



# A Y & COMPANY

## Chartered Accountant

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

TO THE MEMBERS OF  
SIGMA SOLVE LIMITED

#### OPINION

We have audited the accompanying standalone financial statements of **SIGMA SOLVE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the standalone Statement of Profit and Loss for the year ended on March 31, 2020, the standalone Cash flow statement for the year ended & and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its Profit/(loss) and its cash flows for the year ended on that date.

#### BASIS FOR OPINION

We conducted our audit of the financial statements in accordance with the standards on Auditing specified under section 143(10) of the Act (SAs) and the preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, as amended. 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 independence requirements that are relevant to our audit of the financial statements under the provision 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 we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

#### KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.



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## **INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON**

The company's board is responsible for the preparation of the other information. The other information comprises the additional information 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.

## **MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements to give a true and fair view of the financial position, financial performance, & cash flows of the Company in accordance with 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial 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, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

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

## **AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF STANDALONE FINANCIAL STATEMENTS**

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

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

- identify and assess the risks of material misstatements of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from





fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls 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 management.
- Conclude on the appropriateness of management's use of going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonable knowledgeable user of the 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 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonable be expected to outweigh the public interest benefits of such communications.

## **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

- As required by Section 143(3) of the Act, based on our audit 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 & Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid Standalone financial statements comply with the accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) On the basis of the written representations received from the directors as on March 31, 2020, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020, from being appointed as a director in terms of Section 164 (2) of the Act;
- f) With respect to the adequacy of internal financial control over financial reporting of the company & the operating effectiveness of such controls, refer to our separate report in Annexure "A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:  
In our opinion and to the best of our information and according to the explanation given to us, the remuneration paid by the company to its directors during the year is in accordance with the provision of Section 197 of the Act.
- h) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanation given to us:
  - (i) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
  - (ii) The Company has made provision, as at March 31, 2020 as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - (iii) The Company is not liable to transfer any amounts, to the Investor Education and Protection Fund during the year ended March 31, 2020.



- As required by 'the Companies (Auditors Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanation given to us, we give in the Annexure "B" a statement on the matters specified in paragraph 3 and 4 of the Order.

**For A Y & Company**  
**Chartered Accountants**  
**FRN: 020829C**

  
**CA Arpit Gupta**  
**Partner**  
**M.NO.: 421544**  
**UDIN: 20421544AAAABV6770**



**Place: Ahmedabad**  
**Date: July 27, 2020**



## **ANNEXURE "A" TO THE AUDITOR'S REPORT**

### **Report on the Internal Financial Control under clause (i) of sub section 3 of Section 143 of companies Act , 2013 ('The Act')**

We have audited the internal financial control over financial reporting of Sigma Solve Limited ('the company') as of 31st March, 2020 in conjunction with our audit of the standalone financial statement of the company for the year ended on that date.

#### **Management Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control over Financial Reporting issued by the Institute of Chartered Accountants of India. 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.

#### **Auditors' 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") issued by ICAI 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.

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 financial statements, whether due to fraud or error.

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

#### **Meaning of Internal Financial Controls over Financial Reporting**

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





or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, 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 Control Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For A Y & Company**  
**Chartered Accountants**  
**FRN: 020829C**

  
**CA Arpit Gupta**  
**Partner**  
**M.NO.: 421544**  
**UDIN: 20421544AAAABV6770**



**Place: Ahmedabad**  
**Date: July 27, 2020**

## **ANNEXURE "B" TO THE AUDITOR'S REPORT**

### **REFERRED TO IN PARAGRAPH 10 OF OUR REPORT OF EVEN DATE**

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

- 1) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
- (c) The title deeds of immovable properties are held in the name of the company.
- 2) (a) The Company is in the business of providing services & doesn't maintain any inventory, so that this clause is not applicable to company
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2016 with regard to the deposits accepted from the public are not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2020 for a period of more than six months from the date on when they become payable.
- b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.





- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer excluding debt instruments and term Loans during the year.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

**For A Y & Company**  
**Chartered Accountants**  
**FRN: 020829C**

  
**CA Arpit Gupta**  
**Partner**  
**M.NO.: 421544**  
**UDIN: 20421544AAAABV6770**



**Place: Ahmedabad**  
**Date: July 27, 2020**



**Sigma Solve Limited**  
(Formerly Known as Sigma Solve Private Limited)  
Standalone Balance sheet as at March 31, 2020  
CIN No: U72200GJ2010PLC060478

