

# MANGALYA SOFT TECH LTD.

302, Samruddhi, Nr. C.U. Shah Commerce College, Income Tax Circle, Ashram Road, Ahmedabad 380014.  
Phone : 079- 2754 3839, 27542109. E-mail : mjshah\_shah@yahoo.com

To,  
The Secretary,  
Listing Dept.  
Bombay Stock Exchange Ltd.  
Mumbai.

Date: 31/05/2019.

Dear Sir,

**Sub : Submission of Documents "(✓)" as per listing Agreement  
Company Code : 530243**

We are Sending here with following Documents as per listing agreement for the <sup>years</sup> quarter ended on dt. 31/03/2019

1. Notice of Board meeting
2. Publish of quarterly result
3. Quarterly Compliance Report on Corporate Governance
4. Published result
5. Secratorial Audit report
6. Half yearly secratorial Audit report
7. Share holding pattern
8. Status of Complaints Report.
9. Notice For Book closure
10. Intimation regarding publish of Annual result instead of fourth quarter Result.
11. Review Report by the statutory Chartered Accountant.
12. *Submission of Annual Report (Reg. 34(i) of SEBI LODR)*

We hope you will find the above in order and oblige.

Thanking you,



Yours Faithfully,  
For, **Mangalya Soff Tech Ltd.**

*(Signature)*  
(Compliance officer)



**DEVADIYA & ASSOCIATES**  
CHARTERED ACCOUNTANTS

TO THE BOARD OF DIRECTORS OF  
**MANGALYA SOFT TECH LIMITD**  
AHMEDABAD

We have audited the quarterly financial results of **MANGALYA SOFT TECH LIMITED**, for the quarter ended 31<sup>st</sup> March, 2019 and the year to date results for the period 01/04/2018 to 31/03/2019, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These quarterly financial results as well as the year to date financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 (Ind AS 34) for Interim Financial Reporting, prescribed, under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder; or by the Institute of Chartered Accountants of India, as applicable and other accounting principles generally accepted in India.

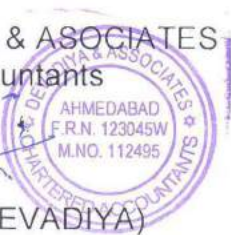
We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results:

- i. are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
- ii. give a true and fair view of the net profit/ loss and other financial information for the quarter ended 31/03/2019 as well as the year to date results for the period from 01/04/2018 to 31/03/2019.

For DEVADIYA & ASSOCIATES  
Chartered Accountants

  
(CA SANJAY DEVADIYA)  
Partner  
M No. 112 495  
F R No. 123045W







Place: Ahmedabad

Date: 30.04.2019

Form A

Format of Covering letter of the annual audit report to be filed with the stock exchange

1	Name of Company	MANGALYA SOFT TECH LIMITED
2	Annual financial statements for the year ended	31st March, 2019
3	Type of audit observation	Un - qualified
4	Frequency of observation	Not Applicable
5	To be signed by-	
	CEO/Managing Director	 <p>MANGALYA SOFT-TECH LIMITED Dilip M. Shah... MANAGING DIRECTOR/CHAIRMAN</p>
	CFO	 <p>MANGALYA SOFT-TECH LIMITED M. K. K. K... MANAGING DIRECTOR/CHAIRMAN</p>
	Auditor of the Company	 
	Audit Committee Chairman	<p>A. D. Shah</p>



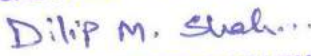
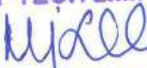

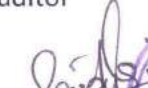

**MANGALYA SOFT-TECH LIMITED**302, SAMRUDDHI NEAR C.U.SHAH COLLAGE,  
ASHRAM ROAD, AHMEDABAD-380014.

Email id: mjshah\_shah@yahoo.com Web: www.mangalyasofttechltd.com

CIN NO : L32100GJ1992PLC017564 Phone: 91-79- 2754 21 09 PAN NO. : AABCM0615R

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - (Standalone and Consolidated separately)  
Statement on Impact of Audit Qualifications for the Financial Year ended March 31, March, 2019.  
[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

(Amount in Rs.)

I.	SL. NO.	PARTICULARS	Audited figures (as reported before adjusting for qualifications.)	Audited figures (audited figures after adjusting for qualifications.)
	1	Turnover / Total income --	8,47,798	8,47,798
	2	Total Expenditure --	8,41,920	8,41,920
	3	Net Profit/(Loss) --	5,878	5,878
	4	Earnings Per Share --	0	0
	5	Total Assets --	10,84,04,845	10,84,04,845
	6	Total Liabilities --	10,84,04,845	10,84,04,845
	7	Net Worth --	10,83,84,845	10,83,84,845
	8	Any other financial item(s) (as felt appropriate by the management)	NIL	NIL
II.		<b>II. Audit Qualification (each audit qualification separately):</b>		
		a. Details of Audit Qualification:		
		b. Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion /Adverse Opinion : <b>NIL</b>		
		c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing: <b>NIL</b>		
		d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: <b>NOT APPLICABLE</b>		
		e. For Audit Qualification(s) where the impact is not quantified by the auditor: <b>NOT APPLICABLE</b>		
		(i) Management's estimation on the impact of audit qualification: <b>NOT APPLICABLE</b>		
		(ii) If management is unable to estimate the impact, reasons for the same: <b>NOT APPLICABLE</b>		
		(iii) Auditors' Comments on (i) or (ii) above: <b>NOT APPLICABLE</b>		
III.		Signatories :		
		• CEO/Manging Director	 <b>MANGALYA SOFT-TECH LIMITED</b> <b>MANAGING DIRECTOR/CHAIRMAN</b>	
		• CFO	 <b>MANGALYA SOFT-TECH LIMITED</b> <b>MANAGING DIRECTOR/CHAIRMAN</b>	
		• Audit Committee Chairman	 <b>MANGALYA SOFT-TECH LIMITED</b> <b>MANAGING DIRECTOR/CHAIRMAN (Audit Committee)</b>	
		• Statutory Auditor	 	



MANGALYA SOFT TECH LIMITED.

**27<sup>th</sup> Annual Report.**

**2018 - 2019**

• **BOARD OF DIRECTORS**

<i>SHRI MANSUKHBHAI J. SHAH</i>	<i>Chairman</i>
<i>SHRI DILIPBHAI M. SHAH</i>	<i>Managing Director</i>
<i>SHRI SHALIN P. SHETH</i>	<i>Whole time Director</i>
<i>SMT. ALPA D. SHAH</i>	<i>Director</i>
<i>SHRI ATULBHAI M. SHAH</i>	<i>Director</i>
<i>SHRI KIRTIBHAI M. JOGANI</i>	<i>Director</i>
<i>SHRI PRAVINBHAI S. SHAH</i>	<i>Director</i>

• **AUDITORS**

**DEVADIYA & ASSOCIATES**  
**Chartered Accountants,**  
*Ahmedabad.*

• **REGISTERED OFFICE**

302, Samruddhi, Opp. Sakar-III,  
Near Income-Tax Circle, Ashram Road,  
Ahmedabad-380 014.  
PHONE: 27543839, 27542109 FAX : 27544273  
Email: [mishah\\_shah@yahoo.com](mailto:mishah_shah@yahoo.com)  
Website: [www.mangalyasofttechltd.com](http://www.mangalyasofttechltd.com)



## DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting this Twenty Seventh Annual Report together with the Audited Accounts for the year ended on 31<sup>st</sup> March, 2019.

### 1. FINANCIAL RESULTS:

The Highlights of Financial results

	<u>31/3/2019</u>	(Rs. In Lakh) <u>31/3/2018</u>
Software Income	1.10	1.13
Other Income	7.37	6.81
Profit before Depreciation & Tax	0.06	0.13
Depreciation	0.00	0.00
Profit / (Loss) Before Tax	0.06	0.13
Provision for Taxation	0.00	0.00
Profit / (Loss) After Tax	0.06	0.13

### 2. DIVIDEND:

No Dividend recommended by the Directors.

### 3. RESERVES:

No amounts proposed by to the board to transfer to any reserve.

