



# Annual Report

Financial Year 2021-22

## NOTICE

Notice is hereby given, calling for the 29th Annual General Meeting will be held on 30-9-2022 at 10.30 a.m. at Register Office, 1-2-36/2 Street no 4, and Kakateyanagar Habsiguda Hyderabad 500007 to consider and transact the following.

1. To consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2022, Profit & Loss A/c. for the year ended on that date and the reports of the Board of Directors and Auditor's thereon.
2. To appoint auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration. M/s. BGS AND ASSOCIATES, Chartered Accountants, the retiring auditors are eligible for re appointment.
3. Any other subject.

BY ORDER OF THE  
BOARD OF DIRECTORS  
Sd/-

MAZHAR PASHA  
Managing Director

Place: Hyderabad

Date: 12<sup>th</sup> September 2022

### Notes:

1. A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend the vote instead of himself and proxy need not be a member. The proxy form should be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the meeting.
2. Members are requested to bring their copies of the Annual Report to the meeting, and handover the attendance slips at the entrance hall of the meeting.



## **DIRECTOR'S REPORT**

To the members,

Your Directors have the pleasure in presenting the 29th Annual Report on the business and operations of your company with audited accounts for the year ended 31<sup>st</sup> March 2022

### **Sustained Operations:**

Your directors are pleased to present this year operation results, At the outset, it was an eventful year with sustaining the operations, with austerity measures initiated across the Company towards reducing the cost of operations, marketing, reduced expenditure on Travelling and as well Marketing and Business Development efforts. We sustained business irrespective of very bad two covid health related issues across the world and we could manage to sustain and meet our business to the extent possible with this year gross turnover crossing INR 9,28,74,545/- mark and with bare minmum profits although our reserves and surplus of 3 crores plus.

At the outset we would like to thank all the board of directors, the Employees, The Bankers, STPI, Stock Exchanges, SEBI, Registrars and other Govt agencies and authorities for their valuable support during the year.

### **Further Outlook:**

Your company will continue to explore the possibilities of entering into new markets. At the domestic front your company has been approached with domestic players for networking and global tie-ups including the Global technology partnership and the negotiations are on for tie-up and hopeful to be fruitful soon.

### **Directors Responsibility Statement**

In pursuant of section 217 (2AA) of Companies Act, 1956, the directors of your company hereby furnish the following responsibility statement with regard to annual accounts, accounting policies, maintenance of adequate accounting records etc.,

- i. That in preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any there from;
- ii. That the Directors have selected such accounting policies and applied them constantly and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of state of affairs of the company at the end of the financial year ended 31<sup>st</sup> March 2022 and of the profit and loss of the company for that period;
- iii. That the directors have taken proper and sufficient care for the maintenance of the adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv. That the directors have prepared the annual accounts on a going concern basis;

## **Management Discussions and Analysis**

Pursuant to the provisions of clause 49 of the listing agreement, a report on management discussion and analysis is set in the annexure as addition to this report.

### **Constitution of committees:**

It is brought to the notice of the members that the provisions of clause 49 of the listing agreement became applicable to the company by the end of March 2008. As required by the said clause your company has constituted two committees.

1. Shareholders/Investors Grievance Committee comprising of Mr.
  - a. Sameer Sohrab  
Non-Executive Independent Director,
  - b. Sajid Salman  
Chairman, Executive Director, Member.
  - c. Jameela Afreen.  
Non-Executive Director, Member.
2. Audit Committee comprising of
  - a. Jameela Afreen  
Non-Executive Director, Member.
  - b. Sajid Salman.  
Non-Executive Director, Member.
  - c. Sameer Sohrab  
Non-Executive Independent Director

### **Auditors:**

M/s. BGS AND ASSOCIATES, Hyderabad, the auditors of the company retire at the conclusion of the ensuring Annual General Meeting and being eligible, offer themselves for reappointment.

### **Particulars of Employees:**

No employee of the company is in receipt of remuneration of 12 lakhs per annum no employee is in receipt of remuneration of Rs 1,00,000 /- per month for any part of the financial year the particulars of which require to be disclosed pursuant to section 217(2A) of the companies Act, 1956 and the companies (particulars of Employees), Rules 1975 as amended.

**Listing:** Your Company's shares are presently traded in Bombay Stock Exchange.

Conservation of Energy, Technology Absorption, exports and foreign exchange earnings and outings in accordance with the Companies (Disclosure of particulars in report of Board of Directors) Rules 1988 is set out in this report.

### **Corporate Governance:**

Your Company is committed to achieve the best standards of corporate governance. Pursuant to the provisions of Clause 49 of the Listing Agreement, a report on the Corporate Governance is featuring as part of Annual Report. A Certificate obtained from the statutory auditors on the compliance of Corporate Governance is annexed to this report.

### **Secretarial Compliance Report**

As a reflection of your Company's commitment to transparency The Board is pleased to enclose the Secretarial Report for the financial year 2021-22 as part of the Director's Report.