Particular	Notes	31 March 2020 (Amount in Rs.)	31 March 2019 (Amount in Rs.)
<b>I. Equity and Liabilities</b>			
<b>Shareholders Fund</b>			
Share Capital	2.1	30,100,000	100,000
Reserves & Surplus	2.2	6,526,569	10,061,047
		<b>36,626,569</b>	<b>10,161,047</b>
<b>Non-current liabilities</b>			
Long Term Borrowings	2.3	29,158	167,849
Deferred tax liabilities (Net)	2.4	-	-
Other Long Term Liabilities		-	-
		<b>29,158</b>	<b>167,849</b>
<b>Current liabilities</b>			
Short Term Borrowings	2.5	3,249,169	7,415,628
Trade payables		-	-
(a) total outstanding dues of micro and small enterprises	2.6	-	-
(b) total outstanding dues other than micro and small enterprises	2.6	3,881,228	1,596,927
Other current liabilities	2.7	4,924,745	2,292,110
Short term Provisions	2.8	735,991	2,454,100
		<b>12,791,133</b>	<b>13,758,765</b>
<b>Total</b>		<b>49,446,860</b>	<b>24,087,661</b>
<b>II. Assets</b>			
<b>Non-current assets</b>			
Property, Plant & Equipments			
Tangible Assets	2.9	1,338,811	1,889,838
Capital WIP	2.9	62,080	-
Intangible Assets	2.9	156,625	-
Non Current Investments	2.10	21,009,988	79,141
Deferred Tax Assets (Net)	2.4	251,894	239,088
Long Term Loans & Advances	2.11	125,799	3,799
Other Non Current Assets	2.12	2,157,400	-
		<b>25,102,597</b>	<b>2,211,866</b>
<b>Current Assets</b>			
Current Investments	2.13	8,784,130	13,070,402
Trade Receivables	2.14	14,550,922	6,222,391
Cash & Bank Balances	2.15	206,207	179,446
Short Term loans & advances	2.16	-	2,403,556
Other current Assets	2.17	803,004	-
		<b>24,344,263</b>	<b>21,875,795</b>
<b>Total</b>		<b>49,446,860</b>	<b>24,087,661</b>

Notes on significant accounting policies

1

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

As per our report of even date  
For A Y & Company  
Chartered Accountants  
Firm Registration No. 020829C

For and on behalf of the Board of Directors

Arpit Gupta  
Partner  
Membership No. 421544  
UDIN : 20421544AAAA8V6770  
Place : Ahmedabad  
Date : 27.07.2020



Prakash R Parikh

Prakash R Parikh  
Chairman Cum Managing Director  
DIN No: 03019773

Kalpanaben P. Parikh  
Whole Time Director  
DIN No: 03019957



Chinmay Shah

Chinmay Shah  
Chief Financial Officer

Saurabh B. Shah

Saurabh B. Shah  
Company Secretary  
M.NO. ACS 7862



**Sigma Solve Limited**  
(Formerly Known as Sigma Solve Private Limited)  
**Standalone Statement of Profit and Loss for the period ended March 31, 2020**  
CIN No: U72200GJ2010PLC060478

Particular	Notes	31 March 2020 (Amount in Rs.)	31 March 2019 (Amount in Rs.)
<b>Income</b>			
Revenue from Operations	2.18	55,391,797	33,656,403
Other Income	2.19	1,545,900	1,222,397
<b>Total Income (I)</b>		<b>56,937,697</b>	<b>34,878,800</b>
<b>Expenses</b>			
Employee benefit expenses	2.20	36,499,292	24,143,603
Finance Cost	2.21	26,771	40,553
Depreciation & Amortization Expense	2.22	747,810	703,331
Other Expenses	2.23	10,975,117	4,796,765
<b>Total Expenses (II)</b>		<b>48,248,990</b>	<b>29,684,252</b>
<b>Profit/(loss) Before Prior period, exceptional and extraordinary items and tax (I) - (II)</b>		<b>8,688,707</b>	<b>5,194,548</b>
Prior period items (Net)		-	-
<b>Profit/(Loss) before tax</b>		<b>8,688,707</b>	<b>5,194,548</b>
<b>Tax Expenses</b>			
Current Tax		2,235,991	1,365,000
Deferred Tax Charge		(12,806)	(23,081)
<b>Total Tax Expense</b>		<b>2,223,185</b>	<b>1,341,919</b>
<b>Profit/(loss) after tax</b>		<b>6,465,522</b>	<b>3,852,629</b>
<b>Earnings/(loss) Per Share</b>			
Basic (Nominal value of shares Rs.10 (PY: Rs.10))	2.24	2.45	3.81
Diluted (Nominal value of shares Rs.10 (PY: Rs.10))	2.24	2.45	3.81

Notes on significant accounting policies

1

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

As per our report of even date  
For A Y & Company  
Chartered Accountants  
Firm Registration No. 020829C

For and on behalf of the Board of Directors

*Arpit Gupta*  
Arpit Gupta  
Partner

Membership No. 421544  
UDIN : 20421544AAAAABV6770  
Place : Ahmedabad  
Date : 27.07.2020