### 4. BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR / STATE OF COMPANY'S AFFAIR

The Company has only one division. The working of the company is not satisfactory but the directors expect the very good future of the company.

### 5. CORPORATE GOVERNANCE AND MANAGEMENT ANALYSIS:

The corporate governance and Management Analysis Report of the company have been separately given in the Annexure to the Directors Report.

### 6. CHANGE IN THE NATURE OF BUSINESS, IF ANY

No change in the nature of company during the year.

### 7. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE.

No such orders passed during the year.

### 8. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS.

There are adequate internal controls implemented.



**9. DETAILS OF SUBSIDIARY / JOINT VENTURES / ASSOCIATE COMPANIES.**

No Subsidiary / Joint Ventures / Associate Companies.

**10. PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENT.**

- Not Applicable -

**11. Deposit:**

The details relating the deposits, covered under Chapter V of the Act -

- |  |     |
|--|-----|
| (a) accepted during the year   | NIL |
| (b) remained unpaid or unclaimed as at the end of the Year   | NIL |
| (c) whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved - | NIL |
| (i) at the beginning of the year   | NIL |
| (ii) maximum during the year   | NIL |
| (iii) at the end of the year   | NIL |

The details of deposits which are not in compliance with the requirements of Chapter V of the Act: NIL

**12. Statutory Auditors**

M/s. Devadiya & Associates., Chartered Accountants, having FRN No. 123045W the company's auditors retire, at the conclusion of the ensuing Annual General Meeting, Members are requested to appoint Auditors for 5 (Five Years) from 27<sup>th</sup> Annual General Meeting to 31<sup>st</sup> Annual General Meeting and to fix their remuneration.

**13. Auditor's Report**

There is no qualification reported by the Statutory Auditor during the year.

**14. Share Capital**

- |   |     |
|---|-----|
| A) Issue of equity shares with differential rights:   | NIL |
| B) Issue of sweat equity shares:  | NIL |
| C) Issue of employee stock options:   | NIL |
| D) Provision of money by company for purchase of its own shares by employees or by trustees for the benefit of employees: | NIL |



MANGALYA SOFT TECH LIMITED.

**15. Extract of the annual return**

**Form No. MGT-9  
EXTRACT OF ANNUAL RETURN  
As on the financial year ended on 31/03/2019**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the  
Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

- i) CIN :- **L32100GJ1992PLC017564**  
ii) Registration Date :- **05/05/1992**  
iii) Name of the Company :- **MANGALYA SOFT TECH LIMITED**  
iv) Category / Sub-Category of the Company: - **PUBLIC LIMITED**  
v) Address of the Registered office and contract details: -

**302, SAMRUDDHI, NR. INCOME TAX CIRCLE, ASHRAM ROAD,  
AHMEDABAD 380014.  
PHONE: +91 79 2754 38 39  
Email: mjshah\_shah@yahoo.com**

- vi) Whether listed company :- **Yes**  
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any: -

**CAMEO CORPORATE SERVICES LIMITED,  
"SUBRAMANIAN BUILDING", NO-1, CLUB HOUSE ROAD,  
CHENNAI - 600 002.  
PHONE: 044 28460395.**

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Writing, modifying, testing of computer program to meet the needs of a particular client	62011	100

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -**

S. No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary / Associate	% Of Shares Held	Applicable Section
1	Nil		Not Applicable		





**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

**i) Category-wise Share Holding**

Category of Share holders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	2028099	305100	2333199	23.33	2028099	305100	2333199	23.33	NIL
b) Central Govt									
c) State Govt (s)									
d) Bodies Corp.									
e) Banks / FI									
f) Any Other									
<b>Sub-total (1):-</b>	<b>2028099</b>	<b>305100</b>	<b>2333199</b>	<b>23.33</b>	<b>2028099</b>	<b>305100</b>	<b>2333199</b>	<b>23.33</b>	<b>NIL</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
i) Funds	0	5900	5900	0.06	0	5900	5900	0.06	NIL
ii) Others (specify)									
<b>Sub-total (B) (1):-</b>	<b>0</b>	<b>5900</b>	<b>5900</b>	<b>0.06</b>	<b>0</b>	<b>5900</b>	<b>5900</b>	<b>0.06</b>	<b>NIL</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	75745	104500	180245	1.80	80661	104500	185161	1.85	+0.05
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	1498136	795610	2293746	22.94	1501218	788410	2289628	22.90	-0.04
ii) Individual shareholders holding nominal share capital in excess of Rs. 2 lakh	429020	4634000	5063020	50.63	429020	4634000	5063020	50.63	0.00



MANGALYA SOFT TECH LIMITED.

c) Others (specify)	123890	0	123890	1.24	123092	0	123092	1.23	-0.01
Sub-total (B)(2):-	2126791	5534110	7660901	76.61	2133991	5526910	7660901	76.61	0.00
Total Public Shareholding (B) = (B)(1) + (B)(2)	2126791	5540010	7666801	76.67	2133991	5532810	7666801	76.67	0.00
C. Shares Held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	4154890	5845110	10000000	100	4162090	5837910	10000000	100	NIL

**(ii) Shareholding of Promoters**

S. no.	Name of Share holder	Shareholding at beginning of the year			Shareholding at the end of the year		
		No of Shares	% of total shares of company	% of shares pledged/ encumbered to total shares	No of shares	% of total shares of company	% of shares pledged/ encumbered to total shares
1	MANSUKHBHAI J. SHAH	598250	5.98	0	598250	5.98	0
2	DILIP M. SHAH	442540	4.43	0	442540	4.43	0
3	MANJULABEN MANSUKHLAL SHAH JT1: MANSUKHBHAI JASKARAN SHAH	380470	3.80	0	380470	3.80	0
4	MANSUKHBHAI JASKARAN SHAH-HUF	376139	3.76	0	376139	3.76	0
5	DILIP MANSUKHBHAI SHAH - HUF	300000	3.00	0	300000	3.00	0
6	ALPA DILIP SHAH	132500	1.33	0	132500	1.33	0
7	ASHIT M SHAH	103100	1.03	0	103100	1.03	0
8	SHAH A M	200	0	0	200	0	0
	<b>Total:</b>	<b>2333199</b>	<b>23.33</b>	<b>0</b>	<b>2333199</b>	<b>23.33</b>	<b>0</b>



**(iii) Change in Promoters' Shareholding (please specify, if there is no change)**

Sl.	Name of Promoters	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the Beginning of the year	2333199	23.33	2333199	23.33
	Data wise Increase / Decrease in Promoters Share holding the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
	At the End of the year	<b>2333199</b>	<b>23.33</b>	<b>2333199</b>	<b>23.33</b>

**(iv) Share holding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

s. no.	Name of Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of company	No of shares	% of total shares of company
1	ANILABEN YOGENDRA SHAH	100000	1	100000	1
	At the end of the Year 31-Mar-2019	100000	1	100000	1
2	CHANDULAL V. SHAH	100400	1	100400	1
	At the end of the Year 31-Mar-2019	100400	1	100400	1
3	KINJAL FINANCE LTD	99500	0.995	99500	0.995
	At the end of the Year 31-Mar-2019	99500	0.995	99500	0.995
4	SHIRISH FULCHAND PATEL	80675	0.807	80675	0.807
	At the end of the Year 31-Mar-2019	80675	0.807	80675	0.807
5	KIRITLAL KESHAVLAL	60000	0.6	60000	0.6
	At the end of the Year 31-Mar-2019	60000	0.6	60000	0.6
6	AMRATLAL M SHAH	50000	0.5	50000	0.5
	At the end of the Year 31-Mar-2019	50000	0.5	50000	0.5



**MANGALYA SOFT TECH LIMITED.**

7	ARVINDKUMAR KESHAVLAL	50000	0.5	50000	0.5
	At the end of the Year 31-Mar-2019	50000	0.5	50000	0.5
8	ARVINDKUMAR L SHAH	50000	0.5	50000	0.5
	At the end of the Year 31-Mar-2019	50000	0.5	50000	0.5
9	ASHOKBHAI T SHAH	50000	0.5	50000	0.5
	At the end of the Year 31-Mar-2019	50000	0.5	50000	0.5
10	BABULAL AMTHALAL	50000	0.5	50000	0.5
	At the end of the Year 31-Mar-2019	50000	0.5	50000	0.5

