

**Date:** 25<sup>th</sup> March, 2023

To,  
BSE Limited  
Phiroze Jeejeebhoy Tower,  
Dalal Street,  
Mumbai - 400 001

Dear Sir / Madam,

**Sub: Submission of Annual Report for Financial Year 2021-22**

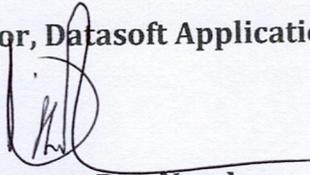
**Ref: Security Id: DATASOFT / Code: 526443**

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the 30<sup>th</sup> Annual General Meeting of the Company to be held on Monday, 17<sup>th</sup> April, 2023 at 12:00 P.M. through Video Conferencing (VC) / Other Audio Visual Means (OAVM).

Kindly take the same on your record and oblige us.

Thanking You.

**For, Datasoft Application Software (India) Limited**



**Eswara Rao Nandam**  
**Managing Director**  
**DIN: 02220039**



**Datasoft Application Software (India) Limited**  
**30<sup>th</sup> Annual Report**  
**2021-22**

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### ***Company Information***

<b><u>Board of Directors</u></b>	<b>1. Mr. Eswara Rao Nandam</b> : Managing Director <b>2. Ms. Uma Nandam</b> : Executive Director <b>3. Mr. Hidenobu Hitotsumatsu</b> : Independent Director <b>4. Ms. Rapala Virtanen Tarja Hannele</b> : Independent Director
<b><u>Audit Committee</u></b>	<b>1. Mr. Hidenobu Hitotsumatsu</b> : Chairman <b>2. Ms. Rapala Virtanen Tarja Hannele</b> : Member <b>3. Mr. Eswara Rao Nandam</b> : Member
<b><u>Nomination and Remuneration Committee</u></b>	<b>1. Mr. Hidenobu Hitotsumatsu</b> : Chairman <b>2. Ms. Rapala Virtanen Tarja Hannele</b> : Member
<b><u>Stakeholders' Relationship Committee</u></b>	<b>1. Mr. Hidenobu Hitotsumatsu</b> : Chairman <b>2. Ms. Rapala Virtanen Tarja Hannele</b> : Member <b>3. Mr. Eswara Rao Nandam</b> : Member
<b><u>Key Managerial Personnel</u></b>	<b>Mr. Eswara Rao Nandam</b> : Managing Director <b>Ms. Uma Nandam</b> : Chief Financial Officer <b>Ms. Pratibha Dhanuka</b> : Company Secretary
<b><u>Statutory Auditor</u></b>	<b>M/s. D. G. M. S. &amp; Co.,</b> Chartered Accountants, Jamnagar
<b><u>Secretarial Auditor</u></b>	<b>M/s Pandya Sharma &amp; Co. LLP,</b> Company Secretaries, Ahmedabad
<b><u>Share Transfer Agent</u></b>	<b>Link Intime India Private Limited</b> C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai, Maharashtra - 400 083
<b><u>Registered Office</u></b>	Plot No. OZ-13, Sipcot Hi-Tech SEZ, Oragadam, Sriperumbudur, Kancheepuram, Tamil Nadu - 602 105

## **NOTICE OF THE 30<sup>TH</sup> ANNUAL GENERAL MEETING**

**Notice** is hereby given that the 30<sup>th</sup> Annual General Meeting of the Shareholders of **Datasoft Application Software (India) Limited** will be held on Monday, 17<sup>th</sup> April, 2023 at 12:00 P.M. through Video Conferencing (VC) / Other Audio Visual Means (OAVM) to transact the following businesses:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statement of the Company for the Financial Year ended on 31<sup>st</sup> March, 2022 and Statement of Profit and Loss account together with the notes forming part thereof and Cash Flow Statement for the Financial Year ended on that date, and the reports of the Board of Directors ("The Board") and Auditor thereon.
2. To appoint a Director in place of Mr. Eswara Rao Nandam (DIN: 02220039), who retires by rotation and being eligible, offers himself for re-appointment.

To consider and if thought fit, to pass with or without modification(s) the following Resolution as an **Ordinary Resolution**:

**"RESOLVED THAT**, Mr. Eswara Rao Nandam (DIN: 02220039), who retires by rotation from the Board of Directors pursuant to the provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the Company, and being eligible offers himself for re-appointment, be and is hereby re-appointed as the Director of the Company."

3. To appoint M/s. D. G. M. S. & Co., Chartered Accountants, (FRN: 112187W), Jamnagar, as the Statutory Auditor of the Company.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT**, pursuant to the provisions of Section 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification or re-enactment thereof) and pursuant to the recommendations of the Audit Committee and the Board of Directors, approval of the Members of the Company, be and is hereby accorded for the appointment of M/s. D. G. M. S. & Co., Chartered Accountants, (FRN: 112187W), as the Statutory Auditor of the Company to hold office from the conclusion of this 30<sup>th</sup> Annual General Meeting till the conclusion of 35<sup>th</sup> Annual General Meeting of the Company to be held in the year 2027, on such remuneration as may be decided by the any of Directors in consultation with the Statutory Auditor of the Company."

**Registered Office:**

Plot No. OZ-13, Sipcot Hi-Tech SEZ,  
Oragadam, Sriperumbudur,  
Kancheepuram, Tamil Nadu – 602 105

**By the Order of the Board  
For, Datasoft Application Software (India) Limited**

**Place:** Kancheepuram, Tamil Nadu

**Date:** 20<sup>th</sup> March, 2023

**Eswara Rao Nandam  
Managing Director  
DIN: 02220039**

## Notes:

1. In view of the continuing COVID-19 pandemic, the 30<sup>th</sup> Annual General Meeting (AGM) will be held on Monday, 17<sup>th</sup> April, 2023 at 12:00 P.M. IST through Video Conferencing (VC) / Other Audio Visual Means (OAVM), in compliance with the applicable provisions of the Companies Act, 2013 read with Ministry of Corporate Affairs' (MCA) General Circular no. 14/2020 dated 8<sup>th</sup> April, 2020, MCA General Circular no. 17/2020 dated 13<sup>th</sup> April, 2020, MCA General Circular No. 20/2020 dated 5<sup>th</sup> May, 2020, MCA General Circular No. 22/2020 dated 15<sup>th</sup> June, 2020, MCA General Circular No. 02/2021 dated 13<sup>th</sup> January, 2021 and Circular No. 02/2022 dated 5<sup>th</sup> May, 2022 and SEBI Circulars dated 12<sup>th</sup> May, 2021 and 15<sup>th</sup> January, 2021, Circular No. 02/2022 dated May 05, 2022 and in compliance with the provisions of the Companies Act, 2013 ("Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The deemed venue for the 30<sup>th</sup> AGM shall be the Registered Office of the Company.
2. In view of the massive outbreak of the COVID-19 pandemic, social distancing is to be a pre-requisite and since this AGM is being held through VC / OAVM pursuant to MCA Circulars, physical attendance of the Members has been dispensed with. **Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.** Members have to attend and participate in the ensuing AGM through VC/OAVM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. Members of the Company under the category of 'Institutional Investors' are encouraged to attend and vote at the AGM through VC. Body Corporates whose Authorised Representatives are intending to attend the Meeting through VC/OAVM are requested to Email at [nandamrao@polymatech.in](mailto:nandamrao@polymatech.in) and / or at [info@accuratesecurities.com](mailto:info@accuratesecurities.com), a certified copy of the Board Resolution / authorization letter authorizing their representative to attend and vote on their behalf at AGM through E-voting.
4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
6. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended) and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the businesses to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means,

as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.

7. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

#### 8. DISPATCH OF ANNUAL REPORT THROUGH ELECTRONIC MODE:

In compliance with the MCA Circulars and SEBI Circular No SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12<sup>th</sup> May, 2020, Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2021-22 will be available on website of the Stock Exchange, i.e., BSE Limited at [www.bseindia.com](http://www.bseindia.com) and on the website of NSDL at <https://www.evoting.nsdl.com/>. **Annual Report will not be sent in physical form.**

9. Members of the Company holding shares, either in physical form or in Dematerialized form, as on 17<sup>th</sup> March, 2023 will receive Annual Report for the financial year 2021-22 through electronic mode only.
10. The Register of Members and Share Transfer Books will remain closed from 10<sup>th</sup> April, 2023 to 17<sup>th</sup> April, 2023 (both days inclusive) for the purpose of Annual General Meeting (AGM).
11. Members holding shares in the dematerialized mode are requested to intimate all changes with respect to their bank details, ECS mandate, nomination, power of attorney, change of address, change in name, etc, to their Depository Participant (DP). These changes will be automatically reflected in the Company's records, which will help the Company to provide efficient and better service to the Members. Members holding shares in physical form are requested to intimate the changes to the Registrar & Share Transfer Agents of the Company (RTA) at its following address: **Link Intime India Private Limited**, C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai, Maharashtra – 400 083 Email id: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).
12. In terms of the provisions of Section 152 of the Act, Mr. Esawar Rao Nandam, Managing Director of the Company, who retires by rotation at this Annual General Meeting. Nomination and Remuneration Committee and the Board of Directors of the Company re-commend his re-appointment.  
Ms. Uma Nandam, Director, is interested in the Ordinary Resolutions set out at Item No. 2, of the Notice with regard to his re-appointment. The other relatives of Mr. Esawar Rao Nandam being shareholders of the Company may be deemed to be interested in the resolutions set out at Item No. 2 of the Notice, to the extent of their shareholding interest, if any, in the Company.  
Save and except the above, none of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the Ordinary Business set out under Item No. 2 of the Notice.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their DPs with whom they are maintaining their demat accounts and members holding shares in physical form to the Company / RTA.

14. Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form may file nomination in the prescribed Form SH-13 and for cancellation / variation in nomination in the prescribed Form SH-14 with the Company's RTA. In respect of shares held in electronic / demat form, the nomination form may be filed with the respective Depository Participant.
15. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred/ traded only in dematerialized form with effect from 1<sup>st</sup> April, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized.
16. Members are requested to quote their Folio No. or DP ID/ Client ID, in case shares are in physical / dematerialized form, as the case may be, in all correspondence with the Company / Registrar and Share Transfer Agent.
17. Details of Directors retiring by rotation / seeking appointment / re-appointment at this Meeting are provided in the "Annexure" to the Notice as per Regulation 26(4) and 36(3) of SEBI (LODR), 2015 and Secretarial Standard on General Meetings ("SS-2") issued by Institute of Company Secretaries of India.
18. As the AGM is to be held through VC/ OAVM, Members seeking any information with regard to the accounts or any documents, are requested to write to the Company at least 10 days before the date of AGM through email on [nandamrao@polymatech.in](mailto:nandamrao@polymatech.in) and / or at [info@accuratesecurities.com](mailto:info@accuratesecurities.com). The same will be replied / made available by the Company suitably.
19. The businesses set out in the Notice of AGM will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice.
20. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
21. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote.
22. The Members can join the AGM in the VC/ OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. Instructions and other information for members for attending the AGM through VC/OAVM are given in this Notice.
23. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.
24. The Company has set 10<sup>th</sup> April, 2023 as the "Cut-off Date" for taking record of the shareholders of the Company who will be eligible for casting their vote on the resolution to be passed in the ensuing Thirtieth Annual General Meeting, for both E- Voting.

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-**

The remote e-voting period begins on Friday, 14<sup>th</sup> April, 2023 at 9:00 A.M. and ends on Sunday, 16<sup>th</sup> April, 2023 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Monday, 10<sup>th</sup> April, 2023 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Monday, 10<sup>th</sup> April, 2023.

**How do I vote electronically using NSDL e-Voting system?**

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below: **Step 1: Access to NSDL e-Voting system**

**A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

<b>Type of shareholders</b>	<b>Login Method</b>
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"><li>1. If you are already registered for <b>NSDL IDeAS facility</b>, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com/">https://eservices.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “<b>Beneficial Owner</b>” icon under “Login” which is available under “<b>IDeAS</b>” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or <b>e-Voting service provider - NSDL</b> and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li><li>2. If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com/">https://eservices.nsd.com/</a>. Select “<b>Register Online for IDeAS</b>” Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li></ol>

	<p>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or <b>e-Voting service provider - NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or <b>e-Voting service provider-NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at

abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

<b>Login type</b>	<b>Helpdesk details</b>
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43

**B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.  
*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*
4. Your User ID details are given below :

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

## **Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

### **How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [csgauravbachani@gmail.com](mailto:csgauravbachani@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

### **Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [nandamrao@polymatech.in](mailto:nandamrao@polymatech.in).

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to ([nandamrao@polymatech.in](mailto:nandamrao@polymatech.in)). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join General meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at ([nandamrao@polymatech.in](mailto:nandamrao@polymatech.in)). The same will be replied by the Company suitably.

### ANNEXURE TO NOTICE

Relevant details as stipulated under Regulation 36(3) of SEBI (LODR), 2015 and Secretarial Standard on General Meetings (“SS-2”) issued by Institute of Company Secretaries of India, in respect of directors seeking appointment / reappointment as director under Resolution No. 2 is as under:

<b>Name of the Director</b>	<b>Mr. Eswara Rao Nandam</b>
Date of Birth	18/08/1969
Date of first Appointment on the Board	17/01/2022
Qualifications	M.S. Engg from BITS, Pilani
Experience/Brief Resume/ Nature of expertise in specific functional areas;	30 years of Experience in Manufacturing sectors including Automobiles, Electronics, Food Processing, Software Development and Establishing Large Infrastructure Projects like Airports, Sea Ports, Mega Cities, Hospitality Services and Financing Sectors
Terms and Conditions of Appointment along with remuneration sought to be paid	0.00
Remuneration last drawn by such person, if any	0.00
No. of Shares held in the Company as on 31 <sup>st</sup> March, 2022	1,95,572
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company/ Disclosure of relationships between directors inter-se;	Ms. Uma Nandam
Number of Meetings of the Board attended during the year	3
Directorship / Designated Partner in other Companies / LLPs	1. Sensa Agro Private Limited 2. Polymatech Electronics Private Limited 3. Sensa Harmya Constructions Private Limited 4. Polymatech Semi-Conductors Private Limited
Chairman/Member of the Committees of Board of other Companies/ Names of listed entities in which the person also holds the directorship and the membership of the Committees of the board	NA

## BOARD'S REPORT

To,  
The Members,

Your Directors present the 30<sup>th</sup> Annual Report on the Business and Operations of the Company along with the Audited Statement of Accounts for the Financial Year ended on 31<sup>st</sup> March, 2022.

### 1. FINANCIAL RESULT

The financial performance of the Company for the Financial Year ended on 31<sup>st</sup> March, 2022 and for the previous financial year ended on 31<sup>st</sup> March, 2021 is given below:

Particulars	(Rs. in Lakhs)	
	2021-22	2020-21
Revenue from Operations	0	6.00
Other Income	1.99	5.48
<b>Total Income</b>	<b>1.99</b>	<b>11.48</b>
<b>Total Expenses</b>	<b>17.05</b>	<b>18.90</b>
<b>Profit Before Exceptional and Extra Ordinary Items and Tax</b>	<b>(15.06)</b>	<b>(7.42)</b>
Exceptional Items	0	0
Extra Ordinary Items	0	0
<b>Profit Before Tax</b>	<b>(15.06)</b>	<b>(7.42)</b>
Tax Expense:		
Current Tax	0	0
Deferred Tax	0	0
<b>Profit for the period</b>	<b>(15.06)</b>	<b>(7.42)</b>
<b>Earnings per share (EPS)</b>		
<b>Basic</b>	<b>(1.33)</b>	<b>(0.66)</b>
<b>Diluted</b>	<b>(1.33)</b>	<b>(0.66)</b>

### 2. OPERATIONS

Total revenue for Financial Year 2021-22 is Rs. 1.99 Lakhs compared to the total revenue of Rs. 11.48 Lakhs of Previous Financial Year. The Company has incurred Loss before tax for the Financial Year 2021-22 of Rs. 15.06 Lakhs as compared to Loss before tax of Rs. 7.42 Lakhs of previous Financial Year. Net Loss for the Financial Year 2021-22 is Rs. 15.06 Lakhs as against Net Loss of Rs. 7.42 Lakhs of previous Financial Year. The Directors are continuously looking for the new avenues for future growth of the Company and expect more growth in the future period.

### 3. CHANGE IN NATURE OF BUSINESS, IF ANY

During the Financial Year 2021-22, there was no change in nature of Business of the Company.

### 4. ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2022 is available on the Company's website.

## **5. CHANGE IN REGISTERED OFFICE OF THE COMPANY:**

Change in Registered office address of the Company are as under:

- From 442, Blue Rose Industrial Estate Western Express Highway, Borivali East, Mumbai, Maharashtra – 400 066 to Hot Desk, 2<sup>nd</sup> Floor, Apeejay Business Centre, Apeejay House 3, Dinshaw Vacha Road, Churchgate, Mumbai – 400 020, w.e.f. 21<sup>st</sup> February, 2022.
- From Hot Desk, 2<sup>nd</sup> Floor, Apeejay Business Centre, Apeejay House 3, Dinshaw Vacha Road, Churchgate, Mumbai – 400 020 to Plot No.OZ-13, Sipcot Hi-Tech SEZ, Oragadam, Sriperumbudur, Kancheepuram, Tamil Nadu, w.e.f. 19<sup>th</sup> September, 2022.

## **6. DIVIDEND:**

To conserve the resources for future prospect and growth of the Company, your Directors do not recommend any dividend for the Financial Year 2021-22 (Previous year - Nil).

## **7. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:**

Pursuant to Section 124 of the Companies Act, 2013, the amount of dividend remaining unpaid or unclaimed for a period of seven years shall be transferred to the Investor Education and Protection Fund ("IEPF"). During the year under review, there was no unpaid or unclaimed dividend in the "Unpaid Dividend Account" lying for a period of seven years from the date of transfer of such unpaid dividend to the said account. Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund.

## **8. TRANSFER TO RESERVES:**

The loss of the Company for the Financial Year ending on 31<sup>st</sup> March, 2022 is transferred to Profit and Loss account of the Company under Reserves and Surplus (i.e. Other Equity).

## **9. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THE FINANCIAL STATEMENTS RELATES AND THE DATE OF THE REPORT:**

There are no material changes and commitments, affecting the financial position of the Company.

## **10. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:**

There are no significant material orders passed by the Regulators or Courts or Tribunal, which would impact the going concern status of the Company and its future operation.

## **11. BOARD MEETINGS AND ATTENDANCE:**

The Directors of the Company met at regular intervals at least once in a quarter with the gap between two meetings not exceeding 120 days to take a view of the Company's policies and strategies apart from the Board Matters.

During the year under the review, the Board of Directors met 9 (Nine) times viz 3<sup>rd</sup> June, 2021, 30<sup>th</sup> June, 2021, 2<sup>nd</sup> August, 2021, 12<sup>th</sup> August, 2021, 10<sup>th</sup> October, 2021, 17<sup>th</sup> January, 2021, 21<sup>st</sup> February, 2022, 12<sup>th</sup> March, 2022 and 19<sup>th</sup> March, 2022.

## **12. DIRECTORS RESPONSIBILITY STATEMENT:**

In accordance with the provisions of Section 134 (3) (c) and 134 (5) of the Companies Act, 2013, to the best of their knowledge and belief the Board of Directors hereby submit that:

- a. In the preparation of the Annual Accounts, for the year ended on 31<sup>st</sup> March, 2022 the applicable accounting standards have been followed and there are no material departure from the same,
- b. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2022 and Profit and Loss of the Company for the financial year ended on 31<sup>st</sup> March , 2022
- c. The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 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 a going concern basis,
- e. The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively and
- 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.

## **13. CORPORATE SOCIAL RESPONSIBILITY (CSR):**

The provisions of section 135 of the Companies Act, 2013 is not applicable to your Company as the Company does not fall under the criteria limits mentioned in the said section of the Act.

Hence, the Company has not taken voluntary initiative towards any activity mentioned for Corporate Social Responsibility.

## **14. COMMENT ON AUDITORS' REPORT:**

There were no qualifications, reservations, adverse remarks or disclaimer made by the Auditors in their report on the financial statement of the Company for the financial year ended on 31<sup>st</sup> March, 2022. Maintenance of cost records as specified under Companies Act, 2013 is not applicable to the Company.

## **15. PARTICULARS OF LOANS GIVEN, GUARANTEES GIVEN, INVESTMENTS MADE AND SECURITIES PROVIDED UNDER SECTION 186 OF THE COMPANIES ACT,2013:**

The details of loans, investment, guarantees and securities covered under the provisions of section 186 of the Companies Act, 2013 are provided in the financial statement.

## **16. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:**

All transactions to be entered by the Company with related parties will be in the ordinary course of business and on an arm's length basis. However, the Company has not entered into any related party transaction, as provided in Section 188 of the Companies Act, 2013, with the related party. Hence, Disclosure as required under Section 188 of the Companies Act, 2013 is not applicable to the Company.

## 17. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has in place adequate internal financial controls with reference to financial statement across the organization. The same is subject to review periodically by the internal audit cell for its effectiveness. During the financial year, such controls were tested and no reportable material weaknesses in the design or operations were observed. The Statutory Auditors of the Company also test the effectiveness of Internal Financial Controls in accordance with the requisite standards prescribed by ICAI. Their expressed opinion forms part of the Independent Auditor's report.

Internal Financial Controls are an integrated part of the risk management process, addressing financial and financial reporting risks. The internal financial controls have been documented, digitized and embedded in the business processes.

Assurance on the effectiveness of internal financial controls is obtained through management reviews, control self-assessment, continuous monitoring by functional experts. We believe that these systems provide reasonable assurance that our internal financial controls are designed effectively and are operating as intended.

During the year, no reportable material weakness was observed.

## 18. RESERVES & SURPLUS:

Sr. No.	Particulars	(Rs. in Thousands)
1.	Balance at the beginning of the year	(3,802)
2.	Current Year's Loss	(1,507)
3.	Amount of Securities Premium and other Reserves	6
	<b>Total</b>	<b>(5,304)</b>

## 19. FOREIGN EXCHANGE EARNINGS AND OUTGO:

	Foreign exchange earnings and outgo	F.Y. 2021-22	F.Y. 2020-21
a.	Foreign exchange earnings	Nil	Nil
b.	CIF value of imports	Nil	Nil
c.	Expenditure in foreign currency	Nil	Nil

## 20. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Management Discussion and Analysis Report as required under Regulation 34 and Schedule V of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 forms an integral part of this Report, and provides the Company's current working and future outlook as per **Annexure - 1**.

## 21. DISCLOSURES RELATING TO HOLDING / SUBSIDIARY / JOINT VENTURE / ASSOCIATE COMPANY:

The Company does not have any Holding / Subsidiary / Joint Venture / Associate Company.

## 22. SECRETARIAL STANDARDS:

During the year under review, the Company has complied with the applicable Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI). The Company has devised proper systems to ensure compliance with its provisions and is in compliance with the same.

### **23. STATEMENT ON ANNUAL EVALUATION MADE BY THE BOARD OF DIRECTORS:**

The Board evaluated the effectiveness of its functioning, that of the Committees and of individual Directors, pursuant to the provisions of the Act and SEBI Listing Regulations. The Board sought the feedback of Directors on various parameters including:

- Degree of fulfillment of key responsibilities towards stakeholders (by way of monitoring corporate governance practices, participation in the long-term strategic planning, etc.);
- Structure, composition, and role clarity of the Board and Committees;
- Extent of co-ordination and cohesiveness between the Board and its Committees;
- Effectiveness of the deliberations and process management;
- Board / Committee culture and dynamics; and
- Quality of relationship between Board Members and the Management.

The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

The Chairman of the Board had one-on-one meetings with each Independent Director and the Chairman of NRC had one-on-one meetings with each Executive and Non-Executive, Non-Independent Directors. These meetings were intended to obtain Directors' inputs on effectiveness of the Board/ Committee processes.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, the Board as a whole, and the Chairman of the Company was evaluated, taking into account the views of Executive Directors and Non-Executive Directors.

The Nomination and Remuneration Committee reviewed the performance of the individual directors and the Board as a whole.

In the Board meeting that followed the meeting of the independent directors and the meeting of Nomination and Remuneration Committee, the performance of the Board, its committees, and individual directors was discussed.

The evaluation process endorsed the Board Members' confidence in the ethical standards of the Company, the resilience of the Board and the Management in navigating the Company during challenging times, cohesiveness amongst the Board Members, constructive relationship between the Board and the Management, and the openness of the Management in sharing strategic information to enable Board Members to discharge their responsibilities and fiduciary duties.

The Board carried out an annual performance evaluation of its own performance and that of its committees and individual directors as per the formal mechanism for such evaluation adopted by the Board. The performance evaluation of all the Directors was carried out by the Nomination and Remuneration Committee.

The performance evaluation of the Chairman, the Non-Independent Directors and the Board as a whole was carried out by the Independent Directors. The exercise of performance evaluation was carried out through a structured evaluation process covering various aspects of the Board functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, contribution at the meetings and otherwise, independent judgment, governance issues etc.

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of the Directors individually as well as evaluation of the working of the Board by way of individual feedback from directors.

The evaluation frameworks were the following key areas:

a) For Non-Executive & Independent Directors:

- Knowledge
- Professional Conduct
- Comply Secretarial Standard issued by ICSI Duties
- Role and functions

b) For Executive Directors:

- Performance as leader
- Evaluating Business Opportunity and analysis of Risk Reward Scenarios
- Key set investment goal
- Professional conduct and integrity
- Sharing of information with Board.
- Adherence applicable government law

The Directors expressed their satisfaction with the evaluation process.

## **24. MANAGING THE RISKS OF FRAUD, CORRUPTION AND UNETHICAL BUSINESS PRACTICES:**

### **A. VIGIL MECHANISM / WHISTLE BLOWER POLICY**

The Company has established vigil mechanism and framed whistle blower policy for Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct or Ethics Policy.

### **B. BUSINESS CONDUCT POLICY**

The Company has framed "Business Conduct Policy". Every employee is required to review and sign the policy at the time of joining and an undertaking shall be given for adherence to the Policy. The objective of the Policy is to conduct the business in an honest, transparent and in an ethical manner. The policy provides for anti-bribery and avoidance of other corruption practices by the employees of the Company.

## **25. PARTICULARS OF EMPLOYEES:**

The provisions of Rule 5(2) & (3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company as none of the Employees of the Company has received remuneration above the limits specified in the Rule 5(2) & (3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 during the financial year 2021-22.

## **26. LOANS FROM DIRECTOR / RELATIVE OF DIRECTOR:**

During the year under review, the Company has not entered into any materially significant related party transactions which may have potential conflict with the interest of the Company at large. Suitable disclosures as required are provided in AS-18 which is forming the part of the notes to financial statement.

## **27. DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

The Directors and Key Managerial Personnel of the Company are summarized below:

Sr. No.	Name	Designation	DIN
1.	Mr. Eswara Rao Nandam <sup>1</sup>	Managing Director	02220039
2.	Ms. Uma Nandam <sup>2</sup>	Director and CFO	02220048
3.	Mr. Hidenobu Hitotsumatsu <sup>3</sup>	Independent Director	08320813
4.	Ms. Rapala Virtanen Tarja Hannele <sup>4</sup>	Independent Director	09528399
5.	Ms. Pratibha Dhanuka <sup>5</sup>	Company Secretary & Compliance Officer	-
6.	Mr. Chandan Parmar <sup>6</sup>	Managing Director & CEO	00592613
7.	Mr. Hasmukh Shah <sup>7</sup>	Director	01564722
8.	Mr. Chaitanya Buch <sup>8</sup>	Director	00326637
9.	Mr. Rajesh Bhuta <sup>9</sup>	Director	00242031
10.	Mr. Mahesh Kurlawala <sup>10</sup>	Independent Director	03039899
11.	Ms. Lakshmi Nazareth <sup>11</sup>	Independent Director	03413368
12.	Ms. Sonali Borkar <sup>12</sup>	CFO	-
13.	Ms. Ankita Agarwal <sup>13</sup>	Company Secretary & Compliance	-

<sup>1</sup>Mr. Eswara Rao Nandam was appointed as Additional Director w.e.f. 17<sup>th</sup> January, 2022. The designation of Mr. Eswara Rao Nandam was changed to Managing Director of the Company w.e.f. 12<sup>th</sup> March, 2022.

<sup>2</sup>Ms. Uma Nandam was appointed as Additional Director of the Company w.e.f. 17<sup>th</sup> January, 2022. Ms. Uma Nandam was regularize on 15<sup>th</sup> April, 2022. Ms. Uma Nandam was appointed as Chief Financial Officer of the Company w.e.f. 12<sup>th</sup> March, 2022.

<sup>3</sup>Mr. Hidenobu Hitotsumatsu was appointed as Additional Director of the Company w.e.f. 17<sup>th</sup> January, 2022. Mr. Hidenobu Hitotsumatsu was regularize on 15<sup>th</sup> April, 2022 as Independent Director of the Company.

<sup>4</sup>Ms. Rapala Virtanen Tarja Hannele was appointed as Additional Director of the Company w.e.f. 12<sup>th</sup> March, 2022. Mr. Hidenobu Hitotsumatsu was regularize on 15<sup>th</sup> April, 2022 as Independent Director of the Company.

<sup>5</sup>Ms. Pratibha Dhanuka was appointed as Company Secretary & Compliance Officer of the Company w.e.f. 12<sup>th</sup> March, 2022.

<sup>6</sup>Mr. Chandan Parmar has resigned from the post of Managing Director and Chief Executive Officer of the Company w.e.f. 9<sup>th</sup> February, 2022.

<sup>7</sup>Mr. Hasmukj Shah has resigned from the post of Director of the Company w.e.f. 9<sup>th</sup> February, 2022.

<sup>8</sup>Mr. Chaitanya Buch has resigned from the post of Director of the Company w.e.f. 9<sup>th</sup> February, 2022.

<sup>9</sup>Mr. Rajesh Bhuta has resigned from the post of Director of the Company w.e.f. 9<sup>th</sup> February, 2022.

<sup>10</sup>Mr. Mahesh Kurlawala has resigned from the post of Independent Director of the Company w.e.f. 9<sup>th</sup> February, 2022.

<sup>11</sup>Ms. Lakshmi Nazareth has resigned from the post of Independent Director of the Company w.e.f. 9<sup>th</sup> February, 2022.

<sup>12</sup>Ms. Sonali Borkar has resigned from the post of Chief Financial Officer of the Company w.e.f. 9<sup>th</sup> February, 2022.

<sup>13</sup>Ms. Ankita Agarwal has resigned from the post of Company Secretary and Compliance Officer of the Company w.e.f. 9<sup>th</sup> February, 2022.

Apart from the above changes, there were no other changes in the composition of the Board of Directors of the Company during the Financial Year 2021-22 and till the date of Board's Report.

As per Companies Act, 2013 the Independent Directors are not liable to retire by rotation.

## 28. DECLARATION BY INDEPENDENT DIRECTORS:

Mr. Hidenobu Hitotsumatsu and Ms. Rapala Virtanen Tarja Hannele, Independent Directors of the Company have confirmed to the Board that they meet the criteria of Independence as specified under Section 149 (6) of the Companies Act, 2013 and they qualify to be Independent Directors. They have also confirmed that they meet the requirements of Independent Director as mentioned under Regulation 16 (1) (b) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The confirmations were noted by the Board.

## 29. CORPORATE GOVERNANCE:

Since the paid up Capital of Company is less than Rs. 10 Crores and Turnover is less than Rs. 25 Crores therefore by virtue of Regulation 15 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 the compliance with the corporate governance provisions as specified in regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and Para C, D and E of Schedule V are not applicable to the Company. Hence Corporate Governance does not form part of this Board's Report.

### 30. DEPOSITS:

As per Section 73 of the Companies Act, 2013 the Company has neither accepted nor renewed any deposits during the financial year. Hence the Company has not defaulted in repayment of deposits or payment of interest during the financial year.

### 31. FORMAL ANNUAL EVALUATION PROCESS BY BOARD:

Pursuant to the provisions of the Companies Act, 2013 and Rules made thereunder, the Board has carried the evaluation of its own performance, performance of Individual Directors, Board Committees, including the Chairman of the Board on the basis of attendance, contribution towards development of the Business and various other criteria as recommended by the Nomination and Remuneration Committee of the Company. The evaluation of the working of the Board, its committees, experience and expertise, performance of specific duties and obligations etc. were carried out. The Directors expressed their satisfaction with the evaluation process and outcome.

In a separate meeting of Independent Directors the performances of Executive and Non- Executive Directors were evaluated in terms of their contribution towards the growth and development of the Company. The achievements of the targeted goals and the achievements of the Expansion plans were too observed and evaluated, the outcome of which was satisfactory for all the Directors of the Company.

### 32. STATUTORY AUDITOR:

M/s. D. G. M. S. & Co., Chartered Accountants, (FRN: 112187W), Jamnagar were appointed as the Statutory Auditors of the Company. The Auditor's report for the Financial Year ended 31<sup>st</sup> March, 2022 has been issued with an unmodified opinion, by the Statutory Auditors.

### 33. SECRETARIAL AUDITOR:

The Board appointed M/s. Pandya Sharma & Co. LLP, Company Secretaries, (UIN: L2021GJ010600), Ahmedabad to conduct Secretarial Audit for the Financial Year 2021-22. The Secretarial Audit Report for the Financial Year ended 31<sup>st</sup> March, 2022 is annexed herewith marked as **Annexure-2** to this Report.

### 34. DISCLOSURES:

#### A. Composition of Audit Committee:

During the year under review, meetings of members of the Audit committee as tabulated below, was held on 3<sup>rd</sup> June, 2021, 12<sup>th</sup> August, 2021, 10<sup>th</sup> October, 2021, 17<sup>th</sup> January, 2022 and 12<sup>th</sup> March, 2022 the attendance records of the members of the Committee are as follows:

Name	Status	No. of the Committee Meetings entitled	No. of the Committee Meetings attended
Mr. Mahesh Kurlawala <sup>1</sup>	Chairman	4	4
Ms. Lakshmi Nazareth <sup>1</sup>	Member	4	4
Mr. Chaitanya Buch <sup>1</sup>	Member	4	4
Mr. Hidenobu Hitotsumatsu <sup>2</sup>	Chairman	1	0
Ms. Rapala Virtanen Tarja Hannele <sup>3</sup>	Member	0	0
Mr. Eswara Rao Nandam <sup>2</sup>	Member	1	0

<sup>1</sup> Mr. Mahesh Kurlawala, Ms. Lakshmi Nazareth and Mr. Chaitanya Buch had resigned as chairman and members in the Audit

Committee w.e.f. 9<sup>th</sup> February, 2022.

<sup>2</sup> Mr. Hidenobu Hitotsumatsu and Mr. Eswara Rao Nandam were appointed as chairman and member of the audit committee w.e.f. 17<sup>th</sup> January, 2022.

<sup>3</sup> Ms. Rapala Virtanen Tarja Hannele has been appointed as member of the audit committee w.e.f. 12<sup>th</sup> March, 2022.

## **B. Composition of Nomination and Remuneration Committee:**

During the year under review, meetings of the members of the Nomination and Remuneration committee, as tabulated below, was held on 30<sup>th</sup> June, 2021, 17<sup>th</sup> January, 2022, 21<sup>st</sup> February, 2022 and 12<sup>th</sup> March, 2022 and the attendance records of the members of the Committee are as follows:

<b>Name</b>	<b>Status</b>	<b>No. of the Committee Meeting entitled</b>	<b>No. of Committee Meeting attended</b>
Mr. Mahesh Kurlawala <sup>1</sup>	Chairman	2	2
Ms. Lakshmi Nazareth <sup>2</sup>	Member	2	2
Mr. Rajesh Bhuta <sup>3</sup>	Member	2	2
Mr. Hidenobu Hitotsumatsu <sup>4</sup>	Chairman	2	0
Ms. Rapala Virtanen Tarja Hannele <sup>5</sup>	Member	0	0

<sup>1</sup> Mr. Mahesh Kurlawala, Ms. Lakshmi Nazareth and Mr. Rajesh Bhuta had resigned as chairman and members in the Audit Committee w.e.f. 9<sup>th</sup> February, 2022.

<sup>2</sup> Mr. Hidenobu Hitotsumatsu was appointed as chairman and member of the audit committee w.e.f. 17<sup>th</sup> January, 2022.

<sup>3</sup> Ms. Rapala Virtanen Tarja Hannele has been appointed as member of the audit committee w.e.f. 12<sup>th</sup> March, 2022.

## **C. Composition of Stakeholders' Relationship Committee:**

During the year under review, meetings of members of Stakeholders' Relationship committee as tabulated below, was held on 3<sup>rd</sup> June, 2021, 12<sup>th</sup> August, 2021, 10<sup>th</sup> October, 2021, 17<sup>th</sup> January, 2022 and 12<sup>th</sup> March, 2022 and the attendance records of the members of the Committee are as follows:

<b>Name</b>	<b>Status</b>	<b>No. of the Committee Meeting entitled</b>	<b>No. of Committee Meeting attended</b>
Mr. Hasmukh Shah <sup>1</sup>	Chairman	4	4
Ms. Lakshmi Nazareth <sup>2</sup>	Member	4	4
Mr. Mahesh Kurlawala <sup>3</sup>	Member	4	4
Mr. Hidenobu Hitotsumatsu <sup>4</sup>	Chairman	1	0
Ms. Rapala Virtanen Tarja Hannele <sup>5</sup>	Member	0	0
Mr. Eswara Rao Nandam <sup>6</sup>	Member	1	1

<sup>1</sup> Mr. Hasmukh Shah, Ms. Lakshmi Nazareth and Mr. Mahesh Kurlawal had resigned as chairman and members in the Audit Committee w.e.f. 9<sup>th</sup> February, 2022.

<sup>2</sup> Mr. Hidenobu Hitotsumatsu and Mr. Eswara Rao Nandam were appointed as chairman and member of the audit committee w.e.f. 17<sup>th</sup> January, 2022.

<sup>3</sup> Ms. Rapala Virtanen Tarja Hannele has been appointed as member of the audit committee w.e.f. 12<sup>th</sup> March, 2022.

## **35. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:**

The Company has always been committed to provide a safe and conducive work environment to its employees. Your Directors further state that during the year under review there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 as confirmed by the Internal Complaints Committee as constituted by the Company.

### **36. INDUSTRIAL RELATIONS:**

The Directors are pleased to report that the relations between the employees and the management continued to remain cordial during the year under review

### **37. MAINTENANCE OF COST RECORDS:**

According to information and explanation given to us, the Central Government has not prescribed maintenance of cost records under section 148(1) of the Act in respect of activities carried out by the Company.

### **38. INSOLVENCY AND BANKRUPTCY CODE:**

There is no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year.

### **39. VALUATION AMOUNT ON ONE TIME SETTLEMENT AND VALUATION WHILE AVAILING LOAN FROM BANKS AND FINANCIAL INSTITUTIONS:**

The details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof is not applicable to the Company.

### **40. ACKNOWLEDGEMENTS:**

Your Directors would like to express their sincere appreciation for the co-operation and assistance received from the Bankers, Regulatory Bodies, Stakeholders including Financial Institutions, Suppliers, Customers and other business associates who have extended their valuable sustained support and encouragement during the year under review.

Your Directors take this opportunity to recognize and place on record their gratitude and appreciation for the commitment displayed by all executives, officers and staff at all levels of the Company. We look forward for the continued support of every stakeholder in the future.

#### **Registered Office:**

Plot No. OZ-13, Sipcot Hi-Tech SEZ, Oragadam,  
Sriperumbudur, Kancheepuram,  
Tamil Nadu – 602 105

#### **By the Order of the Board**

**For, Datasoft Application Software (India) Limited**

**Place:** Kancheepuram, Tamil Nadu  
**Date:** 20<sup>th</sup> March, 2023

**Sd/-**  
**Eswara Rao Nandam**  
**Managing Director**  
**DIN: 02220039**

**Sd/-**  
**Uma Nandam**  
**Director**  
**DIN: 02220048**

## Management Discussion and Analysis Report

### A. Indian Economic Overview:

The ongoing Covid-19 pandemic has drastically changed the global economies and businesses. Governments and central banks have responded with monetary and fiscal interventions to respond to the disruptions. During the pandemic, companies across the world accelerated their digital transformation initiatives to address these disruptions and secure their businesses. While some companies have now set up advanced business continuity measures, others have embarked on new innovative services and products. As companies focused on protecting employees from the pandemic, technology enabled a seamless transition to remote working by shifting to digital channels and digital customer engagement models.

Global IT service providers offer a range of end-to-end software development, digital services, IT business solutions, research and development services, technology infrastructure services, business process services, consulting and related support functions. Companies will continue to invest in digital transformation to address new pandemic driven consumer behaviors with the support of technology.

### B. Outlook:

The IT-BPM exports from INDIA for FY 2022-23 is expected to grow in spite of the continued impact in the world economy due to the pandemic. New models like remote delivery, increased offshore work, new compensation structures are likely to continue and could become the new normal. However, the Digitization initiatives by organizations worldwide is expected to continue at the same momentum. CG-VAK has successfully delivered solutions/projects in the areas like Cloud, Mobile, Social media, DevOps and Analytics. We are also investing our efforts in emerging technologies like AI, IoT and we are well positioned to capitalize on the opportunities that are thrown open due to these trends.

The Company has been investing on technology adoption, building domain expertise, innovative delivery methods in the Outsourced Product Development space that has helped in differentiating our service offerings to win deals. A positive growth is expected to continue in the current financial year as well.

### C. Industry structure and development:

The global economy is still recovering from the effects of the pandemic. The global economy is expected to grow at 4.7% this year. Indian IT industry was boosted during the year by the rapid pace of digitalization and higher discretionary expenditure by enterprises. The IT industry in India is the largest employer within the private sector.

The Indian technology industry crossed \$200 billion revenue mark in the FY 22, with an overall growth rate of 15.5%. This is highest-ever growth rate since 2011. The IT industry

makes use of new technologies and platforms like cloud services, adoption of DevOps, IoT, AI, Machine learning to help businesses to offer better customer experience and change the way business is done. Despite the pandemic, the Indian IT industry has contributed about 7.4% share to India's GDP. India is one of the major players in the Global IT outsourcing market and has become the world's largest capability hub. FY 2021-22 has been a challenging year due to on-going pandemic, economic volatility, technological disruptions and protectionism by leading markets like USA. However, opportunities in Digital Technologies continue to grow. North American market continues to be the major contributor for India's IT exports.

#### **D. Opportunities and Threats:**

##### **Opportunities:**

1. Specific industry domain and technology expertise, and in methodologies such as agile software development.
2. Agile Digital at scale: Build new enterprise-wide capability that delivers new levels of business performance at one end and customer delight at the other.
3. AI-powered core: A foundation of fully-automated processes and systems along with the vital insights to prioritize execution of change.
4. Always-on learning: Drive continuous improvement by building and transferring digital skills and expertise along with ideas from a cross-section of industries.

##### **Threats:**

The Indian IT industry is facing several threats that need to be addressed. The Indian IT industry, owing to the uncertain global economic and geopolitical climate is continuing to face challenges. High attrition rates in the IT segment is a major concern for companies. With attrition rates ranging between 25-40 percent, attrition is a big challenge. Apart from a loss of skill sets, the cost of recruitment and training represent an additional expenditure for Indian IT firms. Shortage of quality and employable talent and rising costs in the major IT hubs are also challenges that need to be addressed. The Company has to ensure that it acquires good talent and retains it in order to constitute its major competitive edge. The Company maintains excellent work environment and competitive package for this purpose. These are the days when technology takes no time to become obsolete. Thus, to be at par with its competitors the company has to ensure that it constantly updates and upgrades its technology. The grave challenges facing the Indian IT industry include a slackening of demand from major markets, reduction in larger contracts, stiff work permit regulations in some critical regions and competition from other emerging economies on trained resources.

#### **E. Segment-wise or product-wise performance:**

The Company is operating in only one segment i.e. Software Products. Therefore, there is no requirement of Segment wise reporting.

## **F. Risks and concerns:**

The Company has developed and adopted a Risk Management Policy. This policy identifies perceived risks which might reasonably be expected to impact the operations and possibly threaten the existence of the Company. The Company has laid down well-structured procedures for monitoring the risk management plan and implementing the risk mitigation measures. The strategic risks are taken into consideration in the annual planning process and these risks together with their mitigation plan are subject to review by the management on a regular basis. The business processes risks and the related controls are subject to internal audit and reviews.

## **G. Internal control systems and their adequacy:**

The company ensures existence of adequate internal control through policy and procedures to be followed by the executives at various levels in the company. The operating managers ensure compliance within their areas. The Company has internal Audit system to carry out extensive checking and test and report noncompliance/weakness, if any through internal Audit Reports on the respective areas. These reports along with reports on compliance made thereafter are reviewed by the Audit Committee of the Board.

## **H. Discussion on financial performance with respect to operational performance:**

The financial performance of the Company for the Financial Year 2021-22 is described in the report of Board of Directors' of the Company.

## **I. Material developments in Human Resources / Industrial Relations front including number of people employed:**

The cordial employer - employee relationship also continued during the year under the review. The Company has continued to give special attention to human resources.

### **Registered Office:**

Plot No. OZ-13, Sipcot Hi-Tech SEZ,  
Oragadam, Sriperumbudur,  
Kancheepuram, Tamil Nadu – 602 105

### **By the Order of the Board**

**For, Datasoft Application Software (India) Limited**

Sd/-

**Eswara Rao Nandam**

**Managing Director**

**DIN: 02220039**

Sd/-

**Uma Nandam**

**Director**

**DIN: 02220048**

**Place:** Kancheepuram, Tamil Nadu

**Date:** 20<sup>th</sup> March, 2023

**FORM NO. MR-3**

**SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2022**

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

To,  
The Members of  
**Datasoft Application Software (India) Limited**  
Plot No. OZ-13, Sipcot Hi-Tech SEZ, Oragadam,  
Sriperumbudur, Kancheepuram,  
Tamil Nadu – 602 105

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Datasoft Application Software (India) Limited** (hereinafter called the “Company”). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of **Datasoft Application Software (India) Limited**'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 31<sup>st</sup> March, 2022, 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 **Datasoft Application Software (India) Limited** (“the Company”) for the Financial Year ended on 31<sup>st</sup> March, 2022, according to the provisions of:-

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable to the Company during the Audit Period).
5. 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, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not applicable to the Company during the Audit Period);
  - d. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

- e. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the Audit Period);
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993.

We have also examined compliance with the Secretarial Standards issued by The Institute of Company Secretaries of India;

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

1. *As per Schedule B Regulation 4 (2) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 which stipulates that the listed entity shall close the trading window after the end of every quarter till 48 hours after the declaration of Financial Results of that quarter. However, the Company has not submitted closure of its trading window for the quarter ended on 30<sup>th</sup> June, 2021, 30<sup>th</sup> September, 2021 and 31<sup>st</sup> December, 2021.*
2. *Independent Directors of the Company had not applied for inclusion of their name in the data bank as per rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.*
3. *The Company has not maintained functional website as per Regulation 46 of the Securities and Exchange Board India (Listing Obligations and Disclosure Requirements) Regulations, 2015.*
4. *Proof of Dispatch of Notice of 29<sup>th</sup> Annual General Meeting of the Company held on 2<sup>nd</sup> August, 2021 to shareholders was not found.*
5. *Proof of Newspaper advertisement as per Regulation 47 of the Securities and Exchange Board India (Listing Obligation and Disclosure Requirements) Regulations, 2015 was not found.*
6. *The Company has not provided Management Discussion and Analysis Report in the Annual Report for the financial year 2020-21 as per the Regulation 34 of the of the Securities and Exchange Board India (Listing Obligations and Disclosure Requirements) Regulations, 2015.*
7. *Constitution of Nomination and Remuneration Committee was not constituted as per Section 178 of the Companies Act, 2013.*
8. *Company has not filled E-form MGT-14 for approval of Board Report as per Section 179(3) read with Rule 8 of Companies (Meetings of Board and its Powers) Rules, 2014.*
9. *Company has not appointed Internal Auditor as per Section 138 of the Companies Act, 2013.*
10. *Disclosures under Regulation 29 of Securities and Exchange Board India (Substantial Acquisition of Shares & Takeovers) Regulations, 2011 for the shares acquired / disposed by the Promoters / Promoters Group / Person acting in concert in the FY 2020-2021 was not made by the Promoters / Promoters Group / Person acting in concert.*
11. *Disclosures under Regulation 30 for shareholding and voting rights as on 31<sup>st</sup> March, 2021 was not made by the Promoters / Promoters Group / Person acting in concert.*
12. *Declaration under Regulation 31 of Securities and Exchange Board India (Substantial Acquisition of Shares & Takeovers) Regulations, 2011 for no encumbrance of shares held in Company in FY 2020-21 was not made by the Promoters / Promoters Group / Person acting in concert.*
13. *Disclosures under Regulation 7 of Securities and Exchange Board India (Prohibition of Insider Trading) Regulations, 2015 was not made by Directors, KMPs, Promoter /*

*Promoter Group for holding of securities of the Company as on date of appointment as Director / KMP and becoming a Promoter.*

*14. Disclosures under Regulation 7 of Securities and Exchange Board India (Prohibition of Insider Trading) Regulations, 2015 for the shares acquired / disposed by the Promoters / Promoters Group was not made by Promoter / Promoter Group.*

I further report that 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.

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.

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.

**FOR, PANDYA SHARMA & CO LLP,  
COMPANY SECRETARIES**

**DRASHTI SHARMA**

PARTNER

ACS No.: F10923

COP No.: 15471

UIN: L2021GJ010600

Peer Review Certificate No.: 2328/2022

UDIN: F010923D003295831

Date: 20<sup>th</sup> March, 2023

Place: Ahmedabad

This report is to be read with our letter of even date which is annexed as Annexure - 1 and forms an integral part of this report.

To,  
The Members  
**Datsoft Application Software (India) Limited**  
Kancheepuram, Tamil Nadu

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**FOR, PANDYA SHARMA & CO LLP,  
COMPANY SECRETARIES**

**DRASHTI SHARMA**  
PARTNER  
ACS No.: F10923  
COP No.: 15471  
UIN: L2021GJ010600  
Peer Review Certificate No.: 2328/2022  
UDIN: F010923D003295831

Date: 20<sup>th</sup> March, 2023  
Place: Ahmedabad

## INDEPENDENT AUDITOR'S REPORT

### TO MEMBERS OF DATASOFT APPLICATION SOFTWARE (INDIA) LIMITED

#### Report on the Indian Accounting Standards (Ind AS) Financial Statements

#### Opinion

We have audited the accompanying financial statements of **Datasoft Application Software (India) Limited**, which comprise the Balance Sheet as at **31<sup>st</sup> March, 2022**, and the Statement of Profit and Loss (Including Other Comprehensive Income) and Cash Flow Statement and the statement of Changes in Equity for the period ended, and a summary of significant accounting policies and other explanatory information. (Hereinafter referred to as the "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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, 2022, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

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

There are no Key Audit Matters Reportable as per SA 701 issued by ICAI.

## **Information Other than the 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 Annexures to Board's Report, but does not include the financial statements and our auditor's report thereon. These reports are expected to be made available to us after the date of our auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the other information included in the above reports, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance and determine the actions under the applicable laws and regulations.

## **Management's Responsibility for the 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 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

## **Auditor's Responsibility**

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

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

- Identify and assess the risks of material misstatement of the 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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 financial statements, or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

## **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in "**Annexure A**", a statement on the matter specified in the paragraph 3 and 4 of the Order.
2. As required under provisions of section 143(3) of the Companies Act, 2013, we report that:
  - a. We have obtained all the information and explanations which to the best of our knowledge and belief where 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 appears from our examination of those books;
  - c. The Balance Sheet and Statement of Profit and Loss including Other Comprehensive Income Statement of Cash Flow and Statement of Changes of Equity dealt with this report are in agreement with the books of account;
  - d. In our opinion, the aforesaid Financial Statement comply with the Accounting Standards specified under Section 133 of Act, read with relevant rule issued thereunder.

- e. On the basis of written representations received from the directors as on March 31, 2022, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022, from being appointed as a director in terms of section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the company and operating effectiveness of such controls, referred to our separate report in “**Annexure B**”.
- g. The Company has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under Section 197(16) of the Act is not applicable.
- h. With respect to other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditor) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
- (a) The Company has disclosed the impact of pending litigations as at 31 March 2022 on its financial position in its financial statements - Refer Note (vii) of Annexure – A to the financial statements
- (b) The Company did not have any long-term and derivative contracts as at March 31, 2022.
- (c) There has been no delay in transferring amounts, required to be transferred, the Investor Education and Protection Fund by the Company during the year ended March 31, 2022.
- (d) The management has;
- (i) represented that, to the best of its knowledge and belief as disclosed in the Note No. 26 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Company or

- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) represented, that, to the best of its knowledge and belief as disclosed in the Note No. 27 to the financial statements, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Funding Party or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries;

(e) The company has not neither declared nor paid any dividend during the year under Section 123 of the Act.

**For, D.G.M.S. & Co.,  
Chartered Accountants**

**Place: Jamnagar  
Date: 20-03-2023**

**Shashank P. Doshi  
Partner  
M. No. 108456  
FRN: 0112187W  
UDIN: 23108456BGUDGL9519**

**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENT  
OF DATASOFT APPLICATION SOFTWARE (INDIA) LIMITED FOR THE YEAR ENDED ON  
31<sup>ST</sup> MARCH 2022**

In terms of the information and explanations given to us and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state as under:

**(i) Property, Plant & Equipment and Intangible Assets:**

- a)** According to the information and explanations given to us and on the basis of our examination of the records of the Company, The Company does not have any property, plant & equipment and intangible assets, hence, para 3 clause(i) (a), (b), (c), (d), (e) & (f) is not applicable.

**(ii) Inventory and working capital:**

- a)** According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not have any inventory hence Accordingly, clause 3(ii)(a) of the Order is not applicable.
- b)** According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets.

**(iii) Investments, any guarantee or security or advances or loans given:**

- a)** According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year.
1. The Company has not provided any loans or advances in the nature of loans or stood guarantee or provided security to any other entity during the year.
  2. In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest have generally been regular as per stipulation.
  3. In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

4. No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
5. The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(6) is not applicable.

**(iv) Loan to directors:**

- a) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 and the Company has not provided any guarantee or security as specified under Section 186 of the Companies Act, 2013. Further, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in relation to loans given and investments made.

**(v) Deposits:**

- a) The company has not accepted any deposits from the public within the meaning of sections 73 to 76 or any relevant provisions of the 2013 act and the rules framed there under to the extent notified.

**(vi) Maintenance of Cost Records:**

- a) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 for the products manufactured by it (and/ or services provided by it). Accordingly, clause 3(vi) of the Order is not applicable.

**(vii) Statutory Dues:**

- a) The company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Duty of Customs, GST, Cess and any other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, sales tax, customs duty, excise duty and cess were in arrears, as at 31/03/2022 for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us, there are no dues of sales tax, income tax, custom duty, wealth tax, GST, excise duty and cess which have not been deposited on account of any dispute.

**(viii) Disclosure of Undisclosed Transactions:**

- a) There According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.

**(ix) Loans or Other Borrowings:**

- a) Based on our audit procedures and according to the information and explanations given to us, The Company does not have any borrowings from banks of financial institutions or any other party hence, provisions of Clause 3 (ix)(a)(c)(d)(e)(f).
- b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

**(x) Money Raised by IPOs, FPOs:**

- a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

**(xi) Fraud:**

- a) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the company or no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit an and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.

**(xii) Nidhi Company:**

- a) The Company is not a Nidhi Company and hence reporting under Para 3 of clause (xii) of the Order is not applicable.

**(xiii) Related Party Transactions:**

- a) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable Ind-AS.

**(xiv) Internal Audit System:**

- a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- b) The company has not appointed any internal auditor and does not have any internal audit report for the entire period under consideration hence not considered.

**(xv) Non-cash Transactions:**

- a) According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

**(xvi) Registration under section 45-IA of RBI Act, 1934:**

- a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

**(xvii) Cash losses:**

- a) The Company has incurred cash losses during the financial year and immediately preceding financial year. The amount of cash loss for the F.Y. 2020-21 was Rs. 741 thousand and the amount of cash loss for F.Y. 2021-22 is Rs. 1507 thousand.

**(xviii) Resignation of statutory auditors:**

- a) There has been resignation of the statutory auditors during the year there were no issues, objections or concerns raised by the outgoing auditors.

**(xix) Material uncertainty on meeting liabilities:**

- a) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

**(xx) Compliance of CSR:**

- a) According to the information and explanations given to us and based on our examination of the records of the company, the company has not required to spend amount towards Corporate Social Responsibility (CSR) as per the section 135 of companies' act, 2013, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

**(xxi) Qualifications Reporting In Group Companies:**

- a) In our opinion and according to the information and explanations given to us, company does not have any subsidiaries, associates or joint ventures, so reporting under clause 3(xxi) of the Order is not applicable for the year.

**For, D.G.M.S. & Co.,  
Chartered Accountants**

**Place: Jamnagar  
Date: 20-03-2023**

**Shashank P. Doshi  
Partner  
M. No. 108456  
FRN: 0112187W  
UDIN: 23108456BGUDGL9519**

**ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT ON THE FINANCIAL STATEMENT  
OF DATASOFT APPLICATION SOFTWARE (INDIA) LIMITED FOR THE YEAR ENDED ON  
31<sup>ST</sup> MARCH 2022**

**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 **DATASOFT APPLICATION SOFTWARE (INDIA) LIMITED** ('the Company') as of 31<sup>st</sup> March, 2022 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

**Opinion**

We have audited the internal financial control with reference to financial statement of **DATASOFT APPLICATION SOFTWARE (INDIA) LIMITED** (“The Company”) as of 31<sup>st</sup> March 2022 in conjunction with our audit of the financial statement of the company at and for the year ended on that date.

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, 2022, based on the criteria for internal financial control over financial reporting 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 ICAI.

**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 (the 'Guidance Note') issued by the Institute of Chartered Accountants of India (the 'ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

## **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 and the Standards on Auditing, issued by the 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 ICAI. 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- a. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- b. 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
- c. 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.

**For, D.G.M.S. & Co.,  
Chartered Accountants**

**Place: Jamnagar  
Date: 20-03-2023**

**Shashank P. Doshi  
Partner  
M. No. 108456  
FRN: 0112187W  
UDIN: 23108456BGUDGL9519**

**DATASOFT APPLICATION SOFTWARE (INDIA) LIMITED**  
**BALANCE SHEET AS AT 31ST MARCH, 2022**

(Rs. In Thousand)

Particulars	Note No.	As At 31st March 2022	As At 31st March 2021
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Property, Plant & Equipment		-	-
(b) Capital Work -In-Progress		-	-
(c) Investment Properties		-	-
(d) Goodwill		-	-
(e) Other Intangible Assets		-	-
(f) Intangible Assets under development		-	-
(g) Biological Assets other than Bearer plants		-	-
(h) Financial Assets			
i. Investments		-	-
ii. Trade Receivables		-	-
iii. Loan	2	-	1,500
iv. Other Financial Assets	3	3,161	3,161
(i) Deferred tax Assets (net)			
(k) Other Non-Currenet Assets			
<b>Total Non-Current Assets</b>		3,161	4,661
<b>Current assets</b>			
(a) Inventories		-	-
(b) Financial Assets		-	-
i. Investments		-	-
ii. Trade Receivables	4	166	166
iii. Cash and cash Equivalents	5	6,461	3,086
iv. Bank balance other than(iii) above		-	-
v. Loan		-	-
vi. Others		-	-
(c) Income/Current tax assets (net)	6	75	45
(d) Other Current Assets	7	495	30
<b>Total Current Assets</b>		7,197	3,327
<b>Total Assets(1+2)</b>		<b>10,358</b>	<b>7,988</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	8	11,318	11,318
(b) Other equity	9	(5,304)	(3,802)
<b>Total Equity</b>		6,014	7,516
<b>Liabilities</b>			
<b>Non Current Liabilities</b>			
(a) Financial liabilities			
i. Borrowings		-	-
ii. Trade Payables		-	-
iii. Other Financial Liabilities (other than specified in items(b), to be specified)		-	-
(b) Provision		-	-
(b) Deferred tax liabilities (net)		-	-
(c) Other Non-Current liabilities		-	-
<b>Total Non-Current Liabilities</b>		-	-
<b>Current Liabilities</b>			
(a) Financial liabilities			
i. Borrowings	10	3,116	300
i:Trade (Financial) payable	11		
1. Due from micro enterprises and small enterprises		-	-
2. Due of creditor other than micro enterprises and small enterprises		23	-
ii. Other Financial liabilities		-	-
(b)Provisions		-	-
(c)Income/Current tax liabilities (net)		-	-
(d) Other Current Liabilities	12	1,204	172
<b>Total Current Liabilities</b>		4,343	472
<b>Total Liabilities</b>		4,343	472
<b>Total Equity and Liabilities</b>		<b>10,357</b>	<b>7,988</b>
Significant Accounting Policies			
See Accompanying Notes to Financial Statements	1		
<b>As per our report on even date attached</b>			
<b>For D G M S &amp; Co.</b>		<b>For, Datasoft Application Software (India) Limited</b>	
<b>Chartered Accountants</b>			
<b>Shashank P Doshi</b>		<b>Eswara Rao Nandam</b>	<b>Uma Nandam</b>
<b>Partner</b>		<b>Managing Director</b>	<b>Director</b>
<b>M.No. 108456</b>		<b>DIN: 02220039</b>	<b>DIN: 02220048</b>
<b>F.R.N.0112187W</b>			
<b>Place: Jamnagar</b>			
<b>Date: 20-03-2023</b>		<b>Pratibha Dhanuka</b>	<b>Uma Nandam</b>
<b>UDIN: 23108456BGUDGL9519</b>		<b>Company Secretary</b>	<b>CFO</b>

**DATASOFT APPLICATION SOFTWARE (INDIA) LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST, MARCH 2022**

(Rs. In Thousand)

Particulars	Notes	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Income</b>			
I. Revenue from operations	13	-	600
II. Other income	14	199	549
<b>III. Total Income (I + II)</b>		<b>199</b>	<b>1,149</b>
<b>IV. Expenses:</b>			
Cost of materials consumed		-	-
Purchases of Stock-in-Trade		-	-
Changes in inventories of finished goods work-in-progress and Stock-in-Trade		-	-
Employee benefits expense	15	729	646
Finance costs		-	-
Depreciation and amortization expense		-	-
Other expenses	16	976	1,244
<b>V. Total Expenses</b>		<b>1,705</b>	<b>1890</b>
<b>VI. Profit/(Loss) before Exceptional items &amp; Tax (III-V)</b>		<b>(1,507)</b>	<b>(741)</b>
<b>VII Exceptional Items</b>			
<b>VIII Profit/(Loss) Before tax</b>		<b>(1,507)</b>	<b>(741)</b>
<b>IX Tax expense:</b>			
(1) Current tax		-	-
(2) Deferred tax		-	-
<b>X Profit/ (Loss) for the year</b>		<b>(1,507)</b>	<b>(741)</b>
<b>Other Comprehensive Income</b>			
A.(i) Items that will not reclassified to profit or loss		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B.(i) Items that will be reclassified to profit or loss		-	-
(ii) income tax relating to items that will be reclassified to profit or loss		-	-
<b>Total of Comprehensive income</b>		<b>-</b>	<b>-</b>
<b>XI Profit/(Loss) After Other Comprehensive Income</b>		<b>(1,507)</b>	<b>(741)</b>
<b>XII Earnings per equity share:( Continuing operation)</b>			
(1) Basic(in Rs.)		(1.33)	(0.65)
(2) Diluted(in Rs.)		(1.33)	(0.65)
Significant Accounting Policies			
See Accompanying Notes to Financial Statements	1		

As per our report on even date attached  
For D G M S & Co.  
Chartered Accountants

For, Datasoft Application Software (India) Limited

**Shashank P Doshi**  
Partner  
M.No. 108456  
F.R.N.0112187W  
Place: Jamnagar

**Eswara Rao Nandam**  
Managing Director  
DIN: 02220039

**Uma Nandam**  
Director  
DIN: 02220048

Date: 20-03-2023  
UDIN: 23108456BGUDGL9519

**Pratibha Dhanuka**  
Company Secretary

**Uma Nandam**  
CFO

DATASOFT APPLICATION SOFTWARE (INDIA) LIMITED  
CASHFLOW STATEMENT FOR YEAR ENDED 31ST MARCH, 2022

(Rs. In Thousand)

Sr. No.	Particular	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>CASHFLOW STATEMENT</b>			
<b>A. Cash flow from Operating Activities</b>			
	<b>Net Profit Before tax as per Statement of Profit &amp; Loss</b>	(1,507)	(741)
	Adjustments for:		
	Reversal of Interest on Unsecured Loan	-	(86)
	Income tax Written off	4	
	Interest Income	(189)	(463)
	Expenses on Capital Restructuring	-	191
		(185)	(358)
	<b>Operating Profit before working capital changes</b>	(1,691)	(1,099)
	<b>Changes in Working Capital</b>		
	Trade Receivable	-	482
	Trade Payables	23	-
	Other Current Liabilities	1,033	10
	Other Current Assets	(465)	16
	Provisions	(30)	15
		561	491
	Less : Income Tax Provision	-	-
	<b>Net Cash Flow from Operating Activities (A)</b>	(1,130)	(608)
<b>B. Cash flow from investing Activities</b>			
	Movement in Loan & Advances	1,500	5,500
	Other Financial Assets	-	(495)
	Interest Income	189	463
		1,689	5,468
	<b>Net Cash Flow from Investing Activities (B)</b>	1,689	5,468
<b>C. Cash Flow From Financing Activities</b>			
	Proceeds From long Term Borrowing (Net)	-	-
	Short Term Borrowing (Net)	2,816	(1,645)
	Interest Paid	-	(191)
	Dividend paid ( Including DDT)		
		2,816	-
	<b>Net Cash Flow from Financing Activities (C)</b>	2,816	1,836
	<b>D. Net (Decrease)/ Increase in Cash &amp; Cash Equivalents (A+B+C)</b>	3,375	3,024
	Opening Cash & Cash Equivalents	3,086	62
	<b>F. Cash and cash equivalents at the end of the period</b>	<b>6,461</b>	<b>3,086</b>
<b>G. Cash And Cash Equivalents Comprise :</b>			
	Cash	12	2
	<b>Bank Balance :</b>		
	Current Account	6,449	882
	Deposit Account		2,202
	<b>Total</b>	<b>6,461</b>	<b>3,086</b>
For D G M S & Co. Chartered Accountants		For, Datasoft Application Software (India) Limited	
Shashank P Doshi Partner M.No. 108456 F.R.N.0112187W Place: Jamnagar	Eswara Rao Nandam Managing Director DIN: 02220039	Uma Nandam Director DIN: 02220048	
Date: 20-03-2023 UDIN: 23108456BGUDGL9519	Pratibha Dhanuka Company Secretary	Uma Nandam CFO	

(Rs. in Thousands)

Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>NOTE : 2 NON CURRENT LOANS</b>		
<b>Secured, considered good</b>	-	-
(a) Security Deposits	-	-
(c) Loan by Pramoter/ Directors/Associates Company/Subsidiary Company/Group Company	-	-
(d) Other advances	-	-
<b>Unsecured, considered good</b>	-	-
(a) Security Deposits	-	-
(b) Loan by Pramoter/ Directors/Associates Company/Subsidiary Company/Group Company	-	-
(c) Loan to others	-	1,500
<b>Total</b>	-	<b>1,500</b>

Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>NOTE : 3 OTHER FINANCIAL ASSETS</b>		
(Unsecured considered good)		
<b>Interest Accrued on Intercorporate Deposits</b>	6,321	6,321
Less: Provision for Expected Credit Loss	(3,160)	(3,160)
<b>Total</b>	<b>3,161</b>	<b>3,161</b>

Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>NOTE :4 TRADE RECEIVABLES</b>		
<b>Undisputed Trade Receivable - Cosidered doubtful</b>	-	-
<b>Disputed Trade Receivable - Cosidered good</b>	-	-
<b>Disputed Trade Receivable - Cosidered doubtful</b>	-	-
<b>Undisputed Trade Receivable - Cosidered good</b>		
Less than 6 Months	-	166
6 Months - 1 Years	-	-
01-02 Years	166	-
02-03 Years	-	-
More than 3 Years	-	-
<b>Total</b>	<b>166</b>	<b>166</b>

Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>NOTE : 5 CASH AND BANK BALANCES</b>		
<b>Balance with Banks</b>		
Karnataka Bank	174	882
HDFC Bank	6,275	-
Cheques, drafts on hand	-	-
<b>Cash on hand</b>	12	2
<b>Other Cash and Cash Equivalents</b>		
Deposits with Maturity of Less than 12 Months	-	2,202
<b>Total</b>	<b>6,461</b>	<b>3,086</b>

Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>NOTE: 6 INCOME/CIURRENT TAX ASSETS (NET)</b>		
Income Tax Refund	75	45
<b>Total</b>	<b>75</b>	<b>45</b>

Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>NOTE : 7 OTHER CURRENT ASSETS</b>		
<b>Secured, considered good</b>	-	-
(a) Security Deposits	-	-
(c) Loan by Pramoter/ Directors/Associates Company/Subsidiary Company/Group Company	-	-
(d) Other advances	-	-
<b>Unsecured, considered good</b>		
(a) Interest Receivables	85	-
(c) Loan by Pramoter/ Directors/Associates Company/Subsidiary Company/Group Company	-	-
(d) Balance with Government Authorities	-	30
(d) Other advances	410	-
<b>Total</b>	<b>495</b>	<b>30</b>

	As at 31st March 2022		As at 31st March 2021	
	Units	Amt. Rs. In Thousand	Units	Amt. Rs. In Thousand
<b>NOTE :8 SHARE CAPITAL</b>				
<b>Authorised Share Capital</b>				
Equity Shares of ` 10 each	15,000,000.00	150,000.00	15,000,000.00	150,000.00
<b>Issued</b>				
Equity Shares of ` 10 each	1,131,840.00	11,318.40	1,131,840.00	11,318.40
<b>Subscribed &amp; Paid up</b>				
Equity Shares of ` 10 each fully paid	1,131,840.00	11,318.40	1,131,840.00	11,318.40
<b>Total</b>	<b>1,131,840.00</b>	<b>11,318.40</b>	<b>1,131,840.00</b>	<b>11,318.40</b>

	As at 31st March 2022		As at 31st March 2021	
	No. of Shares		No. of Shares	
<b>NOTE : 8.1 RECONCILIATION OF NUMBER OF SHARES</b>				
Shares outstanding at the beginning of the year	1,131,840.00	11,318.40	1,131,840.00	11,318.40
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>1,131,840.00</b>	<b>11,318.40</b>	<b>1,131,840.00</b>	<b>11,318.40</b>

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

	As at 31st March 2022		As at 31st March 2021	
	Units	% Held	Units	% Held
<b>NOTE : 8.2 Details of Shares held by shareholders holding more than 5% of the aggregate shares in the co.</b>				
Santosh Parmar	-	-	70,200.00	6.20
Eswara Rao Nandam	195,572.00	17.28	-	-
Uma Nandam	145,812.00	12.88	-	-
Hasmukh J. Shah	-	-	57,204.00	5.05

<b>(Rs. in Thousands)</b>		
Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>NOTE : 9 OTHER EQUITY</b>		
<b>Securities Premium Reserve</b>		
As per last Balance Sheet	2	2
Add : On issue of shares	-	-
Less: Calls in arrears - by others	-	-
	2	2
<b>Retained Earnings</b>		
As per last Balance Sheet	-	3,063
Add/(Less): Profit for the year	(1,507) -	741
Less: Income Tax Writtern Off	4	-
	(5,306) -	3,804
<b>Other Comprehensive Income (OCI)</b>		
As per last Balance Sheet	-	86
Add/(Less): Movement in OCI (Net) during the year	-	(86)
	-	-
<b>Total</b>	<b>(5,304) -</b>	<b>3,802</b>

**DATASOFT APPLICATION SOFTWARE (INDIA) LIMITED**  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2022**

(Rs. In Thousand)

Particulars	As at 31st March, 2022	As at 31st March, 2021
	Amt. Rs.	Amt. Rs.
<b>A - EQUITY SHARE CAPITAL</b>		
Outstanding at the Beginning of the Year	11,318	11,318
Issued during the Year	-	-
<b>Total</b>	<b>11,318</b>	<b>11,318</b>

(Rs. In Thousand)

Particulars	Balance at the beginning of reporting Period i.e 01st April, 2021	Profit for the Year	Transfer to/ from Retained Earnings	Balance at the End of Reporting Period i.e. 31st March, 2022
	Amt. Rs.	Amt. Rs.	Amt. Rs.	Amt. Rs.
<b>B - OTHER EQUITY</b>				
<b>As At 31ST MARCH, 2022</b>				
Securities Premium Account	2	-	-	-
Retained earnings	(3,804)	(1,507)	-	(5,311)
Other Components of Equity (Long term Loans)	-	-	-	-
<b>Total</b>	<b>(3,802)</b>	<b>(1,507)</b>	<b>0</b>	<b>(5,311)</b>

Particulars	Balance at the beginning of reporting Period i.e 01st April, 2020	Profit for the Year	Transfer to/ from Retained Earnings	Balance at the End of Reporting Period i.e. 31st March, 2021
	Amt. Rs.	Amt. Rs.	Amt. Rs.	Amt. Rs.
<b>As At 31ST MARCH, 2021</b>				
Securities Premium Account	2	-	-	2.00
Retained earnings	(3,063)	(741)	-	(3,804)
Other Components of Equity (Long term Loans)	86	-	(86)	-
<b>Total</b>	<b>(2,975)</b>	<b>(741)</b>	<b>(86)</b>	<b>(3,802)</b>

Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>NOTE : 10 CURRENT BORROWINGS</b>		
(Unsecured considered good)		
(a) Loans from related parties or Entity in which director or his relative is interested	3,116	300
(b) Other loans	-	-
	3,116	300
<b>Total</b>	<b>3,116</b>	<b>300</b>

Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>NOTE: 11 CURRENT TRADE PAYABLE</b>		
Undisputed Trade Payables - Cosidered good		
(a) Unbilled	-	-
(b) Not Due	-	-
<b>(c) Outstanding for Following Period from Due date</b>		
<u>Less than 01 Years</u>		
Micro, Small and Medium Enterprises	-	-
Others	23	-
<u>01-02 Years</u>		
Micro, Small and Medium Enterprises	-	-
Others	-	-
<u>02-03 Years</u>		
Micro, Small and Medium Enterprises	-	-
Others	-	-
<u>More than 3 Years</u>		
Micro, Small and Medium Enterprises	-	-
Others	-	-
<b>Total</b>	<b>23</b>	<b>-</b>

Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>NOTE : 12 OTHER CURRENT LIABILITIES</b>		
(a) revenue received in advance	166	-
(b) Statutory Remittance		
Statutory dues		5
(c) others		
Dues to Employees		80
Other Liabilities	1,038	87
<b>Total</b>	<b>1,204</b>	<b>172</b>

	<b>(Rs. in Thousands)</b>	
Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>NOTE : 13 REVENUE FROM OPERATIONS</b>		
Sale of products	-	-
Sale of services	-	600
Other operating revenues	-	-
<b>Total</b>	<b>-</b>	<b>600</b>
Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>NOTE : 13.1 PARTICULARS OF SALE OF PRODUCTS &amp; SERVICES</b>		
<b>Sales of Services</b>		
Consultancy Fees	-	600
<b>Total</b>	<b>-</b>	<b>600</b>
Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>NOTE : 14 OTHER INCOME</b>		
<b>Interest Income</b>		
Interest on Loan	-	456
Interest on IT Refund	-	4
Interest on FDs	189	3
Reversal of Interest on Unsecured Loan	-	86
Misc. Income	10	-
<b>Total</b>	<b>199</b>	<b>549</b>
Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>NOTE : 15 EMPLOYEE BENEFITS EXPENSES</b>		
<b>(a) Salaries and Wages</b>	729	646
<b>(b) Staff welfare expenses</b>	-	-
<b>Total</b>	<b>729</b>	<b>646</b>

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>NOTE: 16 OTHER EXPENSES</b>		
<b>Establishment Expenses</b>		
AGM/EGM Expenses	-	42
Listing Fees	324	300
Provision for Expected Credit Loss	-	460
Share Transfer Fees/NSDL Fees	40	91
Auditor Fees	66	40
Roc Fees	-	4
Bank Charges	13	-
RTA Fees	102	-
Legal & Professional Fees	317	81
Internet & Website Expenses	35	-
Statutory Fees and expenses for Reduction in Capital	-	191
Mis Expenses.	78	35
<b>Total</b>	<b>976</b>	<b>1,244</b>
Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>NOTE :16.1 PAYMENT TO AUDITORS AS:</b>		
<b>As Auditor</b>		
Statutory Audit	60	35
Tax Audit	-	-
Limited Review of Quarterly Results	-	-
<b>In other Capacity</b>		
Taxation matters	6	5
Company law matters	-	-
For management services	-	-
For other services	-	-
For reimbursement of expenses	-	-
<b>Total</b>	<b>66</b>	<b>40</b>

## **NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

### **Note: - 1 Significant accounting policies:**

#### **1.0 Corporate Information**

**DATASOFT APPLICATION SOFTWARE (INDIA) LIMITED** is a Limited Company, incorporated under the provisions of Companies Act, 1956 and having CIN: L31100TN1992PLC156105. The Company is mainly engaged in the business of developing & providing Software consultancy services. The Registered office of the Company is situated at Plot No.OZ-13, Sipcot Hi-Tech SEZ, Oragadam, Sriperumbudur Kancheepuram TN 602105 IN.

#### **1.1 Basis of preparation of financial statements**

##### **a. Accounting Convention: -**

These financial statements of the Company have been prepared in accordance with Generally Accepted Accounting Principles in India ("Indian GAAP"). Indian GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with the Rule 7 of the Companies (Accounts) Rules, 2014. The financial statements have been prepared on an accrual basis and under the Historical Cost Convention and the Companies (Accounting Standards) Amendment Rules 2016 and the relevant provisions of the Companies Act, 2013.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Part I of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

##### **b. Functional and Presentation Currency**

The functional and presentation currency of the company is Indian rupees. This financial statement is presented in Indian rupees. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

All amounts disclosed in the financial statements and notes are rounded off to thousand the nearest INR rupee in compliance with Schedule III of the Act, unless otherwise stated.

##### **c. Compliance with Ind AS**

The financial statements have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015.

#### **d. Use of Estimates and Judgments**

The preparation of the Ind AS financial statements in conformity with the generally accepted accounting principles in India requires management to make estimates and assumptions that affect the reported amount of assets and liabilities as of the Balance Sheet date, reported amount of revenue and expenses for the year and disclosure of contingent liabilities and contingent assets as of the date of Balance Sheet. The estimates and assumptions used in these Ind AS financial statements are based on management's evaluation of the relevant facts and circumstances as of the date of the Ind AS financial statements. The actual amounts may differ from the estimates used in the preparation of the Ind AS financial statements and the difference between actual results and the estimates are recognized in the period in which the results are known/materialize.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods affected.

Particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial Statement are as below:

1. Evaluation of recoverability of deferred tax assets/Liabilities;
2. Useful lives of property, plant and equipment and intangible assets;
3. Provisions and Contingencies;
4. Provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions;
5. Recognition of Deferred Tax Assets/Liabilities
6. Valuation of Financial Instruments;

#### **e. Current and Non - Current Classification**

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification.

An asset / liability is treated as current when it is:-

- i. Expected to be realised or intended to be sold or consumed or settled in normal operating cycle.
- ii. Held primarily for the purpose of trading.
- iii. Expected to be realised / settled within twelve months after the reporting period,  
or.
- iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
- v. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other assets and liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

## **1.2 ACCOUNTING POLICIES:**

### **(A) Property, Plant and Equipment**

All items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Cost includes purchase price, non-recoverable taxes and duties, labour cost and direct overheads for self-constructed assets and other direct costs incurred up to the date the asset is ready for its intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation is provided on the Straight Line Value (SLM) over the estimated useful lives of the assets considering the nature, estimated usage, operating conditions, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support. The Company provides pro-rata depreciation from the day the asset is put to use and for any asset sold, till the date of sale.

Projects under commissioning and other Capital work-in-progress are carried at cost comprising of direct and indirect costs, related incidental expenses and attributable interest. Depreciation is not recorded on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use.

An item of property, plant and equipment is derecognized on disposal. Any gain or loss arising from recognition of an item of property, plant and equipment is included in profit or loss.

### **(B) Intangible Assets**

Intangible assets are stated at cost of acquisition net of recoverable taxes, accumulated amortization, and impairment losses, if any. Such costs include purchase price, borrowing cost, and any cost directly attributable to bringing the asset to its working condition for the intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and cost can be measured reliably.

The amortization period for intangible assets with finite useful lives is reviewed at each year-end. Changes in expected useful lives are treated as changes in accounting estimates.

Internally generated intangible asset Research costs are charged to the statement of Profit and

Loss in the year in which they are incurred.

The cost of an internally generated intangible asset is the sum of directly attributable expenditure incurred from the date when the intangible asset first meets the recognition criteria to the completion of its development.

Product development expenditure is measured at cost less accumulated amortisation and impairment, if any. Amortisation is not recorded on product in progress until development is complete.

Gains or losses arising from derecognition of an Intangible Asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

### **(C) Impairment of assets**

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash-generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

### **(D) Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to Chief Operating Decision Maker (CODM).

The Company has identified its Managing Director as CODM who is responsible for allocating resources and assessing performance of the operating segments and makes strategic decisions.

The Company is operating in single business segments. Hence, reporting requirement of Segment reporting is not arise.

### **(E) Statement of Cashflow**

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

## **(F) Cash and cash equivalents**

Cash and cash equivalents comprises cash on hand, demand deposits and highly liquid investments with an original maturity of up to three month that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

## **(G) Foreign Currency Transactions**

### **i) Initial Recognition**

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

### **ii) Subsequent Recognition**

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

All monetary assets and liabilities in foreign currency are restated at the end of accounting period. Exchange differences on restatement of all other monetary items are recognised in the Statement of Profit and Loss.

Any subsequent events occurring after the Balance Sheet date up to the date of the approval of the financial statement of the Company by the board of directors on 20<sup>th</sup> March, 2023 have been considered, disclosed and adjusted, if changes or event are material in nature wherever applicable, as per the requirement of Ind AS.

## **(H) Income Taxes**

The tax expense for the period comprises of current tax and deferred income tax. Tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognized in the Other Comprehensive Income or in Equity. In which case, the tax is also recognized in Other Comprehensive Income or Equity.

### **I. Current tax:-**

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions. Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

### **II. Deferred tax:-**

Deferred tax is recognized using the balance sheet approach. Deferred tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements.

Deferred tax asset is recognized to the extent that it is probable that taxable profit will be available against which such deferred tax assets can be realized. The carrying amount of

deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

## **(I) Provisions and Contingencies**

### **Provisions:**

Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are discounted to its present value as appropriate.

### **Contingent Liabilities:**

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is termed as a contingent liability.

## **(J) Revenue recognition**

Revenue is measured at fair value of the consideration received or receivable. Revenue is recognized when (or as) the Company satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

When (or as) a performance obligation is satisfied, the Company recognizes as revenue the amount of the transaction price (excluding estimates of variable consideration) that is allocated to that performance obligation.

The Company applies the five-step approach for recognition of revenue:

- i. Identification of contract(s) with customers;
- ii. Identification of the separate performance obligations in the contract;
- iii. Determination of transaction price;
- iv. Allocation of transaction price to the separate performance obligations; and
- v. Recognition of revenue when (or as) each performance obligation is satisfied.

## **(K) Other income:**

**Interest:** Interest income is calculated on effective interest rate, but recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

**Dividend:** Dividend income is recognised when the right to receive dividend is established.

## **(L) Finance Cost**

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use based on borrowings incurred specifically for financing the asset or the weighted average rate of all other borrowings, if no specific borrowings have been incurred for the asset.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

## **(M) Earnings per share (EPS):**

Basic EPS is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted EPS, the net profit or loss for the period attributable to equity shareholders and the weighted average number of additional equity shares that would have been outstanding are considered assuming the conversion of all dilutive potential equity shares. Earnings considered in ascertaining the EPS is the net profit for the period and any attributable tax thereto for the period.

## **(N) Employee benefits**

### **i. Provident Fund**

Retirement benefit in the form of Provident Fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expense when an employee renders the related service.

### **ii. Gratuity**

Gratuity is in the nature of a defined benefit plan. Provision for gratuity is calculated on the basis of actuarial valuations carried out at balance sheet date and is charged to the statement of profit and loss. The actuarial valuation is performed using the projected unit credit method. Remeasurement, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

## **(O) Fair Value Measurement:**

The Company measures financial instruments such as investments in quoted share, certain

other investments etc. at fair value at each Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability at the measurement date. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

## **(P) Financial Instruments:**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### **Financial assets:**

#### **Initial recognition**

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets other than trade receivables and other specific assets are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the Statement of Profit and Loss.

#### **Subsequent measurement**

Financial assets, other than equity instruments, are subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both:

- i. The entity's business model for managing the financial assets and
- ii. The contractual cash flow characteristics of the financial asset.

#### **De-recognition**

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers rights to receive cash flows from an asset, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

### **Financial Liabilities:**

#### **Initial Recognition and Subsequent Measurement**

All financial liabilities are recognised initially at fair value and in case of borrowings and payables, net of directly attributable cost. Financial liabilities are subsequently carried at

amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments. Changes in the amortised value of liability are recorded as finance cost.

### **De-recognition**

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

## **(Q) Global Health Pandemic COVID - 19**

The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant slow disturbance and slowdown of economic activity. The company has evaluated impact of this pandemic on its business operations and based on its review and current indicators for future economic conditions, there is no significant impact on its financial statements.

### **1.3 Recent Pronouncements:**

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23rd March, 2022, MCA notified the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 1st April, 2022, as below:

#### **i. Ind AS 16 – Proceeds before intended use**

The amendments specify that the excess of net sale proceeds of items produced while the Company is preparing the asset for its intended use over its cost of testing, if any, shall not be recognized in the profit or loss but shall be deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

#### **ii. Ind AS 103 – Reference to Conceptual Framework**

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired, and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

#### **iii. Ind AS 109 – Annual Improvements to Ind AS (2021)**

The amendment clarifies which fees an entity includes when it applies the ‘10 percent’ test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

17. Figures in financial statement have been regrouped and / or rearranged where ever necessary.
18. The Company has not revalued its Property, Plant and Equipment for the current year.
19. There has been no Capital work in progress for the current year of the company.
20. There is no Intangible assets under development in the current year.
21. The balances of Trade payables, Trade Receivable and loans and advances are subject to confirmation by respective parties.
22. In the opinion of the Board of Directors, the current assets, loans and advances are approximately of the value stated, if realized in the ordinary course of business.
23. In the opinion of the Board of Directors, provisions for depreciation and all liabilities are adequate and not in excess of the amount reasonably necessary.
24. Wherever external evidence in the form of cash memos / bills / supporting are not available, the internal vouchers have been prepared, authorized and approved.
25. Statement of Management
  - (i) The current assets, loans and advances are good and recoverable and are approximately of the values, if realized in the ordinary courses of business unless and to the extent stated otherwise in the Accounts. Provision for all known liabilities is adequate and not in excess of amount reasonably necessary.
  - (ii) Balance Sheet, Statement of Profit and Loss and Cash Flow Statement read together with Notes to the accounts thereon, are drawn up so as to disclose the information required under the Companies Act, 2013 as well as give a true and fair view of the statement of affairs of the Company as at the end of the year and results of the Company for the year under review.
26. The Company has not advanced or loaned to or invested in funds to any other person(s) or entity(is), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - a. directly or indirectly lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
27. The Company has not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall
  - a. directly or indirectly lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
28. The company does not have transaction with the struck off under section 248 of companies act, 2013 or section 560 of Companies act 1956.

29. The company is in compliance with the number of layers prescribed under clause (87) of section 2 of company's act read with companies (restriction on number of layers) Rules, 2017.

**(i) List of related party and their nature of relationship:**

Sr. No.	Nature of Relationship	Name of the Parties
1.	Enterprise in which Director/Relative of Director is Interested.	1. POLYMATECH ELECTRONICS PRIVATE LIMITED.

**Transactions with Related parties:**

Sr. No.	Name of Related Parties	Nature of Relation	Nature of Transaction with related parties	Volume of Transaction Amount (Rs. In thousand)		Balance at the end of the Year (Rs. In thousand)	
				2021-22	2020-21	2021-22	2020-21
1.	POLYMATECH ELECTRONICS PRIVATE LIMITED	Enterprise in which Director/Relative of Director is Interested.	Unsecured Loan	3,116.00	-	3,116.00	-

**26. EARNINGS PER SHARE: -**

The Company reports basic and diluted earnings per share (EPS) in accordance with the Accounting Standard 20 prescribed under The Companies (Accounting Standards) Rules, 2006 (as amended). The Basic EPS has been computed by dividing the income available to equity shareholders by the weighted average number of equity shares outstanding during the accounting year. The Diluted EPS has been computed using the weighted average number of equity shares and dilutive potential equity shares outstanding at the end of the year.

Particulars	2021-22 Rupees in Thousand	2020-21 Rupees in Thousand
a. Net profit after tax	(1506.56)	(741.00)
b. Weighted Average numbers of Equity Shares	11,31,840.00	11,31,840.00
c. Basic Earnings per Share	(1.33)	(0.65)
d. Diluted Earning per Share	(1.33)	(0.65)

**27. Notes forming part of accounts in relation to Micro and small enterprise**

1. Based on information available with the company, on the status of the suppliers being Micro or small enterprises, on which the auditors have relied, the disclosure requirements of Schedule III to the Companies Act, 2013 with regard to the payments made/due to Micro and small Enterprises are given below :

Sr. No.	Particulars	Year Ended on 31 <sup>st</sup> March 2022		Year Ended on 31 <sup>st</sup> March 2021	
		Principal	Interest	Principal	Interest
I	Amount due as at the date of Balance sheet	Nil	Nil	Nil	Nil
Ii	Amount paid beyond the appointed date during the year	Nil	Nil	Nil	Nil
Iii	Amount of interest due and payable for the period of delay in making payments of principal during the year beyond the appointed date	Nil	Nil	Nil	Nil
Iv	The amount of interest accrued and remaining unpaid as at the date of Balance sheet	Nil	Nil	Nil	Nil

The company has initiated the process of obtaining the confirmation from suppliers who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) but has not received the same in totality. The above information is compiled based on the extent of responses received by the company from its suppliers.

**28. Details of crypto currency and virtual currency.**

Company has not traded or invested in crypto currency or virtual currency during the financial year.

## 29. Ratios.

Ratios	Numerator	Denominator	As at March, 31 <sup>st</sup> 2022	As at March, 31 <sup>st</sup> 2021	% of Change	Explanation For Change
Debt Equity Ratio	Debt Capital	Shareholder's Equity	0.52	0.04	1198.12%	Due to Increase in Borrowings
Return on Equity Ratio	Profit for the year	Average Shareholder's Equity	(0.25)	(0.10)	(154.10%)	Due to Increase in Equity and Decrease in Profit.
Trade Receivables turnover ratio	Net Sales	Average trade receivables	0.00	3.62	100.00%	Due to no Sales during the year
Net capital turnover ratio	Sales	Working capital (CA-CL)	0.00	0.21	100.00%	Due to no Sales during the year
Net profit ratio	Net Profit	Total Revenue	(7.59)	(0.65)	(1067.69%)	Due to Decrease in Revenue and Decrease in Profit.
Return on Capital employed	Earnings before interest and tax	Capital Employed	(0.25)	(0.10)	(154.10%)	Due to Increase in Equity and Decrease in Profit.

## 30. Compliance with approved scheme of Arrangements

Company does not have made any arrangements in terms of section 230 to 237 of Companies Act, 2013, and hence there is no deviation to be disclosed.

## 31. Utilization of borrowed funds and share premium

As on March 31, 2022 there is no unutilized amount in respect of any issue of securities and long term borrowing from banks and financial institution. The borrowed funds have been utilized for the specific purpose for which the funds were raised.

## 32. Corporate social responsibility (CSR)

The section 135 (Corporate social responsibility) of Companies Act, 2013 is not applicable to the company.