



**August 30, 2024**

To,  
The General Manager  
**BSE Limited**  
P.J. Towers, Dalal Street,  
Mumbai – 400 001

**BSE Scrip: 538923**

Dear Sir/Mam,

**Sub.: Intimation for 29<sup>th</sup> Annual General Meeting and Annual Report for FY 2023-24**  
**Ref.: Regulation 34 and 44 of the SEBI (Listing Obligations and Disclosure Requirements)**  
**Regulations, 2015**

The Company is pleased to announce that the 29<sup>th</sup> Annual General Meeting (AGM) of the Company will be held on Monday, 23<sup>rd</sup> September, 2024 at 12:00 P.M. IST through Video Conferencing/Other Audio Visual Means (“VC/OAVM”), in accordance with the applicable circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India.

Soft copy of the Annual Report and Notice of the AGM shall be sent in electronic mode only to those Members of the Company whose email address is registered with the Company/RTA. The said Annual Report will also be available on the website of the Company i.e. [www.sofcomsystems.com](http://www.sofcomsystems.com) and on the website of the BSE i.e. [www.bseindia.com](http://www.bseindia.com).

Kindly take the same on record.

Thanking you,  
**For Sofcom Systems Limited**

**Priti Apurvhai Shah**  
**Managing Director**  
**DIN: 07165786**

29<sup>th</sup>

ANNUAL REPORT

2023-24

**SOFCOM**

SOFCOM Systems Ltd



**SOFCOM SYSTEMS LIMITED**

**Registered Office Address:**

D-36, Subhash Marg, Flat No. 802 Sheel Mohar Apartment, C-Scheme,  
Jaipur, Rajasthan, India, 302001

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## **01 COMPANY INFORMATION**

### **Board of Directors:**

- Mr. Jagdish Ratilal Rupawala (Non-Executive Non-Independent Director)  
(W.e.f. 16<sup>th</sup> July 2024)
- Mr. Karan Jayeshchandra Bhagatwala (Non-Executive Independent Director)  
(W.e.f. 16<sup>th</sup> July 2024)
- Mr. Denish Shashikant Marwadi (Non-Executive Independent Director)  
(W.e.f. 16<sup>th</sup> July 2024)
- Mr. Jitendra Kansariwala Thakordass (Non-Executive Independent Director)  
(W.e.f. 16<sup>th</sup> July 2024)
- Ms. Tanvi Jay Rupawala (Non-Executive Independent Director)  
(W.e.f. 16<sup>th</sup> July 2024)
- Mrs. Priti Apurvabhai Shah (Managing Director, Chairperson & CFO)  
(W.e.f. 07<sup>th</sup> October 2023)
- Mr. Apurvabhai Dilipbhai Shah (Non-Executive Non-Independent Director)  
(From 07<sup>th</sup> October 2023 to 16<sup>th</sup> July 2024)
- Mrs. Alkaben Rajendra Mehta (Non-Executive Independent Director)  
(W.e.f. 07<sup>th</sup> October 2023 to 16<sup>th</sup> July 2024)
- Mr. Nirav Rohitkumar Shah (Non-Executive Independent Director)  
(From 20<sup>th</sup> July 2023 to 22<sup>nd</sup> December 2023)
- Mr. Jagdishkumar Bhagvandas Patel (Non-Executive Independent Director)  
(From 07<sup>th</sup> October 2023 to 17<sup>th</sup> October 2023)
- Mr. Gohel Darshil Pankajbhai (Non-Executive Independent Director)  
(From 20<sup>th</sup> July 2023 to 07<sup>th</sup> October 2023)
- Mr. Satyam Jaiswal (Managing Director)  
(From 13<sup>th</sup> April 2023 to Upto 04<sup>th</sup> October 2023)
- Mrs. Shiwaginee Jaiswal (Non-Executive Non-Independent Director)  
(From 13<sup>th</sup> April 2023 to Upto 04<sup>th</sup> October 2023)
- Mr. Ganeshprasad Pratap Murarika (Non-Executive Independent Director)  
(Upto 19<sup>th</sup> July 2023)
- Mr. Rakesh Pandey (Non-Executive Independent Director)  
(Upto 19<sup>th</sup> July 2023)
- Mr. Anil Nahar (Non-Executive Independent Director)  
(Upto 19<sup>th</sup> July 2023)
- Mr. Kishor Mehta (Managing Director)  
(Upto 13<sup>th</sup> April 2023)
- Mrs. Asha Mehta (Non-Executive Non-Independent Director)  
(Upto 13<sup>th</sup> April 2023)

### **Company Secretary:**

- Ms. Dharaben Jagdishbhai Patel (W.e.f 02<sup>nd</sup> October 2023)

### **Committees of Board of Directors:**

### **Audit Committee**

- Karan Jayeshchandra Bhagatwala – Chairperson (W.e.f. 16<sup>th</sup> July 2024)
- Denish Shashikant Marwadi – Member (W.e.f. 16<sup>th</sup> July 2024)
- Jitendra Kansariwala Thakordass – Member (W.e.f. 16<sup>th</sup> July 2024)
- Apurvabhai Dilipbhai Shah – Member (From 07<sup>th</sup> October 2023 to 16<sup>th</sup> July 2024)
- Priti Apurvabhai Shah – Member (W.e.f. 22<sup>nd</sup> December 2023)
- Alkaben Rajendra Mehta - Member - (W.e.f. 07<sup>th</sup> October 2023 to 16<sup>th</sup> July 2024)
- Nirav Rohitkumar Shah - Chairperson - (From 20<sup>th</sup> July 2023 to 22<sup>nd</sup> December 2023)
- Shiwaginee Jaiswal– Member (Upto 04<sup>th</sup> October 2023)
- Asha Mehta – Member (Upto 13<sup>th</sup> April 2023)
- Rakesh Pandey – Member (Upto 19<sup>th</sup> July 2023)
- Ganeshprasad Pratap Murarika – Member (Upto 19<sup>th</sup> July 2023)

### **Stakeholders Relationship Committee**

- Karan Jayeshchandra Bhagatwala – Chairperson (W.e.f. 16<sup>th</sup> July 2024)
- Denish Shashikant Marwadi – Member (W.e.f. 16<sup>th</sup> July 2024)
- Jitendra Kansariwala Thakordass – Member (W.e.f. 16<sup>th</sup> July 2024)
- Apurvabhai Dilipbhai Shah – Member (From 07<sup>th</sup> October 2023 to 16<sup>th</sup> July 2024)
- Priti Apurvabhai Shah – Member (W.e.f. 24<sup>th</sup> December 2023)
- Alkaben Rajendra Mehta - Member - (W.e.f. 07<sup>th</sup> October 2023 to 16<sup>th</sup> July 2024)
- Nirav Rohitkumar Shah - Chairperson - (From 20<sup>th</sup> July 2023 to 22<sup>nd</sup> December 2023)
- Shiwaginee Jaiswal– Member (Upto 04<sup>th</sup> October 2023)
- Asha Mehta – Member (Upto 13<sup>th</sup> April 2023)
- Rakesh Pandey – Member (Upto 19<sup>th</sup> July 2023)
- Ganeshprasad Pratap Murarika – Member (Upto 19<sup>th</sup> July 2023)

### **Nomination and Remuneration Committee**

- Karan Jayeshchandra Bhagatwala – Chairperson (W.e.f. 16<sup>th</sup> July 2024)
- Denish Shashikant Marwadi – Member (W.e.f. 16<sup>th</sup> July 2024)
- Jitendra Kansariwala Thakordass – Member (W.e.f. 16<sup>th</sup> July 2024)
- Apurvabhai Dilipbhai Shah – Member (From 07<sup>th</sup> October 2023 to 16<sup>th</sup> July 2024)
- Priti Apurvabhai Shah – Member (W.e.f. 23<sup>rd</sup> December 2023)
- Alkaben Rajendra Mehta - Member - (W.e.f. 07<sup>th</sup> October 2023 to 16<sup>th</sup> July 2024)
- Nirav Rohitkumar Shah - Chairperson - (From 20<sup>th</sup> July 2023 to 22<sup>nd</sup> December 2023)
- Shiwaginee Jaiswal– Member (Upto 04<sup>th</sup> October 2023)
- Asha Mehta – Member (Upto 13<sup>th</sup> April 2023)
- Rakesh Pandey – Member (Upto 19<sup>th</sup> July 2023)
- Ganeshprasad Pratap Murarika – Member (Upto 19<sup>th</sup> July 2023)

### **Auditors:**

#### **Statutory Auditors**

- M/s S.D. Mehta & Co.  
Chartered Accountants,  
1601, 16<sup>th</sup> Floor Himalaya Business Center, B/H  
BRTS Bus Stand, Nr. RTO Circle, 132 ft Ring Road  
Ahmedabad-380027

(W.e.f 06<sup>th</sup> February 2024)

- M/s Manoj Acharya & Associates  
Chartered Accountants  
219, 2nd Floor, Ashirwad Market, Kalupur,  
Ahmedabad-380002  
(From 30<sup>th</sup> September 2023 to 06<sup>th</sup> February 2024)

- M/s M. Vashisht & Co.  
Chartered Accountants  
67/212, R.H.B., Pratap Nagar, Sanganer  
Jaipur, Rajasthan - 302033  
(Upto 31<sup>st</sup> March 2023)

**Secretarial Auditor:**

- M/s Deepti & Associates  
Practicing Company Secretary  
C-101, Naraina Vihar,  
New Delhi – 110028

**Registered Office:**

D-36, Subhash Marg, Flat No. 802 Sheel Mohar Apartment,  
C-Scheme, Jaipur, Rajasthan, India, 302001  
CIN: **L72200RJ1995PLC010192**

**Registrar & Transfer Agent**

Link Intime India Pvt. Ltd  
C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg,  
Vikhroli (West), Mumbai-400083, Maharashtra

**BOARD'S REPORT**

Dear Shareholders,

Your Directors have pleasure in presenting the 29<sup>th</sup> Annual report of your Company along with the audited financial statements, for the financial year ended March 31, 2024.

**Financial Results:****(Rs. in Lakhs.)**

Particulars	Standalone	
	F.Y. 2023-24	F.Y. 2022-23
Revenue from operations	35.75	276.25
Other Income	-	145.69
Total Income	35.75	421.93
Total Expenditure	12.19	191.03
Profit before tax	23.57	230.90
Less: Tax expense	(6.11)	(21.47)
<b>Profit for the year (PAT)</b>	<b>17.46</b>	<b>209.43</b>

**YEAR AT A GLANCE:****Financial Performance:**

The total income of the Company for the year ended March 31, 2024 was Rs. 35,75,000 as against the total income of Rs. 4,21,93,000 for the previous year ended March 31, 2023.

The Company has earned a Net Profit after Tax of Rs. 17,46,000 for the year under review as compared to Net Profit of Rs. 2,09,43,000 in the previous year.

**Dividend:**

With a view to conserve the resources of company for future growth, the Board of Directors do not recommend any Dividend for the Financial Year 2023-24 (Previous Year Nil).

Pursuant to the provisions of Sections 124 and 125 of the Act, there is no amount of Dividend remaining unclaimed/unpaid for a period of 7 (seven) years and/or unclaimed Equity Shares which are required to be transferred to the Investor Education and Protection Fund (IEPF).

**Amount transferred to Reserve:**

During the year, the Company has not apportioned any amount to other reserve. The profit earned during the year has been carried to the balance sheet of the Company.

**Change in Nature of Business:**

There has been no change in the objects of the Company. Business is being conducted as per the objectives described in the Memorandum of Association of the Company. There has been no material change in the line or nature of business that the Company is operating in.

### **SHARE CAPITAL:**

#### **Authorized Capital**

The authorized share capital of the company at the end of the financial year is Rs.6,50,00,000/- divided into 65,00,000 equity shares of Rs.10 each.

#### **Issued, Subscribed & Paid-up Capital**

The present Issue, Subscribed & Paid-up Capital of the Company is Rs. 4,63,15,500/- divided into 46,31,550 equity shares of Rs. 10 each.

### **BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

#### **Constitution of Board:**

The Constitution of the Board of Directors and other disclosure related to the Board of Directors are given in the Report on Corporate Governance.

#### **Disclosure by Directors**

The Directors on the Board have submitted notice of interest under Section 184(1) i.e. in Form MBP 1, intimation under Section 164(2) i.e. in Form DIR 8 and declaration as to compliance with the Code of Conduct of the Company. None of the Directors of the Company is disqualified for being appointed as Director as specified in Section 164 (2) of the Companies Act, 2013.

#### **Board Meeting**

Regular meetings of the Board are held at least once in 120 days, inter-alia, to review the quarterly results of the Company. Additional Board meetings are convened, as and when required, to discuss and decide on various business policies, strategies and other businesses. The Board meetings are generally held at the registered office of the Company.

During the year under review, Board of Directors of the Company met 12(Twelve) times, viz 13<sup>th</sup> April, 2023, 29<sup>th</sup> May, 2023, 20<sup>th</sup> July, 2023, 09<sup>th</sup> August, 2023, 09<sup>th</sup> September, 2023, 02<sup>nd</sup> October, 2023, 07<sup>th</sup> October, 2023, 12<sup>th</sup> November, 2023, 21<sup>st</sup> December, 2023, 27<sup>th</sup> December, 2023, 06<sup>th</sup> February, 2024 and 12<sup>th</sup> February, 2024. The details of attendance of each Director at the Board Meetings and Annual General Meeting are given in the Report on Corporate Governance.

#### **Independent Directors**

In terms of Section 149 of the Companies Act, 2013 and rules made there under and Listing Regulations, the Company has four Non-Executive Independent Directors. In the opinion of the Board of Directors, all four Independent Directors of the Company meet all the criteria mandated by Section 149 of the Companies Act, 2013 and rules made there under Listing Regulations and they are Independent of Management.

A separate meeting of Independent Directors was held on 24<sup>th</sup> March 2024 to review the performance of Non-Independent Directors and Board as whole and performance of



## Sofcom Systems Limited

Chairperson of the Company including assessment of quality, quantity and timeliness of flow of information between Company management and Board that is necessary for the board of directors to effectively and reasonably perform their duties.

The terms and conditions of appointment of Independent Directors and Code for Independent Director are incorporated on the website of the Company at [www.sofcomsystems.com](http://www.sofcomsystems.com).

The Company has received a declaration from the Independent Directors of the Company under Section 149(7) of Companies Act, 2013 and 16(1) (b) of Listing Regulations confirming that they meet criteria of Independence as per relevant provisions of Companies Act, 2013 for financial year 2023-24. The Board of Directors of the Company has taken on record the said declarations and confirmation as submitted by the Independent Directors after undertaking due assessment of the veracity of the same. In the opinion of the Board, they fulfill the conditions for re-appointment as Independent Directors and are independent of the Management.

Following Independent Directors have resigned during the year:

Sr. No.	Name	Designation	Date of Resignation
1	Mr. Nirav Rohitkumar Shah	Non – Executive Independent Director	December 22 <sup>nd</sup> 2023
2	Mr. Jagdishkumar Bhagvandas Patel	Non – Executive Independent Director	October 17 <sup>th</sup> 2023
3	Mr. Gohel Darshil Pankajbhai	Non – Executive Independent Director	October 07 <sup>th</sup> 2023
4	Mr. Ganeshprasad Pratap Murarika	Non – Executive Independent Director	July 19 <sup>th</sup> 2023
5	Mr. Rakesh Pandey	Non – Executive Independent Director	July 19 <sup>th</sup> 2023
6	Mr. Anil Nahar	Non – Executive Independent Director	July 19 <sup>th</sup> 2023

### Key Managerial Personnel

In accordance with Section 203 of the Companies Act, 2013, the Company has appointed Mrs. Priti Apurvabhai Shah as a Managing Director and Chief Financial Officer of the Company. (W.e.f. 07<sup>th</sup> October 2023).

The Board of Directors has appointed Ms. Dharaben Jagdishbhai Patel as Company Secretary and Compliance officer of the Company (w.e.f. 02<sup>nd</sup> October 2023).

### Performance Evaluation

In terms of the requirement of the Act and the Listing Regulations, an annual performance evaluation of the Board is undertaken where the Board formally assesses its own performance with the aim to improve the effectiveness of the Board and the Committees. During the year under review, the Board has carried out an annual evaluation of its own performance, performance of the Directors, as well as the evaluation of the working of its committees. The exercise was led by the Chairman of the NRC along with the Chairman of Board.

The NRC has defined the evaluation criteria, procedure and time schedule for the Performance Evaluation process for the Board, its Committees and Directors. The criteria for Evaluation of Board, Individual Directors and Committees is included in Report on Corporate Governance which is the part of this report.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to section 134(5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, confirm that:

- a) In preparation of annual accounts for the year ended March 31, 2024, the applicable accounting standards have been followed and that no material departures have been made 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 at the end of the financial year and of the profit or loss of the Company for that year;
- c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the 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 for the year ended March 31, 2024 on going concern basis.
- e) The Directors had laid down the internal financial controls to be followed by the Company and that such Internal Financial Controls are adequate and were 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.

**COMMITTEES OF BOARD:**

There are currently three Committees of the Board, as follows:

- 1. Audit Committee
- 2. Nomination and Remuneration Committee
- 3. Stakeholder's Relationship Committee

Details of all the Committees along with their composition and meetings held during the year are provided in the "Report on Corporate Governance", a part of this Annual Report.

**Vigil Mechanism**

The Company has established a vigil mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethic policy. The said mechanism also provides for adequate safeguards against victimization of director(s)/Employee(s) who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. The details of establishment of such mechanism have been disclosed in the Board's Report. Further, the Policy on Vigil Mechanism is available on the website of the Company at [www.sofcomsystems.com](http://www.sofcomsystems.com).

### **Nomination and Remuneration Policy**

Nomination and Remuneration Policy in the Company is designed to create a high-performance culture. It enables the Company to attract motivated and retained manpower in competitive market, and to harmonize the aspirations of human resources consistent with the goals of the Company. The Company pays remuneration by way of salary to its Executive Directors and Key Managerial Personnel.

The Nomination and Remuneration Policy, as adopted by the Board of Directors, is placed on the website of the Company at [www.sofcomsystems.com](http://www.sofcomsystems.com).

### **Remuneration of Directors**

The details of remuneration/sitting fees paid during the financial year 2023-24 to Executive Directors/Directors of the Company is provided in Form MGT-7 and Report on Corporate Governance which are the part of this report.

### **PARTICULARS OF EMPLOYEES:**

The statement containing particulars of employees as required under Section 197 (12) of the Companies Act, 2013 read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report as **Annexure - A**.

The statement containing employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to members excluding this annexure. In terms of Section 136 of the Act, the said annexure will be for inspection. Any shareholder interested in obtaining a copy of the same may write to Company Secretary.

### **INFORMATION ON SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANIES:**

The Company has no any Subsidiary/Joint Ventures/Associate Companies. Hence provisions of Section 129 (3) of the Companies Act, 2013, a statement containing salient features of the financial statements of the subsidiary companies in Form AOC 1 is not required to be annexed to this Report.

### **PUBLIC DEPOSITS:**

The Company has not accepted any deposits from Shareholders and Public falling within the ambit of Section 73 of the Companies Act, 2013 and rules made there under. There were no deposits, which were claimed and remained unpaid by the Company as on March 31, 2024.

### **PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statement for the year ended on March 31, 2024.

**ANNUAL RETURN:**

The Extract of Annual Return of the company as on March 31, 2024 is available on the company's website and can be accessed at [www.sofcomsystems.com](http://www.sofcomsystems.com).

**TRANSACTIONS WITH RELATED PARTIES:**

All Related Party Transactions are placed before the Audit Committee for review and approval. Prior approval is obtained for Related Party Transactions on a quarterly basis for transactions which are of repetitive nature and/or entered in the Ordinary Course of Business and are at Arm's Length. All Related Party Transactions are subjected to independent review by a reputed accounting firm to establish compliance with the requirements of Related Party Transactions under the Companies Act, 2013, and Listing Regulations. There was no contracts, arrangements or transactions which was executed not in ordinary course of business and/or at arm's length basis. Further, there were no related party transactions with the Company's Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company.

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There were no any materially significant related party transactions i.e. transactions exceeding 10% of the annual consolidated turnover as per the last audited financial statement made by the Company which may have a potential conflict with the interest of the Company at large and thus disclosure in Form AOC-2 is not required. The Board has formulated Policy on Related Party Transactions.

Members may refer to the notes to the accounts for details of related party transactions entered as per Indian Accounting Standard – 24. The Board of Directors of the Company has, on the recommendation of the Audit Committee, adopted a policy to regulate transactions Company and its Related Parties, in compliance with the applicable provisions of the Companies Act 2013, the Rules there under and the SEBI LODR Regulations.

In line with the requirements of the Companies Act, 2013 and the Listing Regulations, your Company has formulated a Policy on Related Party Transactions. The Policy on Materiality of and dealing with Related Party Transactions as approved by the Board is uploaded on the Company's website [www.sofcomsystems.com](http://www.sofcomsystems.com). The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties.

**INTERNAL FINANCIAL CONTROL (IFC) SYSTEMS AND THEIR ADEQUACY:**

Internal control systems and procedures in the Company are commensurate with the size and the nature of Company's business and are regularly reviewed and updated by incorporating changes in regulatory provisions in order to safeguard the assets and to ensure reliability of financial reporting.



**MATERIAL CHANGES AND COMMITMENT:**

There are no material changes and commitments affecting the financial position of the Company, have occurred between the ends of financial year of the Company i.e. 31<sup>st</sup> March, 2024 to the date of this Report.

**SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:**

To foster a positive workplace environment, free from harassment of any nature, we have institutionalized the Anti-Sexual Harassment Initiative (ASHI) framework, through which we address complaints of sexual harassment at all workplaces of the Company. Our policy assures discretion and guarantees non-retaliation to complainants. We follow a gender-neutral approach in handling complaints of sexual harassment and we are compliant with the law of the land where we operate. The Company has setup an Internal Complaints Committee (ICC) for redressal of Complaints.

During the financial year 2023-24, the Company has received nil complaints on sexual harassment.

**CORPORATE SOCIAL RESPONSIBILITY:**

Pursuant to Section 135 of Companies Act, 2013, the Company does not require to constitute Corporate Social Responsibility Committee (“the CSR Committee”).

**RISK MANAGEMENT:**

Business risk evaluation and management is an ongoing process within the Company. During the year under review, the Management reviewed the risk management and minimization procedure adopted by the Company covering the business operations of the Company.

**ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

**A. Conservation of energy –**

- i.) **The steps taken or impact on conservation of energy:** Company ensures that the operations are conducted in the manner whereby optimum utilization and maximum possible savings of energy is achieved.
- ii.) **The steps taken by the Company for utilizing alternate sources of energy:** No alternate source has been adopted.
- iii.) **The capital investment on energy conservation equipment:** No specific investment has been made in reduction in energy consumption.

**B. Technology absorption –**

- i.) **The effort made towards technology absorption:** Not Applicable.
- ii.) **The benefit derived like product improvement, cost reduction, product development or import substitution:** Not Applicable
- iii.) **in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) -**
  - a. **The details of technology imported:** Nil.
  - b. **The year of import:** Not Applicable.
  - c. **Whether the technology has been fully absorbed:** Not Applicable.
  - d. **If not fully absorbed, areas where absorption has not taken place, and the reasons thereof:** Not Applicable.
- iv.) **The expenditure incurred on Research and Development:** Nil

**C. Foreign Exchange Earnings & Expenditure:**

- i.) Details of Foreign Exchange Earnings: Nil
- ii.) Details of Foreign Exchange Expenditure: Nil

**CORPORATE GOVERNANCE:**

Your Company strives to incorporate the appropriate standards for corporate governance. As stipulated in Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Report on Corporate Governance and Certificate of the Practicing Company Secretary with regards to compliance with the conditions of Corporate Governance is annexed to the Board's Report as **Annexure – B & Annexure – C**.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

Management Discussion and Analysis Report for the year under review, as stipulated under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is presented in a separate section forming part of this Annual Report.





### **SECRETARIAL AUDITOR AND THEIR REPORT:**

The Company has appointed M/s. Deepti & Associates, Practicing Company Secretary, to conduct the secretarial audit of the Company for the financial year 2023-24, as required under Section 204 of the Companies Act, 2013 and Rules there under. The Secretarial Audit Report for the financial year 2023-24 is annexed to this report as an **Annexure – D**.

The Company has received certificate dated August 29, 2024, from M/s. Deepti & Associates, Practicing Company Secretary, confirming that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as director of companies by the SEBI/Ministry of Corporate of Affairs or any such authority and Annual Secretarial Compliance Report dated July 04, 2024 for the FY 2023-24. Both Certificates are annexed to this report as an **Annexure – E & Annexure – F**.

### **STATUTORY AUDITOR AND THEIR REPORT:**

The Company has appointed M/s S.D. Mehta & Co. (FRN: 137193W), Chartered Accountants, Ahmedabad as Statutory Auditors of the Company up to the date of this Annual General Meeting held for the financial year 2023-24. The Report given by the Auditors on the financial statement of the Company is part of this Annual Report.

### **INTERNAL AUDIT & CONTROL:**

Your Company is in process to appoint a suitable and qualified Chartered Accountant as its Internal Auditor. As company needs an internal Auditor who will take care of the internal audit and controls, systems and processes in the Company. Meanwhile your Company has in place adequate internal financial controls with reference to the Financial Statements commensurate with the size, scale and complexity of its operations.

### **REPORTING OF FRAUD:**

The Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Companies Act, 2013.

**MAINTENANCE OF COST RECORD:**

Since the company is not falling under prescribed class of Companies, our Company is not required to maintain cost record.

**COMPLIANCE WITH THE PROVISIONS OF SECRETARIAL STANDARD 1 AND SECRETARIAL STANDARD 2:**

The applicable Secretarial Standards, i.e., SS-1 and SS-2, relating to ‘Meetings of the Board of Directors’ and ‘General Meetings’, respectively, have been duly complied by your Company.

**GENERAL DISCLOSURE:**

Your Directors state that the Company has made disclosures in this report for the items prescribed in section 134 (3) of the Act and Rule 8 of The Companies (Accounts) Rules, 2014 and other applicable provisions of the act and listing regulations, to the extent the transactions took place on those items during the year. Your directors further state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review or they are not applicable to the Company;

- (i) Details relating to deposits covered under Chapter V of the Act;
- (ii) Issue of Equity Shares with differential rights as to dividend, voting or otherwise;
- (iii) Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and ESOS;
- (iv) There is no revision in the Board Report or Financial Statement;
- (v) No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company’s operations in future;

**APPRECIATIONS AND ACKNOWLEDGEMENT:**

Your director’s wish to place on record their sincere appreciation for significant contributions made by the employees at all levels through their dedication, hard work and commitment during the year under review.

The Board places on record its appreciation for the support and co-operation your Company has been receiving from its suppliers, distributors, retailers, business partners and others associated with it as its trading partners. Your Company looks upon them as partners in its progress and has shared with them the rewards of growth. It will be your Company’s Endeavour to build and nurture strong links with the trade based on mutuality of benefits, respect for and co-operation with each other, consistent with consumer interests.

Your directors also take this opportunity to thank all Shareholders, Clients, Vendors, Banks, Government and Regulatory Authorities and Stock Exchanges, for their continued support.



## Sofcom Systems Limited

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**Registered office:**

D-36, Subhash Marg, Flat  
No. 802 Sheel Mohar  
Apartment, C-Scheme,  
Jaipur, Rajasthan, India,  
302001

For and on behalf of Board of Directors  
**SOFCOM SYSTEMS LIMITED**  
CIN: L72200RJ1995PLC010192

**Date: August 30, 2024**

**Place: Ahmedabad**

Sd/-

**Priti Apurvhai Shah**  
**Chairperson**  
**DIN: 07165786**

**PARTICULARS OF EMPLOYEES**

**Disclosures pertaining to remuneration and other details as required  
Under Section 197(12) of the Companies Act, 2013 read with Rules made there under.**

**A. Information as per Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:**

- a) **The ratio of remuneration of each director to the median remuneration of employees for the financial year and the Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:**

<b>Sr. No.</b>	<b>Name</b>	<b>Designation</b>	<b>Nature of Payment</b>	<b>Amount Paid</b>	<b>Ratio against median employee's remuneration</b>	<b>Percentage Increase</b>
1	Mrs. Dharaben Jagdishbhai Patel (Appointed w.e.f. 2 <sup>nd</sup> October, 2023)	Company Secretary	Salary	18,000	-	-

- b) **The percentage decrease in the median remuneration of employees in the financial year:**

The median remuneration of the employees in current financial year has decreased by 100 % over the previous financial year.

- c) **The number of permanent employees on the rolls of the Company:** 1 Employee as on March 31, 2024.

- d) **Average percentile decrease already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

The 100% increase was made in salary of employees whereas remuneration of Executive Directors was decreased by 100%. Further, there were no exceptional circumstances in which the salary executive Directors was increased. It was as per the approval of the shareholders of the Company.

**REPORT ON CORPORATE GOVERNANCE**

**COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

Corporate Governance ensures fairness, transparency and integrity of the management. Corporate Governance is a way of life, rather than a mere legal compulsion. It further inspires and strengthens investor's confidence and commitment to the Company. Any good Corporate Governance provides an appropriate framework for the Board, its committees and senior management, to carry out the objectives that are in the interest of the Company and the stakeholders.

The Company maintains the highest levels of transparency, accountability and good management practices through the adoption and monitoring of corporate strategies, goals and procedures to comply with its legal and ethical responsibilities.

We believe that sound Corporate Governance is critical to enhancing and retaining investor trust. Accordingly, we always seek to ensure that we attain our performance goals with integrity. Our Board exercises its fiduciary responsibilities in the widest sense of the term.

In compliance with the disclosure requirements as mentioned in Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the details are set out in this report.

**BOARD OF DIRECTORS**

The "Board", being the trustee of the Company, responsible for the establishment of cultural, ethical and accountable growth of the Company, is constituted with a high level of integrated, knowledgeable and committed professionals. The Board provides strategic guidance and independent views to the Company's senior management while discharging its fiduciary responsibilities.

**Constitution of Board**

The Company has a balanced board with optimum combination of Executive and Non-Executive Directors, including independent Directors, which plays a crucial role in Board processes and provides independent judgment on issues of strategy and performance. As on 31<sup>st</sup> March, 2024, Board comprises of 3 (Three) Directors out of which 1 (One) Directors is Executive Director, 1 (One) Director is Non-Executive Director and remaining 1 (One) is Non-Executive Independent Director.

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations as amended from time to time. The maximum tenure of the Independent Directors is in compliance with the Companies Act, 2013. All Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations as amended from time to time and Section 149 of the Companies Act, 2013. The present strength of the Board reflects judicious mix of professionalism, competence and sound knowledge which enables the Board to provide effective leadership to the Company.

## Sofcom Systems Limited

None of the Directors is a director in more than ten Public Limited Companies. Further, none of the Directors on the Company's Board is a member of more than ten Committees and Chairman of more than five Committees (Committees being, Audit Committee and Stakeholders' Relationship Committee) across all the companies in which he/she is a director. All the Directors have made necessary disclosures regarding Committee positions held by them in other companies and do not hold the office of Director in more than ten public companies as on 31st March, 2024. None of the Director of the Company is serving as a Whole-Time Director in any Listed Company and is holding position of Independent Director in more than three Listed Company and none of the Director of the Company is holding position as Independent Director in more than seven Listed Company. None of the Directors is Director in more than seven listed companies.

The composition of the Board is not in conformity with the Regulation 17 of the SEBI Listing Regulations.

On July 16, 2024, the Company appointed four independent directors to ensure compliance with Regulation 17 of the SEBI Listing Regulations. Consequently, as of today, the composition of the Board is in conformity with the requirements of Regulation 17 of the SEBI Listing Regulations.

As at 31<sup>st</sup> March, 2024, the Board comprised following Directors;

Name of Director	Category Cum Designation	Date of Appointment in present role	Directors hip in other Listed Companies excluding our Company	^Membership of Committee in other company		No. of Shares held as on March 31, 2024	Inter-se Relation between Directors
				in which Director is Members	in which Director is Chairman		
Priti Apurvhai Shah	Executive Director	07 <sup>th</sup> October, 2023	0	0	0	40,173 Equity Shares	Spouse of Mr. Apurvhai Dilipbhai Shah
Apurvhai Dilipbhai Shah	Non-Executive Director	07 <sup>th</sup> October, 2023	1	0	0	6397 Equity Shares	Spouse of Mrs. Priti Apurvhai Shah
Alkaben Rajendra Mehta	Non-Executive Independent Director	20 <sup>th</sup> July, 2023	2	4	0	-	No Relation

## Sofcom Systems Limited

^ Committee includes Audit Committee and Shareholders' Grievances Committee across all Public Companies excluding our Company.

~ excluding Section 8 Company, Struck off Company, Amalgamated Company and LLPs.

None of the Directors of the Company is disqualified for being appointed as Director as specified in Section 164 (2) of the Companies Act, 2013.

### Board Meeting

Regular meetings of the Board are held to review the quarterly results of the Company. Additional Board meetings are convened, as and when required, to discuss and decide on various business policies, strategies and other businesses. The Board meetings are generally held at registered office of the Company.

During the year under review, Board of Directors of the Company met 12(Twelve) times, viz 13<sup>th</sup> April, 2023, 29<sup>th</sup> May, 2023, 20<sup>th</sup> July, 2023, 09<sup>th</sup> August, 2023, 09<sup>th</sup> September, 2023, 02<sup>nd</sup> October, 2023, 07<sup>th</sup> October, 2023, 12<sup>th</sup> November, 2023, 21<sup>st</sup> December, 2023, 27<sup>th</sup> December, 2023, 06<sup>th</sup> February, 2024 and 12<sup>th</sup> February, 2024.

The details of attendance of each Director at the Board Meeting and Annual General Meeting are given below;

Name of Director	Number of Board Meetings held during their tenure in the F.Y. 2023-24	Number of Board Meetings attended during F.Y. 2023-24	Whether attended last AGM held on 30.09.2023
Mrs. Priti Apurvabhai Shah	6	6	NA
Mr. Apurvabhai Dilipbhai Shah	6	6	NA
Mrs. Alkaben Rajendra Mehta	10	10	YES
Mr. Nirav Rohitkumar Shah	7	7	YES
Mr. Jagdishkumar Bhagvandas Patel	1	1	NA
Mr. Gohel Darshil Pankajbhai	4	4	YES
Mr. Satyam Jaiswal	6	6	YES
Mrs. Shiwaginee Jaiswal	6	6	YES
Mr. Ganeshprasad Pratap Murarika	2	2	NA
Mr. Rakesh Pandey	2	2	NA
Mr. Anil Nahar	2	2	NA
Mr. Kishor Mehta	0	0	NA
Mrs. Asha Mehta	0	0	NA

During the year, the Board of Directors accepted all recommendations of the Committees of the Board, which were statutory in nature and required to be recommended by the Committee and approved by the Board of Directors. Hence, the Company is in compliance of condition of clause 10(j) of schedule V of the SEBI Listing Regulations.

**Independent Directors:**

In terms of Section 149 of the Companies Act, 2013 and rules made there under and Listing Regulations, the Company has four Non-Promoter Non-Executive Independent Directors as on report date. In the opinion of the Board of Directors, all four Independent Directors of the Company meet all the criteria mandated by Section 149 of the Companies Act, 2013 and rules made there under and Listing Regulations and they are Independent of Management.

A separate meeting of Independent Directors was held on 24<sup>th</sup> March, 2024 to review the performance of Non-Independent Directors and Board as whole and performance of Chairperson of the Company including assessment of quality, quantity and timeliness of flow of information between Company management and Board that is necessary for the board of directors to effectively and reasonably perform their duties.

The terms and conditions of appointment of Independent Directors and Code for Independent Director are incorporated on the website of the Company at [www.sofcomsystems.com](http://www.sofcomsystems.com).

The Company has received a declaration from the Independent Directors of the Company under Section 149(7) of Companies Act, 2013 and 16(1)(b) of Listing Regulations confirming that they meet criteria of Independence as per relevant provisions of Companies Act, 2013 for financial year 2023-24. The Board of Directors of the Company has taken on record the said declarations and confirmation as submitted by the Independent Directors after undertaking due assessment of the veracity of the same. In the opinion of the Board, they fulfill the conditions for re-appointment as Independent Directors and are independent of the Management.

Following Independent Directors have resigned during the year:

Sr. No.	Name	Designation	Date of Resignation
1	Mr. Nirav Rohitkumar Shah	Non – Executive Independent Director	December 22, 2023
2	Mr. Jagdishkumar Bhagvandas Patel	Non – Executive Independent Director	October 17, 2023
3	Mr. Gohel Darshil Pankajbhai	Non – Executive Independent Director	October 07, 2023
4	Mr. Ganeshprasad Pratap Murarika	Non – Executive Independent Director	July 19, 2023
5	Mr. Rakesh Pandey	Non – Executive Independent Director	July 19, 2023
6	Mr. Anil Nahar	Non – Executive Independent Director	July 19, 2023

**Detailed reasons for the resignation of the Independent Directors who resigned before the expiry of his/her tenure:**

Mr. Nirav Rohitkumar Shah (DIN- 07246610), Non-Executive Independent Director resigned from the Company with effect from December 22, 2023 before the expiry of his tenure due to some health issues. Due confirmation regarding no other material reasons other than those mentioned was provided in his resignation letter.

Mr. Jagdishkumar Bhagvandas Patel (DIN- 08038830), Non-Executive Independent Director resigned from the Company with effect from October 17, 2023 before the expiry of his tenure due to some personal reasons and pre-occupation in other business activities. Due confirmation regarding no other material reasons other than those mentioned was provided in his resignation letter.

Mr. Gohel Darshil Pankajbhai (DIN- 10304011), Non-Executive Independent Director resigned from the Company with effect from October 07, 2023 before the expiry of his tenure due to pre-occupation in other business activities. Due confirmation regarding no other material reasons other than those mentioned was provided in his resignation letter.

Mr. Ganeshprasad Pratap Murarika (DIN- 08734788), Non-Executive Independent Director resigned from the Company with effect from July 19, 2023 before the expiry of his tenure due to personal health reasons. Due confirmation regarding no other material reasons other than those mentioned was mentioned in his resignation letter.

Mr. Rakesh Pandey (DIN- 08734788), Non-Executive Independent Director resigned from the Company with effect from July 19, 2023 before the expiry of her tenure due to personal health reasons. Due confirmation regarding no other material reasons other than those mentioned was mentioned in his resignation letter.

Mr. Anil Nahar (DIN- 08734788), Non-Executive Independent Director resigned from the Company with effect from July 19, 2023 before the expiry of her tenure due to personal health reasons. Due confirmation regarding no other material reasons other than those mentioned was mentioned in his resignation letter.

**Code of conduct for the Board of Directors and senior management personnel:**

In terms of Regulation 17(5) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has adopted the Code of Conduct for the Board of Directors and Senior Management Personnel of the Company. The compliance of the said code has been affirmed by them annually. The Code of Conduct also includes the duties of Independent Directors. A copy of the Code has been put up on the Company's website and same may be accessed at [www.sofcomsystems.com](http://www.sofcomsystems.com).

A declaration of the Company for compliance with code of conduct is attached with this report.

**Familiarization Programmer for Board Members:**

The Company has formulated a policy to familiarize the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various programmes. The details of such familiarization programmes are disclosed on the website of the Company and the web link for the same is [www.sofcomsystems.com](http://www.sofcomsystems.com).

**Skills/expertise/ competencies of Board of Directors:**

The Board of the Company comprises eminent personalities and leaders in their respective fields. These members bring in the required skills, competence and expertise to the Board. These Directors are nominated based on well-defined selection criteria. Nomination and Remuneration Committee ('NRC') considers, inter alia, key skills, qualifications, expertise and competencies, whilst recommending to the Board the candidature for appointment of Director. The Board of Directors have, based on the recommendations of the NRC, identified the following core key skills/expertise/competencies of Directors as required in the context of business of the Company for its effective functioning which are currently possessed by the Board Members of the Company and mapped against each of the Directors:

<b>Name of Director</b>	Safety and Corporate Social Responsibility	General Management and Leadership Experience	Human Resource and Communication	Corporate Strategy and Strategic Planning	Finance, Risk Management, Regulatory and Governance	Science and Technology including IT
Priti Apurvhai Shah (Appointed w.e.f 07 <sup>th</sup> October 2023)	✓	✓	✓	✓	✓	-
Apurvabhai Dilipbhai Shah (Appointed w.e.f 07 <sup>th</sup> October 2023)	✓	✓	✓	✓	✓	-
Alkaben Rajendra Mehta (Appointed w.e.f 20 <sup>th</sup> July 2023)	✓	✓	-	-	-	✓
Nirav Rohitkumar Shah (Appointed w.e.f 20 <sup>th</sup> July 2023 and up to 22 <sup>nd</sup> December)	✓	✓	-	-	-	✓



Sofcom Systems Limited

2023)						
Jagdishkumar Bhagvandas Patel (Appointed w.e.f 07 <sup>th</sup> October 2023 and up to 17 <sup>th</sup> October 2023)	✓	✓	-	-	-	✓
Gohel Darshil Pankajbhai (Appointed w.e.f 20 <sup>th</sup> July 2023 and up to 07 <sup>th</sup> October 2023)	✓	✓	✓	✓	✓	-
Satyam Jaiswal (Resigned w.e.f 04 <sup>th</sup> October 2023)	✓	✓	✓	✓	✓	-
Shiwaginee Jaiswal (Resigned w.e.f 04 <sup>th</sup> October 2023)	✓	✓	✓	✓	✓	-
Ganeshprasad Pratap Murarika (Resigned w.e.f 19 <sup>th</sup> July 2023)	✓	✓	✓	✓	✓	-
Rakesh Pandey (Resigned w.e.f 19 <sup>th</sup> July 2023)	✓	✓	✓	✓	✓	-
Anil Nahar (Resigned w.e.f 19 <sup>th</sup>	✓	✓	✓	✓	✓	-

## Sofcom Systems Limited

July 2023)						
Kishor Mehta (Resigned w.e.f 13 <sup>th</sup> April 2023)	✓	✓	✓	✓	✓	-
Asha Mehta Resigned w.e.f 13 <sup>th</sup> April 2023)	✓	✓	✓	✓	✓	-

### PROHIBITION OF INSIDER TRADING

The Company has devised a Code of Conduct of Insider Trading Regulations which is applicable to all the Designated Persons of the company who are expected to have access to have access to the unpublished price sensitive information relating to the company and is available on the website of the company i.e. [www.sofcomsystems.com](http://www.sofcomsystems.com). The said code lays down guidelines which advise them.

### COMMITTEES OF BOARD

The terms of reference of Board Committees are determined by the Board from time to time. Presently the Company has Three (3) committees i.e. Audit Committee, Nomination and Remuneration Committee, and Stakeholder's Grievance & Relationship Committee. All the decisions pertaining to the constitution of the Committees, appointment of members, and fixing of terms of reference for committee members are taken by the Board of Directors. Details on the role and composition of these committees, including the number of meetings held during the financial year and the related attendance, are provided in detailed hereunder.

There were no instances during the financial year 2023-24, wherein the Board had not accepted recommendations made by any committee of the Board.

#### A. Audit Committee

The Company has not formed audit committee in line with the provisions Section 177 of the Companies Act, 2013 and Regulation 18 of Listing Regulations for the purpose of assisting the Board in fulfilling its overall responsibilities of monitoring financial reporting processes, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's statutory and internal audit activities.

#### Role of Committee:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a) Matters required being included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
  - b) Changes, if any, in accounting policies and practices and reasons for the same.
  - c) Major accounting entries involving estimates based on the exercise of judgment by management.
  - d) Significant adjustments made in the financial statements arising out of audit findings.
  - e) Compliance with listing and other legal requirements relating to financial statements.
  - f) Disclosure of any related party transactions.
  - g) Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. Establish a vigil mechanism for directors and employees to report genuine concerns in such manner as may be prescribed.

19. Approval of appointment of CFO (i.e., the Whole time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Reviewing the Management letters/ letters of Internal Control weaknesses issued by Statutory Auditor;
21. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;
22. reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of the provision and
23. The audit committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the Company.

**Review of Information by the Committee:**

The Audit Committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
3. Management letters/letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses;
5. The appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the Audit Committee and
6. statement of deviations:
  - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - (b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).
7. Review and monitor the auditors' independence and performance, and effectiveness of audit process;
8. Examination of the financial statement and auditors' report thereon;
9. Approval or any subsequent modification of transactions of the Company with related parties;
10. Scrutiny of inter-corporate loans and investment;
11. Valuation of undertakings or assets of the Company, wherever it is necessary;
12. Evaluation of internal financial controls and risk management systems;
13. Monitoring the end use of funds raised through public offers and related matters;
14. Any other matters as prescribed by law from time to time.

**Powers of Committee:**

The Committee-

1. May call for comments of auditors about internal control system, scope of audit, including observations of auditors and review of financial statement before their submission to board;
2. May discuss any related issues with internal and statutory auditors and management of the Company;
3. To investigate into any matter in relation to above items or referred to it by Board;
4. To obtain legal or professional advice from external sources and have full access to information contained in the records of the Company;
5. To seek information from any employee;
6. To secure attendance of outsiders with relevant expertise, if it considers necessary;
7. Any other power as may be delegated to the Committee by way of operation of law.

**Composition of Committee, Meeting and Attendance of each Member at Meetings:**

Audit Committee meeting is generally held one in quarter for the purpose of recommending the quarterly / half yearly / yearly financial result and the gap between two meetings did not exceed one hundred and twenty days. Additional meeting is held for the purpose of reviewing the specific item included in terms of reference of the Committee. During the year under review, Audit Committee met 9 (Nine) times on 13<sup>th</sup> April, 2023; 29<sup>th</sup> May, 2023; 09<sup>th</sup> August, 2023; 07<sup>th</sup> October, 2023; 12<sup>th</sup> October, 2023; 21<sup>st</sup> October, 2023; 22<sup>nd</sup> October, 2023; 06<sup>th</sup> February, 2024 and 12<sup>th</sup> February, 2024.

The composition of the Committee during the year and the details of meetings attended by its members are given below:

Name of Members	Category	Designation in Committee	Number of meetings during the financial year 2023-24		
			Held	Eligible to attend	Attended
Priti Apurvhai Shah (Appointed w.e.f, 22 <sup>nd</sup> December,2023)	Executive Director	Member	9	2	2
Apurvabhai Dilipbhai Shah (Appointed w.e.f, 07 <sup>th</sup> October,2023)	Non-Executive Non Independent Director	Member	9	6	6
Alkaben Rajendra Mehta (Appointed w.e.f, 20 <sup>th</sup> July, 2023)	Non-Executive Independent Director	Chairperson	9	7	7
Nirav Rohitkumar Shah (Appointed w.e.f, 20 <sup>th</sup> July, 2023 and Up to 22 <sup>nd</sup> December, 2023)	Non-Executive Independent Director	Chairperson	9	5	5
Shiwaginee Jaiswal (Appointed w.e.f, 13 <sup>th</sup> April, 2023 and Up to	Non-Executive Non	Member	9	3	3

**Sofcom Systems Limited**

Name of Members	Category	Designation in Committee	Number of meetings during the financial year 2023-24		
			Held	Eligible to attend	Attended
Priti Apurvhai Shah (Appointed w.e.f, 22 <sup>nd</sup> December,2023)	Executive Director	Member	9	2	2
07 <sup>th</sup> October,2023)	Independent Director				
Ganeshprasad Pratap Murarika (Up to 19 <sup>th</sup> July, 2023)	Non-Executive - Independent Director	Chairperson	9	2	2
Rakesh Pandey (Up to 19 <sup>th</sup> July, 2023)	Non-Executive - Independent Director	Member	9	2	2
Asha Mehta (Up to 13 <sup>th</sup> April, 2023)	Non-Executive Non - Independent Director	Member	9	0	0

The Company Secretary of the Company acts as Secretary to the Committee. The Constitution of the Audit Committee is not in line with the provisions of Section 177 of the Companies Act, 2013 read with Regulation 18 of the SEBI (LODR) Regulations, 2015.

On July 16, 2024, the Company appointed four independent directors to ensure compliance with the provisions of Section 177 of the Companies Act, 2013 read with Regulation 18 of the SEBI (LODR) Regulations, 2015. Consequently, as of today, the composition of the Board is in line with the requirements of Section 177 of the Companies Act, 2013 read with Regulation 18 of the SEBI (LODR) Regulations, 2015.

The Statutory Auditors of the Company are invited in the meeting of the Committee wherever requires. Chief Financial Officer of the Company is a regular invitee at the Meeting.

Recommendations of Audit Committee have been accepted by the Board wherever/whenever given.

**B. Nomination and Remuneration Committee**

The Company has not formed Nomination and Remuneration committee in line with the provisions Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulations.

**Terms of reference:**

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of performance of independent directors and the board of directors;
3. Devising a policy on diversity of board of directors;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
5. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
6. Recommend to the board, all remuneration, in whatever form, payable to senior management.  
Explanation: Senior Management means personnel who are members of the core management team excluding BOD comprising all members of management one level below the executive directors, including functional heads.
7. Recommend to the board, all remuneration, in whatever form, payable to senior management.
8. Other terms of reference as prescribed under Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

**Composition of Committee, Meeting and Attendance of each Member at Meetings:**

Nomination and Remuneration Committee meeting is generally held at least once in a year. Additional meetings are held for the purpose of recommending appointment/re-appointment of Directors and Key Managerial Personnel and their remuneration. During the year under review, Nomination and Remuneration Committee met 4 (Four) time viz, 13<sup>th</sup> April, 2023; 20<sup>th</sup> July, 2023; 07<sup>th</sup> October, 2023 and 23<sup>th</sup> December, 2023.

The composition of the Committee during the year and the details of meetings attended by its members are given below:

Name of Members	Category	Designation in Committee	Number of meetings during the financial year 2023-24		
			Held	Eligible to attend	Attended
Priti Apurvabhai Shah (Appointed w.e.f, 23 <sup>rd</sup> December,2023)	Executive Director	Member	4	1	0
Apurvabhai Dilipbhai Shah (Appointed w.e.f, 07 <sup>th</sup> October,2023)	Non-Executive Non Independent Director	Member	4	2	0
Alkaben Rajendra Mehta (Appointed w.e.f, 20 <sup>th</sup> July, 2023)	Non-Executive Independent Director	Chairperson	4	3	3

**Sofcom Systems Limited**

Name of Members	Category	Designation in Committee	Number of meetings during the financial year 2023-24		
			Held	Eligible to attend	Attended
Priti Apurvhai Shah (Appointed w.e.f, 23 <sup>rd</sup> December,2023)	Executive Director	Member	4	1	0
Nirav Rohitkumar Shah (Appointed w.e.f, 20 <sup>th</sup> July, 2023 and Up to 22 <sup>nd</sup> December, 2023)	Non-Executive - Independent Director	Chairperson	2	2	2
Shiwaginee Jaiswal (Appointed w.e.f, 13 <sup>th</sup> April, 2023 and Up to 07 <sup>th</sup> October,2023)	Non-Executive - Non Independent Director	Member	4	2	2
Ganeshprasad Pratap Murarika (Up to 19 <sup>th</sup> July, 2023)	Non-Executive - Independent Director	Chairperson	4	1	1
Rakesh Pandey (Up to 19 <sup>th</sup> July, 2023)	Non-Executive - Independent Director	Member	4	1	1
Asha Mehta (Up to 13 <sup>th</sup> April,2023)	Non-Executive - Non Independent Director	Member	9	0	0

**Board and Director Evaluation and criteria for evaluation**

In terms of the requirement of the Act and the Listing Regulations, an annual performance evaluation of the Board is undertaken where the Board formally assesses its own performance with the aim to improve the effectiveness of the Board and the Committees. During the year under review, the Board has carried out an annual evaluation of its own performance, performance of the Directors, as well as the evaluation of the working of its Committees. The exercise was led by the Chairman of the NRC along with the Chairman of Board.

The NRC has defined the evaluation criteria, procedure and time schedule for the Performance Evaluation process for the Board, its Committees and Directors. The criteria for Evaluation of Board, Individual Directors and Committees include, inter alia, the following:

Board Evaluation	Evaluation of Individual Directors	Committee Evaluation
• Board Structure -	• Professional qualifications	• Mandate and



<p>qualifications, experience and competencies</p> <ul style="list-style-type: none"> <li>• Board Diversity</li> <li>• Meetings – regularity, frequency, agenda, discussion and recording of minutes</li> <li>• Functions – strategy, governance, compliances, evaluation of risks, stakeholder value and responsibility, conflict of interest</li> <li>• Independence of management from the Board, access of Board and management to each other</li> </ul>	<p>and experience</p> <ul style="list-style-type: none"> <li>• Knowledge, skills and competencies</li> <li>• Fulfillment of functions, ability to function as a team</li> <li>• Attendance</li> <li>• Commitment, contribution, integrity and independence</li> <li>• In addition to the above, the Chairman of the Board Meetings is also evaluated on key aspects of his role, including effectiveness of leadership and ability to steer Meetings, impartiality and ability to keep shareholders’ interests in mind</li> </ul>	<p>composition</p> <ul style="list-style-type: none"> <li>• Effectiveness of the Committee</li> <li>• Structure of the Committee</li> <li>• Meetings – regularity, frequency, agenda, discussion and dissent, recording of minutes</li> <li>• Independence of the Committee from the Board and contribution to decisions of the Board</li> </ul>
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**Remuneration of Directors:**

The Company has not entered into any pecuniary relationship or transactions with Non-Executive Directors of the Company.

Further, criteria for making payment, if any, to non-executive directors are provided under the Nomination and Remuneration Policy of the Company which is hosted on the website of the Company viz; [www.sofcomsystems.com](http://www.sofcomsystems.com).

During the year under review, the Company has not paid any remuneration to Executive Directors of the Company.

The remuneration of the Directors is decided by the Nomination and Remuneration Committee based on the performance of the Company in accordance with the Nomination and Remuneration Policy within the limit approved by the Board or Members.

Apart from sitting fees, Non-Executive Directors do not receive any other consideration except in their professional capacity. Further, the Non-Executive Directors are not paid any sitting fees for attending Board/Committee Meetings during FY 2023-24. Sitting Fees paid to Directors do not require the approval of Shareholders and Central Government.

The Company has not entered into / paid any service contracts, notice period, severance fees. Further, the Company has not granted any stock options to its directors.

**The evaluation of the Independent Directors was carried out by the entire Board based on below criteria:**

- a. Director's preparedness prior to the meeting;
- b. Director's willingness to devote time and effort to understand the Company and its business and a readiness to participate in events outside the meeting room, such as site visits;
- c. Director's ability to remain focused at a governance level in Board/ Committee meetings;
- d. Quality of Director's contributions at Board/Committee meetings;
- e. Proactive attitude of Directors in development of strategy and risk management of the Company;
- f. Director's understanding about governance, regulatory, financial, fiduciary and ethical requirements of the Board /Committee;
- g. Director's willingness to refresh his/ her knowledge and skills and up to date with the latest developments in areas such as corporate governance framework, financial reporting and the industry and market conditions;
- h. Convincing power of the director in presenting his/her views before board;
- i. Maintaining high standard of ethics and integrity.

Further, the evaluation of the Chairman and the Executive Director was carried out by the Independent Directors. The Directors were satisfied with the evaluation results.

### **C. Stakeholder's Relationship Committee**

#### **Terms of Reference:**

The Stakeholder's Relationship Committee ("SRC") looks into various aspects of interest of shareholders. The Committee ensures cordial investor relations, oversees the mechanism for redressal of investors' grievances and specifically looks into various aspects of interest of shareholders. The Committee specifically looks into redressing shareholders'/investors' complaints/ grievances pertaining to share transfers/transmission, non-receipts of annual reports, non-receipt of declared dividend and other allied complaints. The Committee oversees performance of the Registrar and Share Transfer Agents of the Company relating to investor services and recommends measures for improvement. The terms of reference of the SRC includes:

- (1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- (2) Review of measures taken for effective exercise of voting rights by shareholders.
- (3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- (4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

#### **Composition of Committee, Meetings and Attendance of each Member at Meetings:**

During the year under review, the Stakeholder's Grievance & Relationship Committee met 3 (Three) times viz on 10<sup>th</sup> August, 2023; 07<sup>th</sup> October, 2023 and 24<sup>th</sup> December, 2023.

The composition of the Committee during the year and the details of meetings attended by its members are given below:

**Sofcom Systems Limited**

Name of Members	Category	Designation in Committee	Number of meetings during the financial year 2023-24		
			Held	Eligible to attend	Attended
Priti Apurvabhai Shah (Appointed w.e.f, 24 <sup>th</sup> December,2023)	Executive Director	Member	3	1	0
Apurvabhai Dilipbhai Shah (Appointed w.e.f, 07 <sup>th</sup> October,2023)	Non-Executive Non Independent Director	Member	3	2	0
Alkaben Rajendra Mehta (Appointed w.e.f, 20 <sup>th</sup> July, 2023)	Non-Executive Independent Director	Chairperson	3	3	3
Nirav Rohitkumar Shah (Appointed w.e.f, 20 <sup>th</sup> July, 2023 and Up to 22 <sup>nd</sup> December, 2023)	Non-Executive Independent Director	Chairperson	3	2	2
Shiwaginee Jaiswal (Appointed w.e.f, 13 <sup>th</sup> April, 2023 and Up to 07 <sup>th</sup> October,2023)	Non-Executive Non Independent Director	Member	3	1	1
Ganeshprasad Pratap Murarika (Up to 19 <sup>th</sup> July, 2023)	Non-Executive Independent Director	Chairperson	3	0	0
Rakesh Pandey (Up to 19 <sup>th</sup> July, 2023)	Non-Executive Independent Director	Member	3	0	0
Asha Mehta (Up to 13 <sup>th</sup> April,2023)	Non-Executive Non Independent Director	Member	3	0	0

**Name and Designation of Compliance Officer**

Mrs. Dharaben Jagdishbhai Patel, Company Secretary and Compliance Officer of the Company is acting as the Compliance Officer w.e.f October 02, 2023.

**Complaint**

## Sofcom Systems Limited

Number of complaints outstanding as on April 1, 2023	Nil
Number of complaints received from the Investors from April 1, 2023 to March 31, 2024	Nil
Number of complaints solved to the satisfaction of the Investors from April 1, 2023 to March 31, 2024	Nil
Number of complaints pending as on March 31, 2024	Nil

### D. Corporate Social Responsibility Committee

The company is not required to formulate Corporate Social Responsibility Committee pursuant to Section 135 of Companies Act, 2013.

### E. Risk Management Committee

The company is not required to formulate Risk Management Committee pursuant to Regulation 21(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as the company is not in the top 1000 listed entities, determined on the basis of market capitalization as at the end of the immediate preceding financial year or high value debt listed entity.

### SENIOR MANAGEMENT:

Particulars of senior management including the changes therein since the close of the previous financial year are as under.

Sr. No.	Particulars	Designation
1.	Mrs. Dharaben Jagdishbhai Patel	Company Secretary & Compliance Officer
2.	Mrs. Priti Apurvabhai Shah	Managing Director and Chief Financial Officer

There has been no change in the senior management since the close of the previous financial year.

### GENERAL BODY MEETINGS

#### Annual General Meetings

Financial Year	Date, Day and Time	Location of Meeting	Time	No. of Special Resolutions passed
2022-23	Saturday, September 30, 2023	D-36, Subhash Marg, Flat No. 802 Sheel Mohar Apartment, C-Scheme, Jaipur, Rajasthan, India, 302001	03:00 PM	0
2021-22	Wednesday, September 28, 2022	D-36, Subhash Marg, Flat No. 802 Sheel Mohar Apartment, C-Scheme, Jaipur, Rajasthan, India, 302001	03:00 PM	0

## Sofcom Systems Limited

2020-21	Wednesday, September 29, 2021	D-36, Subhash Marg, Flat No. 802 Sheel Mohar Apartment, C-Scheme, Jaipur, Rajasthan, India, 302001	02:00 PM	1
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### Passing of Special Resolution through Postal Ballot:

During the year has been passed following special resolution through postal ballot.

1. Appointment of Mrs. Priti Apurvabhai Shah (DIN: 07165786) as Managing Director of the company.

*Result of voting through Postal Ballot by remote e-voting was as follows:*

Category	Promoter and Promoter Group	Public Institutions	Public Non-Institution	Total
No. of shares held	-	-	41,55,000	41,55,000
No. of Votes – in favor	-	-	2106	2106
% of Votes in favor on votes polled	-	-	100%	100%
No. of Votes – against	-	-	-	-
% of Votes against on votes polled	-	-	-	-

2. Appointment of Mr. Apurva Dilipbhai Shah (DIN: 07076724) as a Non-Executive Non-Independent Director of the company.

*Result of voting through Postal Ballot by remote e-voting was as follows:*

Category	Promoter and Promoter Group	Public Institutions	Public Non-Institution	Total
No. of shares held	-	-	41,55,000	41,55,000
No. of Votes – in favor	-	-	2106	2106
% of Votes in favor on votes polled	-	-	100%	100%
No. of Votes – against	-	-	-	-
% of Votes against on votes polled	-	-	-	-

## MEANS OF COMMUNICATION

### a. Financial Results

The quarterly, half-yearly and annual results are published in widely circulating national and local dailies such as “The Indian Express” i.e. in English and “Jaipur Times” in Hindi language and are displayed on the website of the Company [www.sofcomsystems.com](http://www.sofcomsystems.com).

### b. Website

The Company's website [www.sofcomsystems.com](http://www.sofcomsystems.com) contains a separate dedicated section namely “Investors” where shareholders information is available. The Annual Report of the Company is also available on the website of the Company [www.sofcomsystems.com](http://www.sofcomsystems.com).

During the year under review, the Company has not made any presentations to institutional investors or to the analysts. Further, the result of the Company has not been displayed any official news releases.

## General Shareholders Information

### Date, Time and Venue of 29<sup>th</sup> Annual General Meeting

**Day and Date:** Monday, 23<sup>rd</sup> September 2024

**Time:** 12.00 P.M.

**Venue:** D-36, Subhash Marg, Flat No. 802 Sheel Mohar Apartment, C-Scheme, Jaipur, Rajasthan, India, 302001

### Financial Year

12 months period starting from April 1 and ends on March 31 of subsequent year. This being financial year 2023-24 was started on April 1, 2023 and ended on March 31, 2024.

### Financial Calendar

(Tentative and subject to change for the financial year 2023-24)

Quarter ending	Release of Results
June 30, 2023	August 09, 2023
September 30, 2023	November 12, 2023
December 31, 2023	February 12, 2024
March 31, 2024	July 16, 2024
Annual General Meeting for the year ending March 31, 2024	September 23, 2024

### Book closure date

Monday, September 16, 2024 to Sunday, September 22, 2024 (both days inclusive).

### Listing on Stock Exchanges

Bombay Stock Exchange

## Sofcom Systems Limited

P. J. Towers,  
Dalal Street, Fort,  
Mumbai – 400 001

**Listing fees** for the financial year 2023-24 has been paid to Bombay Stock Exchange.

### Stock Code/Symbol

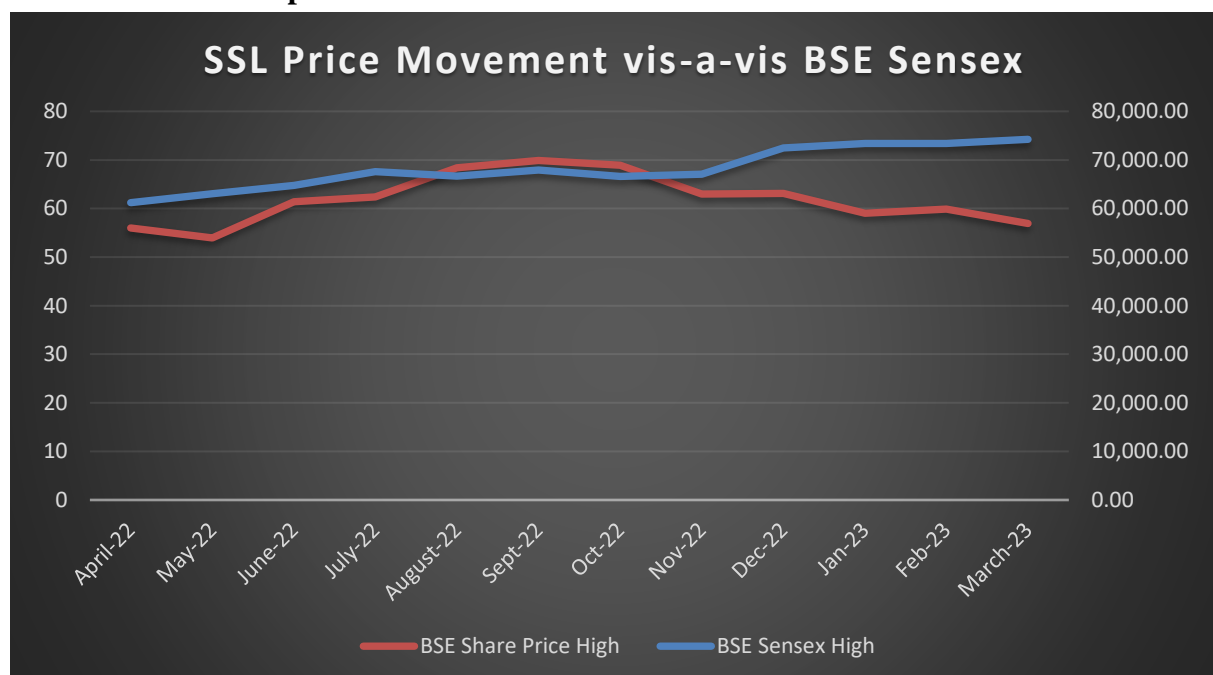
Bombay Stock Exchange (Scrip Code – 538923)

### Market Price Data

The Monthly high/low and the volume of the Company's shares traded on stock exchanges and the Monthly high/ low of the said exchanges are as follows:

Month	Sofcom Systems Limited (Price in)		BSE Sensex		BSE
	High Price	Low Price	High Price	Low Price	Volumes
April, 2023	55.98	46.25	61,209.46	58,793.08	3,38,322
May, 2023	53.95	38.91	63,036.12	61,002.17	7,38,634
June, 2023	61.40	43.50	64,768.58	62,359.14	7,08,475
July, 2023	62.40	48.03	67,619.17	64,836.16	5,13,227
August, 2023	68.40	57.29	66,658.12	64,723.63	4,18,436
September, 2023	69.90	60.10	67,927.23	64,818.37	1,51,735
October, 2023	68.89	53.30	66,592.16	63,092.98	2,54,268
November, 2023	63.00	47.15	67,069.89	63,550.46	4,53,080
December, 2023	63.10	46.00	72,484.34	67,149.07	4,97,320
January, 2024	59.00	44.17	73,427.59	70,001.60	9,36,698
February, 2024	59.90	41.25	73,413.93	70,809.84	7,63,371
March, 2024	56.95	38.40	74,245.17	71,674.42	2,89,527

### Performance in comparison to broad-based indices viz. BSE Sensex:



**Registrar and Transfer Agents**

Link Intime India Private Limited

**Address:** C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai-400083, Maharashtra

**Tel:** 022 -49186270; **Email:** [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) **Web:** <https://linkintime.co.in/>

**Share Transfer System**

In terms of Regulation 40(1) of SEBI LODR, as amended, securities can be transferred only in dematerialization form w.e.f. 1st April, 2019, except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfer of shares in electronic form is effected by the depositories with no involvement of the Company.

**Distribution of shareholding (As on March 31, 2024)**

*On the basis of number of shares held:*

No. of Shares		Shareholders		No. of Shares held	
		Number	% of Total	Amount	% of Total
1	5000	1105	90.13	5,95,295	14.33
5001	10000	49	4.00	3,80,549	9.16
10001	20000	39	3.18	5,59,559	13.47
20001	30000	9	0.73	2,22,255	5.35
30001	40000	4	0.33	1,32,000	3.18
40001	50000	5	0.41	2,33,490	5.62
50001	100000	9	0.73	6,45,202	15.53
100001	Above	6	0.49	13,86,650	33.37
<b>Total</b>		1226	100.00	41,55,000	100.00

*On the basis of Category of Shareholders:*

No. of Shares	Number of Shares held	
	Number	% of Total
Bodies Corporate – Ltd Liability Partnership	14319	0.34
HUF	73684	1.77
Non-Resident Indians Non-Repatriation	18550	0.45
Non-Resident Indians	20988	0.51
Other Bodies Corporate	1183920	28.49
Public	2843349	68.43
Trusts	190	0.00
<b>Total</b>	<b>41,55,000</b>	<b>100.00</b>

**Dematerialization of Shares and Liquidity (as on March 31, 2024)**

Mode	No. of Shares	Percentage
NSDL	2377901	57.23
CDSL	1774974	42.72



## Sofcom Systems Limited

Physical	2125	0.05
<b>Total</b>	<b>41,55,000</b>	<b>100.00</b>

The shares are traded on Bombay Stock Exchange of India Limited. For those shareholders who hold the shares in physical form may contact Depository Participant/RTA.

### **Outstanding GDRs/ADRs/Warrants or any Convertible instruments conversion date and likely impact on equity**

The Company has not issued any GDRs/ADRs/Warrants or any Convertible instruments till date. Hence, there are no outstanding GDRs/ADRs/Warrants or any Convertible instruments.

### **Disclosures with respect to Demat Suspense Account / Unclaimed Suspense Account:**

Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	NIL
Number of shareholders who approached the Company for transfer of shares from suspense account during the year	NIL
Number of shareholders to whom shares were transferred from the suspense account during the year	NIL
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	NIL

### **Disclosure of certain types of agreements binding listed entities:**

No agreements are executed which are covered under clause 5A of paragraph A of Part A of Schedule III of Listing Regulations and hence disclosure is not required.

### **Address of Correspondence**

#### **Sofcom Systems Limited**

Priti Apurvhai Shah

Managing Director & Chairman

**Address:** D-36, Subhash Marg, Flat No. 802 Sheel Mohar Apartment, C-Scheme, Jaipur, Rajasthan, India, 302001

**E-Mail:** [sofcomsystemsltd@gmail.com](mailto:sofcomsystemsltd@gmail.com);

### **For transfer/dematerialization of shares, change of address of members and other queries:**

Link Intime India Private Limited

**Address:** C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai-400083, Maharashtra

**Tel:** 022 -49186270; **Email:** [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) **Web:** <https://linkintime.co.in/>

**CREDIT RATINGS AND ANY REVISION THERETO:**

The Company has not issued any debt instruments and does not have any fixed deposit programme or any scheme or proposal involving mobilization of funds in India or abroad during the financial year ended March 31, 2024. The Company has not obtained any credit rating during the year.

**DISCLOSURE:**

**Subsidiary Companies**

The Company has no Subsidiary/Joint Ventures/Associate Companies. Hence, details relating to Subsidiary/Joint Ventures/Associate Companies are not provided for.

**Material Related Party Transaction**

During the year 2023-24, there was no transaction which materially significant related party transactions which does not have any potential conflict with the interests of the Company at large for which necessary approval of the Members has been obtained. Further, there was no materially significant related party transaction that may have potential conflict with the interests of the Company at large. Attention of members is drawn to the disclosure of transactions with the related parties set out in Notes to Accounts, forming part of the Annual Report.

The Board has approved a policy for related party transactions which has been uploaded on the Company's website. The policy is uploaded on the website of the Company at [www.sofcomsystems.com](http://www.sofcomsystems.com)

**MD/ CFO Certification**

In terms of Regulation 17(8) read with part B of Schedule II of SEBI LODR Regulations, the Certification by MD and CFO has been obtained and the said certification has been placed before the Board Members of the Company for perusal.

**Risk Management**

Business risk evaluation and management is an ongoing process within the Company. During the year under review, the Management reviewed the risk management and minimization procedure adopted by the Company covering the business operations of the Company.

**Proceeds from public issues, rights issues, preferential issues etc.**

During the year under review, the Company has not raised any proceeds from public issue, right issue, preferential issues, etc.

**Compliances**

Except in respect of matters specified in **Annexure F**, there were neither any instances of non-compliance by the Company nor there were any penalties or strictures imposed on the

Company by the Stock Exchange/(s) or SEBI or any statutory authority, on any matter related to Capital Markets, during the last three years.

### **Accounting treatment**

In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

### **Whistle Blower**

The Company has established a vigil mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethic policy. The said mechanism also provides for adequate safeguards against victimization of director(s)/Employee(s) who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. The details of establishment of such a mechanism has been disclosed in the Board's Report. Further, the Policy on Vigil Mechanism is available on the website of the Company at [www.sofcomsystems.com](http://www.sofcomsystems.com).

### **Details of Compliance with mandatory requirements and adoption of non-mandatory requirements**

The Company has complied with the applicable mandatory requirements as specified under Regulation 15 of SEBI LODR. The Company has adopted following non-mandatory requirements as prescribed under Regulation 27(1) read with Part E of Schedule II of the SEBI LODR.

**Shareholders Rights:** The quarterly and half-yearly financial results are published in widely circulated dailies and also displayed on Company's website viz. [www.sofcomsystems.com](http://www.sofcomsystems.com). Hence, these are not individually sent to the Shareholders.

**Modified Opinion(s) in audit report:** There is no modified opinion given in the Auditors' Report on Financial Statements.

### **Total fees paid to Statutory Auditors of the Company**

Total fees of Rs. 3,00,000/- (Rupees Three Lakh only) for financial year 2023-24, for all services, was paid by the Company to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.

### **Disclosure relating to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Company has in place an effective mechanism for dealing with complaints relating to sexual harassment at workplace. The details relating to the number of complaints received and disposed of during the financial year 2023-24 are prescribed under Board's Report forming part of this Annual Report.

**Secretarial Compliance Report**

SEBI vide its Circular No. CIR/CFD/CMD1/27/2019 dated 8th February, 2019 read with Regulation 24(A) of the Listing Regulations, directed listed entities to conduct Annual Secretarial compliance audit from a Practicing Company Secretary of all applicable SEBI Regulations and circulars/guidelines issued thereunder. The said Secretarial Compliance report is in addition to the Secretarial Audit Report by Practicing Company Secretaries under Form MR – 3 and is required to be submitted to Stock Exchanges within 60 days of the end of the financial year.

Accordingly, the Company has engaged the services of M/s Deepti & Associates (CP No. 17546), Practicing Company Secretary and Secretarial Auditor of the Company for providing this certification. The said compliance report has been submitted by the Company to Exchange.

**Compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Listing Regulations**

Sr. No.	Particulars	Regulation Number	Compliance status (Yes/No/NA)
1	Independent director(s) have been appointed in terms of specified criteria of 'independence' and/or 'eligibility'	16(1)(b) & 25(6)	NA
2	Board composition	17(1), 17(1A) & 17(1B)	No <i>(Reasons mentioned in Annual Secretarial Compliance Report)</i>
3	Meeting of Board of directors	17(2)	Yes
4	Quorum of Board meeting	17(2A)	Yes
5	Review of Compliance Reports	17(3)	Yes
6	Plans for orderly succession for appointments	17(4)	Yes
7	Code of Conduct	17(5)	Yes
8	Fees/compensation	17(6)	Yes
9	Minimum Information	17(7)	Yes
10	Compliance Certificate	17(8)	Yes
11	Risk Assessment & Management	17(9)	Yes
12	Performance Evaluation of Independent Directors	17(10)	Yes
13	Recommendation of Board	17(11)	Yes
14	Maximum number of directorship	17A	Yes
15	Composition of Audit Committee	18(1)	No <i>(Reasons mentioned in Annual Secretarial Compliance Report)</i>

Sofcom Systems Limited

Sr. No.	Particulars	Regulation Number	Compliance status (Yes/No/NA) (Report)
16	Meeting of Audit Committee	18(2)	Yes
17	Role of Audit Committee and information to be reviewed by the audit committee	18(3)	Yes
18	Composition of nomination & remuneration committee	19(1) & (2)	No (Reasons mentioned in Annual Secretarial Compliance Report)
19	Quorum of Nomination and Remuneration Committee meeting	19(2A)	Yes
20	Meeting of nomination & remuneration committee	19(3A)	Yes
21	Role of Nomination and Remuneration Committee	19(4)	Yes
22	Composition of Stakeholder Relationship Committee	20(1), 20(2) and 20(2A)	Yes
23	Meeting of stakeholder relationship committee	20(3A)	Yes
24	Role of Stakeholders Relationship Committee	20(4)	Yes
25	Composition and role of risk management committee	21(1),(2),(3),(4)	NA
26	Meeting of Risk Management Committee	21(3A)	NA
27	Quorum of Risk Management Committee meeting	21(3B)	NA
28	Gap between the meetings of the Risk Management Committee	21(3C)	NA
29	Vigil Mechanism	22	Yes
30	Policy for related party Transaction	23(1),(1A),(5),(6),(7) & (8)	Yes
31	Prior or Omnibus approval of Audit Committee for all related party transactions	23(2), (3)	NA
32	Approval for material related party transactions	23(4)	NA
33	Disclosure of related party transactions on consolidated basis	23(9)	Yes
34	Composition of Board of Directors of unlisted material Subsidiary	24(1)	NA
35	Other Corporate Governance requirements with respect to subsidiary of listed entity	24(2),(3),(4),(5) & (6)	NA
36	Alternate Director to Independent Director	25(1)	Yes
37	Maximum Tenure	25(2)	Yes
38	Appointment, Re-appointment or removal of an Independent Director through special resolution or the alternate mechanism	25(2A)	Yes
39	Meeting of independent directors	25(3) & (4)	Yes
40	Familiarization of independent directors	25(7)	Yes
41	Declaration from Independent Director	25(8) & (9)	Yes
42	D & O Insurance for Independent Directors	25(10)	NA

**Sofcom Systems Limited**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Regulation Number</b>	<b>Compliance status (Yes/No/NA)</b>
43	Confirmation with respect to appointment of Independent Directors who resigned from the listed entity	25(11)	Yes
44	Memberships in Committees	26(1)	Yes
45	Affirmation with compliance to code of conduct from members of Board of Directors and Senior management personnel	26(3)	Yes
46	Disclosure of Shareholding by Non- Executive Directors	26(4)	Yes
47	Policy with respect to Obligations of directors and senior management	26(2) & 26(5)	Yes
48	Approval of the Board and shareholders for compensation or profit sharing in connection with dealings in the securities of the listed entity	26(6)	Yes
49	Vacancies in respect Key Managerial Personnel	26A(1) & 26A(2)	Yes

**Registered office:**

D-36, Subhash Marg, Flat  
No. 802 Sheel Mohar  
Apartment, C-Scheme,  
Jaipur, Rajasthan, India,  
302001

For and on behalf of Board of Directors

**SOFCOM SYSTEMS LIMITED**

CIN: L72200RJ1995PLC010192

**Date: August 30, 2024**

**Place: Jaipur**

Sd/-

**Priti Apurvabhai Shah**

**Chairperson**

**DIN: 07165786**

**CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE**

**[Pursuant to Regulation 34(3) and Schedule V Para E of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]**

To,  
The Members  
Sofcom Systems Limited  
D-36, Subhash Marg, Flat No. 802,  
Sheel Mohar Apartment, C-Scheme,  
Jaipur, Rajasthan-302001

We have examined all the relevant records of Sofcom Systems Limited for the purpose of certifying compliance of the conditions of the Corporate Governance under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended March 31, 2024. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to review of the procedures and implementation thereof adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management. I certify that the Company has not adhered to certain conditions of Corporate Governance as mandated in Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as reported in the company's Annual Secretarial Report for FY 2023-24.

This certificate 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 Deepti & Associates  
Practicing Company Secretaries**

SD/-

**Deepti Grover**

**Proprietor**

**FCS. No. 7654 | C.P.: 17546**

**FRN: S2016DE438900**

**Peer Review No: 698/2022**

**UDIN: F007654F001071376**

**Date: August 29, 2024**

**Place: New Delhi**

**MD AND CFO COMPLIANCE CERTIFICATE**

I, Mrs. Priti Apurvhai Shah, Managing Director and Chief Financial Officer of the Company certify that

1. We have reviewed the financial statements including the cash flow statement for the year ended 31<sup>st</sup> March, 2024 and to the best of our knowledge and belief:
  - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with Indian Accounting Standards, applicable laws and regulations.
2. To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31<sup>st</sup> March, 2024 are fraudulent, illegal or violation of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
4. We have indicated to the Auditors and the Audit Committee that:
  - there are no significant changes in internal controls over financial reporting during the year;
  - there are no significant changes in accounting policies during the year; and
  - there are no instances of significant fraud of which we have become aware.

**Priti Apurvhai Shah**  
**Managing Director**  
**Chief Financial Officer**

**Date: August 30, 2024**  
**Place: Jaipur**



**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024**  
**(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,**  
**Sofcom Systems Limited**  
D-36, Subhash Marg, Flat No. 802 Sheel Mohar Apartment,  
C-Scheme, Jaipur, Rajasthan, India, 302001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Sofcom Systems Limited** (hereinafter called the company). 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 the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit; we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the Rules made thereunder (as amended from time to time);
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;
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 as the Company has not issued any securities during the year under review);*
- d) The Securities and Exchange Board of India (Share Based Employees Benefits) Regulations, 2014; *(Not Applicable as the Company has not issued any such benefits during the year under review);*
- e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; *(Not Applicable as the neither Company has existing Debt Securities nor have issued any fresh debt securities during the year under review);*
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; *(Not Applicable as the securities of the Company have not been delisted from any Stock Exchange during the year under review);*
- h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018; *(Not applicable as the Company has not bought back any of its securities during the financial year under review);*
- i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We have also examined compliance with the applicable Standards / Clauses / Regulations of the following:

- Secretarial Standards issued by The Institute of the Company Secretaries of India (ICSI) and made effective from time to time.

**We report that:**

During the Audit period under review, the Company has generally complied with all material aspects of the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards etc. as mentioned above, subject to following remarks and observations:

**A. Companies Act, 2013 and Rules made there under**

The Company has complied with Companies Act, 2013 and Rules made there under, except following:

- a. Mr. Nirav Rohitkumar Shah (DIN: 07246610) Independent Director resigned via mail on December 22, 2023 but company has delayed filing of form DIR-12 as required under sections 7(1)(c), 168 & 170 (2) of 17 of the Companies (Incorporation) Rules 2014 and 8, 15 & 18 of the Companies (Appointment and Qualification of Directors) Rules, 2014 on July 27, 2024 by paying additional fees.
- b. Mrs. Priti Apurvabhai Shah was appointed as Managing Director of the company in the board meeting held on October 07, 2023 but form MR-1 as required under Pursuant to Section 196 read with Section 197 and Schedule V of the Companies Act, 2013 and pursuant to Rule 3 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 has not been filed till date of this report.

- c. M/s Deepti & Associates, Practicing Company Secretary of C-101, Naraina Vihar, New Delhi – 110028 was appointed as secretarial auditor of the company for FY 2023-24 in the board meeting held on April 29, 2024 but form MGT-14 as required under Pursuant to 117(1) of The Companies Act, 2013 and Rule 24 of The Companies (Management and Administration) Rules, 2014] has been delayed filed on August 20, 2024 by paying additional fees.
- d. As per Section 138 of the Companies Act 2013, the company has not appointed Internal Auditor of the company. The Company is in the process of appointing a suitable and qualified person as its Internal Auditor.
- e. M/s S.D. Mehta & Co., Chartered Accountants had been appointed as Statutory Auditor of the Company with effect from February 06, 2024 to fill the Casual Vacancy caused due to immediate resignation of M/s Manoj Acharya & Associates but form ADT-1 as required pursuant to section 139 of the Companies Act, 2013 and Rule 4(2) of the Companies (Audit and Auditors) Rules, 2014 has not been filed till date of this report.

**B. SEBI (LODR) Regulations, 2015 -**

The Company has complied with The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, except following;

- a. Regulation 31(1)(b): There was a delay in filing of Shareholding Pattern for the quarter ended on 31.12.2024 and 31.03.2024, by 52 days & 64 days respectively.
- b. Regulation 27(2): There was a delay in submission of Corporate Governance Report with stock exchange for the quarter ended on 31.12.2023 and 31.03.2024, by 155 days & 89 days respectively.
- c. Regulation 13(3): There was a delay in submission of Investor Grievance Report for Quarter ended on 31.03.2024 by 65 days respectively.
- d. Regulation 29: Non-Submission of Prior intimation of board meeting with regards to financial results for the quarter ended on 30.09.2023 with Stock Exchange.
- e. Regulation 33: There was a delay in submission of audited standalone financial results for the financial year 2023-24 with Stock Exchange, by 47 days.
- f. Regulation 23(9): There was a delay in submission of Disclosure on Related Party Transaction with Stock Exchange, by 1 day.
- g. Regulation 47: Non-Submission of News Paper publication with regards to financial result for the quarter ended on 30.06.2023 & 31.12.2023
- h. Regulation 40(9)/(10): There was a delay in submission PCS certificate with Stock Exchange for the Financial Year ended on 31.03.2024, by 56 days.
- i. Regulation 7(3): There was a delay in submission of compliance certificate with Stock Exchange for the Financial Year ended on 31.03.2024, by 56 days.

- j. Regulation 30: There was a delay in submission of Intimation of Resignation of Mr. Nirav Rohitkumar Shah (DIN: 07246610) Independent Director with Stock Exchange, by 230 days
- k. Regulation 6(1A): Not fill vacancy in the office of Compliance Officer within 3 months
- l. Regulation 17(1)(b): Board does not possess minimum number of independent directors as on date of March 31, 2024
- m. Regulation 19(1): All members of Nomination and remuneration committee are not non-executive directors as on date of March 31, 2024
- n. Regulation 44(3): The company had conducted a postal ballot process for which voting results was due to be file with BSE on January 02, 2024 but same has not been yet filed.
- o. Regulation 24A: There was delay in submission of Annual Secretarial Compliance Report for the Financial Year ended on 31.03.2024, by 35 days.
- p. Regulation 17(1C): Mr. Satyam Jaiswal and Mrs. Shiwaginee Jaiswal had been appointed as Managing director and Additional Non- Executive director respectively w.e.f 13.04.2023. However, the company has failed to obtain approval of Shareholders for above appointments within a period of 3 months.
- q. Regulation 31A: Board had approved re-classification request of promoter in their meeting held on September 09, 2023 but application for the same is filed on 09.02.2024.
- r. SEBI's Circular SEB/HO/DDHS/DDHS-RACPOD 1/P/CIR/2023/172 dated October 19, 2023 with regard to initial disclosure has delayed filed for the Financial Year ended on 31.03.2024 as of financial results of quarter and year ended on 31.03.2024 are not filed within timeline.

#### **C. SEBI (SAST) REGULATIONS, 2015**

- a. Regulation 31(4): There was a delay in submission of promoter declaration with Stock Exchange for the Financial Year ended on 31.03.2024, by 115 days

#### **D. SEBI (DEPOSITORIES AND PARTICIPANTS) REGULATION, 2018**

- a. Regulation 76: There was a delay in submission of Reconciliation of share capital audit report with Stock Exchange for quarter 31.12.2023 and 31.03.2024, by 141 days & 52 days respectively.
- b. Regulation 74(5): There was a delay in submission of Certificate with Stock Exchange with Stock Exchange for Quarter ended on 30.06.2023, 30.09.2023, 31.12.2023 & 31.03.2024, by 2 days, 2 days, 161 days & 70 days respectively

**We further report that:**

We have also examined, on test-check basis, the relevant documents, certificates and licenses maintained by the Company according to the following laws applicable specifically to the Company:

- a) Environmental Protection Act, 1986.
- b) Factories Act, 1948.
- c) Payment of Gratuity, Payment of Bonus, Payment of Maternity Benefits, Employees Provident Funds, Employee State Insurance.
- d) Shops and Establishments Legislations.

**We further report that:**

Based on the review of compliance mechanism established by the Company, the information provided by the Company, its officers and authorized representatives during the conduct of the audit, 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 general laws, rules, regulations and guidelines.

**We further report that:**

The compliance by the Company of the applicable financial laws like Direct and Indirect Tax laws, technicalities of presentation, figures and numbers as per Schedule III of Companies Act, 2013 have not been reviewed in this Audit since the same have been subject to the review by the Statutory Auditor(s) and other designated professionals.

**We further report that:**

During the audit period under review, there were no instances of:

- a) Public Issues / Right issue of shares/ debentures/sweat equity etc;
- b) Redemption / buy-back of securities;
- c) Merger / amalgamation / reconstruction, etc;
- d) Foreign technical collaborations.

**We further report that:**

The Board of Directors of the Company is not duly constituted with proper balance of executive directors, non-executive directors and independent directors including one woman director as on March 31, 2024. There were several changes in the composition of the Board of Directors during the period under review.

Adequate notices were given to all directors for the Board Meetings, including Committees thereof, along with agenda and detailed notes on agenda 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 by the directors. The decisions were carried unanimously.

I further report that during the period under review, the company has taken the following decisions which have major bearing on the Company's affair in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

- a) M/s S.D. Mehta & Co., Chartered Accountants had been appointed as Statutory Auditors of the Company with effect from February 06, 2024 to fill the Casual Vacancy caused due to immediate resignation of M/s Manoj Acharya & Associates vide their resignation letter dated February 06, 2024. In the Annual General Meeting held on September 30, 2023, M/s Manoj Acharya & Associates, Statutory Auditors was appointed for 5 years to hold office from the conclusion of 29<sup>th</sup> Annual General Meeting of the company until the conclusion of the 34<sup>th</sup> Annual General Meeting proposed to be held in the year 2028 (for FY 2027-28).
- b) During the review period, following changes in the composition of Board of Directors have been observed:

Sr. No.	Name	Designation	Appointment/Resignation during the year	Date of Appointment /Resignation
1	Mrs. Priti Apurvabhai Shah	Chairmen, Managing Director & CFO	Appointment	October 07, 2023
2	Mr. Apurvabhai Dilipbhai Shah	Non - Executive Director	Appointment	October 07, 2023
3	Mrs. Alkaben Rajendra Mehta	Non-Executive Independent Director	Appointment	July 20, 2023
4	Mr. Nirav Rohitkumar Shah	Non-Executive Independent Director	Appointment & Resignation	Appointment: July 20, 2023 Resignation: December 22, 2023
5	Mr. Jagdishkumar Bhagvandas Patel	Non-Executive Independent Director	Appointment & Resignation	Appointment: October 07, 2023 Resignation: October 17, 2023
6	Mr. Gohel Darshil Pankajbhai	Non-Executive Independent Director	Appointment & Resignation	Appointment: July 20, 2023 Resignation: October 07, 2023
7	Mr. Satyam Jaiswal	Managing Director	Appointment & Resignation	Appointment: April 13, 2023 Resignation: October 04, 2023
8	Mrs. Shiwaginee Jaiswal	Non-Executive Director	Appointment & Resignation	Appointment: April 13, 2023 Resignation: October

## Sofcom Systems Limited

				04, 2023
9	Mr. Ganeshprasad Pratap Murarika	Non-Executive Independent Director	Resignation	July 19, 2023
10	Mr. Rakesh Pandey	Non-Executive Independent Director	Resignation	July 19, 2023
11	Mr. Anil Nahar	Non-Executive Independent Director	Resignation	July 19, 2023
12	Mr. Kishor Mehta	Managing Director	Resignation	April 13, 2023
13	Mrs. Asha Mehta	Non-Executive Director	Resignation	April 13, 2023

**Note:** 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

**For Deepti & Associates  
Practicing Company Secretary**

**Sd/-  
CS Deepti Grover  
(Proprietor)  
FCS: 7654 CP: 17546  
Peer Review No: 698/2022  
UDIN: F007654F001071442**

**Date: August 29, 2024  
Place: New Delhi**

**SECRETARIAL AUDIT REPORT**

**To,**  
**The Members,**  
**Sofcom Systems Limited**  
D-36, Subhash Marg, Flat No. 802 Sheel Mohar Apartment,  
C-Scheme, Jaipur, Rajasthan, India, 302001

Our Secretarial Audit Report of even date is to be read along with this letter.

Management's Responsibility

- It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws, standards rules and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

- Our responsibility is to express an opinion on these secretarial records and procedures followed by the Company with respect to secretarial compliances.
- We believe that audit evidence and information obtained from the Company's management is reasonably adequate and appropriate for us to provide a basis for our opinion.
- We have not verified the correctness and appropriateness of financial records and Books of Account of the Company.
- Wherever required, we have obtained the management's representation Letter about the compliance of laws, rules and regulations and happening of events etc.

**Disclaimer**

- 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 Deepti & Associates**  
**Company Secretary**

**Sd/-**  
**CS Deepti Grover**  
**(Proprietor)**  
**FCS:7654 CP:17546**  
**Peer Review No: 698/2022**  
**UDIN: F007654F001071442**

**Date: August 29, 2024**  
**Place: New Delhi**



**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

**(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To,  
The Members of  
**Sofcom Systems Limited**  
D-36, Subhash Marg, Flat No. 802  
Sheel Mohar Apartment, C-Scheme,  
Jaipur, Rajasthan, India, 302001

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Sofcom Systems Limited, having CIN: L72200RJ1995PLC010192 and having registered office at D-36, Subhash Marg, Flat No. 802 Sheel Mohar Apartment, C-Scheme, Jaipur, Rajasthan, India, 302001 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India (SEBI) and Ministry of Corporate Affairs (MCA), or any such other Statutory Authority.

Sr. No.	Name of Director	Designation	DIN	Date of appointment in Company
1	Kishor Mehta	Executive Director, Managing Director	00043865	09-06-1995 (Resigned w.e.f 13.04.2023)
2	Asha Mehta	Non-Executive - Non-Independent Director	00043841	19-03-2014 (Resigned w.e.f 13.04.2023)
3	Ganeshprasad Pratap Murarika	Non-Executive - Independent Director	08457083	21-05-2019 (Resigned w.e.f 19.07.2023)
4	Rakesh Pandey	Non-Executive - Independent Director	08457085	21-05-2019 (Resigned w.e.f 19.07.2023)
5	Anil Nahar	Non-Executive - Independent Director	08536374	26-09-2019 (Resigned w.e.f 19.07.2023)
6	Satyam Jaiswal	Executive Director, Managing Director and Chairperson	09282921	13-04-2023 (Resigned w.e.f 07.10.2023)

## Sofcom Systems Limited

7	Shiwaginee Jaiswal	Non-Executive Non-Independent Director	-	08763022	13-04-2023 (Resigned w.e.f 07.10.2023)
8	Alkaben Rajendra Mehta	Non-Executive Independent Director	-	03306793	20-07-2023
9	Nirav Rohitkumar Shah	Non-Executive Independent Director	-	07246610	20-07-2023 (Resigned w.e.f 22.12.2023)
10	Gohel Darshil Pankajbhai	Non-Executive Independent Director	-	10304011	20-07-2023 (Resigned w.e.f 07.10.2023)
11	Jagdishkumar Bhagvandas Patel	Non-Executive Independent Director	-	08038830	07-10-2023 (Resigned w.e.f 17.10.2023)
12	Apurvabhai Dilipbhai Shah	Non-Executive Non-Independent Director	-	07076724	07-10-2023
13	Priti Apurvabhai Shah	Managing Director and Chairman of the Company		07165786	07-10-2023

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

### **For Deepti & Associates**

*Practicing Company Secretaries*

Sd/-

**Deepti Grover**

**Proprietor**

**FCS. No. 7654 | C.P.: 17546**

**FRN: S2016DE438900**

**Peer Review No: 698/2022**

**UDIN: F007654F001071321**

**Date: August 29, 2024**

**Place: New Delhi**

**SECRETARIAL COMPLIANCE REPORT**  
**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024**  
**[Pursuant Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]**

**The Members,**

**Sofcom Systems Limited**

D-36, Subhash Marg, Flat No. 802 Sheel Mohar Apartment,  
C-Scheme, Jaipur, Rajasthan, India, 302001

We have conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by **Sofcom Systems Limited** having its Registered Office at D-36, Subhash Marg, Flat No. 802 Sheel Mohar Apartment, C-Scheme, Jaipur, Rajasthan, India, 302001. Secretarial Review 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 the listed entity's books, papers, minutes books, forms and returns filed and other records maintained by the listed entity and also the information provided by the listed entity, its officers, agents and authorized representatives during the conduct of Secretarial Review, we hereby report that in our opinion, the listed entity has, during the review period covering the financial year ended on March 31, 2024, complied with the statutory provisions listed hereunder and also that the listed entity 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:

- a) all the documents and records made available to me and explanation provided by Sofcom Systems Limited ("the Listed entity"),
- b) the filings/submissions made by the listed entity to the stock exchanges,
- c) website of the listed entity,
- d) any other document/ filing, as may be relevant, which has been relied upon to make this certification;

For the year ended March 31, 2024 ("Review Period") in respect of compliance with the provisions of:

- a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
- b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

**The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include: -**

- a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; *Not Applicable as no securities were bought back during the term under review*
- e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; *Not Applicable as no such scheme was introduced for Employees*
- f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not Applicable as no Debt securities are listed or issued by the Company
- g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; *Not Applicable as no such preference shares are listed or issued by the Company*
- h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- i) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;
- j) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; *Not applicable for the review period*
- k) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2011;

And based on the above examination and confirmation received from management of the Company as and wherever required, I hereby report that, during the Review Period the compliance status of the listed entity is appended as below:

Sr. No.	Particulars	Compliance status (Yes/No/NA)	Observations /Remarks by PCS
1.	<p><b><u>Secretarial Standards:</u></b></p> <p>The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI), as notified by the Central Government under section 118(10) of the Companies Act, 2013 and mandatorily applicable.</p>	No	As provided in point no 3 of Table (a) of this report
2.	<p><b><u>Adoption and timely updation of the Policies:</u></b></p> <ul style="list-style-type: none"> <li>• All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities.</li> <li>• All the policies are in conformity with SEBI Regulations and have been reviewed &amp; timely</li> </ul>	Yes	-

Sofcom Systems Limited

	updated as per the regulations/circulars/guidelines issued by SEBI.		
3.	<p><b><u>Maintenance and disclosures on Website:</u></b></p> <ul style="list-style-type: none"> <li>The Listed entity is maintaining a functional website.</li> <li>Timely dissemination of the documents/information under a separate section on the website.</li> <li>Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which redirects to the relevant document(s)/ section of the website.</li> </ul>	No	The company doesn't have functional website, and the disclosures were not made on timely basis as per SEBI (LODR) 2015 requirements.
4.	<p><b><u>Disqualification of Director:</u></b></p> <p>None of the Director of the Company are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity.</p>	Yes	-
5.	<p><b><u>Details related to Subsidiaries of listed entities have been examined w.r.t.:</u></b></p> <ul style="list-style-type: none"> <li>Identification of material subsidiary companies</li> <li>Requirements with respect to disclosure of material as well as other subsidiaries</li> </ul>	NA	The Company do not have any Subsidiary.
6.	<p><b><u>Preservation of Documents:</u></b></p> <p>The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.</p>	Yes	-
7.	<p><b><u>Performance Evaluation:</u></b></p> <p>The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year as prescribed in SEBI Regulations.</p>	Yes	-
8.	<p><b><u>Related Party Transactions:</u></b></p> <ul style="list-style-type: none"> <li>The listed entity has obtained prior approval of Audit Committee for all related party transactions.</li> <li>In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the</li> </ul>	Yes	-

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	Audit committee.		
9.	<p><b><u>Disclosure of events or information:</u></b></p> <p>The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.</p>	Yes	Except as mentioned in Table (a) of this report
10.	<p><b><u>Prohibition of Insider Trading:</u></b></p> <p>The listed entity is in compliance with Regulation 3(5) &amp; 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.</p>	NO	The Company has installed SDD software but does not carried out any entries.
11.	<p><b><u>Actions taken by SEBI or Stock Exchange(s), if any:</u></b></p> <p>No Actions taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder.</p>	Yes	As provided in Table (a) of said report
12.	<p><b><u>Resignation of statutory auditors from the listed entity or its material subsidiaries:</u></b></p> <p>In case of resignation of statutory auditor from the listed entity or any of its material subsidiaries during the financial year, the listed entity and / or its material subsidiary (ies) has / have complied with paragraph 6.1 and 6.2 of section V-D of chapter V of the Master Circular on compliance with the provisions of the LODR Regulations by listed entities read with CIR/CFD/CMD1/114/2019 dated October 18, 2019.</p>	No	The Statutory Auditor has resigned during the financial year. The details are as provided in Table (c) of said report
13.	<p><b><u>Additional non-compliances, if any:</u></b></p> <p>No additional non-compliance observed for any SEBI regulation/circular/guidance note etc.</p>	Yes	As provided in Table (a) of said report

- a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below (Table a): -

Sofcom Systems Limited

S r. N o.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Regulation /Circular No.	Deviations	Action Taken by	Type of Action  (Advisory/ Clarification/ Fine/ Show Cause Notice/ Warning, etc.)	Fine Amount	Observations/ Remarks of Practicing Company Secretary	Management Response
1.	As per Regulation 31(1)(b) of SEBI (LODR) Regulations, 2015 Shareholding Pattern needs to be filed for each quarter to stock exchange	Regulation 31(1)(b) of SEBI (LODR) Regulation, 2015	There was a delay in filing of Shareholding Pattern for the quarter ended on 31.03.2024 and 31.03.2023	BSE	Fine	Rs. 2,73,760/- Including GST.	The company has submitted Shareholding Pattern under 31(1)(b) of SEBI (LODR) Regulations, 2015 with BSE for the quarter ended on 31.03.2024, it was filed on 24 <sup>th</sup> June, 2024 for which due date was 21.04.2024  For the quarter ended on 31.03.2023, it was filed on 26 <sup>th</sup> April, 2023 for which due date was 21.04.2023	The company has duly paid Penalty of Rs. 2,73,760/- and compliance officer will ensure timely filing to the Exchange in future.
2.	As per the Regulation 76 of SEBI (Depositories and Participants) Regulation, 2018 Reconciliation	Regulation 76 of SEBI (Depositories and Particip	There was delay in submission of Reconciliation of share	-	-	-	The company has submitted Reconciliation of share capital audit report under Regulation 76 of SEBI	The company will take extra precaution for avoidance of such non-compliance.

	of share capital audit report needs to be filed for each quarter to stock exchange	ants) Regulation, 2018	capital audit report for quarter 31.12.2023 and 31.03.2024				(Depositories and Participants), 2018 with BSE on 21 <sup>st</sup> June, 2024 for the quarter ended on 31.12.2023 which was due on 30.01.2024  For the quarter ended on 31.03.2024, it was filed on 21 <sup>st</sup> June, 2024 for which due date was 30.04.2024	
3.	As per the Regulation 74(5) of SEBI (Depositories and Participants) Regulation, 2018 Compliance Certificate needs to be filed for each quarter to stock exchange	Regulation 74(5) of SEBI (Depositories and Participants) Regulation, 2018	There was delay in submission of Certificate with Stock Exchange for Quarter ended on 30.06.2023, 30.09.2023, 31.12.2023 & 31.03.2024	-	-	-	The company has submitted Certificate under Regulation 74(5) of SEBI (Depositories and Participants) Regulation, 2018 with BSE on 17 <sup>th</sup> July, 2023 for the quarter ended on 30.06.2023 which was due on 15.07.2023  For the quarter ended on 30.09.2023, it was filed on 17 <sup>th</sup> October, 2023 for which due date was 15.10.2023  For the quarter ended on 31.12.2023, it was filed on	The company will take extra precaution for avoidance of such non-compliance.



							25th June, 2024 for which due date was 15.01.2024  For the quarter ended on 31.03.2024, it was filed on 25 <sup>th</sup> June, 2024 for which due date was 15.04.2024	
4.	As per Regulation 27(2) of SEBI (LODR) Regulations, 2015 Corporate Governance Report needs to be filed for each quarter to stock exchange	Regulation 27(2) of SEBI (LODR) Regulations, 2015	Delay and Non-Submission of Corporate Governance Report with Stock Exchange for the Quarter ended on 31.12.2023 & 31.03.2024	-	-	-	The company has submitted Corporate Governance Report under Regulation 27(2) of SEBI (LODR) Regulations, 2015 with BSE on 24 <sup>th</sup> June, 2024 for the quarter ended on 31.12.2023 which was due on 21.01.2024  The company has not filed Corporate Governance Report for the quarter ended on 31.03.2024	The company will take extra precaution for avoidance of such non-compliance.
5.	As per Regulation 13(3) of SEBI (LODR) Regulations, 2015 Investor Grievance Report needs to be filed for each quarter to stock exchange	Regulation 13(3) of SEBI (LODR) Regulations, 2015	There was delay in submission of Investor Grievance Report for Quarter ended on 31.03.2024	BSE	Fine	Rs. 76,700/- Including GST.	The company has submitted Investor Grievance Report under Regulation 13(3) of SEBI (LODR) Regulations, 2015 with BSE on 25 <sup>th</sup> June, 2024 for the quarter ended	The company has duly paid Penalty of Rs. 76,700/- and compliance officer will ensure timely filing to the Exchange in future.

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							on 31.03.2024 which was due on 21.04.2024.	
6.	As per Regulation 29 of SEBI (LODR) Regulations, 2015 Prior intimation of board meeting in which financial results will be consider and approve needs to be filed for each quarter to stock exchange at least 5 clear working days before date of board meeting	Regulation 29 of SEBI (LODR) Regulations, 2015	Non-Submission of Prior intimation of board meeting with regards to financial results with Stock Exchange	BSE	Fine	Rs. 11,800 /- Including GST.	The company has not filed prior intimation of board meeting in which financial results for the quarter and half year ended on 30.09.2023 considered and approved under Regulation 29 of SEBI (LODR) Regulations, 2015 with BSE.	The company has duly paid Penalty of Rs. 11,800 /- and company will take extra precaution for avoidance of such non-compliance.
7.	As per Regulation 33 of SEBI (LODR) Regulations, 2015 Audited Standalone Financial Results for the financial year needs to be filed to the stock exchange	Regulation 33 of SEBI (LODR) Regulations, 2015	Non-Submission of audited standalone financial results for the financial year 2023-24 with Stock Exchange	BSE	Fine	Rs. 1,71,100 /- Including GST.  *Non-compliance is continuing till date of report	The company has not filed audited standalone financial results for the financial year 2023-24 under Regulation 33 of SEBI (LODR) Regulations, 2015 with BSE which was due on 30.05.2024.	The company will take extra precaution for avoidance of such non-compliance.
8.	As per Regulation 23(9) of SEBI (LODR) Regulations, 2015 Disclosure on Related Party Transaction needs to be filed on half year basis with stock	Regulation 23(9) of SEBI (LODR) Regulations, 2015	Non-Submission of Disclosure on Related Party Transaction with Stock Exchange	-	-	-	The company has not filed disclosure on Related Party Transaction for the half year ended on 31.03.2024 under Regulation 23(9) of SEBI	The company will take extra precaution for avoidance of such non-compliance.

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	exchange		e				(LODR) Regulations, 2015 and pursuant to BSE Notice Number 20211115-12 which was due on 30.05.2024	
9.	As per Regulation 47 of SEBI (LODR) Regulations, 2015 News Paper publication with regards to financial result needs to be filed for each quarter with stock exchange	Regulation 47 of SEBI (LODR) Regulations, 2015	Non-Submission of News Paper publication with regards to financial result	-	-	-	The company has not filed News Paper publication with regards to financial result under Regulation 47 of SEBI (LODR) Regulations, 2015 with BSE for the quarter ended on 30.06.2023 which was due on 11.08.2023  For the quarter ended on 31.12.2023, for which due date was 14.02.2024	The company will take extra precaution for avoidance of such non-compliance.
10.	As per Regulation 40(9)/(10) of SEBI (LODR) Regulations, 2015 certificate from a PCS certifying that all certificates have been issued within thirty days of the date of lodgment for transfer, subdivision, consolidation, renewal,	Regulation 40(9)/(10) of SEBI (LODR) Regulations, 2015	Delay in submission of PCS certificate under Regulation 40(9)/(10) of SEBI (LODR) Regulations, 2015	-	-	-	The company has submitted certificate from a PCS under Regulation 40(9)/(10) of SEBI (LODR) Regulations, 2015 with BSE on 25 <sup>th</sup> June, 2024 for the Financial Year ended on 31.03.2024 which was due on 30.04.2024	The company will take extra precaution for avoidance of such non-compliance.

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	exchange or endorsement of calls/allotment monies needs to be filed annually with stock exchange							
11.	As per Regulation 7(3) of SEBI (LODR) Regulations, 2015 compliance certificate duly signed by compliance officer & authorised representative of the share transfer agent certifying that all the share transfer facility are maintained either in house or by Registrar to an issue and share transfer agent registered with the Board needs to be filed annually with stock exchange	Regulation 7(3) of SEBI (LODR) Regulations, 2015	There was delay in submission of compliance certificate under Regulation 7(3) of SEBI (LODR) Regulations, 2015	-	-	-	The company has submitted Compliance Certificate under Regulation 7(3) of SEBI (LODR) Regulations, 2015 with BSE on 25 <sup>th</sup> June, 2024 for the Financial Year ended on 31.03.2024 which was due on 30.04.2024	The company will take extra precaution for avoidance of such non-compliance.
12.	As per Regulation 30 of SEBI (LODR) Regulations, 2015 Intimation of Resignation of Director needs to be filed within 24 hours of resignation with stock exchange	Regulation 30 of SEBI (LODR) Regulations, 2015	Non-Submission of Intimation of Resignation of Independent Director	-	-	-	Mr. Nirav Rohitkumar Shah (DIN: 07246610), Independent Director of the company has tendered his resignation via email dated December 22, 2023 but the company has not filed intimation of	The company will take extra precaution for avoidance of such non-compliance.

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							the same with BSE.	
13.	As per Regulation 6(1A) of SEBI (LODR) Regulations, 2015 Vacancy in the office of Compliance Officer shall be filled within 3 months from the date of such vacancy	Regulation 6(1A) of SEBI (LODR) Regulations, 2015	Not fill vacancy in the office of Compliance Officer within 3 months	BSE	Fine	Rs. 1,08,560/- Including GST.	The company had appointed Mrs. Dhara Jagdishbhai Patel as Compliance Officer of the company on October 02, 2023 after resignation of previous Compliance Officer Mr. Gourishankar Boosar via letter dated February 15, 2023.  Accordingly, the company was in default for non-appointment of Compliance Officer from May 16, 2023 to October 02,2023.	The company has duly paid Penalty of Rs. 1,08,560/- and company will take extra precaution for avoidance of such non-compliance.
14.	As per Regulation 17(1)(b) of SEBI (LODR) Regulations, 2015 where the listed entity does not have a regular non-executive chairperson, at least half of the board of directors shall comprise of independent directors	Regulation 17(1)(b) of SEBI (LODR) Regulations, 2015	Board does not possess minimum number of independent directors	-	-	-	After the resignation of Mr. Nirav Rohitkumar Shah (DIN: 07246610), Independent Director on December 22, 2023, board does not comprise of requisite number of independent directors.	The company is in process to onboard requisite number of independent directors.
15.	As per	Regulat	All	-	-	-	After the	The company

Sofcom Systems Limited

	Regulation 19(1) of SEBI (LODR) Regulations, 2015 Nomination and remuneration committee shall comprise of at least three directors and all shall be non-executive directors	Regulation 19(1) of SEBI (LODR) Regulations, 2015	members of Nomination and remuneration committee are not non-executive directors				resignation of Mr. Nirav Rohitkumar Shah (DIN: 07246610), Independent Director on December 22, 2023, Composition of Nomination and remuneration committee does not comply with Regulation 19(1) of SEBI (LODR) Regulations, 2015	is in process to onboard requisite number of independent /non-executive directors.
16.	As per Regulation 44(3) of SEBI (LODR) Regulations, 2015 Voting Results shall be submitted within 2 working days of conclusion of general meeting	Regulation 44(3) of SEBI (LODR) Regulations, 2015	Non-Submission of Voting Results in respect of postal ballot conducted	-	-	-	The company had conducted postal ballot process for which voting results was due to be file with BSE on January 02, 2024 but same has not been yet filed.	The company will take extra precaution for avoidance of such non-compliance.
17.	As per Regulation 24A of SEBI (LODR) Regulations, 2015 Annual Secretarial Compliance Report needs to be submitted within 60 days from end of each financial year with stock exchange	Regulation 24A of SEBI (LODR) Regulations, 2015	There was delay in submission of Annual Secretarial Compliance Report for FY 2023-24	-	-	-	The Company had not filed the Annual Secretarial Compliance Report for FY 2023-24 within the prescribed timeline.	The company will take extra precaution for avoidance of such non-compliance.
18.	As per Regulation	Regulation	The company	-	-	-	Mr. Satyam Jaiswal and	The company will take extra

	17(1C) of SEBI (LODR) Regulations, 2015 appointment [or re-appointment] of a person on the Board of Directors [or as a manager] is taken at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier:	17(1C) of SEBI (LODR) Regulations, 2015	has not convened general meeting within period of 3 months				Mrs. Shiwaginee Jaiswal had been appointed as Managing director and Additional Non-Executive director respectively w.e.f 13.04.2023. However, the company has failed to obtain approval of Shareholders for above appointments within a period of 3 months.	precaution for avoidance of such non-compliance.
19.	As per Regulation 31A of SEBI (LODR) Regulations, 2015 Certain conditions need to be complied for promoter re-classification	Regulation 31A of SEBI (LODR) Regulations, 2015	Non-Compliance of Regulation 31A of SEBI (LODR) Regulations, 2015	-	-	-		The company will take extra precaution for avoidance of such non-compliance.
20.	As per Regulation 31(4) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2015 promoter of company shall declare that he/she, along with PAC, has not made any encumbrance, directly or indirectly, other than those already	Regulation 31(4) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2015	Non-Submission of promoter declaration as required under Regulation 31(4) of SEBI (Substantial Acquisition of Shares and Takeovers)	-	--	-	Mr. Kishore Mehta and Mrs. Asha Mehta being promoters of the company has not filed declaration under Regulation 31(4) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2015 which was due on	The company will take extra precaution for avoidance of such non-compliance.

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	disclosed during the financial year		Regulations, 2015 for FY 2023-24				09.05.2024	
21.	As per SEBI Circular No. SEB/HO/DDHS/DDHS-RACPOD 1/P/CIR/2023/172 dated October 19, 2023 Listed entities needs to file certain disclosure with exchange	SEBI Circular No. SEB/HO/DDHS/DDHS-RACPOD 1/P/CIR/2023/172	Non-Submission of initial disclosure as required under SEBI Circular No. SEB/HO/DDHS-RACPOD 1/P/CIR/2023/172 for FY 2023-24	-	-	-	The Company has not filed initial disclosure as required under SEBI Circular No. SEB/HO/DDHS/DDHS-RACPOD 1/P/CIR/2023/172 For FY 2023-24 as of financial results of quarter and year ended on 31.03.2024 are not published.	The company will take extra precaution for avoidance of such non-compliance.

b) The listed entity has taken the following actions to comply with the observations made in previous reports (Table b):

Compliances related to resignation of statutory auditors from listed entities and their material subsidiaries as per SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019:

Sr. No.	Particulars	Compliance Status (Yes/No/ NA)	Observations/ Remarks by PCS*
<b>1</b>	<b>Compliances with the following conditions while appointing/re-appointing an auditor</b>		
	<b>I.</b> If the auditor has resigned within 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter; or	<b>NO</b>	There is non-compliance of the Para 6 (A) (i) of the SEBI's Circular CIR/CFD/CMD1/114/2019 dated October 18, 2019.  The auditor has resigned on 06.02.2024. But limited review report for the quarter ended on 31.12.2023 has been signed by another appointed auditor.



	I. If the auditor has resigned after 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter as well as the next quarter; or	NA	
	II. If the auditor has signed the limited review/ audit report for the first three quarters of a financial year, the auditor before such resignation, has issued the limited review/ audit report for the last quarter of such financial year as well as the audit report for such financial year.	NA	
<b>2</b>	<b>Other conditions relating to resignation of statutory auditor</b>		
	<p>Reporting of concerns by Auditor with respect to the listed entity/its material subsidiary to the Audit Committee:</p> <p>a. In case of any concern with the management of the listed entity/material subsidiary such as non-availability of information / noncooperation by the management which has hampered the audit process, the auditor has approached the Chairman of the Audit Committee of the listed entity and the Audit Committee shall receive such concern directly and immediately without specifically waiting for the quarterly Audit Committee meetings.</p> <p>b. In case the auditor proposes to resign, all concerns with respect to the proposed resignation, along with relevant documents has been brought to the notice of the Audit Committee. In cases where the proposed resignation is due to non-receipt of information / explanation from the company, the auditor has informed the Audit Committee the details of information/explanation sought and not provided by the management, as applicable.</p> <p>c. The Audit Committee / Board of Directors, as the case may be, deliberated on the matter on receipt of such information from the auditor relating to the proposal to resign as mentioned above and communicate its views to the</p>	YES	

	management and the auditor.		
3.	The listed entity / its material subsidiary has obtained information from the Auditor upon resignation, in the format as specified in Annexure- A in SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019.	NO	The listed entity has not obtained information from the Auditor upon resignation, in the format as specified in Annexure- A in SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019.

**Assumptions & Limitation of scope and Review:**

Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.

Our responsibility is to certify based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.

We have not verified the correctness and appropriateness of Financial Records and Books of Accounts of the listed entity.

This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

**For Deepti & Associates**  
*Practicing Company Secretaries*

Sd/-  
**Deepti Grover**  
**Proprietor**  
**FCS. No. 7654 | C.P.: 17546**  
**FRN: S2016DE438900**  
**Peer Review No: 698/2022**  
**UDIN: F007654F000667940**

**July 04, 2024**  
**New Delhi**

**DECLARATION REGARDING CODE OF CONDUCT**

I hereby confirm that, all the Directors and Senior Management Personnel have affirmed compliance with Sofcom Systems Limited Code of Business conduct and Ethics for the year ended March 31, 2024.

**Registered office:**

D-36, Subhash Marg, Flat  
No. 802 Sheel Mohar  
Apartment, C-Scheme,  
Jaipur, Rajasthan, India,  
302001

For and on behalf of Board of Directors  
**SOFCOM SYSTEMS LIMITED**  
CIN: L72200RJ1995PLC010192

Sd/-

**Date: August 30, 2024**

**Place: Jaipur**

**Priti Apurvhai Shah**  
**Managing Director & CFO**  
**DIN: 07165786**

## **MANAGEMENT DISCUSSIONS AND ANALYSIS**

The Management Discussion and Analysis Report have been prepared in compliance with the requirements of Listing Agreements and contain expectations and projections about the strategy for growth. Certain statements in the Management Discussion and Analysis Report are forward looking statements which involve a number of risks and uncertainties that could differ from actual results performance or achievements which such forward looking statements on the basis of any subsequent developments, information or events for which the Company do not bear any responsibility.

### **BUSINESS OVERVIEW**

Sofcom Systems Limited was established to provide consultancy for software development in the form of services, turnkey projects and the products for domestic and export market. The software development is targeted towards the distribution, banking, telecommunication, and manufacturing sectors worldwide. The company is also providing software maintenance, reengineering and downsizing of software application in these market segments. Sofcom Systems Limited is providing information technology solutions to both commercial and government clients, The Company is focusing on development of high-performance products to meet the diverse needs of growth enterprise.

### **FUTURE BUSINESS PROSPECTS**

In the last few years, the domestic computer market has witnessed rapid growth. Software developers are looking to India as development and production base for their products and a number of software packages developed in this country has gained instant recognition overseas. Over the years the growth drivers for this sector have been the verticals of manufacturing, telecommunications, insurance, banking, finance and of late the fledging retail revolution. As the new scenario unfolds it is getting clear that the future growth of IT and ITES will be fueled by the verticals of climate change, mobile applications, healthcare, energy efficiency and sustainable energy. Traditional business strongholds would make way for new geographies, there would be new customers and more and more of SMEs will go for IT application and services.

### **OPPORTUNITIES AND THREATS**

With the introduction of the concept of e-governance, both the Central and State Government are keen on implementing different projects to keep the activities of the governments transparent, timely and cost effective. There is an absolute increase in the fund allotment by the Governments for implementing the projects. This creates an opportunity for the experienced and expert organizations to broaden their horizon and support the Government in faster implementation of the projects. The increased volume of business attracts a greater number of players in the field and the competition becomes severe. Only the effective and efficient organizations could stand a competitive situation. The management is confident that with its exposure and experience in this field of e-governance, it stands a better chance than others.

## **OUTLOOK**

The outlook of the Company remains positive. Sofcom Systems Limited is cautiously optimistic about its prospects in the coming years. The Company aims at providing high quality products and services to the customers and to provide them with greater satisfaction. For last couple of years, the company has taken a number of initiatives to re-structure and re-engineer the operation to enable the company to compete better in this profound competitive regime.

There are no major risks and concerns except the technology up gradation and increasing power tariff and growing competition. The company is guarding itself against these risks by laying down appropriate strategy which is to be supplemented by business plans and review mechanisms.

## **RISKS AND CONCERNS**

- Inherent risk to accommodate technological changes due to involvement in IT industry.
- Unable to expand successfully beyond India.
- No clear product vision beyond current offering.
- Little brand recognition.
- Increased competition from local and big players.
- New technology changes.
- Changes in government policies and other regulations

## **FINANCIAL REVIEW, FY2023-24 AND OUTLOOK:**

- Revenues from operations for the year decreased to Rs. 35,75,000 compared to Rs. 2,76,25,000 in the previous fiscal year.
- PAT for the year is Rs. 17,46,000 compared to Rs. 2,09,43,000 in the previous fiscal year.

The Company is projected to generate profitable and sustainable growth in foreseeable future.

## **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

Company has a proper and adequate system of Internal Control including internal financial controls. Company has an Audit Committee headed by an independent director, inter-alia, to oversee company's financial reporting process, disclosure of financial information, and reviewing the performance of statutory and internal auditors with management. The internal control system, including internal financial controls of the Company, which encompasses examination/ periodic reviews to ascertain adequacy of internal controls and compliance to Company's policies. The committee also looks into related party transactions, preventive controls, investigations, as well as other areas requiring mandatory review per applicable laws. The powers of Committee, inter-alia, include seeking information from any employee, obtaining outside legal or other professional advice, and investigating any activity of the Company within the committee's term of reference.

**DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS**

<b>Particulars</b>	<b>FY 2023-24</b>	<b>FY 2022-23</b>	<b>Change</b>	<b>Reason</b>
Current ratio	31.58	113.95	-72.28%	Due to decrease in revenue
Debt – Equity ratio	0.04	0.01	332.42%	Due to increase in borrowings
Debt service coverage ratio	-	-	-	-
Inventory Turnover Ratio	-	-	-	-
Trade receivables turnover ratio	0.35	3.16	-89.09%	Due to increase in trade receivables
Net profit ratio	48.84	75.81	-35.58%	Due to decrease in revenue
Return on net worth	-	-	-	-

**CAUTIONARY STATEMENT**

The statements in the "Management Discussion and Analysis Report" section describes the Company's objectives, projections, estimates, expectations and predictions, which may be "forward looking statements" within the meaning of the applicable laws and regulations. The annual results can differ materially from those expressed or implied, depending upon the economic and climatic conditions, Government policies and other incidental factors.

**Registered office:**

D-36, Subhash Marg, Flat  
No. 802 Sheel Mohar  
Apartment, C-Scheme,  
Jaipur, Rajasthan, India,  
302001

For and on behalf of Board of Directors  
**SOFCOM SYSTEMS LIMITED**  
CIN: L72200RJ1995PLC010192

**Date: August 30, 2024**  
**Place: Jaipur**

Sd/-  
**Priti Apurvhai Shah**  
**Chairperson**  
**DIN: 07165786**

**NOTICE OF 29<sup>th</sup> ANNUAL GENERAL MEETING**

**Notice** is hereby given that the Twenty Nineth (29<sup>th</sup>) Annual General Meeting (AGM) of the Sofcom Systems Limited to be held on **Monday, September 23, 2024 at 12:00 P.M.** IST through two-way Video Conferencing ('VC') facility or other audio-visual means ('OAVM') to transact the following businesses:

**ORDINARY BUSINESSES:**

**1. Adoption of Financial Statements:**

To consider and adopt the Audited Financial Statement of the Company for the Financial Year ended on 31<sup>st</sup> March, 2024 and the report of the Board of Directors and Auditors thereon;

*In this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolutions as Ordinary Resolution;*

**“RESOLVED THAT** the audited financial statement of the Company for the financial year ended on 31<sup>st</sup> March, 2024 and the reports of the Board of Directors and Auditors thereon, as circulated to the members, be and are hereby considered and adopted.”

**2. To consider and appoint M/s. S.D. Mehta & Co., Chartered Accountants as the Statutory Auditors of the Company and to authorize Board of Directors to fix their remuneration, and in this regard, to consider and if thought fit, to pass the following Ordinary Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s. S.D. Mehta & Co., Chartered Accountants (Firm's Registration No. 137193W) be and are hereby appointed as the Statutory Auditors of the Company for a further term of 5 (Five) consecutive years to hold office from the conclusion of this 29<sup>th</sup> Annual General Meeting until the conclusion of the 34<sup>th</sup> Annual General Meeting of the Company, at such remuneration (exclusive of applicable taxes and reimbursement of out of pocket expenses) as shall be fixed by the Board of Directors of the Company from time to time in consultation with them.”

**3. To Re-appoint Mrs. Priti Apurvhai Shah, Managing Director, (DIN: 07165786) who retires by rotation and being eligible, offers herself for re-appointment.**

**SPECIAL BUSINESSES:**

**4. Preferential Issue upto 2,08,00,000 Equity Shares on Preferential Basis Through Swap of Shares for Acquisition of Equity Shares In M/S Avian Consultancy Services Private Limited:**

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

**“RESOLVED THAT** in terms of Sections 42 and 62 (1)(c) of the Companies Act, 2013 and all other applicable provisions, if any, of the Companies Act, 2013 and rules framed thereunder, (including any statutory modification(s) or reenactment thereof, for the time being in force), subject to Memorandum of Association and clause “Power to issue shares on preferential basis” clause of Articles of Association of the Company, SEBI (LODR) Regulations, 2015, SEBI (SAST) Regulations, 2011 and in accordance with the provisions of the SEBI (ICDR) Regulations, 2018 as amended from time to time; as may be applicable to the Preferential Issue of Equity Shares and other applicable regulations of SEBI read with

## SOFCOM SYSTEMS LIMITED

regulation 163 and 166A of SEBI (ICDR) Regulations 2018, if any; and subject to such conditions and modifications as may be considered appropriate

by the Board of Directors of the Company (hereinafter referred to as the Board which term shall include any committee thereof for the time being to which all or any of the powers hereby conferred on the Board by this resolution, have been delegated) and subject to such consents and approvals of BSE Limited or such other bodies or authorities as may be required by law and as may be necessary and subject to such conditions and modifications as may be imposed upon and accepted by the Board while granting such consents and approvals, and which may be agreed to by or any other authority as may be necessary for that purpose, the Consent of the Members of the Company be and is hereby accorded to the Board to Offer, Issue and Allot up to 2,08,00,000 (two crore eight lakhs) Equity Shares of Rs. 10/- each at an issue price of Rs. 43.50/- per equity share (i.e . at premium of Rs. 33.50/- per share) for consideration other than cash, subject to cash payment for fractional allotment, if any, to the shareholders of M/s Avian Consultancy Services Private Limited (hereinafter “ACSPL”) on swap basis in the ratio of 1:2080, i.e. 2080 (two thousand eighty) equity shares of Rs. 10/- each fully paid up of M/s Sofcom Systems Limited (hereinafter “SSL”) for every 1 (one) equity share of Re.10/- each fully paid up held in M/s Avian Consultancy Services Private Limited for acquisition of 10,000 (ten thousand) Equity Shares of Rs.10/- each constituting 100% stake in M/s Avian Consultancy Services Private Limited to the list of allottees as mentioned herein below based on the Valuation Report for both the companies obtained from the Independent Registered Valuers and on such other terms and conditions as may be determined by the Board.”

“**RESOLVED FURTHER THAT** in case of fractional allotment of shares arising out of the issue and allotment of the Shares on preferential basis through swap of shares, the Company shall round off the odd number of shares to be issued on the lower side and shall make the payment for the fractional allotment of shares at the issue price of the shares i. e. Rs. 43.50/- per equity share of Sofcom Systems Limited to the shareholders of Avian Consultancy Services Private Limited”.

Sr. No	Name of the Allottee / Name of Shareholders of ACSPL*.	PAN	Existing share Holding In ACSPL*	Number of Equity Shares of SSL** to be issued to the shareholders of ACSPL* (Note 1)
1	Musab Ismail Murad	FMPPM1922P	697	14,49,760
2	Aaliya Zubair Botawala	AKUPB2058F	361	750,880
3	Kabir Zubair Botawala	AKPPB2810A	721	14,99,680
4	Bilal Riyaz Maparaa	HTUPM6850A	240	499,200
5	Aashiya Mahmud Saleh	IZFPS1880G	360	748,800
6	Khadijabibi Mahmud Saleh	BFLPS9301F	360	748,800
7	Shabbir Esoof Sadak	MIWPS9163E	312	648,960
8	Mohammad Zaid Abdulmunaf Bardoliwala	EHEPB2816L	288	599,040
9	Ahmed Ibrahim Patel	APPPP3888R	360	748,800
10	Azizurrahman Abusifa Habiburehman Hakim	ANHPH3200M	240	499,200
11	Arvindbhai Dhanrajbhai Patil	ACKPP2714N	240	499,200
12	Riyaz Yusuf Mapara	ANLPM6689D	192	399,360
13	Mohamed Uvesh Hakeem	AFWPH2956P	360	748,800
14	Mohamed Shafi Gulam Mo. Jardosh	ACVPJ5817D	769	15,99,520



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15	Ishratjaha Mohamed Shafi Jardosh	ANZPJ0696D	481	10,00,480
16	Mohamed Farhan Mohamed Shafi Jardosh	CFSPJ1954B	469	975,520
17	Bharti Chandrakant Rupawala	ANBPR4349F	240	499,200
18	Chandrakant Ratilal Rupawala	AAUPR0873N	216	449,280
19	Paresh Chandrakant Rupawala	AFHPR3307P	192	399,360
20	Kamini Paresh Rupawala	ANBPR4350E	120	249,600
21	Jay Paresh Rupawala	CGPPR7768P	276	574,080
22	Tanvi Ajay Fitwala	ADVPF8612R	216	449,280
23	Rajvi Paresh Rupawala	CYDPR9011H	288	599,040
24	Jayesh Iswarbhai Jariwala	AAUPJ3159R	93	193,440
25	Disha Karan Bhagatwala	BFOPR6448R	216	449,280
26	Kbay Builders Pvt Ltd	AAKCK2967R	180	374,400
27	Nehal Chandrakant Rupawala	AHDPR9517K	481	10,00,480
28	Ankita Nehal Rupawala	ANIPR7572F	240	499,200
29	Ushaben Chandrakant Rupawala	AKJPR5455K	120	249,600
30	Abhishek Jitendra Kansariwala	GOTPK6383H	120	249,600
31	Bhadresh Gamanlal Kapadia	ABMPK5766E	240	499,200
32	Mohammed Shoyeb Dhupli	AJNPD4286B	312	648,960
<b>Total</b>			<b>10,000</b>	<b>2,08,00,000</b>

\* ACSPL= Avian Consultancy Services Private Limited

\*\* SSL= Sofcom Systems Limited

**Note 1:** Number of Equity Shares of SSL to be issued to the shareholders of ACSPL:  
(Number of equity shares held by the shareholders of ACSPL \* Exchange ratio of 2080 Shares)

**“RESOLVED FURTHER THAT** the pricing of the equity shares to be allotted has been derived in accordance with the Regulation 164(1) of SEBI (ICDR) Regulations, 2018 with reference to the ‘Relevant Date 23.08.2024 determined pursuant to regulation 161 of the SEBI (ICDR) Regulations, 2018 i.e., thirty days prior to the date on which this Annual General meeting is to be held in terms of Section 42 and Section 62 (1)(c) of the Companies Act, 2013”.

**“RESOLVED FURTHER THAT** the Equity Shares issued shall rank pari passu with the existing Equity Shares of the Company in all respects. The equity shares allotted during the financial year shall be entitled to the dividend, if any, declared including other corporate benefits, if any, for which the book closure or the Record Date falls subsequent to the allotment of Equity Shares.”

**“RESOLVED FURTHER THAT** the aforesaid Equity Shares allotted in terms of this resolution shall be subject to Lock-In requirements as per the provisions of Chapter V of SEBI ICDR Regulations, 2018 and any amendment thereto from time to time.”

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized to modify and decide the price, terms and conditions of the Issue of Equity Shares, ratio of swap of shares, if necessary, keeping in view the provisions of various Statutes and Guidelines in force from time to time.”

**“RESOLVED FURTHER THAT** the Company shall apply for listing of the equity shares and make an application to the BSE Limited and to CDSL and NSDL being the depositories for admission of the said new equity shares.”

“**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the Board of Directors and Company Secretary & Compliance officer of the Company be and are hereby authorized to agree and accept all such condition(s), modification(s) and alteration(s) as may be stipulated by any relevant authorities while according approval or consent to the issue as may be considered necessary, proper or expedient and give effect to such modification(s) and to resolve and settle all questions, difficulties or doubts that may arise in this regard to implementation of this Resolution, issue and allotment of equity shares and to do all acts, deeds and things in connection therewith and incidental thereto without being required to seek any further consent or approval of the members of the Company to the intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

**5. Appointment of Mr. Karan Jayeshchandra Bhagatwala (DIN:10699210) as an Independent Director of the Company:**

*To consider and, if thought fit, to pass the following resolution as a Special Resolution:*

“**RESOLVED THAT** Mr. Karan Jayeshchandra Bhagatwala (DIN:10699210), who was appointed by the Board of Directors as an Additional Non - Executive Independent Director of the Company with effect from July 16, 2024 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 (“Act”) and for whom the Company has received a valid nomination from a member proposing him as director of the Company in terms of the provisions of Section 160 of the Act and who is eligible for appointment be and is hereby appointed as Independent Director of the Company.”

“**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Act, the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 17, 25(2A) other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as amended from time to time, Mr. Karan Jayeshchandra Bhagatwala (DIN:10699210), who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder, and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a consecutive term of 5 (five) years with effect from the date of this Meeting”.

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and matters and things as in its absolute discretion it may consider necessary, expedient and desirable to give effect to this resolution.”

**6. Appointment of Mr. Jitendra Thakordas Kansariwala (DIN: 10698894) as an Independent Director of the Company**

*To consider and, if thought fit, to pass the following resolution as a Special Resolution:*

“**RESOLVED THAT** Mr. Jitendra Thakordas Kansariwala (DIN: 10698894), who was appointed by the Board of Directors as an Additional Non - Executive Independent Director of the Company with effect from July 16, 2024 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 (“Act”) and for whom the Company has received a valid nomination from a member proposing him as director of the Company in terms of the provisions of Section 160 of the Act and who is eligible for appointment be and is hereby appointed as Independent Director of the Company.”

“**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Act, the Companies (Appointment and Qualifications of Directors) Rules, 2014,

## SOFCOM SYSTEMS LIMITED

read with Schedule IV to the Act and Regulation 17, 25(2A) other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as amended from time to time, Mr. Jitendra Thakordas Kansariwala (DIN: 10698894), who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder, and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a consecutive term of 5 (five) years with effect from the date of this Meeting”.

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and matters and things as in its absolute discretion it may consider necessary, expedient and desirable to give effect to this resolution.”

### **7. Appointment of Mr. Denish Shashikant Marwadi (DIN: 10699241) as an Independent Director of the Company**

*To consider and, if thought fit, to pass the following resolution as a Special Resolution:*

**“RESOLVED THAT** Mr. Denish Shashikant Marwadi (DIN: 10699241), who was appointed by the Board of Directors as an Additional Non - Executive Independent Director of the Company with effect from July 16, 2024 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 (“Act”) and for whom the Company has received a valid nomination from a member proposing him as director of the Company in terms of the provisions of Section 160 of the Act and who is eligible for appointment be and is hereby appointed as Independent Director of the Company.”

**“RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Act, the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 17, 25(2A) other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as amended from time to time, Mr. Denish Shashikant Marwadi (DIN: 10699241), who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder, and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a consecutive term of 5 (five) years with effect from the date of this Meeting”.

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and matters and things as in its absolute discretion it may consider necessary, expedient and desirable to give effect to this resolution.”

### **8. Appointment of Ms. Tanvi Jay Rupawala (DIN: 10698868) as an Independent Director of the Company**

*To consider and, if thought fit, to pass the following resolution as a Special Resolution:*

**“RESOLVED THAT** Ms. Tanvi Jay Rupawala (DIN: 10698868), who was appointed by the Board of Directors as an Additional Non - Executive Independent Director of the Company with effect from July 16, 2024 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 (“Act”) and for whom the Company has received a valid nomination from a member proposing her as director of the Company in terms of the provisions of Section 160 of the Act and who is eligible for appointment be and is hereby appointed as Director of the Company.”

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**“RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Act, the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 17, 25(2A) other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as amended from time to time, Ms. Tanvi Jay Rupawala (DIN: 10698868), who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder, and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a consecutive term of 5 (five) years with effect from the date of this Meeting”.

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and matters and things as in its absolute discretion it may consider necessary, expedient and desirable to give effect to this resolution.”

### **9. Appointment of Mr. Jagdish Ratilal Rupawala (DIN:10698978) as a Non-Executive Director of the Company**

*To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:*

**“RESOLVED THAT** in accordance with the provisions of Sections 149, 152, 160 and all other applicable provisions of the Companies Act, 2013 and the companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and Regulation 19 (4) read with Part D of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), Mr. Jagdish Ratilal Rupawala (DIN:10698978) who was appointed by the Board of Directors as an Additional Non - Executive Director of the Company with effect from July 16, 2024 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 (“Act”) and for whom the Company has received a valid nomination from a member proposing him as director of the Company in terms of the provisions of Section 160 of the Act be and is hereby appointed as Non - Executive Director of the Company, liable to retire by rotation, with effect from the date of this Meeting.”

**“RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to alter and vary the terms and conditions of the appointment and/or remuneration based on the recommendation of the Nomination & Remuneration Committee subject to the same not exceeding the limits specified under Section 197 read with Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force).”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and matters and things as in its absolute discretion it may consider necessary, expedient and desirable to give effect to this resolution.”

### **10. To give approval for Related Party Transactions**

*To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:*

**“RESOLVED THAT** pursuant to provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Meeting of Board and its Powers) Rules, 2014 (including any statutory modification(s) or enactment thereof for the time being in force), and applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of the members of the Company be and is hereby accorded to the Board of Directors to approve related party transactions, which are no on arm’s length basis, entered or to be entered into by the Company for an amount not exceeding Rs. 5 Crores, severally for each of the related parties.

## SOFCOM SYSTEMS LIMITED

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**Registered office:**  
**D-36, Subhash Marg, Flat No. 802 Sheel Mohar**  
**Apartment, C-Scheme, Jaipur, Rajasthan,**  
**India, 302001**

**For and on behalf of Board of Directors**  
**Sofcom Systems Limited**  
**CIN: L72200RJ1995PLC010192**

**Date: August 30, 2024**  
**Place: Jaipur**

**Sd/-**  
**Priti Apurvhai Shah**  
**Chairperson**  
**DIN: 07165786**

### **IMPORTANT NOTES**

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. 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. 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, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. 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.
5. 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 business 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.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.sofcomsystems.com](http://www.sofcomsystems.com). The Notice can also be accessed from the websites of the Stock Exchanges 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).
7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.



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

The remote e-voting period begins on Friday, September 20, 2024 at 9:00 A.M. and ends on Sunday, September 22, 2024 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, September 16, 2024, 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, September 16, 2024.

#### **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:**

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"><li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDeAS</b>’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed 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.</li><li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li><li>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</li></ol>

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	<p>digit demat account number hold 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 company name or <b>e-Voting service provider i.e. 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>4. Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p><b>NSDL Mobile App is available on</b></p> <p> App Store  Google Play</p> <p> </p>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"><li>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</li><li>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.</li><li>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li><li>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <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 able to see the e-Voting</li></ol>



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	option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility upon logging in, you will be able to see e-Voting option. 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 company name or e-Voting service provider i.e. NSDL 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 & voting during the meeting.

**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.**

Login type	Helpdesk details
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.com">evoting@nsdl.com</a> or call at 022 - 4886 7000
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 toll free no. 1800-21-09911

### **B) Login Method for e-Voting and joining virtual meeting 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.*

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4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
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 101456001***

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.com](mailto:evoting@nsdl.com) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

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- 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 the General Meeting on NSDL e-Voting system.**

#### **How to cast your vote electronically and join the 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 cast your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join 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 [dgkassociates01@gmail.com](mailto:dgkassociates01@gmail.com) with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
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.: 022 - 4886 7000 or send a request to Mr. Kartik Sharma at [evoting@nsdl.com](mailto:evoting@nsdl.com)

**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:**

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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 [sofcomsystemsltd@gmail.com](mailto:sofcomsystemsltd@gmail.com).
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 [sofcomsystemsltd@gmail.com](mailto:sofcomsystemsltd@gmail.com). If you are an Individual shareholder 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 meetings for Individual shareholders holding securities in demat mode.**
3. Alternatively, shareholder/members may send a request to [evoting@nsdl.com](mailto:evoting@nsdl.com) 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 EGM/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 EGM/AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Members 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" placed under "**Join meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join 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 the 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

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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 [sofcomsystemsltd@gmail.com](mailto:sofcomsystemsltd@gmail.com). The same will be replied by the company suitably

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## SOFCOM SYSTEMS LIMITED

### EXPLANATORY STATEMENT

#### **Item No. 04**

The special resolution as mentioned above proposes to authorize the Board of directors to issue and allot up to 2,08,00,000 equity shares of Rs. 10/- each at an issue price of Rs. 43.50/- each on preferential basis in such manner and on such terms of conditions as prescribed under SEBI (ICDR) Regulations and in compliance with Sections 42 and 62 and other applicable provisions of the Companies Act, 2013, the companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014.

#### **A. Preferential allotment through swap of shares towards acquisition of 10,000 equity shares constituting 100% stake in M/s Avian Consultancy Services Private Limited (ACSPL):**

Sofcom Systems Limited was established to provide consultancy for software development in the form of services, turnkey projects and the products for domestic and export market. The software development is targeted towards the distribution, banking, telecommunication, and manufacturing sectors worldwide. The company is also providing software maintenance, reengineering and downsizing of software application in these market segments. Sofcom Systems Limited is providing information technology solutions to both commercial and government clients, The Company is focusing on development of high-performance products to meet the diverse needs of growth enterprise.

The Board of Directors of the Company in their Board Meeting held on 24<sup>th</sup> July 2024 have resolved to acquire 100% stake in M/s Avian Consultancy Services Private Limited (ACSPL). On acquisition of this 100% stake, ACSPL shall become the Wholly Owned Subsidiary Company of M/s Sofcom Systems Limited.

M/s ACSPL is engaged in the business of developing various website and softwares supported by Artificial Intelligence. Through this acquisition, SSL will be able to extend and expand its mainline of business with additional support of Artificial Intelligence.

Hence, the Board of Directors of the Company have proposed to acquire 100% stake in ACSPL by entering in to Share Purchase Agreement with the shareholders of ACSPL. Company has obtained valuation reports from Independent Registered Valuer. Relevant disclosures are given hereunder in this regard.

Pursuant to the valuation report of ACSPL and Fair price of SSL, Independent Registered Valuer has recommended swap ratio for allotment of Equity Shares by the Company to the respective shareholders of the acquirer company. The details of the company including ratios etc. are given below:

Accordingly, it is proposed to issue and allot upto 2,08,00,000 equity shares of Rs. 10/- each of Sofcom Systems Limited as consideration to the shareholders of ACSPL in the exchange of ratio of 1 : 2080:

After the proposed allotment of equity shares, Avian Consultancy Services Private Limited shall become a wholly owned subsidiary company of Sofcom Systems Limited.

#### **Brief Profile of Avian Consultancy Services Private Limited (ACSPL):**

ACSPL is aggressively engaged in developing websites and software with support of Artificial Intelligence. The Company has already obtained orders for development of softwares through Artificial Intelligence.

The Company was incorporated in the year 2011. The paid up share capital of the Company is Rs. 100,000/- divided in to 10,000 Equity Shares of Rs. 10/- each fully paid up. During the current financial year, the Company is to achieve turnover of Rs. 1,25,00,000/- which represents approximately 5% of the orders received by the Company under the guidance and mentorship of strong, aggressive management for its main line of business.

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### **Rational behind the acquisition of 100% Stake:**

During the period of last couple of years, Artificial Intelligence is the buzz of every segment of business. Corporates from various industries are looking to develop the software and applications supported by Artificial Intelligence. It is inevitable for the IT Companies to step in the business of developing software and applications supported by Artificial Intelligence.

At present, Sofcom Systems Limited is engaged in the business of software development in the form of services, turnkey projects and the products for domestic and export market. M/s Avian Consultancy Services Private Limited is actively engaged in the main line of business of developing supporting tools for Artificial Intelligence. Hence, the management of the Company foresee fruitful forward integration through this strategic deal with ACSPL.

The Company approached Mr. Jainam Pragneshbhai Shah, Independent Registered Valuer to determine the valuation of ACSPL and also to determine the swap ratio for the proposed acquisition. The Company has obtained the valuation report in this regard. The relevant disclosures are given herein below.

### **DISCLOSURES:**

The relevant disclosures providing information pertaining to the proposed preferential allotment in terms of the Chapter V of SEBI (ICDR) Regulations, 2018 and subsequent amendments there to is as stated below. As per Section 42 and 62 and other applicable provisions if any of the Companies Act, 2013, the companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014, consent of the shareholders is sought for issuing the equity shares as stated in the resolution on a preferential basis through swap of shares.

#### **I. Objects of the preferential issue through swap of shares /particulars of the offer and details as required under Rule 14(a) and (b) of Companies (Prospectus and Allotment of securities) Rules, 2014:**

The Company proposes to issue and allot up to 2,08,00,000 Equity shares of Rs. 10/- each fully paid up of M/s Sofcom Systems Limited (SSL) at the value of Rs. 43.50/- per share to the shareholders of M/s Avian Consultancy Services Private Limited (ACSPL) for acquiring their 100% shares by entering in to the agreement with its shareholders. The swap ratio and valuation of ACSPL has been derived based on the valuation report obtained by the Company from the independent registered valuer Mr. Jainam Pragneshbhai Shah.

The object of acquiring the Company ACSPL is to expand and extend the main line of business of the Target Company SSL through forward integration for Artificial Intelligence.

The Board of Directors of SSL have passed the resolution for issue of 2,08,00,000 equity shares of Rs. 10/- each to the shareholders of ACSPL at the value of Rs. 43.50/- per share including premium of Rs. 33.50/- share in their board meeting held on 24.07.2024. It is subject to approval of the members to be obtained in this Annual General Meeting to be held on 23.09.2024.

#### **II. Maximum number of specified securities to be issued:**

The Board of Directors have approved the resolution to issue and allot up to 2,08,00,000 Equity Shares of SSL by way of preferential issue through swap of shares in their Board Meeting held on 24.07.2024, subject to approval of the members in General Meeting and subject to cash payment to be made for fractional allotment of shares, if any.

#### **III. Intent of the promoters or their associates and relatives, directors or key managerial personnel of the issuer to subscribe to the offer:**



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None of the Promoters, Directors or Key Managerial Personnel of the Company hold any share in ACSPL and hence no shares are proposed to be issued under the Preferential Allotment through swap of shares.

**IV. Shareholding pattern of the issuer before and after the preferential issue would be as follows: (assuming all the existing and proposed equity shares, except fractional allotment)**

Sr. No	Category	Pre-Issue holding			Post issue holding	
		No of shares	% of shares	Proposed issue of shares	No of shares	% of shares
<b>A</b>	<b>Promoter shareholding</b>					
1	Promoters	0	0	0	0	0
	Sub-total (A)	0	0	0	0	0
<b>B</b>	<b>Public shareholding</b>					
1	Institutions	0	0	0	0	0
2	Non- Institutions					
(i)	Bodies Corporate	1178364	28.36	374400	1552764	6.22
(ii)	Individuals	2846223	68.50	20425600	23271823	93.26
(iii)	NRIs	40839	0.98	0	40839	0.16
(iv)	Clearing Members	0	0	0	0	0.00
(v)	Employees	0	0	0	0	0.00
(vi)	LLP	1650	0.04	0	1650	0.01
(vii)	HUF	87734	2.11	0	87734	0.35
(viii)	Others	190	0.00	0	190	0.00
	Sub-total (B)	4155000	100.00	20800000	24955000	100.00
	<b>Grand Total A+B</b>	<b>4155000</b>	<b>100.00</b>	<b>20800000</b>	<b>24955000</b>	<b>100.00</b>

**V. Time frame within which the preferential issue shall be completed and material terms:**

The allotment of equity shares shall be completed, within a period of 15 days from the date of passing of the resolution by the shareholders provided, that where the allotment is pending on account of pendency of any approval from any regulatory authority including SEBI, the allotment shall be completed by the Company within a period of 15 days from the date of such approvals.

**VI. Identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and/or who ultimately control the proposed allottees, the percentage of post preferential issue capital that may be held by them and change in control, if any, in the issuer consequent to the preferential issue and the current and proposed status of the allottee (s) post the preferential issues namely, promoter or non-promoter:**

(A) List of proposed allottees: All the proposed allottees as furnished in the table are the ultimate beneficial owners of the shares, except those specifically mentioned hereunder, along with their status as to promoter or non — promoter pre and post preferential issue. There will be no change in the status of the proposed allottees post the preferential issue:

**List of Proposed allottees:**



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<b>Sr. no</b>	<b>Identity of proposed preferential allottee</b>	<b>Pre issue holding</b>	<b>% of shares</b>	<b>Equity shares propose to be allotted</b>	<b>No. of shares after allotment</b>	<b>% of shares on allotment</b>	<b>Post issue status</b>
<b>A</b>	<b>Non-Promoter Category</b>						
1	Musab Ismail Murad	NIL	NIL	1449760	1449760	5.81	Non Promoter
2	Aaliya Zubair Botawala	7545	0.18	750880	758425	3.08	Non Promoter
3	Kabir Zubair Botawala	31080	0.75	1499680	1530760	6.13	Non Promoter
4	Bilal Riyaz Maparaa	NIL	NIL	499200	499200	2.00	Non Promoter
5	Aashiya Mahmud Saleh	NIL	NIL	748800	748800	3.00	Non Promoter
6	Khadijabibi Mahmud Saleh	NIL	NIL	748800	748800	3.00	Non Promoter
7	Shabbir Esoof Sadak	NIL	NIL	648960	648960	2.60	Non Promoter
8	Mohammad Zaid Abdulmunaf Bardoliwala	NIL	NIL	599040	599040	2.40	Non Promoter
9	Ahmed Ibrahim Patel	2300	0.06	748800	751100	3.01	Non Promoter
10	Azizurrahman Abusifa Habiburehman Hakim	7680	0.18	499200	506880	2.03	Non Promoter
11	Arvindbhai Dhanrajbhai Patil	NIL	NIL	499200	499200	2.00	Non Promoter
12	Riyaz Yusuf Mapara	NIL	NIL	399360	399360	1.60	Non Promoter
13	Mohamed Uvesh Hakeem	NIL	NIL	748800	748800	3.00	Non Promoter
14	Mohamed Shafi Gulam Mo. Jardosh	NIL	NIL	1599520	1599520	6.41	Non Promoter

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15	Ishratjaha Mohamed Shafi Jardosh	NIL	NIL	1000480	1000480	4.01	Non Promoter
16	Mohamed Farhan Mohamed Shafi Jardosh	NIL	NIL	975520	975520	3.91	Non Promoter
17	Bharti Chandrakant Rupawala	NIL	NIL	499200	499200	2.00	Non Promoter
18	Chandrakant Ratilal Rupawala	NIL	NIL	449280	449280	1.80	Non Promoter
19	Paresh Chandrakant Rupawala	NIL	NIL	399360	399360	1.60	Non Promoter
20	Kamini Paresh Rupawala	NIL	NIL	249600	249600	1.00	Non Promoter
21	Jay Paresh Rupawala	NIL	NIL	574080	574080	2.30	Non Promoter
22	Tanvi Ajay Fitwala	NIL	NIL	449280	449280	1.80	Non Promoter
23	Rajvi Paresh Rupawala	NIL	NIL	599040	599040	2.40	Non Promoter
24	Jayesh Iswarbhai Jariwala	10300	0.25	193440	203740	0.82	Non Promoter
25	Disha Karan Bhagatwala	NIL	NIL	449280	449280	1.80	Non Promoter
26	Kbay Builders Pvt Ltd	NIL	NIL	374400	374400	1.50	Non Promoter
27	Nehal Chandrakant Rupawala	NIL	NIL	1000480	1000480	4.01	Non Promoter
28	Ankita Nehal Rupawala	NIL	NIL	499200	499200	2.00	Non Promoter
29	Ushaben Chandrakant Rupawala	NIL	NIL	249600	249600	1.00	Non Promoter

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30	Abhishek Jitendra Kansariwala	NIL	NIL	249600	249600	1.00	Non Promoter
31	Bhadresh Gamanlal Kapadia	NIL	NIL	499200	499200	2.00	Non Promoter
32	Mohammed Shoyeb Dhupli	NIL	NIL	648960	648960	2.60	Non Promoter

### (B) Ultimate beneficial Owner

Name of the allottee	PAN of the allottee company	Number of shares proposed to be issued	Name of Ultimate Beneficial Owners	Shareholding in the Allottee Company	PAN of the UBO
KBAY BUILDERS PVT LTD	AAKCK2967R	374,400  1.50% of post issue paid up capital	Aiyub Mohamed Yacoobali	50%	AAMPY8687R
			Zubair Suleman Botawala	50%	AERP2303J

**Change in control:** As a result of the proposed preferential allotment of equity shares through swap of shares, neither there will be any change in the composition of the Board of Directors and nor any changes in control of the Company.

### VII. Undertaking that the issuer shall re-compute the price of the specified securities in terms of the provision of these regulations where it is required to do so and other undertakings:

In terms of SEBI (ICDR) Regulations, 2018 issuer hereby undertakes that:

1. As the Ordinary Shares have been listed for a period of more than 90 trading days as on the Relevant Date, the provisions of Regulation 164(3) of SEBI ICDR Regulations governing re-computation of the price of shares shall not be applicable. However, the Company shall re-compute the price of the specified securities in terms of the provision of these regulations where it is required to do so.
2. Neither the Company, its directors nor Promoters have been declared as willful defaulter or fraudulent borrower as defined under the SEBI ICDR Regulations.
3. The Company is eligible to make the Preferential Allotment under Chapter V of the SEBI ICDR Regulations.
4. If the amount payable on account of the re-computation of price is not paid within the time stipulated in these regulations, the specified securities shall continue to be locked-in till the time such amount is paid by the allottees.
5. The Company shall submit the Valuation Report as received from the Independent Registered Valuer to the Stock Exchange pertaining to the allotment of shares for consideration other than cash.

### VIII. Practicing Company Secretary Certificate:

Certificate from M/s. Dipika Soni & Associates (COP 25331), Practicing Company Secretaries confirming that the proposed issue of equity shares is being made in accordance with the SEBI (ICDR)

## SOFCOM SYSTEMS LIMITED

Regulations, 2018 is obtained and the same is available on the website of the Company <https://www.sofcomsystems.com/investor.html>.

Certificate from M/s. S. D. Mehta & Co., Statutory Auditors Company, confirming that the proposed issue of equity shares is being made in accordance with the SEBI (ICDR) Regulations, 2018 is also obtained and the same is available on the website of the Company <https://www.sofcomsystems.com/investor.html>.

### **IX. Pricing of the Issue including the basis or justification for the premium and Relevant Date:**

The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer;

The price of the Equity Shares proposed to be issued has been determined after considering the preferential issue guidelines given in SEBI (ICDR) Regulations 2018 and subsequent amendments thereto which is based on the relevant date i.e., 23.08.2024, which is thirty days prior to the date of Annual General Meeting (AGM to be held on 23.09.2024).

Pursuant regulation 164(1) of SEBI (ICDR) regulations 2018, the price of the equity shares of Sofcom Systems Limited comes at Rs. 42.02/- (i.e. higher of the volume weighted average price of the related equity shares quoted on BSE platform during the 90 trading days /10 trading days preceding the relevant date). However, the Board of Directors of the Company have determined to issue the shares at the price of Rs. 43.50/- per share (including a premium of Rs. 33.50/- per share). A Certificate is obtained from the statutory auditors of the Company confirming the minimum price for the preferential issue is as per Preferential Issue Regulations in chapter V of SEBI (ICDR) Regulations, 2018.

Considering that the allotment through this preferential issue shall be more than 5% of the post issue fully diluted share capital of the Company, to an allottee or to allottees acting in concert, the price of Rs. 43.50/- (Rupees forty three and fifty paise) of the Equity Shares to be issued and allotted to the proposed allottees has been determined taking into account the valuation report dated 24<sup>th</sup> July 2024 issued by CA Jainam Pragneshbhai Shah, Independent Registered Valuer (IBBI Regd. No. IBBI/RV/06/2019/11722) having office at 303-305, Vraj Bhumi Complex, Girish Cold Drinks Cross Road, B/h Shilp Building, Navrangpura, Ahmedabad, Gujarat in accordance with Regulation 166A of the ICDR Regulations (“Valuation Report”). The Valuation Report shall be available for inspection by the members on the Company’s website <https://www.sofcomsystems.com/investor.html>.

### **Disclosure as per Rule 14(c) and (d) of Companies (Prospectus and Allotment of securities) Rules 2014:**

Name of the Independent Registered Valuer  
CA Jainam Pragneshbhai Shah, Independent Registered Valuer  
(IBBI Regd. No. IBBI/RV/06/2019/11722)  
Office: 303-305, Vraj Bhumi Complex, Girish Cold Drinks Cross Road, B/h Shilp Building, Navrangpura, Ahmedabad, Gujarat

Justification for the valuation is given in the valuation report mentioned above and as placed on the website of the Target Company SSL at <https://www.sofcomsystems.com/investor.html>.

### **X. SEBI Takeover code:**

In the present case none of the proposed allottees is under obligation to give open offer to the public except making certain disclosures to Stock Exchange and does not attract compliance with SEBI Takeover Code.

## SOFCOM SYSTEMS LIMITED

### **XI. Holding of shares in demat form, non-disposal of shares by the proposed allottees and lock-in period of shares:**

The entire shareholding of the proposed allottees in the company, if any, is held by them in the physical form as on date of this notice. The allotment under this preferential issue through swap of share shall be compulsorily made in demat form.

The proposed allottees hold shares in the target company. Their pre preferential shareholding will be kept under lock-in from the relevant date up to a period of 90 trading days from the date of trading approval from BSE Limited where the securities of the Company are listed.

The shareholder who has sold their shares during the 90 trading days prior to the relevant date shall not be eligible for allotment of equity shares on preferential basis. All the proposed allottees have a Permanent Account Number.

### **XII. Lock—in Period:**

The equity shares proposed to be allotted shall be subject to “lock-in” for such a period as the case may be from the date of trading approval from BSE Limited where the securities of the Company are listed as per Clause 167 of the SEBI (ICDR) Regulations, 2018.

### **XIII. The number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price:**

During the year, the Company has not made any preferential allotment.

### **XIV. Compliances:**

The company has complied with the requirement of rule 19A of the Securities Contracts (Regulation) Rules, 1957 and Regulation 38 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 maintaining a minimum of 25% of the paid-up capital in the hands of the public.

### **XV. Approval under the Companies Act:**

Section 62(1) of the Companies Act, 2013 provides, inter alia, that whenever it is proposed to increase the subscribed capital of a Company by further issue and allotment of shares, such shares shall be first offered to the existing shareholders of the Company in the manner laid down in the said section, unless the shareholders decide otherwise in General Meeting by way of special resolution. Accordingly, the consent of the shareholders by way of special resolution is being sought pursuant to the provisions of section 62(1) of the Companies Act, 2013 and all other applicable provisions, SEBI Guidelines or regulations and the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for authorizing the Board to offer, issue and allot equity shares as stated in the resolution, which would result in a further issuance of securities of the Company to the promoters and the others on a preferential allotment basis, in such form, manner and upon such terms and conditions as the Board may in its absolute discretion deem fit.

The Board of Directors recommends the passing of the above resolution as a Special Resolution as set out in the Notice. None of the Directors, key managerial personnel or their relatives is concerned or interested (financial or otherwise) in the above-said resolution.

### **XVI. Other disclosures under Companies (Prospectus and Allotment of securities) Rules 2014:**

#### **(i) Disclosure as per Rule 14(e):**

## SOFCOM SYSTEMS LIMITED

The Target Company SSL will not raise any funds through this preferential issue as the shares are being issued through swap of shares.

### **(ii) Disclosure as per Rule 14(f) of Companies (Prospectus and Allotment of securities) Rules 2014:**

Material terms of raising such securities	Issue of 2,08,00,000 Equity Shares of Rs. 10/- each of SSL as fully paid up shares to the shareholders of ACSPL in the share exchange ratio of 1 : 2080.
Proposed time schedule	The allotment shall be completed within 15 days from passing the resolution.
Purposes or objects of offer	To expand and extend the main line of business of the Target Company SSL through forward integration for Artificial Intelligence.
Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of objects; principle terms of assets charged as securities:	NIL

#### **Item No. 05**

The Board of Directors (based on the recommendation of Nomination and Remuneration Committee) appointed Mr. Karan Jayeshchandra Bhagatwala (DIN:10699210) as an Additional Non-Executive Independent Director with effect from July 16, 2024 subject to approval of members in the ensuing general meeting;

Pursuant to Section 161(1) of the Act, Mr. Karan Jayeshchandra Bhagatwala shall hold office up to the date of general meeting and declaration have been received from Mr. Karan Jayeshchandra Bhagatwala (DIN:10699210) that he meets the criteria of Independence prescribed under Section 149 of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). In the opinion of your Board, he fulfills the conditions specified in the Companies Act, 2013 and the Rules thereunder and Listing Regulations, making him eligible for their appointment as Independent Director and is an independent of the management of the Company.

He does not hold any equity shares in the Company. He has no relationship with any other directors of the Company.

None of the Directors, Key Managerial Personnel of the Company and their respective relatives is in any way concerned or interested, financially or otherwise, in the said Resolutions set out at item no. 03 except Mr. Karan Jayeshchandra Bhagatwala (DIN:10699210) being an appointee.

#### **Item No. 06**

The Board of Directors (based on the recommendation of Nomination and Remuneration Committee) appointed Mr. Jitendra Thakordas Kansariwala (DIN: 10698894) as an Additional Non-Executive Independent Director with effect from July 16, 2024 subject to approval of members in the ensuing general meeting;

Pursuant to Section 161(1) of the Act, Mr. Jitendra Thakordas Kansariwala shall hold office up to the date of general meeting and declaration have been received from Mr. Jitendra Thakordas Kansariwala (DIN:

## SOFCOM SYSTEMS LIMITED

10698894) that he meets the criteria of Independence prescribed under Section 149 of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”). In the opinion of your Board, he fulfills the conditions specified in the Companies Act, 2013 and the Rules thereunder and Listing Regulations, making him eligible for their appointment as Independent Director and is an independent of the management of the Company.

He does not hold any equity shares in the Company. He has no relationship with any other directors of the Company.

None of the Directors, Key Managerial Personnel of the Company and their respective relatives is in any way concerned or interested, financially or otherwise, in the said Resolutions set out at item no. 04 except Mr. Jitendra Thakordas Kansariwala (DIN: 10698894) being an appointee.

### **Item No. 07**

The Board of Directors (based on the recommendation of Nomination and Remuneration Committee) appointed Mr. Denish Shashikant Marwadi (DIN: 10699241) as an Additional Non-Executive Independent Director with effect from July 16, 2024 subject to approval of members in the ensuing general meeting;

Pursuant to Section 161(1) of the Act, Mr. Denish Shashikant Marwadi shall hold office up to the date of general meeting and declaration have been received from Mr. Denish Shashikant Marwadi (DIN: 10699241) that he meets the criteria of Independence prescribed under Section 149 of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”). In the opinion of your Board, he fulfills the conditions specified in the Companies Act, 2013 and the Rules thereunder and Listing Regulations, making him eligible for their appointment as Independent Director and is an independent of the management of the Company.

He does not hold any equity shares in the Company. He has no relationship with any other directors of the Company.

None of the Directors, Key Managerial Personnel of the Company and their respective relatives is in any way concerned or interested, financially or otherwise, in the said Resolutions set out at item no. 05 except Mr. Denish Shashikant Marwadi (DIN: 10699241) being an appointee.

### **Item No. 08**

The Board of Directors (based on the recommendation of Nomination and Remuneration Committee) appointed Ms. Tanvi Jay Rupawala (DIN: 10698868) as an Additional Non-Executive Independent Director with effect from July 16, 2024 subject to approval of members in the ensuing general meeting;

Pursuant to Section 161(1) of the Act, Ms. Tanvi Jay Rupawala shall hold office up to the date of general meeting and declaration have been received from Ms. Tanvi Jay Rupawala (DIN: 10698868) that she meets the criteria of Independence prescribed under Section 149 of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”). In the opinion of your Board, he fulfills the conditions specified in the Companies Act, 2013 and the Rules thereunder and Listing Regulations, making her eligible for their appointment as Independent Director and is an independent of the management of the Company.

She does not hold any equity shares in the Company. She has no relationship with any other directors of the Company.

## SOFCOM SYSTEMS LIMITED

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None of the Directors, Key Managerial Personnel of the Company and their respective relatives is in any way concerned or interested, financially or otherwise, in the said Resolutions set out at item no. 06 except Ms. Tanvi Jay Rupawala (DIN: 10698868) being an appointee.

### **Item No. 09**

The Board of Directors (based on the recommendation of Nomination and Remuneration Committee) appointed Mr. Jagdish Ratilal Rupawala (DIN:10698978) as an Additional Non-Executive Director with effect from July 16, 2024 subject to approval of members in the ensuing general meeting;

Pursuant to Section 161(1) of the Act Mr. Jagdish Ratilal Rupawala shall hold office up to the date of general meeting The Company has received the requisite notice in writing under Section 160 of the Act proposing the candidature of Mr. Jagdish Ratilal Rupawala (DIN: 10698978) to be appointed as a Non-Executive Director at the ensuing AGM liable to retire by rotation. He has consented to the proposed appointment and declared qualified. He possesses the requisite knowledge, experience and skill for the position of Director. The Board on receipt of the said notice from a member and on the recommendation of its Nomination and Remuneration Committee and subject to approval of members in the ensuing AGM, has accorded its consent, to appoint Mr. Jagdish Ratilal Rupawala (DIN:10698978) as a Non-Executive Director liable to retire by rotation.

None of the Directors, Key Managerial Personnel of the Company and their respective relatives is in any way concerned or interested, financially or otherwise, in the said Resolutions set out at item no. 07 except Mr. Jagdish Ratilal Rupawala (DIN:10698978) being an appointee.

### **Item No. 10**

The Company frequently enters into transactions with parties as defined under section 2 (76) of the Companies Act, 2013. The Company is currently making all the transactions with related parties in ordinary course of business, which are approved by the audit committee and Board of Directors of the Company. The Company may, in future have to enter into certain business transactions with related parties during, which may not be on arm's length basis, and as Section 188 requires Member's approval, the Company proposes to take prior approval from Members for Nature and amount of transactions, which may have to be entered in future by the Company.

The Board further assures that the management of the Company either expressly or impliedly shall not enter into any related party transaction to take any personal benefit or to defeat interest of the Company.

The Board recommends above resolution to be passed as an ordinary resolution.



## SOFCOM SYSTEMS LIMITED

### Information pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards respect to Appointment/ Re-appointment of Directors

<b>Name of the Director</b>	Mr. Karan Jayeshchandra Bhagatwala	Mr. Jitendra Kansariwala Thakordass	Mr. Denish Shashikant Marwadi
<b>DIN</b>	10699210	10698894	10699241
<b>Date of the birth</b>	06/04/1991	26/04/1962	23/12/1983
<b>Qualification</b>	Secondary Education	Higher Secondary Education	Higher Secondary Education
<b>Nature of Expertise</b>	Has a vast experience of more than 12 years in the field of Textile	Has a vast experience of more than 30 years in the field of Textile.	Has a vast experience of more than 15 years in the field of Taxation Consultancy.
<b>Directorships held in other Indian public companies (other than Section 8 companies)</b>	-	-	-
<b>Memberships / Chairmanships of Committees in other Company</b>	-	-	-
<b>Number of Equity Shares held in the Company</b>	-	-	-

## SOFCOM SYSTEMS LIMITED

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<b>Name of the Director</b>	Ms. Tanvi Jay Rupawala	Mr. Jagdish Ratilal Rupawala
<b>DIN</b>	10699241	10698978
<b>Date of the birth</b>	07/03/1999	24/02/1960
<b>Qualification</b>	Pursuing bachelor's in civil engineering	Secondary Education
<b>Nature of Expertise</b>	Has shown deep interest in growth & development of the company	Has a vast experience of more than 35 years in the field of Textile.
<b>Directorships held in other Indian public companies (other than Section 8 companies)</b>	-	-
<b>Memberships / Chairmanships of Committees in other Company</b>	-	-
<b>Number of Equity Shares held in the Company</b>	-	-

**Registered office:**  
D-36, Subhash Marg, Flat No. 802 Sheel Mohar  
Apartment, C-Scheme, Jaipur, Rajasthan,  
India, 302001

**For and on behalf of Board of Directors**  
Sofcom Systems Limited  
CIN: L72200RJ1995PLC010192

**Date: August 30, 2024**  
**Place: Jaipur**

Sd/-  
**Priti Apurvhai Shah**  
Chairperson  
DIN: 07165786

***Sofcom Systems Limited***

*Address: D-36, Flat No. 802, Sheel  
Mohar Apartment, C-Scheme,  
Subhash Marg, Jaipur, Rajasthan -  
302001*

**AUDITOR'S REPORT**  
For Year Ended 31.03.2024

**AUDITORS:**

**S. D. Mehta & Co. (Chartered Accountants)**

1601, Himalaya Business Center, B/H BRTS Bus Stand,  
Nr. RTO Circle, 132 FT Ring Road, Ahmedabad-380027.

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## Independent Auditors' Report

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To the Members of,  
**Sofcom Systems Limited**

### 1. Opinion

We have audited the accompanying standalone financial statements of **Sofcom Systems Limited (the "Company")** which comprise the standalone Balance Sheet as at March 31, 2024, the standalone Statement of Profit and Loss (Including Other Comprehensive Income), Standalone statement of changes in equity and standalone statement of cash Flow for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (herein after referred to as "the financial statements") .

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit, total comprehensive income and its cash flows for the year ended on that date.

### Basis of Opinion

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

## **Key Audit Matters**

Key Audit matters ('KAM') 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.

## **Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the standalone financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **2. Management's Responsibility for the Financial Statements**

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. 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 standalone financial statements, the respective management and board of directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### **3. Auditor's Responsibility for the audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 ability of the Group 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the financial statements.

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 of the Company and such other entities included in the financial statements of which we are the independent auditors 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.

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

- i. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section (11) of section 143 of the Companies Act, 2013 we give in the "**Annexure-A**" a statement on the matters specified in the paragraphs 3 and 4 of the Order, to the extent applicable.
- ii. As required by section 143(3) of the Act, we report that:

- a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the afore said financial statements;
- b. In our opinion proper books of account as required by law relating to preparation of the afore said financial statements have been kept by the Company so far as appears from our examination of those books.
- c. The Balance Sheet, Statement of Profit and Loss (including other comprehensive Income), Statement of changes in equity and Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the financial statements.
- d. In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with the Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of written representations received from the directors as on March 31, 2024, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **"Annexure B"**; Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:  
  
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and accordance to the explanation given to us:
  - i. The company does not have any pending litigations which would impact its financial position.
  - ii. The company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.



iv.(a) The respective Managements of the Company, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or in any other person or entity, including foreign entity (“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 by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Company, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“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 by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

V. In Our Opinion and according to the information and explanation given to us, the company has not declare any dividend.

VI. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which have a feature of recording audit trail facility enabled and the same was operated throughout the year for all relevant transactions recorded in the software.

For, **S. D. Mehta & Co.**  
Chartered Accountants  
(Registration No. 137193W)

Date: 16<sup>th</sup> July, 2024  
Place: Ahmedabad

**Shaishav D. Mehta**  
Partner  
M.No.: 032891  
UDIN: 24032891BKAFZM2482

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**Annexure-A to Independent Auditors' Report**

Referred to in Paragraph 4(i) under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date.

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To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

**1. In respect of Property, Plant and Equipment and Intangible Assets:**

- a. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipments.
- b. The Company has maintained proper records showing full particulars of intangible assets;

**2.**

- c. The Company does not have Inventory; hence the Disclosure Requirements under this Clause are not applicable.
- d. The para of having working capital limit sanctioned in excess of Rs. 5 crores is not applicable to the company as the company does not have any sanctioned working capital limit.

- 3.** The Company has neither made any investment nor granted any loans secured or unsecured to any companies, firms or other parties covered in the register required to be maintained under section 189 of the Companies Act, 2013.

- 4.** The Company has complied with the provisions of section 185 and section 186 of the Companies Act 2013 in respect of the loans granted, investments made and guarantees and securities provided, as applicable.

- 5.** The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

- 6.** The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.

**7. In respect of Statutory Dues:**

- a. In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

- b. According to the information and explanation given to us, there were no dues of Goods and services tax, sales tax, Income tax and Cess which have not been deposited on account of any dispute.
8. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
9.
  - a. the Company has not defaulted in repayment of loans or other borrowings to financial institutions, banks and dues to debenture holders or in payment of interest thereon to any lender during the year. The Company does not have any borrowings from Government.
  - b. The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
  - c. The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix) (c) of the Order is not applicable.
  - d. On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
  - e. On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
  - f. The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
10.
  - 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.
11.
  - a. No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
  - b. According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

- c. We have taken into consideration the whistle blower complaints received by the Company during the year, while determining the nature, timing and extent of our audit procedures.
12. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
13. 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 accounting standards.
14. The company has not provided internal audit report for the year and as such we are not able to give opinion on the internal audit system.
15. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
16.
  - a. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) and clause 3(xvi)(b) of the Order is not applicable to the Company.
  - b. The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable to the Company.
  - c. The Company is not a Core Investment Company (“CIC”) as defined in the regulations made by Reserve Bank of India.
17. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
18. There has been resignation of statutory auditor during the year. However, No issues, objections or concerns raised by the outgoing auditor.
19. On the basis of the financial ratios, ageing and expected dates of realisation 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.

20.

a. In our opinion, as per section 135 of the Act, no amount was required to be spent by the Company on Corporate Social Responsibility (CSR) related activities during the year. Accordingly, reporting under clause (xx) of the Order is not applicable to the Company.

21. Reporting under clause xxi of the Order is not applicable at the standalone level.

For, **S. D. Mehta & Co.**  
Chartered Accountants  
(Registration No. 137193W)

Date: 16<sup>th</sup> July, 2024

Place: Ahmedabad

**Shaishav D. Mehta**  
Partner  
M.No.: 032891  
UDIN: 24032891BKAFZM2482

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**Annexure-B to Independent Auditors' Report**

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

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We have audited the internal financial controls over financial reporting of **Sofcom Systems Limited** ("the Company") as of 31 March 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('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 on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

## **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For, **S. D. Mehta & Co.**  
Chartered Accountants  
(Registration No. 137193W)

Date: 16<sup>th</sup> July, 2024  
Place: Ahmedabad

**Shaishav D. Mehta**  
Partner  
M.No.: 032891  
UDIN: 24032891BKAFZM2482

Particulars	Note No	As at 31 March 2024	As at 31 March 2023
<b>ASSETS</b>			
Property, Plant and Equipment	1	0.86	1.31
Capital work-in-progress		-	-
Investment Property		-	-
Goodwill		-	-
Other Intangible assets		-	-
Intangible assets under development		-	-
Financial Assets			
Investments		-	-
Trade receivables		-	-
Loans		-	-
Other financial assets	2	-	5.25
Deferred tax assets net		26.38	26.36
Other non-current assets		-	-
<b>Total Non-current Assets</b>		<b>27.24</b>	<b>32.93</b>
<b>Current assets</b>			
Inventories		-	-
Financial Assets			
Investments		-	-
Trade receivables	3	124.07	83.07
Cash and cash equivalents	4	0.33	1.42
Bank balances		-	-
Loans	5	394.10	398.10
Other financial assets		-	-
Other current assets	6	9.53	7.38
<b>Total Current Assets</b>		<b>528.03</b>	<b>489.97</b>
<b>Total Assets</b>		<b>555.27</b>	<b>522.89</b>
<b>EQUITY and LIABILITIES</b>			
Equity Share Capital	7	463.16	463.16
Other Equity	8	72.90	55.44
<b>Total Equity</b>		<b>536.06</b>	<b>518.60</b>
<b>Non-current liabilities</b>			
Financial Liabilities			
Borrowings	9	2.50	-
Lease liabilities		-	-
Trade Payables		-	-
total outstanding dues of micro enterprises and small enterprises		-	-
total outstanding dues of others		-	-
Other financial liabilities		-	-
Provisions		-	-
Deferred tax liabilities net		-	-
Other non-current liabilities		-	-
<b>Total Non-current liabilities</b>		<b>2.50</b>	<b>-</b>
<b>Current liabilities</b>			
Financial Liabilities			
Borrowings		-	-
Lease liabilities		-	-
Trade Payables	10	-	-
total outstanding dues of micro enterprises and small enterprises		-	-
total outstanding dues of others		1.63	2.33
Other financial liabilities	11	0.40	1.68
Other current liabilities	12	3.21	0.29
Provisions	13	11.48	-
Current Tax Liabilities (Net)		-	-
<b>Total Current liabilities</b>		<b>16.72</b>	<b>4.30</b>
<b>Total liabilities</b>		<b>19.22</b>	<b>4.30</b>
<b>Total Equity and Liabilities</b>		<b>555.27</b>	<b>522.89</b>

For & on Behalf of  
**S D Mehta & Co.**  
Chartered Accountants  
FRN: 137193W

**Shaishav D. Mehta**  
Partner 32891  
UDIN: 24032891BKAFZM2482  
Place: Ahmedabad  
Date: 16/07/2024

For and on behalf of Board of Directors,  
Sofcom Systems Limited

Sd/-  
**Priti Apurvabhai Shah**  
Managing Director  
(DIN: 07165786)

Sd/-  
**Jagdish Ratilal Rupawala**  
Non-Executive - Non-Independent Director  
(DIN: 10698978)

Sd/-  
**Dhara Jagdishbhai Patel**  
Company Secretary  
(PAN: CAIPP8953M)

Sd/-  
**Karan Jayeshchandra Bhagatwala**  
Non-Executive - Independent Director  
(DIN: 10699210)



**SOFCOM SYSTEMS LIMITED**

CIN: L72200RJ1995PLC010192

Registered office: D-36, Subhash Marg, Flat No. 802 Sheel Mohar Apartment, C-Scheme, Jaipur, Rajasthan, India, 302001

**Standalone Profit & Loss for the period ended on 31-03-2024**

Rs. in Lakhs

Particulars	Note No	For Period ended	For Period ended
		31 March 2024	31 March 2023
<b>Income</b>			
Revenue From Operations	14	35.75	276.25
Other Income	15	-	145.69
<b>Total Income</b>		<b>35.75</b>	<b>421.93</b>
<b>Expenses</b>			
Cost of materials consumed		-	-
Purchases of Stock-in-Trade		-	-
Changes in inventories of finished goods, Stock in Trade and work in progress		-	-
Employee benefits expense	16	-	1.84
Finance costs	17	-	18.24
Depreciation and amortization expense		0.14	0.13
Other expenses	18	12.05	170.82
<b>Total Expenses</b>		<b>12.19</b>	<b>191.03</b>
<b>Profit/(loss) before exceptional items and tax</b>		<b>23.57</b>	<b>230.90</b>
Exceptional Items		-	-
<b>Profit/(loss) before tax</b>		<b>23.57</b>	<b>230.90</b>
<b>Tax expense</b>	19		
Current tax		6.13	-
Deferred tax		-0.02	21.47
<b>Total Tax expense</b>		<b>6.11</b>	<b>21.47</b>
<b>Profit/(loss) after tax for the period</b>		<b>17.46</b>	<b>209.43</b>
<b>Other Comprehensive Income</b>			
OCI that will not be reclassified to P&L		-	-
OCI Income tax of items that will not be reclassified to P&L		-	-
OCI that will be reclassified to P&L		-	-
OCI Income tax of items that will be reclassified to P&L		-	-
<b>Total Other Comprehensive Income</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive Income for the period</b>		<b>17.46</b>	<b>209.43</b>
<b>Earnings per equity share</b>			
Basic	20	0.42	5.04
Diluted		0.42	5.04

For & on Behalf of  
**S D Mehta & Co.**  
Chartered Accountants  
FRN: 137193W

Shaishav D. Mehta  
Partner 32891  
UDIN: 24032891BKAFZM2482  
Place: Ahmedabad  
Date: 16/07/2024

For and on behalf of Board of Directors,  
Sofcom Systems Limited

Sd/-  
**Priti Apurvabhai Shah**  
Managing Director  
(DIN: 07165786)

Sd/-  
**Jagdish Ratilal Rupawala**  
Non-Executive - Non-Independent  
Director (DIN: 10698978)

Sd/-  
**Dhara Jagdishbhai Patel**  
Company Secretary  
(PAN: CAIPP8953M)

Sd/-  
**Karan Jayeshchandra Bhagatwala**  
Non-Executive - Independent Director  
(DIN: 10699210)

**SOFCOM SYSTEMS LIMITED**

CIN: L72200RJ1995PLC010192

Registered office: D-36, Subhash Marg, Flat No. 802 Sheel Mohar Apartment, C-Scheme, Jaipur, Rajasthan, India, 302001

**Statement of change in Equity for the year ended on 31-03-2024****A. Equity Share Capital**

Current reporting period		Rs. in Lakhs
Particulars		Amount
As at 1 April 2023		463.16
Changes in Equity Share Capital due to Prior Period Errors		-
Restated Balance as at		-
Changes in Equity Share Capital during the year		-
<b>As at 31 March 2024</b>		<b>463.16</b>

Previous reporting period		Rs. in Lakhs
Particulars		Amount
As at 1 April 2022		463.16
Changes in Equity Share Capital due to Prior Period Errors		-
Restated Balance as at		-
Changes in Equity Share Capital during the year		-
<b>As at 31 March 2023</b>		<b>463.16</b>

**B. Other Equity**

Current reporting period			Rs. in Lakhs
Particulars	Reserves & Surplus	Total	
	Retained Earnings		
Balance as at 1 April 2023	55.44	55.44	
Changes in Accounting Policy or Prior Period Errors	-	-	
Restated balance as at 1 April 2023	55.44	55.44	
Add: Profit/(Loss) during the year	17.46	17.46	
<b>Total Comprehensive Income/(Expense)</b>	<b>72.90</b>	<b>72.90</b>	
Other Adjustment	-	-	
<b>Balance as at 31 March 2024</b>	<b>72.90</b>	<b>72.90</b>	

Other Equity			Rs. in Lakhs
Previous reporting period			
Particulars	Reserves & Surplus	Total	
	Retained Earnings		
Balance as at 1 April 2022	-153.99	-153.99	
Changes in Accounting Policy or Prior Period Errors	-	-	
Restated balance as at 1 April 2022	-153.99	-153.99	
Net profit/(loss) during the year	209.43	209.43	
<b>Total Comprehensive Income/(Expense)</b>	<b>55.44</b>	<b>55.44</b>	
Other Adjustment	-	-	
<b>Balance as at 31 March 2024</b>	<b>55.44</b>	<b>55.44</b>	

For & on Behalf of  
S D Mehta & Co.  
Chartered Accountants  
FRN: 137193W

For and on behalf of Board of Directors,  
Sofcom Systems Limited

Shaishav D. Mehta  
Partner 32891  
UDIN: 24032891BKAFZM2482  
Place: Ahmedabad  
Date: 16/07/2024

Sd/-  
**Priti Apurvabhai Shah**  
Managing Director  
(DIN: 07165786)

Sd/-  
**Dhara Jagdishbhai Patel**  
Company Secretary  
(PAN: CAIPP8953M)

Sd/-  
**Jagdish Ratilal Rupawala**  
Non-Executive - Non-Independent  
Director (DIN: 10698978)

Sd/-  
**Karan Jayeshchandra Bhagatwala**  
Non-Executive - Independent  
Director (DIN: 10699210)

**SOFCOM SYSTEMS LIMITED**  
**CIN: L72200RJ1995PLC010192**

Registered office: D-36, Subhash Marg, Flat No. 802 Sheel Mohar Apartment,C-Scheme, Jaipur,Rajasthan, India, 302001

**Standalone Cash Flow Statement for the period ended on 31-03-2024**

Rs. in Lakhs

Particulars	Note No	For Period ended 31 March 2024	For Period ended 31 March 2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit for the year		17.46	230.90
<b>Adjustments for:</b>			
Depreciation and amortisation		0.14	0.13
(Gain)/Loss on disposal of property, plant and equipment		-	-
(Gain)/Loss on disposal of Investments		-	-145.69
(Gain)/Loss on investments measured at fair value through profit and loss		-	-
Provision for Income tax		6.13	-
Bad debts, provision for trade receivables and advances, net		-	-
Finance Cost		-	18.24
Interest Income		-	-
Dividend Income		-	-
Deferred Tax		-0.02	-
<b>Operating profit before working capital changes</b>		<b>23.71</b>	<b>103.58</b>
<b>Adjustment for (increase) / decrease in operating assets</b>			
Trade receivables		-41.00	-
Unbilled revenue		-	-
Loans & Advances		4.00	-401.56
Other financial assets		-	-
Inventories		-	-
Other Current assets		-2.15	-
Other assets <sup>1</sup>		-	-
<b>Adjustment for (Increase) / decrease in operating liabilities</b>			
Trade payables		-0.70	-
Employee benefit obligation		-	-
Other financial liabilities		-1.28	-
Other Liabilities		2.92	-50.25
Provisions		5.35	-
Other Liabilities 1		-	-
<b>Cash generated from operations</b>		<b>-9.15</b>	<b>-348.23</b>
Income tax paid (net)		-	-
<b>Net cash generated by operating activities</b>		<b>-9.15</b>	<b>-348.23</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Bank deposits placed		-	-
Inter-corporate deposits placed		-	-
Purchase of investments carried at fair value through profit and loss		-	-
Purchase of investments carried at fair value through OCI		-	-
Purchase of investments carried at amortised cost		-	-
Payments to acquire financial assets		-	-
Purchase of property, plant and equipment		-	-
Right of Use Asset		-	-
Purchase of intangible assets		-	-
Purchase of Biological Assets other than bearer plants		-	-
Purchase of other Investment		-	-
Ear marked deposits placed with banks		-	-
Bank deposits matured		-	-
Amount Advanced to Related Parties		-	-
Proceeds from sale of investments carried at fair value through profit and loss		-	-
Proceeds from sale of investments carried at fair value through OCI		-	-
Proceeds from sale of investments carried at amortised cost		-	-
Proceeds from sale of financial assets		-	-
Proceeds from disposal of property, plant and equipment		0.31	-
Proceeds from disposal of intangible assets		-	-
Proceeds from deposits		5.25	-

Proceeds from sale of other Investment	-	655.71
Loan and Advances(net)	-	-
Change in other non current assets	-	-
Dividend received	-	-
Interest received	-	-
<b>Net cash (used in) / generated by investing activities</b>	<b>5.56</b>	<b>655.71</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of lease liabilities	-	-
Proceeds from short term borrowings	-	-
Repayment of Short term borrowings	-	-288.42
Proceeds from long term borrowings	2.50	-
Repayment of long term borrowings	-	-
Finance cost	-	-18.24
Dividend paid (including tax on dividend)	-	-
Issue of Equity Shares	-	-
Buyback of Equity Shares	-	-
Issue of Preference Shares	-	-
Redemption of Preference Shares	-	-
Other Equity	-	-
<b>Net cash used in financing activities</b>	<b>2.50</b>	<b>-306.66</b>
Net increase / (decrease) in cash and cash equivalents	-1.09	0.82
Cash and cash equivalents at the beginning of the year	1.42	0.60
Exchange gain loss on Cash and cash equivalents	-	-
<b>Cash and cash equivalents at the end of the year</b>	<b>0.33</b>	<b>1.42</b>

Particulars	For Period ended 31 March 2024	For Period ended 31 March 2023
Reconciliation of Cash and Cash Equivalents with Balance Sheet:		
Cash and cash equivalents includes		
Cash on hand	0.23	0.44
Balances with Banks	0.09	0.98

For & on Behalf of  
**S D Mehta & Co.**  
Chartered Accountants  
FRN: 137193W

**Shaishav D. Mehta**  
Partner 32891  
UDIN: 24032891BKAFZM2482  
Place: Ahmedabad  
Date: 16/07/2024

For and on behalf of Board of Directors,  
Sofcom Systems Limited

Sd/-  
**Priti Apurvhai Shah**  
Managing Director  
DIN: 07165786

Sd/-  
**Jagdish Ratilal Rupawala**  
Non-Executive - Non-Independent Director  
DIN: 10698978

Sd/-  
**Dhara Jagdishbhai Patel**  
Company Secretary  
PAN: CAIPP8953M

Sd/-  
**Karan Jayeshchandra Bhagatwala**  
Non-Executive - Independent Director  
DIN: 10699210

# SOFCOM SYSTEMS LIMITED

## Notes forming part of the Standalone Financial Statements

### 1 COMPANY INFORMATION

Sofcom Systems Limited is a listed public limited company incorporated on June 09, 1995, having registered office at D-36, Subhash Marg, Flat No. 802, Sheel Mohar Apartment, C-Scheme, Jaipur. Sofcom Systems Limited's Corporate Identification Number is (CIN) L72200RJ1995PLC010192. The company is engaged in business of software sale and consultancy Services.

### 2 Statement of compliance

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

### 3 SIGNIFICANT ACCOUNTING POLICIES

#### a Basis of Preparation

These standalone financial statements have been prepared on historical cost basis except for certain financial instruments and defined benefit plans which are measured at fair value or amortised cost at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

#### b Use of estimates

The preparation of standalone financial statements in conformity with the recognition and measurement principles of Ind AS requires management of the Company to make estimates and judgements that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of standalone financial statements and the reported amounts of income and expenses for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

The Company uses the following critical accounting estimates in preparation of its standalone financial statements

##### (i) Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

##### (ii) Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

##### (iii) Provision for income tax and deferred tax assets

The Company uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

##### (iv) Provisions and contingent liabilities

The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

The Company uses significant judgements to assess contingent liabilities. Contingent liabilities are recognised when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence 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 the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the standalone financial statements.

#### c Property, Plant and Equipment

Property, plant and equipment (including furniture, fixtures, vehicles, etc.) held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Cost of acquisition is inclusive of freight, duties, taxes and other incidental expenses. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Freehold land is not depreciated.

Capital work in progress is stated at cost, net of impairment loss, if any. Cost includes items directly attributable to the construction or acquisition of the item of property, plant and equipment, and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Depreciation is charged on a pro-rata basis at the straight line method over estimated economic useful lives of its property, plant and equipment generally in accordance with that provided in the Schedule II to the Act as provided below and except in respect of moulds and dies which are depreciated over their estimated useful life of 1 to 7 years, wherein, the life of the said assets has been assessed based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss. The useful lives for various property, plant and equipment are given below:

Type of Assets	Period
Plant and Machinery	3-60 Years
Furniture and Fixtures	3-15 Years
Vehicles	5-20 Years
Office equipment	2-20 Years
Computers	3-10 Years

No depreciation provided except office equipment for the year as written down value of assets restricted to residual value of assets.

**d Leases**

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

**e Impairment**

At the end of each reporting period, the Company assesses, whether there is any indication that an asset may be impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Recoverable amount is the higher of fair value less costs of disposal and value in use.

When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

the Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's cash generating unit (CGU).

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss. When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

The books of accounts of the company doesn't carry any impairment of assets during the reporting period, hence this accounting standard does not have financial impact on the financial statements of the company.

**f Financial instruments**

A financial instrument is any contract that gives rise to asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency forward contracts, cross currency interest rate swaps, interest rate swaps and currency options; and embedded derivatives in the host contract.

**Financial Assets**

**Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the company commits to purchase or sell the asset.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the company commits to purchase or sell the asset.

**Classifications**

The Company classifies its financial assets as subsequently measured at either amortised cost or fair value through other comprehensive income (FVOCI) or fair value through Profit and Loss Account (FVTPL) on the basis of either Company's business model for managing the financial assets or Contractual cash flow characteristics of the financial assets.

**Business model assessment**

The company makes an assessment of the objective of a business model in which an asset is held at an instrument level because this best reflects the way the business is managed and information is provided to management.

**Debt instruments at amortised cost**

A financial asset is measured at amortised cost only if both of the following conditions are met:

- It is held within a business model whose objective is to hold assets in order to collect contractual cash flows.
- The contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate ('EIR') method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance income in the profit or loss. The losses arising from Impairment are recognised in the profit or loss.

**Debt instrument at fair value through Other Comprehensive Income (FVOCI)**

Debt instruments with contractual cash flow characteristics that are solely payments of principal and interest and held in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets are classified to be measured at FVOCI.

**Debt instrument at fair value through profit and loss (FVTPL)**

Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL.

In addition, the company may elect to classify a debt instrument, which otherwise meets amortized cost or FVOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency referred to as 'accounting mismatch'.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

**Equity Instruments**

All equity instruments in scope of Ind AS 109 are measured at fair value and all changes in fair value are recorded in FVTPL. On initial recognition an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in fair value in OCI and fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. This election is made on an investment-by-investment basis.

All other Financial Instruments are classified as measured at FVTPL

**Derecognition of financial assets**

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, 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 recognize the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognizes 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.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in profit or loss.

#### **Impairment of financial assets**

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and at FVOCI.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity revert to recognizing impairment loss allowance based on 12 month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events on a financial instrument that are possible within 12 months after the reporting date.

With regard to trade receivable, the Company applies the simplified approach as permitted by Ind AS 109, Financial Instruments, which requires expected lifetime losses to be recognised from the initial recognition of the trade receivables.

#### **Financial liabilities**

##### **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, amortised cost, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of amortised cost, net of directly attributable transaction costs.

##### **Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

##### **Financial Liabilities measured at amortised cost**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

##### **Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

##### **Financial guarantee contracts**

Financial guarantee contract issued by the Company is contracts that require a payment to be made to reimburse the holder for a loss it incurs because, the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109, and the transaction amount recognised less cumulative amortisation.

##### **Derecognition of financial liabilities**

The company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.



#### **Reclassification of financial assets**

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations. Such changes are evident to external parties. A change in the business model occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

#### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

#### **g Investments**

Investment property is a property held to earn rentals and capital appreciation. Investment property is measured initially at cost, including transaction costs. Subsequent to initial recognition, investment property is measured in accordance with Ind AS 16's requirements for cost model.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

#### **h Employee Benefits**

##### **(i) Post-employment benefit plans**

Contributions to defined contribution retirement benefit schemes are recognised as expense when employees have rendered services entitling them to such benefits.

For defined benefit schemes, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in full in the statement of profit and loss for the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested, or amortised on a straight-line basis over the average period until the benefits become vested.

The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, and as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the scheme.

##### **(ii) Other employee benefits**

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised during the period when the employee renders the service. These benefits include compensated absences such as paid annual leave, overseas social security contributions and performance incentives.

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date.

#### **i Revenue recognition**

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services. The Company is generally the principal as it typically controls the goods or services before transferring them to the customer.

Generally, control is transferred upon shipment of goods to the customer or when the goods are made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

Revenue from rendering of services is recognised over time by measuring the progress towards complete satisfaction of performance obligations at the reporting period.

Revenue is measured at the amount of consideration which the Company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government).

Consideration is generally due upon satisfaction of performance obligations and a receivable is recognised when it becomes unconditional.

#### **j Employee benefits**

##### **Short term employee benefits**

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Accumulated compensated absences which are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are treated as short-term benefits. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

**Defined contribution plans**

Obligations for contributions to defined contribution plans are expensed as the related service is provided. The company has following defined contribution plans:

**(i) Provident fund**

The Company makes specified monthly contributions towards Provident Fund and Employees State Insurance Corporation ('ESIC'). The contribution is recognized as an expense in the Statement of Profit and Loss during the period in which employee renders the related service.

**Defined benefit plans**

The company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in Other Comprehensive Income. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs

The company has following defined benefit plans:

**Gratuity**

The company provides for its gratuity liability based on actuarial valuation of the gratuity liability as at the Balance Sheet date, based on Projected Unit Credit Method, carried out by an independent actuary and contributes to the Gratuity Trust fund formed by the Company. The contributions made are recognized as plan assets. The defined benefit obligation as reduced by fair value of plan assets is recognized in the Balance Sheet. Remeasurements are recognized in the Other Comprehensive Income, net of tax in the year in which they arise.

**Other long-term employee benefits**

The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Re-measurements are recognised in profit or loss in the period in which they arise.

The company has following long term employment benefit plans:

**Leave Encashment**

Leave encashment is payable to eligible employees at the time of retirement. The liability for leave encashment, which is a defined benefit scheme, is provided based on actuarial valuation as at the Balance Sheet date, based on Projected Unit Credit Method, carried out by an independent actuary.

## k Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

### Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates and laws that have been enacted or substantively enacted by the end of the reporting period.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

### Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- (i) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- (ii) In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- (i) When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- (ii) In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

### Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

## l Foreign currency transactions

Transactions in foreign currencies are translated into the Company's functional currency at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in profit or loss.

The gain or loss arising on translation of nonmonetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

**m Inventories**

Inventories comprising Raw materials, work-in-progress, stores and spares, loose tools, traded goods and finished goods are stated at the lower of cost and net realisable value. Costs of inventories are determined on a moving average.

Finished goods and work-in-progress include appropriate proportion of manufacturing overheads at normal capacity and where applicable, duty. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

**n Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Company cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities).

**o Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and on hand and short-term deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**p Earnings per share**

Basic earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

For & on Behalf of  
**S D Mehta & Co.**  
Chartered Accountants  
FRN: 137193W

For and on behalf of Board of Directors,  
**Sofcom Systems Limited**

**Shaishav D. Mehta**  
Partner 32891  
UDIN: 24032891BKAFZM2482

Sd/-  
**Priti Apurvhai Shah**  
Managing Director  
DIN: 07165786

Sd/-  
**Dhara Jagdishbhai Patel**  
Company Secretary  
PAN: CAIPP8953M

Place: Ahmedabad

Sd/-  
**Jagdish Ratilal Rupawala**  
Non-Executive - Non-Independent Director  
DIN: 10698978

Sd/-  
**Karan Jayeshchandra Bhagatwala**  
Non-Executive - Independent Director  
DIN: 10699210

Date: 16/07/2024

Notes forming part of the Standalone Financial Statements

1 Property, Plant and Equipment

Rs. in Lakhs

Name of Assets	Gross Block				Depreciation and Amortization				Net Block	
	As on 1 April 2023	Addition	Deduction	As on 31 March 2024	As on 1 April 2023	for the year	Deduction	As on 31 March 2024	As on 31 March 2024	As on 31 March 2023
<b>(i) Property, Plant and Equipment</b>										
Computer Equipment	15.28	-	-	15.28	14.52	-	-	14.52	0.76	0.76
Office Equipment	1.13	-	-	1.13	0.94	0.14	-	1.08	0.06	0.19
Furniture & Fixtures	0.84	-	-	0.84	0.80	-	-	0.80	0.04	0.04
Motor Cars	6.19	-	6.19	0.00	5.88	-	5.88	-	-	0.31
<b>Total</b>	<b>23.44</b>	<b>-</b>	<b>6.19</b>	<b>17.25</b>	<b>22.14</b>	<b>0.14</b>	<b>5.88</b>	<b>16.40</b>	<b>0.86</b>	<b>1.31</b>
<b>Previous Year</b>	<b>23.44</b>	<b>-</b>	<b>-</b>	<b>23.44</b>	<b>22.00</b>	<b>0.13</b>	<b>-</b>	<b>22.13</b>	<b>1.31</b>	<b>1.44</b>



**4 Cash and cash equivalents**

Rs. in Lakhs

Particulars	As at	
	31 March 2024	31 March 2023
Balances with Banks	0.23	0.44
Cash on hand	0.09	0.98
<b>Total</b>	<b>0.33</b>	<b>1.42</b>

**5 Loans - current financial assets**

Rs. in Lakhs

Particulars	As at	
	31 March 2024	31 March 2023
Unsecured Considered good	394.10	398.10
<b>Total</b>	<b>394.10</b>	<b>398.10</b>

The above mentioned loans are subject to balance confirmation.

**6 Other current assets**

Rs. in Lakhs

Particulars	As at	
	31 March 2024	31 March 2023
Balances with government authorities	7.03	7.38
Prepaid Expenses	2.50	-
<b>Total</b>	<b>9.53</b>	<b>7.38</b>

**7 Equity Share Capital**

Rs. in Lakhs

Particulars	As at	
	31 March 2024	31 March 2023
<b>Authorised Share Capital</b> 6500000 (PY - 6500000) Equity Shares of Rs. 10 each	650.00	650.00
<b>Issued, subscribed &amp; fully paid up</b> 4155000 (PY - 4155000) Equity Shares of Rs. 10 each	415.50	415.50
<b>Forfeited Shares</b> 18,97,000 (Previous year : 18,97,000) Equity Shares @ INR 2.50/	47.66	47.66
<b>Total</b>	<b>463.16</b>	<b>463.16</b>

**Reconciliation of Share Capital**

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number of Shares	Amount	Number of Shares	Amount
Opening Balance	41,55,000	415.50	41,55,000	415.50
Changes due to prior period error	-	-	-	-
Issued during the year	-	-	-	-
Adjustment	-	-	-	-
Deletion	-	-	-	-
<b>Closing balance</b>	<b>41,55,000</b>	<b>415.50</b>	<b>41,55,000</b>	<b>415.50</b>

**Rights, preferences and restrictions attached to shares**

Equity Shares: The Company has one class of equity shares. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

#### Equity Share holder holding more than 5%

Name of Share Holder	As at 31 March 2024		As at 31 March 2023	
	No of Shares	% of Shareholding	No of Shares	% of Shareholding
AIYUB MOHAMED YACOOBALI	2,68,099	6.45%	-	-
URVASHI UMESHBHAI PATEL	2,18,658	5.26%	-	-
SOUTH GUJARAT SHARES AND SHAREBROKERS LIMITED	6,93,230	16.68%	-	-
VISAGAR FINANCIAL SERVICES LIMITED	-	-	2,58,119	6.21%

#### Shares held by promoters at the end of the year

Name of Promotor	Class of Shares Equity/Preference	No. of Shares	% of total shares	% Change during the year
KISHORE MEHTA	Equity	-	-	-
ASHA MEHTA	Equity	-	-	-

#### Previous Year

Name of Promotor	Class of Shares Equity/Preference	No of Shares	% of total shares	% Change during the year
KISHORE MEHTA	Equity	-	-	-
ASHA MEHTA	Equity	-	-	-

#### 8 Other Equity

Rs. in Lakhs

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Retained earnings</b>		
Profit/(Loss) for the period	72.90	55.44
<b>Other items of OCI</b>		
Other comprehensive Income for the period	-	-
<b>Total</b>	<b>72.90</b>	<b>55.44</b>

#### Movement of Other Equity

Rs. in Lakhs

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Retained Earnings</b>		
Balance at the beginning of the year	55.44	-153.99
Add: Profit/(Loss) during the year	17.46	209.43
<b>Less: Appropriation</b>		
Balance at the end of the year	<b>72.90</b>	<b>55.44</b>
<b>Total</b>	<b>72.90</b>	<b>55.44</b>

#### 9 Borrowings - non current financial liabilities

Rs. in Lakhs

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured Other loans	2.50	-
<b>Total</b>	<b>2.50</b>	<b>-</b>



## 10 Trade Payables - current

Rs. in Lakhs

Particulars	As at 31 March 2024	As at 31 March 2023
Total outstanding dues of Micro Enterprise and small enterprise	-	-
Total outstanding dues of Creditor of other than Micro Enterprise and small enterprise	1.63	2.33
<b>Total</b>	<b>1.63</b>	<b>2.33</b>

## Trade Payables ageing schedule (Current Year)

Rs. in Lakhs

Particulars	Unbilled	Undue	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	-	1.37	0.26	-	-	1.63
(iii) Disputed dues- MSME	-	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-	-
<b>Total</b>							<b>1.63</b>

## Trade Payables ageing schedule (Previous Year)

Rs. in Lakhs

Particulars	Unbilled	Undue	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	-	-	-	-	-	-
Others	-	-	2.33	-	-	-	2.33
Disputed dues- MSME	-	-	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-	-	-
<b>Total</b>							<b>2.33</b>

## 11 Other financial liabilities - current

Rs. in Lakhs

Particulars	As at 31 March 2024	As at 31 March 2023
TDS Payable	0.40	-
Other Payables	-	1.68
<b>Total</b>	<b>0.40</b>	<b>1.68</b>

## 12 Other current liabilities

Rs. in Lakhs

Particulars	As at 31 March 2024	As at 31 March 2023
Statutory Dues Payable	3.21	0.29
<b>Total</b>	<b>3.21</b>	<b>0.29</b>

## 13 Provisions - current

Rs. in Lakhs

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for Income Tax	6.13	-
Provision for Expenses	5.35	-
<b>Total</b>	<b>11.48</b>	<b>-</b>

## 14 Revenue From Operations

Rs. in Lakhs

Particulars	For Period ended 31 March 2024	For Period ended 31 March 2023
Sale of Services	35.75	276.25
<b>Total</b>	<b>35.75</b>	<b>276.25</b>

## 15 Other Income

Rs. in Lakhs

Particulars	For Period ended 31 March 2024	For Period ended 31 March 2023
Profit on sale of Investments	-	145.69
<b>Total</b>	<b>-</b>	<b>145.69</b>

## 16 Employee benefits expense

Rs. in Lakhs

Particulars	For Period ended 31 March 2024	For Period ended 31 March 2023
Salary	-	1.84
<b>Total</b>	<b>-</b>	<b>1.84</b>

## 17 Finance costs

Rs. in Lakhs

Particulars	For Period ended 31 March 2024	For Period ended 31 March 2023
Interest to others	-	18.24
<b>Total</b>	<b>-</b>	<b>18.24</b>

## 18 Other expenses

Rs. in Lakhs

Particulars	For Period ended 31 March 2024	For Period ended 31 March 2023
Audit Fees	3.00	0.50
Fees & Subscription	4.66	3.68
Legal & Professional Expenses	1.40	1.22
Office Rent	0.30	1.20
Bank Commission and charges	0.02	0.03
Professional Consultancy	2.00	160.22
Travelling Expenses	-	3.49
Misc. Expense	0.52	0.48
Loss on sale of Fixed Assets	0.16	-
<b>Total</b>	<b>12.05</b>	<b>170.82</b>

## 19 Tax expenses

Rs. in Lakhs

Particulars	For Period ended 31 March 2024	For Period ended 31 March 2023
Current tax	6.13	-
<b>Total</b>	<b>6.13</b>	<b>-</b>

## SOFCOM SYSTEMS LIMITED

### Notes forming part of the Standalone Financial Statements

#### 20 Earning per share

Particulars	For Period ended 31 March 2024	For Period ended 31 March 2023
Profit for the year Rs. in Lakhs	17.46	209.43
Less: Dividend on Preference Shares Rs. in Lakhs	-	-
Profit attributable to equity shareholders Rs. in Lakhs	17.46	209.43
Weighted average number of Equity Shares	41,55,000.00	41,55,000.00
Earnings per share basic (Rs)	0.42	5.04
Earnings per share diluted (Rs)	0.42	5.04
Face value per equity share (Rs)	10.00	10.00

#### 21 Auditors' Remuneration

Rs. in Lakhs

Particulars	For Period ended 31 March 2024	For Period ended 31 March 2023
<b>Payments to auditor as</b>		
- Auditor	3.00	0.50
- for taxation matters	-	0.10
- for other services	-	0.60
- for reimbursement of expenses	-	-
<b>Total</b>	<b>3.00</b>	<b>1.20</b>

#### 22 Related Party Disclosure

##### (i) List of Related Parties

	Relationship
Kishore Mehta	Managing Director
Mrs. Priti Apurvabhai Shah	Executive Director-Chairperson-MD
Mr. Jagdish Ratilal Rupawala	Non-Executive - Non-Independent Director
Mr. Karan Jayeshchandra Bhagatwala	Non-Executive - Independent Director
Mr. Jitendra Kansariwala Thakordass	Non-Executive - Independent Director
Mr. Denish Shashikant Marwadi	Non-Executive - Independent Director
Ms. Tanvi Jay Rupawala	Non-Executive - Independent Director
Mrs. Dhara Jagdishbhai Patel	Company Secretary & Compliance Officer
Apurvabhai Dilipbhai Shah	Director
Abok Spring Pvt. Ltd	Associate Company

##### (ii) Related Party Transactions

Rs. in Lakhs

Nature of Transaction	Name of Party	Relationship	For Period ended 31 March 2024	For Period ended 31 March 2023
Remuneration	Dhara Jagdishbhai Patel	Company Secretary & Compliance Officer	0.18	-
Loan Taken	Apurvabhai Dilipbhai Shah	Director	2.50	-
Rent Paid	Kishore Mehta	Managing Director	-	1.20
Expenses incurred	Kishore Mehta	Managing Director	-	11.99
Loans Taken/(Repaid):	Abok Spring Pvt. Ltd	Associate Company	-	(288.42)
Loans Taken/(Repaid):	Kishore Mehta	Managing Director	-	(51.66)
Interest Paid	Abok Spring Pvt. Ltd	Associate Company	-	18.24
Consultancy Paid	Abok Spring Pvt. Ltd	Associate Company	-	15.00

## (iii) Related Party Balances

Rs. in Lakhs

Particulars	Relationship	As at	As at
		31 March 2024	31 March 2023
Apurvhai Dilipbhai Shah	Director	2.50	-
Kishore Mehta	Managing Director	-	0.60
Kishore Mehta	Managing Director	-	(5.25)

## 23 Financial Instrument

**Financial Risk Management - Objectives and Policies**

The key objective of the Company's financial risk management is to ensure that it maintains a stable capital structure with the focus on total equity to uphold investor, creditor, and customer confidence and to ensure future development of its business. The Company is focused on maintaining a strong equity base to ensure independence, security, as well as financial flexibility for potential future borrowings, if required without impacting the risk profile of the Company.

Company's principal financial liabilities, comprise Borrowings, trade payables and other payables. The main purpose of these financial liabilities is to finance Company's operations. Company's principal financial assets include trade and other receivables and cash & cash equivalents. Company is exposed to interest rate risk, credit risk and liquidity risk.

The Company's Board oversees the management of these risks. The Company's Board is supported by senior management team that advises on financial risks and the appropriate financial risk governance framework for the Company. The senior management provides assurance to the Company's Board that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

## A. Financial Assets and Liabilities

Rs. in Lakhs

Particulars	As at 31 March 2024			As at 31 March 2023		
	Amortised Cost	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI
<b>Assets Measured at</b>						
Investments	-	-	-	-	-	-
Trade receivables	124.07	-	-	83.07	-	-
Cash and cash equivalent	0.33	-	-	1.42	-	-
Other bank balances	-	-	-	-	-	-
Loans	394.10	-	-	398.10	-	-
Non current Financial Assets (A)	-	-	-	-	-	-
Current Other financial assets (A)	-	-	-	-	-	-
Other financial assets	-	-	-	5.25	-	-
<b>Total</b>	<b>518.50</b>	<b>-</b>	<b>-</b>	<b>487.84</b>	<b>-</b>	<b>-</b>
<b>Liabilities Measured at</b>						
Borrowings	2.50	-	-	-	-	-
Trade payables	1.63	-	-	2.33	-	-
Lease liabilities	-	-	-	-	-	-
Non current Other financial liabilities (A)	-	-	-	-	-	-
Other financial liabilities (A)	-	-	-	-	-	-
Other financial liabilities	0.40	-	-	1.68	-	-
<b>Total</b>	<b>4.53</b>	<b>-</b>	<b>-</b>	<b>4.01</b>	<b>-</b>	<b>-</b>

## B. Market Risk

## (a) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial liability will fluctuate because of changes in market interest rates.

## C. Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The Company is exposed to credit risk mainly from its operating activities (primarily trade receivables).

Credit risk on trade receivables is managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company has no concentration of risk as customer base is widely distributed both economically and geographically.

Rs. in Lakhs

Particulars	As at 31 March 2024	As at 31 March 2023
Low Credit Risk Trade Receivables	41.00	83.07
High Credit Risk Trade Receivables	83.07	
<b>Total</b>	<b>124.07</b>	<b>83.07</b>

#### D. Liquidity Risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash flow obligations without incurring unacceptable losses. Company's objective is to, at all time maintain optimum levels of liquidity to meet its cash requirements. Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including overdraft, debt from banks at optimised cost and cash flow from operations.

#### Maturity Table for Financial Liabilities

##### For Current Year

Rs. in Lakhs

Particulars	Less than 1 year	1- 2 Years	2-3 Years	More than 3 Years	Total
Borrowings	2.50	-	-	-	2.50
Trade Payables	1.63	-	-	-	1.63
Other Financial Liabilities	0.40	-	-	-	0.40
<b>Total</b>	<b>4.53</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4.53</b>

##### For Previous Year

Rs. in Lakhs

Particulars	Less than 1 year	1- 2 Years	2-3 Years	More than 3 Years	Total
Borrowings	-	-	-	-	-
Trade Payables	2.33	-	-	-	2.33
Other Financial Liabilities	1.68	-	-	-	1.68
<b>Total</b>	<b>4.01</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4.01</b>

#### E. Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. Company monitors capital using a gearing ratio, which is net debts divided by total equity plus net debts. Net debt are non-current and current borrowings as reduced by cash and cash equivalents, other bank balances and current investments. Equity comprises all components including other comprehensive income.

Rs. in Lakhs

Particulars	As at 31 March 2024	As at 31 March 2023
Total Borrowings	2.50	-
Less: Cash and cash equivalents	0.33	1.42
<b>Net Debts (A)</b>	<b>2.17</b>	<b>-1.42</b>
Total Equity (B)	536.06	518.60
<b>Capital Gearing Ratio (A/B)</b>	<b>0.40</b>	<b>-0.27</b>

22 Ratio Analysis

Particulars	Numerator/Denominator	As at 31 March 2024	As at 31 March 2023	Change in %	Reasons
(a) Current Ratio	<u>Current Assets</u> Current Liabilities	31.58	113.95	-72.28%	Due to decrease in Revenue
(b) Debt-Equity Ratio	<u>Total Debts</u> Equity	0.04	0.01	332.42%	Due to increase in Borrowings
(c) Debt Service Coverage Ratio	<u>Earning available for Debt Service</u> Interest + Installments	-	-	-	-
(d) Return on Equity Ratio	<u>Profit after Tax</u> Average Shareholder's Equity	0.03	0.34	-90.15%	Due to decrease in Revenue
(e) Inventory turnover ratio	<u>Total Turnover</u> Average Inventories	-	-	-	-
(f) Trade receivables turnover ratio	<u>Total Turnover</u> Average Account Receivable	0.35	3.16	-89.09%	Due to increase in Trade Receivables
(g) Trade payables turnover ratio	<u>Total Purchases</u> Average Account Payable	-	-	-	-
(h) Net capital turnover ratio	<u>Total Turnover</u> Average Working Capital	0.07	1.03	-93.01%	Due to decrease in Revenue
(i) Net profit ratio	<u>Net Profit</u> Total Turnover	48.84	75.81	-35.58%	Due to decrease in Revenue
(j) Return on Capital employed	<u>Earning before interest and taxes</u> Capital Employed	-	-	-	-
(k) Return on investment	<u>Return on Investment</u> Total Investment	-	-	-	-

For & on Behalf of  
S D Mehta & Co.  
Chartered Accountants  
FRN: 137193W

Shaishav D. Mehta  
Partner 32891  
UDIN: 24032891BKAFZM2482

Place: Ahmedabad

Date: 16/07/2024

For and on behalf of Board of Directors,  
**Sofcom Systems Limited**

Sd/-  
**Priti Apurvhai Shah**  
Managing Director  
DIN: 07165786

Sd/-  
**Jagdish Ratilal Rupawala**  
Non-Executive - Non-Independent Director  
DIN: 10698978

Sd/-

**Dhara Jagdishbhai Patel**  
Company Secretary  
PAN: CAIPP8953M

Sd/-  
**Karan Jayeshchandra Bhagatwala**  
Non-Executive - Independent Director  
DIN: 10699210