*Prakash R Parikh*

Prakash R Parikh  
Chairman Cum Managing Director  
DIN No: 03019773

*Chinmay H. Shah*

Chinmay Shah  
Chief Financial Officer



*K. P. Parikh*  
Kalpanaben P. Parikh  
Whole Time Director  
DIN No: 03019957

*Saurabh B. Shah*  
Saurabh B. Shah  
Company Secretary  
M.NO. ACS 7862



**Sigma Solve Limited**  
(Formerly Known as Sigma Solve Private Limited)  
CIN No: U72200GJ2010PLC060478

**Standalone Cash Flow Statement for the period ended March 31, 2020**

Cash flow statement as at	31 March 2020 (Amount in Rs.)	31 March 2019 (Amount in Rs.)
<b>Cash flow from operating activities</b>		
Net Profit before tax and extraordinary items	8,688,707	5,194,548
<b>Non-Cash adjustment to reconcile profit before tax to net cash flows</b>		
Depreciation	747,810	703,331
Interest Received	(6,216)	(9,126)
Finance Cost	26,771	40,553
<b>Operating profit before Working Capital changes</b>	<b>9,457,072</b>	<b>5,929,306</b>
<b>Change in Working Capital</b>	<b>(3,714,599)</b>	<b>(2,092,248)</b>
Increase/(Decrease) in Trade Payables	2,284,301	1,051,969
Increase/(Decrease) in Other current Liabilities	2,632,635	-
Increase/(Decrease) in Short Term Provisions	-	409,140
Decrease/(Increase) in Trade receivables	(8,328,531)	(3,650,157)
Decrease/(Increase) in Short term Loans and advances	500,000	96,800
Decrease/(Increase) in Other Current Assets	(803,004)	-
<b>Cash generated from operations</b>	<b>5,742,473</b>	<b>3,837,058</b>
Income Tax(Paid)/ Refund	(2,050,544)	(917,240)
<b>Net Cash flow from / (used in) Operating activities (A)</b>	<b>3,691,929</b>	<b>2,919,818</b>
<b>Cash Flow from/(used in) Investing Activities</b>		
Purchase of Fixed Assets	(415,488)	(857,667)
Purchase of Non Current Investement (net of Sales)	(16,644,575)	(7,462,253)
Interest received	6,216	9,126
Increase in Long Term Loans & Advances	(122,000)	-
Increase in other Non Current Assets	(2,157,400)	-
<b>Net Cash (used in) investing activities (B)</b>	<b>(19,333,247)</b>	<b>(8,310,794)</b>
<b>Cash Flow from/ (used in) Financing Activities</b>		
Finance Cost	(26,771)	(40,553)
Proceeds from Issue of Share Capital	20,000,000	-
Increase/ (Repayment) of Short term Borrowings	(4,166,459)	5,662,075
Increase in/ (Repayment) of Long term Borrowings	(138,691)	(136,508)
<b>Net Cash flow from / (used in) financing activities (C)</b>	<b>15,668,079</b>	<b>5,485,014</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>26,761</b>	<b>94,038</b>
Cash and Cash Equivalents at the beginning of the year	179,446	85,408
<b>Cash and Cash Equivalents at the end of the year</b>	<b>206,207</b>	<b>179,446</b>

As per our report of even date  
For A Y & Company  
Chartered Accountants  
Firm Registration No. 020829C

For and on behalf of the Board of Directors

*Arpit Gupta*  
Arpit Gupta  
Partner  
Membership No. 421544  
UDIN : 20421544AAAAABV6770  
Place : Ahmedabad  
Date : 27.07.2020



*Prakash R Parikh*  
Prakash R Parikh  
Chairman Cum  
Managing Director  
DIN No: 03019773

*Kalpanaben P. Parikh*  
Kalpanaben P. Parikh  
Whole Time Director  
DIN No: 03019957



*Chinmay L. Shah*

Chinmay Shah  
Chief Financial Officer

*Saurabh B. Shah*

Saurabh B. Shah  
Company Secretary  
M.NO. ACS 7862

**Sigma Solve Limited**  
(Formerly Known as Sigma Solve Private Limited)  
Notes to Standalone financial Statements for the period ended 31 March, 2020  
CIN No: U72200GJ2010PLC060478

**Share Holder Funds**

2.1. Share Capital	31 March 2020 (Amount in Rs.)	31 March 2019 (Amount in Rs.)
<b>Authorised Shares</b>		
45,00,000 (Previous Year: 10,000) Equity Shares of Rs 10 each	45,00,000	100,000
<b>Issued Shares</b>		
30,10,000 (Previous Year: 10,000) Equity Shares of Rs 10 each	30,10,000	100,000
<b>Subscribed &amp; Paid up Shares</b>		
30,10,000 (Previous Year: 10,000) Equity Shares of Rs 10 each	30,10,000	100,000
<b>Total Issued, Subscribed and Fully Paid-up Share Capital</b>	<b>30,10,000</b>	<b>100,000</b>