### **Acknowledgements:**

The Board wishes to express its deep sense of gratitude to the company's Bankers. The Board of Directors also thanks all the shareholders who have put their trust in the company.

The Board of Directors would like to place on record their appreciation to all the employees for their cooperation and valuable contribution.

Place: Hyderabad

Date: 12.09.2022

Sd/-

MAZHAR PASHA  
CHAIRMAN

## **ANNEXURE TO THE DIRECTOR'S REPORT**

### **Management Discussions and Analysis:**

Netripples Management is confident to continue the path of Health care IT Segment which is now a market of the future. We have now prospects directly coming in to ask for Netripples Products with its performance.

Your Company will continue explore business opportunities this year irrespective of the global downtrend and rupee devaluation and well the economic slowdown. The profits have been lesser due to the company values its contribution to its customers and planned its strategic growth accordingly.

On the plus side, your company now has globally recognized Health care suit of applications, and which can generate revenue and other than segment of back end processing and support services.

At the outset, we would like to thank all the directors of the board, the employees, the Bankers, STPI, Stock Exchanges, SEBI, registrars and Govt. agencies and authorities for their valuable support during the year.

## REPORT ON CORPORATE GOVERNANCE

### 1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Your Company has maintained its tradition of cordial relationship with the shareholders and is dedicated to the principle of creating wealth for the shareholders, Your Company firmly believes in its dealings and lays emphasis on regulatory compliance. Your Company considers good corporate governance enhance the confidence of investors and helps in meeting the needs and aspirations of its shareholders. The Annual Report has made substantial disclosures on the Board, Board Committee and on the financial and stock performance.

### 2. BOARD OF DIRECTORS

- Composition and category of Directors:

Name	Category	Designation	No of Meetings held During the year	No of Meetings Attended During the Year	Attendance of the Director at Last AGM
Mazhar Pasha	Promoter / Executive Director	Managing Director	4	4	Yes
Jameela Afreen	Non Executive Director		4	4	Yes
Sameer Sohrab	Non Executive	Director	4	4	Yes
Sajid Salman	Non Executive Director		4	4	Yes

There has been no change in the composition of the Board of Directors since the last Annual General Meeting.

During the financial year 2021-22 , 6 meetings of the Board of Directors were held. These meetings were held on 10th July 2021, 9<sup>th</sup> October 2021, 12<sup>th</sup> January 2022, 30<sup>th</sup> May 2022.

### 3. AUDIT COMMITTEE

- Terms of Reference

The Audit Committee has inter alia the following terms of reference:

- (a) Reviewing the adequacy of internal control systems
  - (b) Over see Company's financial reporting process and the disclosure of the financial information to ensure that, the financial statement is correct, sufficient, and credible.
  - (c) Recommend appointment of external auditor, fixation of audit fee and approve of payment of other services.
  - (d) Reviewing with the management, the Annual financial statements before submission to the Board.
- Composition
    - a) Sajid Salman -Non-Executive - Chairman
    - b) Jameela Afreen -Non Executive Independent Director
    - c) Sameer Sohrab

The Manager (F&A), External Auditors as invitees attended the meetings of Audit committee. • Meetings and attendance during the year

Members	Meetings held	Meetings attended	
Sajid Salman		3	3
Jameela Afreen		3	3
Sameer Sohrab		3	3

#### REMUNERATION COMMITTEE

The Company has not constituted Remuneration Committee during the financial year 2021-22

#### 5. INVESTORS' GRIEVANCE COMMITTEE

- Terms of Reference

Investors' Grievance Committee facilitates prompt and effective redressal of shareholders' complaints and the reporting of the same to the Board periodically.

- Composition

- a) Jameela Afreen  
Non-Executive Director -Chairman
- b) Sajid Salman  
Non Executive Director - Member
- c) Sameer Sohrab  
Non Executive Director - Member

- Meetings and attendance during the year

Members	Meetings	Meetings
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	held	attended
Sameer Sohrab	2	2
Sajid Salman	2	2
Jameela Afreen	2	2

## 6. SHAREHOLDERS' MEETINGS

- Details of last three Annual General Meetings held:

Date	Venue	Time	No of Special Resolutions
Sept 30, 2019	1-2-36/2 Street no 4 Kakateeyanagar Habsiguda Hyderabad	10.30 am	Nil
Sept' 30, 2020	1-2-36/2 Street no 4 Kakateeyanagar Habsiguda Hyderabad	10.30 am	Nil
Sept 30, 2021	1-2-36/2 Street no 4 Kakateeyanagar Habsiguda Hyderabad	10.30 am	Nil

Unaudited financial results for:

- There were no special resolutions were put through postal ballot last year.

## 7. DISCLOSURES

- No major disclosure pertaining to the operations, Management and other Promoters covering Corporate Governance has been noted.