**(v) Shareholding of Directors/ Key Managerial Personnel:**

s. no.	Name of Directors/ Key Managerial Personnel	Shareholding at the Beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of company	No of shares	% of total shares of company
1	MANSUKHBHAI J. SHAH	598250	5.98	598250	5.98
	At the end of the Year 31-Mar-2019	598250	5.98	598250	5.98
2	DILIP M. SHAH	442540	4.43	442540	4.43
	At the end of the Year 31-Mar-2019	442540	4.43	442540	4.43
3	MANJULABEN MANSUKHLAL SHAH*	380470	3.80	380470	3.80
	At the end of the Year 31-Mar-2019	380470	3.80	380470	3.80
4	ALPA DILIP SHAH	132500	1.33	132500	1.33
	At the end of the Year 31-Mar-2019	132500	1.33	132500	1.33
5	SHAH ATULBHAI MANSUKHBHAI	200	0	200	0
	At the end of the Year 31-Mar-2019	200	0	200	0

**\* Smt. Manjulaben Shah has been resigned from the directorship w.e.f. 25.05.2018**





**VI. INDEBTEDNESS**

**Indebtedness of the Company including interest Outstanding/ accrued but not due for payment**

	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the Beginning of the financial Year</b>				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
<b>Total (i+ii+iii)</b>	NIL	NIL	NIL	NIL
<b>Change in Indebtedness During the financial year</b>				
Addition	NIL	NIL	NIL	NIL
Reduction	NIL	NIL	NIL	NIL
<b>Net Change</b>	NIL	NIL	NIL	NIL
<b>Indebtedness at the End of the financial year</b>				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	NIL	NIL	NIL	NIL

**VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sl. no.	Particulars of Remuneration	Name of MD/ WTD/ Manager				Total Amount
		----	---	---	----	
1.	Gross salary	NIL	NIL	NIL	NIL	NIL
	(a) Salary as per provisions Contained in section 17(1) of the Income-tax Act, 1961	NIL	NIL	NIL	NIL	NIL
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL	NIL	NIL
	(c) Profits in lieu of salary Under section 17(3) Income tax Act, 1961	NIL	NIL	NIL	NIL	NIL
2.	Stock Option	NIL	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL	NIL



MANGALYA SOFT TECH LIMITED.

4.	Commission - as % of profit - Others, specify...	NIL	NIL	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL	NIL	NIL
	Total (A)	NIL	NIL	NIL	NIL	NIL
	Ceiling as per the Act					

**B. REMUNERATION TO OTHER DIRECTORS: NIL.**

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary				
	(a) Salary as per Provisions Contained in Section 17(1) of the Income-tax Act, 1961	NIL	NIL	NIL	NIL
	(b) Value of Perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL	NIL	NIL
2.	Stock Option	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL
4.	Commissions - % of profit - Others specify...	NIL	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL	NIL
	Total	NIL	NIL	NIL	NIL

**VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Penalty / Punishment/ Compounding Fees imposed	Authority [RD / NCLT / COURT]	Appeal Made, if any (give details)
<b>A. COMPANY</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL



<b>B. DIRECTORS</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

**16. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

**A) Conservation of energy**

- (i) Adequate steps taken by the company for lower Conservation of energy.
- (ii) No Steps taken for utilization of alternate source of energy.

**B) Technology absorption:**

- (i) Adequate efforts made towards technology absorption:
- (ii) Adequate steps taken for cost reduction etc.
- (iii) No technology imported

**C) Foreign exchange earnings and outgo: NIL**

**17. CORPORATE SOCIAL RESPONSIBILITY (CSR):**

Not Applicable to the Company.

**18. DIRECTORS:**

**A) Changes in Directors and Key Managerial Personnel**

During the year, Smt. Manjulaben Mansukhbhai Shah had been resigned from the directorship of the Company w.e.f. 25<sup>th</sup> May, 2018. Shri Shalin Prakash Sheth and Smt. Alpaben Dilipkumar Shah have been appointed as Directors of the Company w.e.f. 24<sup>th</sup> April, 2018 and 25<sup>th</sup> May, 2018 respectively.

Mr. M. J. Shah and Mr. A. M. Shah, Directors of the Company retire by rotation and being eligible offer themselves for reappoint at the forthcoming Annual General Meeting.

**B) Declaration by an Independent Director(s) and re-appointment.**

We Shalin Sheth, Kirtibhai Jogani, Pravinbhai the independent directors hereby declare that we meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

**C) Formal Annual Evaluation**

The Board is trying its best to improve the performance of the company.

**19. NUMBER OF MEETING OF THE BOARD OF DIRECTORS: 8 Times**

**20. AUDIT COMMITTEE:** The Board has accepted all the recommendations of the Audit Committee.

**21. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES**



MANGALYA SOFT TECH LIMITED.

The Adequate establishment of vigil mechanism for directors and employee to exists.

**22. NOMINATION AND REMUNERATION COMMITTEE:**

The reasonable policy formulated by nomination and remuneration committee.

**23. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186: NIL**

**24. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES: NIL**

**25. MANAGERIAL REMUNERATION:**

- A) Details of the ratio of the remuneration of each director to the employee's remuneration and other details as required pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014: NIL
- B) Details of every employees of the Company as required pursuant to 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014: NIL
- C) Any director who is in receipt of any commission from the Company and who is a Managing Director of Whole-time Director of the Company shall receive any remuneration or commission from any Holding Company or Subsidiary Company of such Company: NIL

**26. SECRETARIAL AUDIT REPORT:**

A Secretarial Audit Report given by Harish P. Jain (FCS), a company secretary in practice annexed with the Report.





MANGALYA SOFT TECH LIMITED.

**FORM NO. MR-3**

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]*

**To,  
The Members,  
MANGALYA SOFT-TECH LIMITED**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MANGALYA SOFT-TECH LIMITED**, (hereinafter called "the company"). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2019 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
    - i. Information Technology Act,2000

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India, to the extent applicable under the companies Act, 2013.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange.



*MANGALYA SOFT TECH LIMITED.*

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**We further report that-**

- I. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- II. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- III. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

**We further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**Place: Ahmedabad**  
**Date: 30/04/2019**

**For, HARISH P. JAIN & ASSOCIATES**  
**PRACTISING COMPANY SECRETARIES**

**Sd/-**  
**(HARISH JAIN)**  
**Proprietor**  
**Membership FCS M. No .4203**  
**C. P. NO. 4100**



MANGALYA SOFT TECH LIMITED.

**27. CORPORATE GOVERNANCE CERTIFICATE:**

**CERTIFICATE ON CORPORATE GOVERNANCE  
TO THE MEMBERS OF MANGALYA SOFT-TECH LIMITED.**

We have examined the compliance of conditions of Corporate Governance by Mangalya Soft Tech Limited ("the company") for the year ended on 31st March, 2019, as stipulated in clause 49 of the Listing Agreement of the Company with the stock exchange.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our Examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the condition of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the company.

In our opinion and to the best of our information and according to the explanation given to us, we certify that the company has complied with the conditions of corporate governance as stipulated in the above mentioned listing Agreement.

We have been explained that no investor grievances are pending for a period exceeding one month against the company as per the records maintained by the Company.

We further state that such compliance is neither an assurance as to the further viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Ahmedabad  
Date: 30/04/2019

**DEVADIYA & ASSOCIATES.**  
Chartered Accountant  
By the hand of

Sd/-  
CA Sanjay Devadiya  
Partner  
Membership No. 112495  
FRN:123045W



**28. RISK MANAGEMENT POLICY:**

Development and implementation of a risk management policy for the company including identification therein of elements of risk, if any, which in the opinion of the Board in the existence of the company.

**29. DIRECTOR'S RESPONSIBILITY STATEMENT:**

The Director's Responsibility Statement referred to the clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that –

- (a) in the preparation of the annual accounts, the applicable accounting standards has been followed along with proper explanation relating to material departures.
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates are reasonable and prudent so as to give a true and fair view of the State of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on the going concern basis, and
- (e) the directors, in the case of a listed company, has laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively,
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**30. ACKNOWLEDGEMENTS:**

Your Director's would like to express their gratitude and thanks to the Bankers, Customers and Business Associates of the Company for their Continuous support and cooperation.