**A. Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period**

Equity Shares	F.Y. 2019-20		FY 2018-19	
	Number	Issued Capital (Rs.)	Number	Issued Capital (Rs.)
Shares outstanding at the beginning of the year	10,000	100,000	10,000	100,000
Bonus Shares Issued during the year	1,000,000	10,00,000	-	-
Shares issued during the year	2,000,000	20,00,000	-	-
Shares bought back during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>3,010,000</b>	<b>30,10,000</b>	<b>10,000</b>	<b>100,000</b>

**B. Shares in the company held by each shareholder holding more than 5 % shares specifying the number of shares held**

Particulars	F.Y. 2019-20		FY 2018-19	
Name of Shareholder	Number	% of Holding	Number	% of Holding
Daxa Harshand Zaverchand Laxmichand	1,300,101	43.19%	-	0.00%
Prakash Ratilal Parikh	855,000	28.41%	5,000	50.00%
Kalpana Prakash Parikh	854,394	28.39%	4,994	49.94%

**C. Shares held by holding/ultimate holding company and/or their subsidiaries/associates**

There is no Holding Company of Sigma Solve Limited

**D. Shares with rights preferences and restrictions attaching to each class including restriction on distribution of dividend and repayment of capital**

**Equity shares**

The company has only one class of Equity having a par value Rs. 10.00 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in ensuing Annual General Meeting, 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 to their shareholding.



*Prakash Ratilal*  
*K. P. Parikh*  
*Chairman*  
*msh*



**Sigma Solve Limited**  
(Formerly Known as Sigma Solve Private Limited)  
Notes to Standalone financial Statements for the period ended 31 March, 2020  
CIN No: U72200GJ2010PLC060478

**SHAREHOLDERS FUND**

2.2. Reserves & Surplus	31 March 2020 (Amount in Rs.)	31 March 2019 (Amount in Rs.)
Surplus		
Opening balance	10,061,047	6,208,418
(-) Bonus Shares issued during the year	(10,000,000)	-
(-) Adjustment of Deferred Tax for Earlier Period	-	-
(+) Net Profit/(Net Loss) For the current year	6,465,522	3,852,629
	6,526,569	10,061,047
Closing Balance	6,526,569	10,061,047

**NON-CURRENT LIABILITIES**

2.3. Long Term Borrowings	31 March 2020 (Amount in Rs.)	31 March 2019 (Amount in Rs.)
Secured :		
HDFC Car Loan	29,158	167,849
Total	29,158	167,849

2.3.1 : Loan from bank is availed for purchase of car & the same is secured by way of hypothecation of the vehicle purchased. Rate of interest for the loan is 9.66% P.A. & the same is Repayable in 60 EMI of Rs. 14755.00

2.4. Deferred Tax Liability/(Assets)	31 March 2020 (Amount in Rs.)	31 March 2019 (Amount in Rs.)
Deferred tax Liability (asset) at the begening of the year	(239,088)	(216,007)
Addition during the year	(12,806)	(23,081)
Total	(251,894)	(239,088)

**Current liabilities**

2.5. Short Term Borrowings	31 March 2020 (Amount in Rs.)	31 March 2019 (Amount in Rs.)
Unsecured		
Loan from Directors :		
Kalpna Prakash Parikh	1,830,532	3,127,911
Prakash Ratilal Parikh	1,418,637	4,287,717
Total	3,249,169	7,415,628

2.6. Trade Payables	31 March 2020 (Amount in Rs.)	31 March 2019 (Amount in Rs.)
Trade Payables		
Micro, Small & Medium Enterprises	-	-
Other than Micro, Small & Medium Enterprises	3,881,228	1,596,927
Total	3,881,228	1,596,927

**2.6.1 Disclosure in respect of amount due to Micro, Small & Medium Enterprises:**

The management has initiated the process of identifying enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31st March 2020 has been made in the financials statements based on information received and available with the Company as on date of financials. The Company has not received any claim for interest from any supplier under the said Act.

2.7. Other Current Liabilities	31 March 2020 (Amount in Rs.)	31 March 2019 (Amount in Rs.)
Current Maturities of Long Tem Debt	165,462	177,060
Duties & Taxes Payable	249,984	146,073
Expenses Payable	37,440	33,620
Salary Payable	4,336,859	1,935,357
Audit Fees Payable	135,000	-
Total	4,924,745	2,292,110

2.8. Short Term Provisions	31 March 2020 (Amount in Rs.)	31 March 2019 (Amount in Rs.)
Provision for income Tax Current Year	735,991	2,454,100
Total	735,991	2,454,100



Prakash Ratilal Parikh  
K.P. Parikh  
Chairman H.S. Sahu

**Sigma Solve Limited**  
(Formerly Known as Sigma Solve Private Limited)  
Notes to Standalone Financial Statements for the period ended 31 March, 2020  
CIN No: U72200GJ2010PLC060478