There were no penalties, strictures imposed on the company by stock exchange or SEBI or any statutory authority, on any matter related to capital markets during the last three years.

## 8. MEANS OF COMMUNICATION

- During the financial year 2021-22 the Company has been maintaining communication between Investors, Stock exchanges and all the enquires or information has desired were being furnished by the company.



- Management Discussion and Analysis forms part of this Annual Report and is provided elsewhere in this report.

#### 9. GENERAL SHAREHOLDER INFORMATION

- The Annual General Meeting of the Company will be held on 30<sup>th</sup> September 2022 at 10:30 A.M at registered office 1-2-36/2; Street no 4; Kakateyanagar; Habsiguda; Hyderabad.

- Financial Calender (Subject to change):

First Quarter July 2021  
 Second Quarter October 2021  
 Third Quarter January 2022  
 Fourth Quarter May 2022

- Date of Book Closure from 26<sup>th</sup> September 2022 to 30<sup>th</sup> September 2022 (both days inclusive)

- The shares of the Company are listed

Bombay Stock Exchange

- Stock Code: Netripples 542117

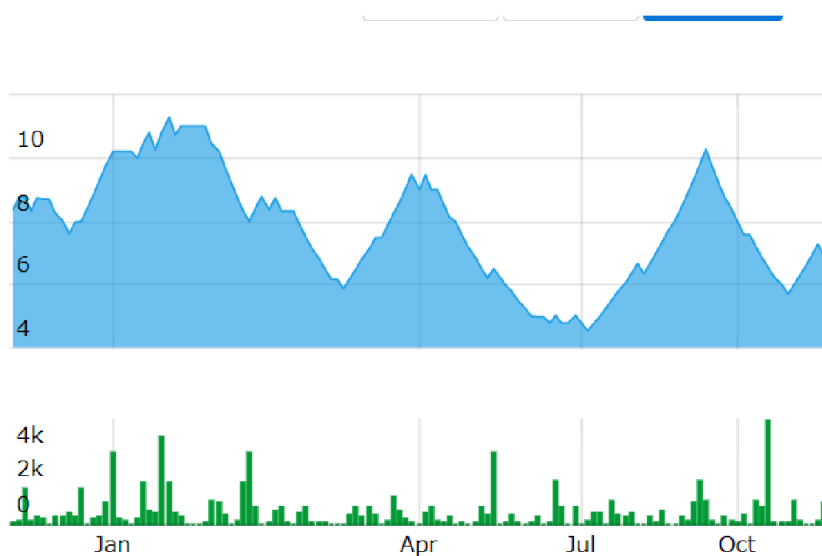
- Monthly price data: The monthly high and low stock quotations during the financial year 2021-22 and performance on AHSE is given below:

Rs.

Month & Year Bombay Stock Exchange

High

Low



- Registrar and Transfer Agent:

Bigshare Services Private Limited  
Regd.Off: E-2/3, Ansa Industrial Estate,  
Sakivihar Road, Sakinaka, Andheri (E),  
Mumbai - 400 072.

Bigshare Services Private Limited  
Branch Off: G-10, Left Wing, Amrutha Ville,  
Somajiguda,  
Hyderabad - 500 082

- Share Transfer System

Share transfers are registered and returned within 30 days from the date of receipt, if the documents are in order in all respects.

The shares of the Company were issued to public in Dematerialization form.

The Company has not issued any instruments, which are convertible into equity during the financial year

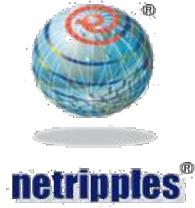
2021-22

- Address for Correspondence:

Netripples Software Limited  
1-2-36/2 Street no 4, Kakateyanagar  
Habsiguda Hyderabad  
e-mail:info@netripples.com

By Order of the Board

MAZHAR PASHA  
Managing Director  
Date: 12.09.2022  
Place: Hyderabad



# NETRIPPLES SOFTWARE LIMITED



**FINANCIAL STATEMENTS**  
**FINANCIAL YEAR 2021-22**

NETRIPPLES SOFTWARE LIMITED		<b>netripples</b>	
1.0 BALANCE SHEET As on 31 March 2022			
Particulars	Note No.	As on 31 March 2022	As on 31 March 2021
		Rs.	Rs.
<b>A EQUITY AND LIABILITIES</b>			
1 Shareholders' funds			
(a) Share capital	5.0	6,81,69,000	6,81,69,000
(b) Reserves and surplus	6.0	3,05,02,459	3,04,83,335
(c) Money received against share warrants			
		9,86,71,459	9,86,52,335
2 Share application money pending allotment			
3 Non-current liabilities			
(a) Long-term borrowings			
(b) Deferred tax liabilities (net)	21.0	23,61,065	23,61,065
(c) Other long-term liabilities			
(d) Long-term provisions			
		23,61,065	23,61,065
4 Current liabilities			
(a) