,778**	**4,09,11,238**
Total Equity & Liabilities		**2,19,27,210**	**5,18,80,410**
The Notes form an integral part of these Financial Statements	1 - 33	-.00	

In terms of our Report of even date
For Laxminivas & Co.
Chartered Accountants
Firm Regn No. 011168S

LAXMINIVAS & Co. HYDERABAD CHARTERED ACCOUNTANTS

Guharoy Ashish Kumar
Partner
Membership No.- 018659
Place: Hyderabad
Date: 13-June-2022

For and on behalf of the Board

Gati Import Export Trading Ltd.

T S Maharani
Director
DIN: 07017023

P S MOHENDRA
Director
DIN: 08956946

CIN: U60232TG2008PLC057692

GATI IMPORT EXPORT TRADING LIMITED

(In Rupees)

STATEMENT OF AUDITED PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

Particulars	Note	Year ended March 31, 2022	Year ended March 31, 2021
REVENUE :			
Revenue from operations	19	1,62,041	5,48,18,225
Other Income	20	55,82,171	6,66,442
Total Revenue		**57,44,212**	**5,54,84,667**
EXPENSES :			
Purchases of Stock in trade	21	4,343	99,09,227
Changes in inventories of Stock-in-Trade	22	1,45,027	4,63,98,037
Operating Expenses	23	3,61,090	54,17,131
Employee benefits expense	24	-	21,87,933
Finance Costs	25	-	3,67,463
Depreciation and Amortization Expenses	26	1,20,249	1,60,344
Other Expenses	27	55,46,692	1,28,85,479
Total Expense		**61,77,401**	**7,73,25,614**
Profit Before Tax and Exceptional items		(4,33,189)	(2,18,40,947)
Exceptional Items	27	(52,60,000)	(2,38,15,000)
Profit Before Tax		**(56,93,189)**	**(4,56,55,947)**
Tax Expense:			
Current tax		-	-
Deferred tax		(19,448)	(36,060)
Total Tax Expenses		**(19,448)**	**(36,060)**
Profit for the year		**(56,73,741)**	**(4,56,19,887)**
Other Comprehensive Income		-	-
Total Comprehensive Income for the year		**(56,73,741)**	**(4,56,19,887)**
Earnings per share of Rs 10 each:			
Basic & Diluted	28	(2.47)	(19.83)
The Notes form an integral part of these Financial Statements	1 - 33		

In terms of our report of even date

For Laxminivas & Co.
Chartered Accountants
Firm Regn No. 011168S

LAXMINIWAS & Co. HYDERABAD CHARTERED ACCOUNTANTS

Guharoy Ashish Kumar
Partner
Membership No.- 018659
Place: Hyderabad
Date: 13-June-2022

For and on behalf of the Board

Gati Import Export Trading Ltd.

T S Maharani
Director
DIN: 07017023

P S MOHENDRA
Director
DIN: 08956946

GATI IMPORT EXPORT TRADING LIMITED

Statement of Cash flows for the period ended 31st March, 2022

(In Rupees)