**NON CURRENT ASSETS**

2.9. Property, Plant & Equipments	Gross Block			Accumulated Depreciation			Net Block	
	Balance as at 1 April 2019	Additions	Deletion/Sale	Balance as at 31st March 2020	Balance as at 1 April 2019	Deletion-Sale/Loss	Balance as at 1 April 2019	Balance as at 31st March 2020
Particulars	(Amount in Rs.)	(Amount in Rs.)	(Amount in Rs.)	(Amount in Rs.)	(Amount in Rs.)	(Amount in Rs.)	(Amount in Rs.)	(Amount in Rs.)
<b>A. Property, Plant &amp; Equipment</b>								
<b>Tangible Assets</b>								
Air Conditioner	440,000	28,906	-	468,906	248,271	35,166	191,729	185,469
Computers	2,044,454	303,662	-	2,348,116	1,566,253	346,775	478,201	435,088
Motor Car	1,535,315	-	-	1,535,315	1,211,015	91,195	324,300	233,105
Mobile	48,934	12,000	-	60,934	24,826	15,483	24,108	20,625
Office Equipments	65,420	-	-	65,420	61,250	664	4,170	3,506
Furniture	1,671,001	8,840	-	1,679,841	1,086,426	152,646	584,575	440,769
CCTV Camera	45,028	-	-	45,028	20,304	4,475	24,724	20,249
<b>Total (A)</b>	<b>5,850,152</b>	<b>353,408</b>	<b>-</b>	<b>6,203,560</b>	<b>4,218,345</b>	<b>646,404</b>	<b>1,631,807</b>	<b>1,338,811</b>
<b>Intangible Assets</b>								
Computer Softwares	405,087	-	-	405,087	147,056	101,406	258,031	156,625
<b>Total (B)</b>	<b>405,087</b>	<b>-</b>	<b>-</b>	<b>405,087</b>	<b>147,056</b>	<b>101,406</b>	<b>258,031</b>	<b>156,625</b>
<b>Total (A+B)</b>	<b>6,255,239</b>	<b>353,408</b>	<b>-</b>	<b>6,608,647</b>	<b>4,365,401</b>	<b>747,810</b>	<b>1,889,838</b>	<b>1,495,436</b>
<b>B. Capital Work In Progress</b>								
Furniture & Fixtures	-	62,080	-	62,080	-	-	-	62,080
<b>Total (C)</b>	<b>-</b>	<b>62,080</b>	<b>-</b>	<b>62,080</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>62,080</b>
<b>Grand Total (A+B+C)</b>	<b>6,255,239</b>	<b>415,488</b>	<b>-</b>	<b>6,670,727</b>	<b>4,365,401</b>	<b>747,810</b>	<b>1,889,838</b>	<b>1,557,516</b>



*Prakash Ramesh*  
*K. P. Ramesh*  
*Owner of Sigma Solve*



**Sigma Solve Limited**  
(Formerly Known as Sigma Solve Private Limited)  
Notes to Standalone financial Statements for the period ended 31 March, 2020  
CIN No: U72200GJ2010PLC060478

**OTHER NON-CURRENT ASSETS**

2.10. Non Current Investments	31 March 2020 (Amount in Rs.)	31 March 2019 (Amount in Rs.)
Fixed Deposits	85,357	79,141
<b>Trade Investments</b>		
Investment in Subsidiary Company (Sigma Solve Inc.)	20,924,631	-
<b>Total</b>	<b>21,009,988</b>	<b>79,141</b>

2.11. Long Term loans & Advances	31 March 2020 (Amount in Rs.)	31 March 2019 (Amount in Rs.)
Security Deposits	125,799	3,799
<b>Total</b>	<b>125,799</b>	<b>3,799</b>

2.12. Other Non Current Assets	31 March 2020 (Amount in Rs.)	31 March 2019 (Amount in Rs.)
Deferred IPO Expenses	1,607,000	-
Deferred ROC Expenses	550,400	-
<b>Total</b>	<b>2,157,400</b>	<b>-</b>

**CURRENT ASSETS**

2.13. Current Investments	31 March 2020 (Amount in Rs.)	31 March 2019 (Amount in Rs.)
Investment in Shares of Other Companies (At Cost) (Quoted)	130,019	130,019
Investment in Mutual Fund (At Cost) (Quoted)	8,654,111	12,940,383
* Market Value of Quoted Investment in Equity Shares as at March 31, 2020 is Rs. 1.28 Lakhs & of Mutual Funds is Rs. 90.14 Lakhs		
<b>Total</b>	<b>8,784,130</b>	<b>13,070,402</b>

2.14. Trade Receivables	31 March 2020 (Amount in Rs.)	31 March 2019 (Amount in Rs.)
Unsecured, Considered good		
Debts outstanding other than Related Parties for a period:		
Less than Six Months- Considered Good	14,550,922	6,222,391
More than Six Months- Considered Good	-	-
	<b>14,550,922</b>	<b>6,222,391</b>
<b>Total</b>	<b>14,550,922</b>	<b>6,222,391</b>