**APPRECIATION:**

Your directors wish to place on record their sincere appreciation of the devoted and efficient services rendered by all employees which has enabled the company to complete an excellent year.

Ahmedabad.  
30th April, 2019

Sd/-  
**M. J. Shah**  
Chairman

Sd/-  
**D. M. Shah**  
Mg. Director





**31/3/2019**  
**ANNEXURE TO DIRECTORS' REPORT**

**CORPORATE GOVERNANCE:**

**COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE.**

The Company follows the theme of changing in tune with times to continue the race without any major hurdle and attempts to cover all aspects of reporting in transparent and fair manner keeping the basic principles of good corporate governance.

**I. BOARD OF DIRECTORS:**

The Board of Directors consists of six directors, the composition and category of Directors are as under:

<b>Name of Directors</b>	<b>Attendance at Previous AGM</b>	<b>No. of other Directorship held</b>	<b>Executive/ Non-Executive &amp; Independent</b>
Mr. M. J. Shah	Present	Nil	Executive
Mr. D. M. Shah	Present	Nil	Executive
Mrs. A. D. Shah	Present	Nil	Executive
Mr. S. P. Sheth	Present	Nil	Non-Executive & Independent
Mr. K. M. Jogani	Present	Nil	Non-Executive & Independent
Mr. A.M. Shah	Present	Nil	Non-Executive & Independent
Mr. P. S. Shah	Present	Nil	Non-Executive & Independent

The Board of the Company met 8 times during the last financial year on the following dates:

24th April 2018, 30th April 2018, 25<sup>th</sup> May 2018, 30th July. 2018, 31<sup>st</sup> July. 2018, 31<sup>th</sup> Oct, 2018, 31<sup>st</sup> Jan, 2019, and 01<sup>st</sup> March, 2019.

The Company placed before the Board the performance of the Business and various other information, including those specified under Annexure I of the listing Agreement from time to time.

**II. AUDIT COMMITTEE:**

In terms of provisions of Listing Agreement, the Audit Committee was constituted by the Board on 1st April, 2005.

The Board of Directors of the Company has constituted an Audit Committee, comprising three independent & Non-Executive Directors viz. Mr. P. S. Shah Chairman of the committee (having financial, accounting meets with the requirements under Section 177 of the Companies Act, 2013.

The terms of reference stipulated by the Board of Directors to the Audit Committee are, as contained in Clause 49 of the listing Agreement and Section 177 of the Companies Act, 2013, as follows:

- a. Observation of the company's financial reporting process and the disclosure of its financial information.
- b. Recommending the appointment of external auditors, fixation of audit fee and also approval for payment for any other services.
- c. Reviewing with management the Quarterly and annual financial statement before submission to the Board, focusing primarily on (i) any changes in accounting policies and practices, (ii) major accounting



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entries based on exercise of judgment by management, (iii) qualifications in draft audit report, (iv) significant adjustments arising out of audit, (v) the going concern assumption, (vi) compliance with accounting standards, (vii) compliance with Stock Exchange and legal requirements concerning financial statements and (viii) any related party transactions i.e. transactions of the company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interest of company at large.

- d. Reviewing with the management, external and internal auditors, the adequacy and compliance of internal control systems.
- e. Reviewing the adequacy of internal audit functions.
- f. Discussion with internal auditors any significant findings and follow up there on.
- g. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- h. Discussion with external auditors before the audit commence, nature and scope of audit as well as have post - audit discussion to ascertain any area of concern.
- i. Reviewing the Company's financial and risk management policies.
- j. To look into the reasons for substantial defaults in the payment to the shareholders (in case of non-payment of declared dividends) and creditors.

**During the year, the committee has met 8 times as under.**

24<sup>th</sup> April 2018, 30<sup>th</sup> April 2018, 25<sup>th</sup> May 2018, 30<sup>th</sup> July. 2018, 31<sup>st</sup> July. 2018, 31<sup>th</sup> Oct, 2018, 31<sup>st</sup> Jan, 2019, and 01<sup>st</sup> March, 2019.

Mr. P. S. Shah, Mr. K.M. Jogani and Mr. A.M. Shah the committee members has been presented in all the above meetings.

**III. REMUNERATION OF DIRECTORS:**

1. No directors are taking any remuneration in any element viz. salary, benefits, bonuses, stock options, Pensions etc.
2. No directors are taking fixed component and performance linked incentives, along with the Performance criteria.
3. No directors have entered into service contracts, notice period, severance fees with the company.
4. No directors have given stock option or issued at a discount as well as the period over which accrued and over which exercisable.

**IV. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

**(a) Industry Structure and developments:**

Software industry witnessed yet another year with stagnant production, increases in input costs and sluggish demand and lack of export opportunities.

**(b) Opportunities and Threats:**

Indian software market presents opportunity for quality software products. The Management of software entities has to be sharply focused on cost control, improvement productivity and consistent manufacture of quality.



**(c) Segment wise or product wise performance:**

There is only software segment so this clause is not applicable.

**(d) Outlook:**

The remuneration of programmers were ruling at very high level due to lack of availability of quality Programmers, Margins are under pressure and expected to improve only on reduction in the emoluments and remunerations. Recognizing the export and employment potential of the industry the governments intends to improve its viability through reduction in finance costs.

**(e) Risks and concerns:**

In software industry the main risk is virus through e – mails and internet sites, so the system must be so amended that every e – mails and sights of internal must be scanned and then only allow the user to use it.

**(f) Internal control systems and their adequacy:**

The company has adequate internal control systems and necessary check and balance are introduced/strengthened so as the ensure:

- 1) that its assets are safeguarded,
- 2) that transactions are authorized, recorded and reported properly; and
- 3) that the accounting records are properly maintained and its financial statements are reliable.

From time to time, the internal audit system and reports are reviewed by Audit Committee.

**(g) Discussion on Financial performance with respect to operational performance:**

Due to all over slackness in the software market and the adverse factors, the company has not performed well during the year, however due to government positive policies towards computerization, expects good performance in future years.

**(h) Material developments in Human resources/Industrial Relations front, including number of people employed:**

Effort of all Human resources of the company is on imparting continuous training to improve the field management practices.

**(V) SHAREHOLDERS:**

**Appointment/ Re- appointment of Directors**

The following directors retire by rotation and are eligible for re-appointment. A brief resume together with the other directorship of the directors being re- appointed is given below.

Mr. M. J. SHAH has gained thirty years experience in Finance and Management. He has handled the various critical projects during his directorship in the company. He is very dynamic in decision making and implementing. The Board of Directors consider that the company would be benefited by Mr. M. J. Shah and recommended the acceptance of resolution. None of the directors are interested in the resolution except M. J. Shah the proposed appointee. He is not holding Directorship in any other Company.



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MR. A. M. SHAH has gained experience in his own business. He is very particular and sharp minded personality. The Board of Directors considers that the company would be benefited by Shri A. M. Shah and recommended the acceptance of resolution. None of the directors are interested in the resolution except Shri A. M. Shah the proposed appointee. He is not holding Directorship in any other Company.

**GENERAL SHAREHOLDER INFORMATION:**

**a) Listing on stock Exchange and Stock Code:**

The Company's equity shares are listed on

1. The Stock Exchange Mumbai Stock Code: 530243

**b) Registrars and Transfer Agents (RTA), Share Transfer system:**

The Company has appointed R & T agent Cameo Corporate Services Ltd. "SUBRAMANIAN BUILDING", No. 1, Club House Road, CHENNAI – 600 002. SEBI Reg. No. INR 000003753 dated 12-04-1999 for both physical and demat share maintenance with effect from 06-04-2010.

**c) Investor Grievance Committee:**

The Board has constituted an "Investor Grievance Committee", which looks into shareholders and investors grievances. The following are the members of the committee.

Name	Designation
Mrs. A. D. Shah	Chairman
Mr. K. M. Jogani	Member
Mr. P. S. Shah	Member

**INVESTOR RELATIONS**

All the complaints received from shareholders during 2017-2018 and 2018-2019, have been resolved during the year, No complaints remaining to be resolved as at 31st March 2019, as on the date of this Report i.e. on 30/04/2019, no complaints are pending.

**d) General Body Meetings:**

The location and time of Annual General Meetings held during the last 3 years are as follows:

Annual General Meeting (AGM)/ Financial year	Date	Time	Venue
24 <sup>th</sup> /2015-2016	30/7/2016	11.00 a.m.	302, Samruddhi, Nr. Income
25 <sup>th</sup> /2016-2017	30/7/2017	-do-	Tax, Ashram Road,
26 <sup>th</sup> /2017-2018	31/7/2018	-do-	Ahmedabad – 380014.



MANGALYA SOFT TECH LIMITED.

## ANNEXURE I

### BUSINESS RESPONSIBILITY REPORT

[See Regulation 34(2)(f)]

#### SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN): L32100GJ1992PLC017564
2. Name of the Company: MANGALYA SOFT TECH LIMITED
3. Registered address: 302, Samruddhi. NR. C U Shah Commerce college, Income Tax Circle, Ashram Road, Ahmedabad 380014.
4. Website: www.mangalyasofttechltd.com
5. E – mail id: mjshah\_shah@yahoo.com
6. Financial Year reported: 2018-2019
7. Sector (s) that the Company is engaged in (industrial activity code-wise) : 62011
8. List three key products/services that the Company manufactures/provides (as in balance sheet) Tailor made Computer Software Development
9. Total number of locations where business activity is undertaken by the Company
  - (a) Number of International Locations (Provide details of major 5) 0
  - (b) Number of National Locations 1
10. Markets served by the Company – Local/State/National/International Local

#### SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. Paid up Capital (INR) 10,00,00,000
2. Total Turnover (INR) 847798
3. Total profit after taxes (INR) 5878
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%) NIL
5. List of activities in which expenditure in 4 above has been incurred:- (a). NIL

#### SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies? No
2. Do the Subsidiary Company/ Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s) :-NOT APPLICABLE
3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities [Less than 30%, 30-60%, More than 60%] NIL

#### SECTION D: BR INFORMATION

1. Details of Directors/ Directors responsible for BR
  - (a) Details of the Director/ Director responsible for implementation of the BR policy/policies
    1. DIN Number 00500121
    2. Name MANSUKHBHAI JASKARAN SHAH
    3. Designation CHAIRMAN





5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

**3. Governance related to BR**

- (a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year : Annually
- (b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published? [www.mangalyasofttechltd.com](http://www.mangalyasofttechltd.com)

**SECTION E: PRINCIPLE – WISE PERFORMANCE**

**Principle 1**

- 1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes.  
Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others? Yes.
- 2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.  
  
No complaints have been received in the past financial year.

**Principle 2**

- 1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.
  - (a) Tailor made Computer software Services.
  - (b) Nil
  - (c) Nil
- 2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):
  - (a) Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?  
Not Applicable, Very low
  - (b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?  
Not Applicable, Very low
- 3. Does the company have procedures in place for sustainable sourcing (including transportation)? No.
  - (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so. NOT APPLICABLE
- 4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? Yes





MANGALYA SOFT TECH LIMITED.

(a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?  
The Company is outsourcing job work to local programmers.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10 %, > 10%). Also, provide details thereof, in about 50 words or so. The company is usually selling out the old stationary/waste parts to Local purchasers. It is <5%.

**Principle 3**

1. Please indicate the Total number of employees. **3**
2. Please indicate the Total number of employees hired on temporary/ contractual/causal basis. **0**
3. Please indicate the Number of permanent women employees. **1**
4. Please indicate the Number of permanent employees with disabilities. **0**
5. Do you have an employee association that is recognized by management? **No**
6. What percentage of your permanent employees is members of this recognized employee association?  
**Nil**
7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year. **Nil**
8. What percentage of your under mentioned employees were given safety & skill up – gradation training in the last year?
  - (a) Permanent Employees 100%
  - (b) Permanent Women Employees 100%
  - (c) Casual/ Temporary/ Contractual Employees N.A.
  - (d) Employees with Disabilities N.A.

**Principle 4**

1. Has the company mapped its internal and external stakeholders? Yes
2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders? Yes
3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so. No such stakeholders.

**Principle 5**

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others? Policy of the company on human rights covers only the company.
2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management? Nil

**Principle 6**

1. Does the policy related to principle 6 cover only the company or extends to the Group/ Joint Ventures / Suppliers / Contractors / NGOs / Others. Policy related to principle 6 cover only the company.



MANGALYA SOFT TECH LIMITED.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc. [www.mangalayasofttechltd.com](http://www.mangalayasofttechltd.com)
3. Does the company identify and assess potential environmental risks? Yes.
4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed? Company is engaged in Tailor made Computer software development and it is done environment friendly.
5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc. [www.mangalayasofttechltd.com](http://www.mangalayasofttechltd.com)
6. Are the Emissions/ Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported? Yes.
7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year. Nil

**Principle 7**

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with: No  
(a) Not Applicable
2. Have you advocated/ lobbied through above associations for the advancement or improvement of public good? Yes/ No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others) No

**Principle 8**

1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to principle 8? If yes details thereof. No.
2. Are the programmes/ projects undertaken through in – house team/own foundation/ external NGO/ government structures/any other organization? In house team.
3. Have you done any impact assessment of your initiative? Yes.
4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken. Nil
4. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so. Yes, the company is outsourcing its some of the work and the small programmers are doing it successfully.

**Principle 9**

1. What percentage of customer complaints/ consumer cases are pending as on the end of financial year. 0%
2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./Remarks (additional information) N.A. Company is engaged in development of tailor made software.
3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/ or anti – competitive behavior during the last five years and pending as



MANGALYA SOFT TECH LIMITED.

on end of financial year. If so, provide details thereof, in about 50 words or so. No case filed by any stakeholder against the company

4. Did your company carry out any consumer survey/ consumer satisfaction trends? Yes

**CERTIFICATION ON FINANCIAL STATEMENTS OF THE COMPANY**

We, M. J. Shah, Chairman and Dilip Shah, Director of Mangalya Soft Tech Ltd. ('the company') Certify that:

- (a) We have reviewed the financial statements and the cash flow statements of the company for the period ended March 31, 2019 and that to the best of our knowledge and belief:
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;
- (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) To the best of our knowledge and belief, no transactions entered into by the company during the period ended March 31, 2019 are fraudulent, illegal or violative to the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control system of the Company pertaining to financial reporting and have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps taken or proposed to be taken to rectify these deficiencies.
- (d) During the period:
- (i) There have not been any significant changes in internal control over financial reporting;
- (ii) There have not been any significant changes in accounting policies; and
- (iv) There have been no instances of significant fraud of which we are aware that involve management or other employees,
- (v) having significant role in the Company's internal control system over financial reporting.

Sd/-

**M. J. Shah**

**Chairman**

Sd/-

**D. M. Shah**

**Mg. Director**

**Ahmedabad**  
**April 30, 2019**



MANGALYA SOFT TECH LIMITED.

## INDEPENDENT AUDITOR'S REPORT

**TO THE MEMBERS OF MANGALYA SOFT - TECH LIMITED**

**Report on the Audit of the Standalone Financial Statements**

### Opinion

We have audited the accompanying standalone financial statements of **MANGALYA SOFT - TECH LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit 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 of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone 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 standalone financial statements under the provisions of the Act and the Rules made there under, 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 audit opinion on the standalone 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 standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	<b><i>Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 "Revenue from Contracts with Customers" (new revenue accounting standard)</i></b>	<b><u>Principal Audit Procedures</u></b>  We assessed the Company's process to identify the impact of adoption of the new revenue accounting standard.



MANGALYA SOFT TECH LIMITED.

	<p>The application of the new revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognised over a period. Additionally, new revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.</p>	<p>Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows:</p> <ul style="list-style-type: none"> <li>• Evaluated the design of internal controls relating to implementation of the new revenue accounting standard.</li> <li>• Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, re-performance and inspection of evidence in respect of operation of these controls.</li> <li>• Tested the relevant information technology systems' access and change management controls relating to contracts and related information used in recording and disclosing revenue in accordance with the new revenue accounting standard.</li> <li>• Selected a sample of continuing and new contracts and performed the following procedures:             <ul style="list-style-type: none"> <li>• Read, analyzed and identified the distinct performance obligations in these contracts.</li> <li>• Compared these performance obligations with that identified and recorded by the Company.</li> <li>• Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration.</li> </ul> </li> <li>• Samples in respect of revenue recorded for time and material contracts were tested using a combination of approved time sheets including customer acceptances, subsequent invoicing and historical trend of collections and disputes.</li> <li>• Sample of revenues disaggregated by type and service offerings was tested with the performance obligations specified in the underlying contracts.</li> <li>• Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings.</li> </ul>
2	<p><b>Evaluation of uncertain tax positions</b></p> <p>The Company has material uncertain tax positions including matters under dispute which involves</p>	<p><b><u>Principal Audit Procedures</u></b></p> <p>Obtained details of completed tax assessments and demands for the year ended March 31, 2019 from</p>



MANGALYA SOFT TECH LIMITED.

	<p>significant judgment to determine the possible outcome of these disputes.</p> <p><i>Refer Notes II to the Standalone Financial Statements</i></p>	<p>management. We involved our internal experts to challenge the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes. Our internal experts also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions. Additionally, we considered the effect of new information in respect of uncertain tax positions as at April 1, 2018 to evaluate whether any change was required to management's position on these uncertainties.</p>
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**Information Other than the Standalone Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone 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 Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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.



*MANGALYA SOFT TECH LIMITED.*

The Board of Directors are responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the standalone 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 the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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





MANGALYA SOFT TECH LIMITED.

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

**Report on Other Legal and Regulatory Requirements**

1. 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 including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS 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, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**". 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 explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of 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, as amended in our opinion and to the best of our information and according to the explanations 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 required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.



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2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.

Ahmedabad  
30 April, 2019

For DEVADIYA & ASSOCIATES.  
Chartered Accountants  
FRN : 123045W

Sd/-  
CA Sanjay Devadiya  
PARTNER  
Membership number:112495



**“Annexure A” to the Independent Auditors’ Report**

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of the Company for the year ended March 31, 2019:

- 1) In respect of the Company’s fixed assets:
  - (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 according to the information and explanations given to us, 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) In respect of the Company’s Inventory:
  - (a) The management has conducted the physical verification of inventory at reasonable intervals.
  - (b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
- 3) According to the information and explanations given to us, 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, 2015 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, GST, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities.



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- (b) 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, 2019 for a period of more than six months from the date on when they become payable.
- (c) *According to the information and explanation given to us, there are no dues of sales tax, service tax, GST, Duty of customs, duty of excise, value added tax (Except income tax), outstanding on account of any dispute. (Refer Note No. II of Notes forming parts of Account)*
- 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. Hence reporting under clause 3 (viii) of the Order is not applicable to the Company.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, during the year the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no material 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 4 (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 standalone 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.



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- 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.

Ahmedabad  
30 April, 2019

For DEVADIYA & ASSOCIATES.  
Chartered Accountants  
FRN : 123045W

Sd/-  
CA Sanjay Devadiya  
PARTNER  
Membership number: 112495



MANGALYA SOFT TECH LIMITED.

**“Annexure B” to the Independent Auditor’s Report**

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

We have audited the internal financial controls over financial reporting of **MANGALYA SOFT TECH LIMITED** (“the Company”) as of March 31, 2019 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 Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 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 financial statements for



MANGALYA SOFT TECH LIMITED.

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, 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 March 31, 2019, 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.

Ahmedabad  
30 April, 2019

For DEVADIYA & ASSOCIATES.  
Chartered Accountants  
FRN : 123045W

Sd/-  
CA Sanjay Devadiya  
PARTNER  
Membership number:112495





MANGALYA SOFT TECH LIMITED.

**BALANCE SHEET AS AT 31ST MARCH, 2019**

<b>PARTICULARS</b>	<b>NOTE</b>	<b>As At 31.03.2019 Rs.</b>	<b>As At 31.03.2018 Rs.</b>
<b><u>I- ASSETS</u></b>			
<b><u>Non-Current Assets Tangible Fixed Assets</u></b>			
Gross Block	"A"	1,20,45,099	1,20,45,099
Less: Depreciation		1,20,16,023	1,20,16,023
Net Block		29,076	29,076
Advance For Capital Expenses		6,21,25,982	6,29,86,882
<b><u>Non-Current Financial Assets</u></b>			
Investments	"B"	61,79,407	91,96,263
<b><u>Current Financial Assets, Loans &amp; Advances</u></b>			
Sundry Debtors	"C"	43,97,646	43,97,646
Cash & Bank Balances	"D"	87,711	1,09,676
Loans & Advances	"E"	3,55,85,023	3,16,79,425
<b>TOTAL Rs.</b>		<b>10,84,04,845</b>	<b>10,83,98,968</b>
<b><u>EQUITY AND LIABILITIES</u></b>			
<b><u>Share Holder's Funds:</u></b>			
Equity Share Capital	"F"	10,00,00,000	10,00,00,000
Other Equity	"G"	83,84,845	83,78,968
<b><u>Current Financial Liabilities &amp; Provisions:</u></b>			
	"H"	20,000	20,000
<b>TOTAL Rs.</b>		<b>10,84,04,845</b>	<b>10,83,98,968</b>
Notes Annexed Form part of the Account	"L"		

As per our report of even dated attached herewith

FOR DEVADIYA & ASSOCIATES,  
CHARTERED ACCOUNTANTS  
By the hand of

FOR MANGALYA SOFT- TECH LTD.

CA Sanjay Devadiya  
PARTNER  
M No. 112495  
F R No. 123045W  
PLACE: AHMEDABAD  
DATE: 30/04/2019

D. M. Shah    M. J. Shah  
Mg. Director    Chairman

PLACE: AHMEDABAD  
DATE: 30/04/2019



MANGALYA SOFT TECH LIMITED.



MANGALYA SOFT TECH LIMITED.

**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH, 2019**

<b>PARTICULARS</b>	<b>NOTE</b>	<b>As At 31.03.2019</b>	<b>As At 31.03.2018</b>
		<b>Rs.</b>	<b>Rs.</b>
<b><u>INCOME</u></b>			
Software Sales		1,10,700	1,12,500
Other Income	"I"	7,37,098	6,81,016
<b>TOTAL Rs.</b>		<b>8,47,798</b>	<b>7,93,516</b>
<b><u>EXPENDITURE</u></b>			
Software Purchase		1,09,800	1,11,100
Software & other Exp.	"J"	7,32,120	6,69,525
Interest & Finance Charges		NIL	NIL
Depreciation		NIL	NIL
<b>TOTAL Rs.</b>		<b>8,41,920</b>	<b>7,80,625</b>
<b>Profit/ Loss (-) Before Tax</b>		<b>5,878</b>	<b>12,891</b>
Provision for Tax		0	0
<b>Profit/ Loss (-) After Tax</b>		<b>5,878</b>	<b>12,891</b>
<b><u>EARNING PER SHARE</u></b>			
	"K"		
Basic EPS		<b>0.0006</b>	<b>0.0013</b>
Diluted EPS		<b>0.0006</b>	<b>0.0013</b>
Balance Brought Forward		(-) 46,68,771	(-) 46,81,662
<b><u>APPROPRIATION</u></b>			
Transfer to General Reserve		0	0
Balance Carried to Balance – Sheet		(-) 46,81,662	(-) 46,81,662

Notes Annexed Form part of the Account

"L"

As per our report of even dated attached herewith

FOR DEVADIYA & ASSOCIATES,  
CHARTERED ACCOUNTANTS  
By the hand of

FOR MANGALYA SOFT- TECH LTD.

CA Sanjay Devadiya  
PARTNER  
M No. 112495  
F R No. 123045W  
PLACE: AHMEDABAD  
DATE: 30/04/2019

D. M. Shah    M. J. Shah  
Mg. Director    Chairman

PLACE: AHMEDABAD  
DATE: 30/04/2019



**MANGALYA SOFT TECH LIMITED.**

**SCHEDULES ATTACHED TO AND FORMING PARTS OF ACCOUNTS**

**NOTE : 'A' Tangible Fixed Assets : 31/03/2019**

Sr. No.	Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK		
		As at 01.04.2018	Addition during the year	Sold during the year	As at 31.03.2019	As at 01.04.2018	Provided during the year	As at 31.03.2019	As at 31.03.2019	As at 31.03.2018
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1	Plant & Machinery	10993462	0	0	10993462	10987640	0	10987640	5822	5822
2	Vehicles	808214	0	0	808214	806214	0	806214	2000	2000
3	Office Equipments	67868	0	0	67868	52528	0	52528	15340	15340
4	Furniture and Fixtures	175555	0	0	175555	169641	0	169641	5914	5914
	<b>Total</b>	<b>12045099</b>	<b>0</b>	<b>0</b>	<b>12045099</b>	<b>12016023</b>	<b>0</b>	<b>12016023</b>	<b>29076</b>	<b>29076</b>
	<b>Previous Year</b>	<b>12045099</b>	<b>0</b>	<b>0</b>	<b>12045099</b>	<b>12016023</b>	<b>0</b>	<b>12016023</b>	<b>29076</b>	<b>29076</b>

PARTICULARS	As at 31.03.2019 Rs.	As at 31.03.2018 Rs.
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**NOTE: 'B'**

**INVESTMENTS (AT COST):**

Kinjal Finance Ltd.	5,74,750	5,74,750
Infosystem Pvt. Ltd.	0	9,92,663
Reliance power Shares	0	28,350
Progressive Merc. Co. Op. Bk. Ltd.	500	500
Bharat Chemicals Pvt. Ltd.	51,00,000	51,00,000
Pawan Steel Pvt. Ltd.	5,04,157	25,00,000
<b>Total Rs.</b>	<b>61,79,407</b>	<b>91,96,263</b>

**NOTE: 'C'**

**SUNDRY DEBTORS:**

(Unsecured Considered Good)

Out Standing More Than Six Months	43,97,646	43,97,646
Others	-----	-----
<b>Total Rs.</b>	<b>43,97,646</b>	<b>43,97,646</b>



MANGALYA SOFT TECH LIMITED.

<b>PARTICULARS</b>	<b>As at 31.03.2019</b>	<b>As at 31.03.2018</b>
	<b>Rs.</b>	<b>Rs.</b>
<b>NOTE: 'D'</b>		
<b><u>CASH &amp; BANK BALANCE:</u></b>		
Cash on hand	82,195	82,196
Balance in Progressive Mer. Co. Op. Bank Ltd.	5,516	27,480
<b>Total Rs.</b>	<b>87,711</b>	<b>1,09,676</b>
<b>NOTE: 'E'</b>		
<b><u>LOANS AND ADVANCES:</u></b>		
Advances recoverable by Cash or kind	3,55,85,023	3,16,79,425
<b>Total Rs.</b>	<b>3,55,85,023</b>	<b>3,16,79,425</b>
<b>NOTE: 'F'</b>		
<b><u>EQUITY SHARE CAPITAL:</u></b>		
<b><u>AUTHORIZED SHARE CAPITAL</u></b>		
1,00,00,000 Equity Shares of Rs. 10/- each	10,00,00,000	10,00,00,000
<b><u>ISSUED, SUBSCRIBED &amp; PAID UP CAPITAL:</u></b>		
1,00,00,000 Equity Shares of Rs. 10/- each	10,00,00,000	10,00,00,000
<b>Total Rs.</b>	<b>10,00,00,000</b>	<b>10,00,00,000</b>
<b>NOTE: 'G'</b>		
<b><u>OTHER EQUITY:</u></b>		
(A) General Reserve	15,00,000	15,00,000
(B) Share Premium A/C (49,99,400 Equity Shares @ Rs. 3 per share)	1,49,98,200	1,49,98,200
(C) Other Retained Earnings		
Balance at the beginning of the year	-46,68,771	-46,81,661
Add: Profit/(Loss) for the year	5,878	12,890
Balance at the end of the year	-46,62,893	-46,68,771
(D) Miscellaneous Expenditure (to the extent not written off or Adjusted)	-3450461	-3450461
<b>Total Rs.</b>	<b>83,84,645</b>	<b>83,78,968</b>
<b>NOTE: 'H'</b>		
<b><u>CURRENT LIABILITIES &amp; PROVISIONS:</u></b>		
Devadiya & Associates	20,000	20,000
<b>Total Rs.</b>	<b>20,000</b>	<b>20,000</b>



MANGALYA SOFT TECH LIMITED.

<b>PARTICULARS</b>	<b>As at 31.03.2019</b>	<b>As at 31.03.2018</b>
	<b>Rs.</b>	<b>Rs.</b>

**NOTE: 'I'**

**OTHER INCOME:**

Interest Income	6,71,311	6,14,416
Dividend	65,787	66,600
<b>Total Rs.</b>	<b>7,37,098</b>	<b>6,81,016</b>

**NOTE: 'J'**

**SOFTWARE & OTHER EXPENSES:**

Auditors Remuneration		
Audit Fees	20,000	20,000
Bank Charges & commission	655	1,280
Dematerialization Charges	26,550	43,928
Electricity Expenses	1,21,760	1,03,180
Employees Remuneration	3,66,300	3,45,500
Insurance Expenses	10,636	11,640
Professional Tax	2,000	2,000
Membership & Subscription	0	1,235
Municipal Tax	70,851	40,941
Office Expenses	21,892	9,594
Stationery Printing Expenses	2,700	9,762
Repairs & Maintenance	21,300	9,300
Telephone & Fax Charges	14,833	39,402
Share Transfer agent fees	29,043	27,263
Legal Expenses	23,600	4,500
<b>Total Rs.</b>	<b>7,32,120</b>	<b>6,69,525</b>

**NOTE: 'K'**

**EARNING PER SHARE:**

Net Profit/ (Loss) for the year	5,878	12,891
No. of Equity Shares	1,00,00,000	1,00,00,000
<b>Basic EPS</b>	<b>0.0006</b>	<b>0.0013</b>
<b>Diluted EPS</b>	<b>0.0006</b>	<b>0.0013</b>



**NOTE: 'L'**

**NOTES FORMING PART OF THE ACCOUNTS**

**(A) Significant Accounting Policies:**

**(i) Basis of Accounting:**

The financial Statement are prepared on the basis of historical cost convention and in accordance with the normally accepted accounting principles. These financial statements are prepared in accordance with Indian Accounting Standard (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act , 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereunder.

**(ii) Fixed Assets:**

- (a) Fixed Assets are stated at cost of Acquisition less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the management. The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method.
- (b) Depreciation on fixed Assets have been provided in accordance with the useful life of the Asset as prescribed in Schedule II of the Companies Act, 2013 except in certain Assets where depreciation provided at the rates and manner finds reasonable by the management. However, considering the written down value is below 5% of cost of fixed asset, no depreciation has been provided for the FY 2018-19.

**(iii) Income & Expenditure:**

All Income & Expenditure items having material bearing on the financial statements are recognized on accrual basis.

**(iv) Retirement Benefits:**

Since none of the employees have completed the minimum specified period for eligibility under the payment of Gratuity Act, 1972 no provision for gratuity has been made.

**(v) Investments:**

Investments are considered as Long-Term Investments unless and otherwise specified. Investments are valued at cost. Dividend/Interest on Investments are recognized on receipt basis.

**(vi) Contingent Liabilities:**

Contingent Liabilities are disclosed in the accounts by way of notes giving the nature and quantity of such liabilities.





**(B) Notes to Accounts:**

- i. Previous year figures are regrouped, rearranged, recast wherever considered necessary to compare it with the current year figures.
- ii. Contingent Liabilities and Commitments

Sr No	Particulars	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
1	<i>Claims against the Company, not acknowledged as debts (1) for the Assessment Year 2009-10.</i>	<b>20,66,122/-</b>	<b>20,66,122/-</b>
	<i>As at March 31, 2019, claims against the company not acknowledged as debts in respect of income tax matters amounted to Rs. 20,66,122/-. These matters are pending before various Income Tax Authorities and the management including its tax advisors expect that its position will likely be upheld on ultimate resolution and will not have a material adverse effect on the Company's financial position and results of operations. However, the company has deposited the gross amount of demand raised by Income Tax Authority amounting to Rs. 20,66,122/- to avoid possible interest cost.</i>		

- iii. In opinion of the management Current Assets, Loans & Advances are approximately of the values stated if realized in ordinary course of the business.
- iv. Balances of debtors, creditors, loans & advances, deposits and investments are as per books and subject to confirmation.
- v. Imports of materials, components, spares parts and Capital Goods Rs. Nil
- vi. Figures of the Balance Sheet and Profit & Loss Account and annexures thereof are rounded off to the nearest rupee.
- vii. *Preliminary Expenses not written off during the year under Audit.*
- viii. *In view of the management, there was no certainty to set off of the loss or depreciation arising due to timing difference and hence no provision for Deferred Tax Assets has been provided for the year under audit.*
- ix. Depreciation on Fixed Assets has not been provided for the FY 2018-19 as the Written Down Value became less than 5% of the Cost of Fixed Asset. In view of the Management, considering the impairment in the Fixed Asset's value, it is not required to written back the Depreciation and Written Down Value to 5% of Cost of Fixed Asset.
- x. Financial Risk management objectives: The financial risks mainly include market risk (interest rate risk), credit risk and liquidity risk.



MANGALYA SOFT TECH LIMITED.

- xi. Statement of compliance  
The financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015.
- xii. Financial instruments  
The carrying value and fair value of the financial instruments as at March 31, 2019 and March 31, 2018 are as follows:

Particulars	As at 31.03.2019		As At 31.03.2018	
	Total carrying value	Total fair value	Total carrying value	Total fair value
<b>Financial assets measured at Amortised Cost:</b>				
Investments	61,79,407	61,79,407	91,96,263	91,96,263
Sundry Debtors	43,97,646	43,97,646	43,97,646	43,97,646
Cash & Bank Balances	87,711	87,711	1,09,676	1,09,676
Loans & Advances	3,55,85,023	3,55,85,023	3,16,79,425	3,16,79,425
<b>Financial liabilities measured at Amortised Cost:</b>				
Current Financial Liabilities & Provisions	20,000	20,000	20,000	20,000

The management assessed that fair value of Investment, cash and short-term deposits, trade and other short-term receivables, trade payables, other current liabilities, approximate their carrying amounts largely due to the short-term maturities of these instruments.

Signature of Note "A" to "L" forming part of Balance Sheet and Profit & Loss A/c.  
AS PER OUR REPORT OF EVEN DATE ATTACHED HEREWITH.

**FOR DEVADIYA & ASSOCIATES,  
CHARTERED ACCOUNTANTS**

**By the hand of**

CA Sanjay Devadiya  
**PARTNER**  
M No. 112495  
F R No. 123045W  
PLACE: AHMEDABAD  
DATE: 30/04/2019

**FOR MANGALYA SOFT- TECH LTD.**

D. M. Shah    M. J. Shah  
Mg. Director    Chairman

PLACE: AHMEDABAD  
DATE: 30/04/2019



MANGALYA SOFT TECH LIMITED.

**CASH FLOW STATEMENT FOR THE PERIOD FROM 1/4/2018 TO 31/3/2019**

<b>PARTICULARS</b>	<b>As At 31.03.2019</b>	<b>As At 31.03.2018</b>
	<b>Rs.</b>	<b>Rs.</b>
<b>A. Fund Flow from operating activities</b>		
<b>Net Profit/ (Loss) as per Profit &amp; Loss A/c.</b>	<b>5,878</b>	<b>12,891</b>
Add: Depreciation	0	0
<b>Operating Profit before working capital changes</b>	<b>5,878</b>	<b>12,891</b>
<b>B. Cash Flow from Working Capital Changes:</b>		
Less: Increase in Loans and Advances	(-)39,05,599	(-)27,375
Less: Decrease in current liabilities	(-)0	(-)20,000
<b>Net fund used in working Capital changes</b>	<b>(-)39,05,599</b>	<b>(-)47,375</b>
<b>C. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Add: Decrease in Advance for Capital Exp.	(+) 8,60,900	(+) 59,455
Add: Decrease in Investments	(+)30,16,856	-
<b>Net fund used in Investing Activities</b>	<b>(+)38,77,756</b>	<b>(+) 59,455</b>
<b>D. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Funds from financing activities	NIL	NIL
<b>Total = A+B+C+D</b>	<b>(-)21,965</b>	<b>(+)24,971</b>
CASH AND BANK BALANCE AS AT 1/4/2018	1,09,676	84,704
<b>CASH AND BANK BALANCE AS AT 31/03/2019</b>	<b>87,711</b>	<b>1,09,676</b>

Above are correct as per books of accounts.

FOR DEVADIYA & ASSOCIATES,  
CHARTERED ACCOUNTANTS  
By the hand of

FOR MANGALYA SOFT- TECH LTD.

CA Sanjay Devadiya  
PARTNER  
M No. 112495  
F R No. 123045W  
PLACE: AHMEDABAD  
DATE: 30/04/2019

D. M. Shah    M. J. Shah  
Mg. Director    Chairman

PLACE: AHMEDABAD  
DATE: 30/04/2019



MANGALYA SOFT TECH LIMITED.

**NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that Twenty Seventh Annual Meeting of members of the **MANGALYA SOFT – TECH LIMITED** will be held at 11 -00 a.m. on 31<sup>st</sup> day of May, 2019 at 302, “Samruddhi” Opp. Sakar – III, Income Tax Circle, Ashram Road, Ahmedabad – 380 014. To transact the following business.

**ORDINARY BUSINESS**

1. To appoint and adopt the Audited Accounts of the Company for the year ended 31st March,2019 along with report of auditors and directors’ thereon.
2. To appoint director in place of Mr. A.M. Shah who retires by rotation and is eligible for reappointment.
3. To appoint director in place of Mr. M. J. Shah who retires by rotation and is eligible for reappointment.
4. To appoint auditors and to fix their remuneration. M/s Devadiya & Associates is going to retire by rotation at this AGM and is eligible for re-appointment.

**NOTES :**

- (1) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the company.
- (2) Proxy Form in order to be effective, must reach the Company’s Registered office not less than 48 hours before the time of the meeting.
- (3) Members are requested to immediately notify the Company of any change in their registered address.
- (4) The Register of Members and Share Transfer books of the Company will remain closed during 25 -5-2019 to 31-5-2019. (both days inclusive)
- (5) Members are informed that share transfer and related activities are being carried out by M/s. Cameo Corporate Services Ltd. “SUBRAMANIAN BUILDING”, No. 1 Club House Road, CHENNAI – 600 002. SEBI Reg. No. INR 000003753 dated 12-04-1999 for both physical and demat share maintenance with effect from 06-04-2010.
- (6) Members desiring any information on Accounts or other items of Agenda are requested to write to the Company at its Regd. Office at least ten days before the date of AGN so as to enable Management to keep the information ready.

Place: Ahmedabad  
Date: 30/04/2019

By Order of the Board  
Sd/-  
**DILIP M. SHAH**  
Managing Director

**REGISTERED OFFICE**

302, “Samruddhi” Opp. Sakar – III, Income Tax Circle,  
Ashram Road, Ahmedabad – 380 014.

**IMPORTANT INTIMATION TO MEMBERS**

As you may be aware, the Ministry of Corporate Affairs, Government of India (‘MCA’) has recently introduced ‘Green Initiative in Corporate Governance’ by allowing paperless compliance by Companies, i.e. service of notice/documents including Annual Report can be sent by e-mail to its members, Keeping in view the underlying spirit and pursuant to the said initiative of MCA, we request the members who have not registered their e-mail addresses, so far, to register their e-mail addresses, in respect of electronic holdings with the Depository through their respective Depository Participants. Members holding the shares in physical mode are also requested to register their e-mail addresses with Company’s Registrar & Share Transfer Agent viz. Cameo Corporate Services Ltd.