PARTICULARS	31st March, 2022	31st March, 2021
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/ (Loss) after tax as per Statement of Profit and Loss	(56,73,741)	(4,56,19,886)
Add: Provision for current tax and deferred tax	(19,448)	(36,060)
Net profit/(Loss) before taxation	(56,93,189)	(4,56,55,946)
Add: Adjustment for Non-Cash and Non-Operating Items:		
Depreciation	1,20,249	1,60,344
Impairment Allowances On Land Revaluation	52,60,000	2,38,15,000
Finance Cost	-	3,67,463
Operating profits/ (Loss) before working capital changes	**(3,12,940)**	**(2,13,13,140)**
Changes in Working Capital		
Current Assets :		
(Increase)/Decrease in Sundry debtors	8,01,164	16,43,96,712
(Increase)/Decrease in Inventories	43,30,612	7,01,51,563
(Increase)/Decrease in Other current Financial Assets	(6,311)	(48,589)
(Increase)/Decrease in Other current Tax Assets	5,12,369	(36,060)
(Increase)/Decrease in Other current Assets	(6,54,067)	1,46,40,737
Current Liabilities :		
Increase/(Decrease) in Other Current Liabilities	-	(4,27,447)
Increase/(Decrease) in Other Current Tax Liabilities	-	(23,92,595)
Increase/(Decrease) in Other Financial Liabilities	(50,23,072)	60,37,309
Increase/(Decrease) in Trade payables	(1,92,56,388)	(20,31,42,208)
Increase/(Decrease) in Short term Provisions		
Increase/(Decrease) in Long term Borrowings	-	-
Cash generated from operations	**(1,96,08,633)**	**2,78,66,282**
Taxes Paid (Net of Refund)	(92,685)	(23,74,519)
Net Cash flow from Operating Activities (A)	**(1,95,15,948)**	**3,02,40,801**
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	-	-
Proceeds from Sale of Assets	1,41,05,184	
Advance received for sale of asset	-	
Loans & Advances		
Investment in/Proceeds from bank Fixed Deposit (Net)	(29,01,101)	
Net Cash from Investing Activities (B)	**1,12,04,083**	-
CASH FLOW FROM FINANCING ACTIVITIES		
Increase/(Decrease) in Short term Borrowings	-	(3,41,09,043)
Finance Cost	-	(3,67,463)
Net Cash from Financing Activities (C)	-	**(3,44,76,506)**
Net Increase / (Decrease) in Cash and Cash equivalents [(A)+(B)+(C)]	**(83,11,865)**	**(42,35,705)**
Cash and Cash equivalents in the beginning of the year	1,87,70,913	2,30,06,619
Cash and Cash equivalents in the end of the year	1,04,59,049	1,87,70,913

Notes :

1. Cash flow statement has been prepared under the indirect method as set out Indian Accounting standard - 7 "Statement of Cash Flow"
2. Previous year figures have been regrouped / reclassified, where ever necessary.

The Notes form an integral part of these Financial Statements

In terms of our report of even date

For and on behalf of the Board

For Laxminivas & Co.
Chartered Accountants
Firm Regn No. 011168S

Guharoy Ashish Kumar
Partner
Membership No.- 018659
Place: Hyderabad
Date: 13-June-2022

LAXMINIWAS & Co. HYDERABAD CHARTERED ACCOUNTANTS

Gati Import Export Trading Ltd.

T S Maharadi
Director
DIN: 07017023

P S MOHENDRA
Director
DIN: 08956946

CIN: U60232TG2008PLC057692

GATI IMPORT EXPORT TRADING LIMITED

Statement of Changes in Equity for the Year ended March 31, 2022

(In Rupees)

A) Equity Share Capital

Balance as at 1st April, 2020	2,30,00,000.00
Add/(Less): Changes in Equity Share Capital during the year	-
Balance at March 31, 2021	2,30,00,000.00
Add/(Less): Changes in Equity Share Capital during the year	-
Balance at March 31, 2022	**2,30,00,000.00**

B) Other Equity

Particulars	Retained Earnings (Net of Deferred Tax)	Total
Balance at April 1, 2020	3,35,89,059	**3,35,89,059**
Profit for the year	(4,56,19,886)	(4,56,19,886)
Remeasurement Gain/(Loss)(Net of Deffered Tax)		-
Balance at March 31, 2021	**(1,20,30,827)**	**(1,20,30,827)**
Profit for the year	(56,73,741)	(56,73,741)
Balance at March 31, 2022	**(1,77,04,568)**	**(1,77,04,568)**

The accompanying notes form an intergral part of these financial statement

In terms of our Report of even date
For Laxminivas & Co.
Chartered Accountants
Firm Regn No. 011168S

Guharoy Ashish Kumar
Partner
Membership No.- 018659
Place: Hyderabad
Date: 13-June-2022

For and on behalf of the Board

T S Maharani
Director
DIN: 07017023

P S MOHENDRA
Director
DIN: 08956946

CIN: U60232TG2008PLC057692

GATI IMPORT EXPORT TRADING LIMITED

4A.Property, Plant & Equipment

0

Particulars	GROSS BLOCK (At Cost)					ACCUMULATED DEPRECIATION/AMORTIZATION			NET BLOCK	
	Opening Balance as at April 1, 2020	Additions	Reclassified to Assets held for sale	Disposals	Balance as at March 31, 2021	Opening Balance as at April 1, 2020	Charge for the year	Balance as at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Free Hold Land	4,35,75,000		4,35,75,000	-	-	-	-	-	-	4,35,75,000
Computers	29,166	-		-	29,166	29,166	-	29,166	-	-
	4,36,04,166	-		-	**29,166**	**29,166**	-	**29,166**	-	**4,35,75,000**

Gati Import Export Trading Ltd.

CIN: U60232TG2008PLC057692

GATI IMPORT EXPORT TRADING LIMITED

4B. Other Intangible Assests **(In Rupees)**

	Softwares	Total
At 1st April 2020	**2,80,593**	**2,80,593**
Charge for the Year	1,60,344	1,60,344
Disposals/ Adjustments for Year	-	-
Balances as at 31st March 2021	**2,80,593**	**2,80,593**
Net Book Value as at 31st March, 2021	**1,20,249**	**1,20,249**
At 1st April 2021	**1,20,249**	**1,20,249**
Charge for the Year	1,20,249	1,20,249
Disposals/ Adjustments for Year	-	-
Balances as at 31st March 2022	**1,20,249**	**1,20,249**
Net Book Value as at 31st March, 2022	**0**	**0**

(In Rupees)

	PARTICULARS	As at March 31, 2022	As at March 31, 2021
5	**DEPOSITS**		
	Security Deposits	50,337	46,272
		50,337	**46,272**
6	**DEFERRED TAX ASSEST (NET)**		
	MAT Credit Entitlement	-	5,31,813
	Deferred tax liability	-	(19,444)
		-	**5,12,369**
7	**OTHER NON CURRENT TAX ASSETS**		
	Advance Tax Paid	-	25,00,000
	Tax Deduction at Source	88,304	1,21,541
	MAT Payable & Current Tax	-	(24,60,000)
		88,304	**1,61,541**
8	**INVENTORIES**		
	Stock in Trade	56,29,122	57,74,149
	Provision For Stock	(56,29,122)	(14,43,537)
	(At lower of cost and net realizable value)		
		0	**43,30,612**
9	**TRADE RECEIVABLES**		
	Unsecured , considered good		
	Considered Good	5,73,705	65,29,061
	Provision for Bad Debts	(5,73,705)	(57,27,897)
		0	**8,01,164**

Ageing for trade receivables from the due date of payment for each of the category as at 31st March, 2022

Particulars	Outstanding from due date of payment as on March 31, 2022#					
	Upto 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed						
Considered good						
Which have significant increase in credit risk	-	-	-	-	-	-
Credit impaired	43,129	44,846	-	3,76,195	1,09,535	5,73,705
Disputed						
Considered good						
Which have significant increase in credit risk						
Credit impaired						
Less: Loss allowance						
Total	43,129	44,846	-	3,76,195	1,09,535	5,73,705

Particulars	Outstanding from due date of payment as on March 31, 2021#					
	Upto 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed						
Considered good						
Which have significant increase in credit risk	2,58,713	5,42,450	-	-	-	8,01,164
Credit impaired	-	2,38,208	45,42,233	84,730	8,62,726	57,27,897
Disputed						
Considered good						
Which have significant increase in credit risk						
Credit impaired						
Less: Loss allowance						
Total	**2,58,713**	**7,80,658**	**45,42,233**	**84,730**	**8,62,726**	**65,29,061**

(#)Ageing is from the date of transaction which is different from the date.

Gati Import Export Trading Ltd.

(In Rupees)

	PARTICULARS	As at March 31, 2022	As at March 31, 2021
10	**CASH AND CASH EQUIVALENTS**		
	Cash in Hand	-	-
	Balances with Banks		
	In Current Accounts	1,04,59,049	1,08,16,466
	In Deposit Accounts	-	79,54,447
		1,04,59,049	**1,87,70,913**
11	**Bank Balances other than above**		
	Deposit with Banks with more than 3 months	29,01,101	-
		29,01,101	**-**
12	**OTHER CURRENT FINANCIAL ASSETS**		
	Interest Accrued but not yet received	89,896	87,650
		89,896	**87,650**
13	**OTHER CURRENT ASSETS**		
	Input Tax Credit Receivable	75,04,931	68,38,866
	Statutory Dues	4,38,776	4,50,774
		79,43,707	**72,89,640**
14	**ASSET CLASSIFIED - HELD FOR SALE**		
	Free Hold Land	3,94,816	1,97,60,000
		3,94,816	**1,97,60,000**
15	**SHARE CAPITAL**		
	Authorised		
	50,00,000 Equity Shares of Rs.10/- each		
	Issued,Subscribed and Paid-up :		
	23,00,000 Equity Shares of Rs.10/- each fully paid up	2,30,00,000	2,30,00,000

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. The dividend proposed by the Board of Directors is subject to the approval of the the share holders, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

Reconciliation of the number of shares outstanding:		
Shares at the beginning of the year	23,00,000	23,00,000
Total Value of shares at the beginning of year	2,30,00,000	2,30,00,000
Shares at the end of the year	23,00,000	23,00,000
Total Value of Shares at the end of the year	2,30,00,000	2,30,00,000
Details of Shares held by holding company and its nominees		
Gati Limited-Holding Company and Its nominees	23,00,000	23,00,000
Percentage of Holding	100%	100%

Details of Promoters Shareholding

Name of the Promoter	As on March 31, 2022		As on March 31, 2021	
	Number of Shares holding	% of Shareholding	Number of Shares holding	% of Shareholding
Gati Limited	23,00,000	100%	23,00,000	100%
TOTAL	**23,00,000**	**100%**	**23,00,000**	**100%**

	PARTICULARS	As at March 31, 2022	As at March 31, 2021
16	**OTHER EQUITY**		
	Retained Earnings		
	As per last Balance Sheet	(1,20,30,828)	3,35,89,059
	Transfer from Statement of Profit and Loss during the year	(56,73,741)	(4,56,19,887)
		(1,77,04,569)	**(1,20,30,828)**

Gati Import Export Trading Ltd.

(In Rupees)

	PARTICULARS	As at March 31, 2022	As at March 31, 2021
17	**TRADE PAYABLES**		
	For Goods and Services		
	Total outstanding dues other than micro enterprises and small enterprises	1,27,43,779	3,20,00,167
		1,27,43,779	**3,20,00,167**

Trade Payables Ageing Schedule - Based on the requirements of Amended Schedule III

Particulars	Outstanding for following Periods as on March 31, 2022#				
	Upto 1 Year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of MSME	-	-	-	-	-
Total outstanding dues of creditors other than MSME	40,992	19,35,315	93,03,706	14,63,767	**1,27,43,779**
Disputed dues of MSME	-	-	-	-	-
Disputed dues of creditors other than MSME	-	-	-	-	-
Total	**40,992**	**19,35,315**	**93,03,706**	**14,63,767**	**1,27,43,779**

Particulars	Outstanding for following Periods as on March 31, 2021#				
	Upto 1 Year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Total outstanding dues of MSME	-	-	-	-	-
Total outstanding dues of creditors other than MSME	53,53,538	2,49,24,818	16,80,616	41,195	**3,20,00,167**
Disputed dues of MSME	-	-	-	-	-
Disputed dues of creditors other than MSME	-	-	-	-	-
Total	**53,53,538**	**2,49,24,818**	**16,80,616**	**41,195**	**3,20,00,167**

(#)Ageing is from the date of transaction which is different from the due date.

(In Rupees)

	PARTICULARS	As at March 31, 2022	As at March 31, 2021
18	**OTHER FINANCIAL LIABILITIES**		
	Employee Related Liabilities	-	
	Payable to Holding Company	-	41,55,273
	Payable to others	2,15,684	10,83,483
	Provision For Sales Tax	36,72,315	36,72,315
		38,87,999	**89,11,071**

Gati Import Export Trading Ltd.

GATI IMPORT EXPORT TRADING LIMITED
NOTES TO FINANCIAL STATEMENTS

(In Rupees)

	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
19	**Revenue from operations**		
	Sale of Hotel Supplies	1,62,041	4,36,76,143
	Other Sales	0	1,11,42,083
	TOTAL	**1,62,041**	**5,48,18,225**
20	**Other Income**		
	Interest on Deposits	3,42,843	5,72,996
	Other Income	56,172	-
	Liabilities No Longer Required - Written Back	50,12,938	-
	Sundry Credit Balances written back	1,70,218	93,446
	TOTAL	**55,82,171**	**6,66,442**
21	**Purchase of Stock in Trade**		
	Hotel Supplies	4,343	78,23,797
	Other Materials	-	20,85,430
	TOTAL	**4,343**	**99,09,227**
22	**Changes in Inventories of Stock in trade**		
	Inventories at the beginning of the year	57,74,149	7,44,82,175
	Lesss: Purchase returns	-	(2,23,09,989)
	Inventories at the end of the year	56,29,122	57,74,149
	TOTAL	**1,45,027**	**4,63,98,037**
23	**Operating Expenses**		
	Warehousing Charges	1,01,253	13,41,488
	Freight Charges	2,522	13,81,039
	Insurance Charges	-	52,926
	Other Operating Expenses	2,57,315	26,41,678
		3,61,090	**54,17,131**
24	**Employee benefits expense**		
	Salaries	-	21,87,933
	TOTAL	**-**	**21,87,933**
25	**Finance Costs**		
	Interest Expense of Bank	-	3,67,463
	TOTAL	**-**	**3,67,463**
26	**Depreciation and Amortization Expenses**		
	Depreciation Expenses for the year	1,20,249	1,60,344
		1,20,249	**1,60,344**

Gati Import Export Trading Ltd.

GATI IMPORT EXPORT TRADING LIMITED
NOTES TO FINANCIAL STATEMENTS

(In Rupees)

	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
27	**Other Expenses**		
	Administrative Expenses		
	Rent	1,200	3,95,100
	Provision for Bad Debts	-	57,27,897
	Provision for Expiry Stock	41,85,585	14,43,537
	Consultancy expenses	2,250	4,46,990
	Management fees (b)	-	2,54,221
	Bank Charges	5,393	14,784
	Misc Expenses	12,16,804	39,69,364
	Impairment Allowances On Land Revaluation	52,60,000	2,38,15,000
	Travelling & Conveyance Exp	110	2,150
	Payment to Auditors:		
	-Audit Fees	1,25,000	1,25,000
	-Tax Audit	-	1,00,000
	GST Paid	-	3,97,236
	Rates & Taxes	10,350	9,200
		1.08,06,692	**3,67,00,479**
28	**Earnings Per Share**		
	Basic and Diluted		
	Net Profit for the year	(56,73,741)	(4,56,19,886)
	Weighted Average number of Equity Shares	23,00,000	23,00,000
	Par Value per share	10.00	10.00
	Earnings per Share	(2.47)	(19.83)

Gati Import Export Trading Ltd.