2.15. Cash and Bank Balances	31 March 2020 (Amount in Rs.)	31 March 2019 (Amount in Rs.)
Cash & Cash Equivalent		
Balance with Banks in current Accounts	4,329	37,636
Cash on hand	46,692	141,810
Balance with Paypal Payments Private Limited	155,186	-
<b>Total</b>	<b>206,207</b>	<b>179,446</b>

2.16. Short Term Loans and Advances	31 March 2020 (Amount in Rs.)	31 March 2019 (Amount in Rs.)
Income Tax Paid	-	1,903,556
Beeling Broking Limited	-	500,000
<b>Total</b>	<b>-</b>	<b>2,403,556</b>

2.17. Other Current Assets	31 March 2020 (Amount in Rs.)	31 March 2019 (Amount in Rs.)
GST Receivable	749,863	-
Prepaid Insurance Expenses	9,480	-
Prepaid Expenses	33,611	-
Other Current Assets	10,050	-
<b>Total</b>	<b>803,004</b>	<b>-</b>



Praveen Ramesh  
K. P. Ramesh  
Chairman & MD  
mptal

**Sigma Solve Limited**  
(Formerly Known as Sigma Solve Private Limited)  
Notes to Standalone financial Statements for the period ended 31 March, 2020  
CIN No: U72200GJ2010PLC060478

2.18. Revenue From Operations	31 March 2020 (Amount in Rs.)	31 March 2019 (Amount in Rs.)
Sale of Services		
From Sale of Services (Export)	55,391,797	33,656,403
<b>Total</b>	<b>55,391,797</b>	<b>33,656,403</b>

2.19. Other Income	31 March 2020 (Amount in Rs.)	31 March 2019 (Amount in Rs.)
Profit on Sale of Mutual Fund	832,213	479,448
FDR Interest Income	6,216	9,126
Foreign Exchange Fluctuation Gain	641,834	725,691
Profit on Sale of Shares	-	3,151
Misc. Income	65,637	4,981
<b>Total</b>	<b>1,545,900</b>	<b>1,222,397</b>

2.20. Employee Benefits Expenses	31 March 2020 (Amount in Rs.)	31 March 2019 (Amount in Rs.)
Salary & Wages	32,668,734	22,048,310
Bonus Expenses	29,045	16,400
Director Remuneration	1,620,000	1,620,000
Staff Welfare Expenses	2,098,297	458,893
Provident Fund Expenses	83,216	-
<b>Total</b>	<b>36,499,292</b>	<b>24,143,603</b>



Prateek R. Patel  
K. P. Borkar  
Chairman H. S. S. S.  
M. S. S. S.



# Sigma Solve Limited

(Formerly Known as Sigma Solve Private Limited)

Notes to Standalone financial Statements for the period ended 31 March, 2020

CIN No: U72200GJ2010PLC060478

2.21. Finance Cost	31 March 2020 (Amount in Rs.)	31 March 2019 (Amount in Rs.)
Interest on Car Loan	26,771	40,553
<b>Total</b>	<b>26,771</b>	<b>40,553</b>

2.22. Depreciation & Amortization Expense	31 March 2020 (Amount in Rs.)	31 March 2018 (Amount in Rs.)
Depreciation on tangible assets	747,810	703,331
<b>Total</b>	<b>747,810</b>	<b>703,331</b>

2.23. Other Expenses	31 March 2020 (Amount in Rs.)	31 March 2018 (Amount in Rs.)
<b>Power &amp; Fuel</b>		
Electricity Expenses	458,360	339,118
Petrol & Conveyance Expenses	104,180	48,353
Audit Fees	150,000	-
Interest Expenses	4,089	8,227
Office Rent	1,284,240	1,026,240
Repairs to Machinery	-	130,210
Travelling Expenses	191,069	380,931
Foreign Travelling Expenses	145,402	-
Outsourcing Expenses	4,201,801	1,743,392
Misc. Expenses	94,179	880,394
Municipal Taxes (Property Tax)	74,601	-
Bank Charges	148,913	-
Commission/Brokerage Expenses	1,043,000	-
Computer Repair & Maintenance Expenses	743,869	-
Legal & Professional Expenses	1,111,788	-
Insurance Expenses	19,337	-
Postage & Courier charges	65,470	-
Interest on Statutory Dues	137,651	-
Donation Expenses	7,000	-
Internet Expenses	179,655	239,900
Office Expenses	166,999	-
Paypal Charges	180,311	-
Repair & Maintenance Office	158,017	-
Printing & Stationary	46,826	-
Professional Tax	2,400	-
ROC MCA Charges	207,300	-
Telephone & Mobile Expenses	27,491	-
Vehicle Repair & Maintenance	21,169	-
<b>Total</b>	<b>10,975,117</b>	<b>4,796,765</b>



Pratool R. Parant  
to P. Parant  
Chinmay 4. 2020  
mmta

# Sigma Solve Limited

(Formerly Known as Sigma Solve Private Limited)

Notes to Standalone financial Statements for the period ended 31 March, 2020

CIN No: U72200GJ2010PLC060478

2.24. Earnings Per Share	31 March 2020 (Amount in Rs.)	31 March 2019 (Amount in Rs.)
Profit/(Loss) after tax as per Statement of Profit and Loss	6,465,522	3,852,629
Weighted average number of equity shares in calculating basic EPS	2,637,397	1,010,000
Basic (Nominal Value of Shares- Rs. 10/- (Previous Year- Rs. 10/-))	2.45	3.81
Diluted (Nominal Value of Shares- Rs. 10/- (Previous Year- Rs. 10/-))	2.45	3.81

## 2.25 Related Party Disclosures- AS-18

Relationship with Related party	Name of related parties
Key Managerial Personnel	Mr. Prakash R Parikh
Key Managerial Personnel	Mrs. Kalpanaben P Parikh
Key Managerial Personnel	Mr. Chinmay Shah
Key Managerial Personnel	Mr. Saurabh Balkrishna Shah
Subsidiary Company	Sigma Solve Inc.

### Transactions with Related Party:-

Name of the Party	31 March 2020 (Amount in Rs.)
<b>Director Remuneration including Incentive</b>	
Mr. Prakash R Parikh	900,000
Mrs. Kalpanaben P Parikh	720,000
<b>Salary to KMP</b>	
Mr. Chinmay Shah	460,000
Mr. Saurabh Balkrishna Shah	145,500
<b>Rent Expenses</b>	
Mrs. Kalpanaben P Parikh	561,120
Mr. Prakash R Parikh	465,120
<b>Outsourcing/Foreign Exchange Income</b>	
Sigma Solve Inc.	51,434,413

### Closing Balance with related parties:-

Name of the Party	31 March 2020 (Amount in Rs.)
<b>Credit Balances</b>	
Mr. Prakash R Parikh	1,418,636
Mrs. Kalpanaben P Parikh	1,830,532
Mr. Chinmay Shah	39,800
Mr. Saurabh Balkrishna Shah	25,300
<b>Debit Balance</b>	
Sigma Solve Inc.	14,550,922



Prakash R Parikh  
Mrs. Kalpanaben P Parikh  
Chinmay H. Shah  
Saurabh Balkrishna Shah



## Sigma Solve Limited

(Formerly Known as Sigma Solve Private Limited)

Notes to Standalone financial Statements for the period ended 31 March, 2020

CIN No: U72200GJ2010PLC060478

### 2.26 Other disclosures

#### (a) Remuneration to Directors

Particulars	31 March 2020 (Amount in Rs.)	31 March 2019 (Amount in Rs.)
Salary including Variable Pay (Refer Note-2.24)	1,620,000	1,620,000
<b>Total</b>	<b>1,620,000</b>	<b>1,620,000</b>

#### (b)

##### Details of Contingent Liabilities

Particulars	31 March 2020 (Amount in Rs.)	31 March 2019 (Amount in Rs.)
ESIC Demand	377,000	377,000
<b>Total</b>	<b>377,000</b>	<b>377,000</b>

- (c) Disclosures required under mandatory accounting standards & Schedule III are given to the extent applicable and possible.
- (d) Previous year figures are regrouped or rearranged wherever considered necessary.
- (e) Figures have been rounded off to the nearest rupee.

As per our report of even date  
For A Y & Company  
Firm Registration No. 020829C  
Chartered Accountants

For and on behalf of the Board of Directors

*Arpit Gupta*

Arpit Gupta  
Partner

Membership No. 421544  
UDIN : 20421544AAAABV6770  
Place : Ahmedabad  
Date : 27.07.2020



*Prakash R Parikh*

Prakash R Parikh  
(Director)  
DIN No: 03019773

*Chinmay L. Shah*

Chinmay Shah  
Chief Financial Officer



*Kalpanaben P. Parikh*

Kalpanaben P. Parikh  
(Director)  
DIN No: 03019957

*Saurabh B. Shah*

Saurabh B. Shah  
Company Secretary  
M.NO. ACS 7862

**Sigma Solve Limited**  
(Formerly Known as Sigma Solve Private Limited)

**Notes to Standalone Financial Statements for the year ended March 31, 2020**

**Note 1: SIGNIFICANT ACCOUNTING POLICIES**

**(a) Basis of Preparation of Financial Statements:**

The Standalone financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on accrual basis. GAAP comprises mandatory Accounting Standards as specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 as amended from time to time and the Companies Act, 2013.

**(b) Presentation and disclosure of Financial Statement:**

All assets and liabilities have been classified as current & non-current as per Company's normal operating cycle and other criteria set out in the Schedule III of the Companies Act, 2013. Based on the nature of services and time between acquisition of assets for rendering of services and their realization in cash and cash equivalents, operating cycle is less than 12 months. However, for the purpose of current / non-current classification of assets and liabilities 12 months have been considered as its operating cycle.

**(c) Use of Estimates:**

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities on the date of the financial statement and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which results are known/materialized.

**(d) Property, plant and equipment (Tangible Assets) and depreciation:**

Property, Plant and Equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises of all expenses incurred to bring the assets to its present location and condition. Borrowing cost directly attributable to the acquisition / construction are included in the cost of fixed assets. Adjustments arising from exchange rate variations attributable to the fixed assets are capitalized.

In case of new projects / expansion of existing projects, expenditure incurred during construction / preoperative period including interest and finance charge on specific / general purpose loans, prior to commencement of commercial production are capitalized. The same are allocated to the respective t on completion of construction / erection of the capital project / fixed assets.

Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future economic benefits from the existing asset beyond its previously assessed standard of performance.

Capital assets (including expenditure incurred during the construction period) under erection / installation are stated in the Balance Sheet as "Capital Work in Progress."

Depreciation on the property, plant and equipment is provided on WDV basis over the useful life of the asset, which is as follows-

Category of Asset	Useful Life
Computers	3 Years
Office Equipments	5 Years
Furniture & Fixtures	10 Years
Building	30 Years
Plant & Machinery	20 Years
Vehicles	8 / 10 Years

Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted prospectively.



Pratibha R Patel  
K. P. Patel  
Chairman & Secy  
mm



**Sigma Solve Limited**  
(Formerly Known as Sigma Solve Private Limited)

**Notes to Standalone Financial Statements for the year ended March 31, 2020**

**(e) Inventories:**

Since the company is in the business of providing services, so that there are no inventories.

**(f) Intangible Assets and amortization:**

Intangible assets are recognized only if it is probable that future economic benefits attributable to asset will flow to the Company and the cost of the asset can be measured reliably. Intangible assets are stated at cost of acquisition less accumulated amortization and impairment loss, if any.

**(g) Impairment:**

At each balance sheet date, the Company reviews the carrying amount of its fixed assets to determine whether there is any indication that those assets suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the assets and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the assets.

**(h) Revenue Recognition:**

Revenue from the operations is recognized on generally accepted accounting principal and when it is earned and no significant uncertainty exists as to its ultimate collection and includes taxes, wherever applicable.

The capital gain on sale of investments if any are recognized on completion of transaction. No notional profit/loss are recognized on such investments.

Interest income is recognized on time proportion basis, when it is accrued and due for payment.

Dividend income is recognized in profit and loss account when right to receive dividend is established.

**(i) Income Taxes:**

Tax expense comprises of current and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961 enacted in India

The Company uses the asset and liability method of accounting for deferred income taxes. Under this method, deferred tax assets and liabilities are determined based on the difference between the financial statement and tax bases of assets and liabilities, as measured by the enacted/substantially enacted tax rates which will be in effect when those temporary differences are expected to be recovered or settled. Deferred tax expense/income is the result of changes in the net deferred tax assets and liabilities. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits. Deferred tax assets are reviewed for the appropriateness of their respective carrying amounts at each balance sheet date.

Minimum Alternative Tax (MAT) credit, which is equal to the excess of MAT (calculated in accordance with the provisions of section 115JB of the Income Tax Act, 1961 (the Act) over Normal income Tax is recognized as an asset by crediting the Statement of profit and loss only when and to the extent there is convincing evidence that the Company will be able to avail the said credit against normal tax payable during the period specified under the Act for utilization.



*Prakash Ramesh*  
*K. P. Parth*  
*Chairman & MD*  
*mmal*



## Sigma Solve Limited

(Formerly Known as Sigma Solve Private Limited)

### Notes to Standalone Financial Statements for the year ended March 31, 2020

#### (j) Earnings Per share:

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

#### (k) Provisions, Contingent liabilities and Contingent assets:

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

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation.

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

#### (l) Cash & Cash Equivalents:

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

#### (m) Cash Flow Statements:

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or Expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

As per our report of even date

For and on behalf of the Board of Directors

For A Y & Company  
Chartered Accountants

Firm Registration No. 020829C

Arpit Gupta  
Partner

Membership No. 421544  
UDIN: 20421544AAAABV6770

Place : Ahmedabad

Date : 27.07.2020



Prakash R Parikh  
Chairman Cum Managing Director  
DIN No: 03019773

Chinmay H. Shah  
Chief Financial Officer

Kalpanaben P. Parikh  
Whole Time Director  
DIN No: 03019957

Saurabh B. Shah  
Company Secretary  
M.NO. ACS 7862