CIN: U60232TG2008PLC057692

GATI IMPORT EXPORT TRADING LIMITED
NOTES TO FINANCIAL STATEMENTS

(In Rupees)

	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
29	**Contingent liabilities and commitments**		
	Claim against the Company not acknowledged as debt		
	- Indirect tax demand disputed in appeals	2,11,00,891	-
	TOTAL	**2,11,00,891**	-

30 Segment Reporting is not applicable

31 Previous year numbers are regrouped or rearranged wherever applicable

32 There is no Significant impact on the company due to Covid -19

GATI IMPORT EXPORT TRADING LIMITED

33. Notes to Accounts

Related Party Disclosures

Related parties with whom transactions have taken place during the year.

Holding Company

Gati Limited

Subsidiary of Holding Company

Gati - Kintetsu Express Private Limited

(In Rupees)

Sl. No.	Nature of Transaction	FY 2021-22		FY 2020-21		Total	
		Holding Company	Subsidiary of Holding Company	Holding Company	Subsidiary of Holding Company	FY 2021-22	FY 2020-21
a.	**Expenditure**						
	Freight & Others Charges	-	2,521	-	23,43,729	2,521	23,43,729
	Warehouse Rent	-	-	-	1,70,000	-	1,70,000
	Management Fees	-	-	2,54,221	-	-	2,54,221
	Salary & Bonus	-	-	19,60,848	2,27,085	-	21,87,933
	Rent	1,200	-	2,70,100	1,25,000	1,200	3,95,100
b.	**Balances at year end**						
	Sundry Creditors :						
	Freight & Others Charges	-	-	-	1,54,23,474	-	1,54,23,474
	Rent payable	-	-	2,95,960	3,24,100	-	6,20,060
	Salary & Bonus Payable	-	-	35,80,923	2,27,085	-	38,08,008
	Management Fees payable	-	-	2,78,390	-	-	2,78,390

Gati Import Export Trading Ltd.

Sl.no	Particulars	Formula	Numerator	Denominator	Ratio	Previous year	Variance	Comments
a	Current Ratio	Current Assets / Current Liabilities	2,17,88,569	1,66,31,778	131%	125%	5%	
b	Debt Equity ratio	Total debt / Total Shareholder's Equity	-	2,30,00,000	0%	0%	0%	
c	Debt service coverage ratio	Net Operating Income / Total Debt Service Costs (loan + interest + lease payments, due in upcoming year)	24,755	-	0%	0%	0%	
d	Return on Equity Ratio	(Net Income - Preference Share Dividends)/ Total (or Average) Shareholder's Equity	(56,73,741)	52,95,432	-107%	-416%	-74%	Impairement allowance taken against Land sale
e	Inventory turnover ratio	Annual Cost of Goods Sold/ Average Inventory (Op + Cl / 2)	1,62,041	21,65,306	2%	35%	-95%	Provision created for Non-Movable goods
f	Trade Receivables turnover ratio	Net Credit Sales / Average TR	1,62,041	-	0%	6842%	-100%	Business operations were stopped
g	Trade payables turnover ratio	Net Credit Purchases / Average TP	4,343	1,27,43,779	1%	171%	-99%	Business operations were stopped
h	Net capital turnover ratio	Turnover / Net capital	1,62,041	51,56,790	3%	541%	-99%	Business operations were stopped
i	Net profit ratio,	Net Profit / Turnover	(56,73,741)	57,44,212	-99%	-82%	20%	Due to Provisions for Stock and Impairment allowance for Land sale
j	Return on Capital employed	EBIT / Capital Employed	(1,12,75,360)	52,95,432	-213%	-422%	-50%	Due to Provisions for Stock and Impairment allowance for Land sale
k	Return on investment	EBIT / Investment	(1,12,75,360)	-	0%	0%	0%	

Gati Import Export Trading Ltd.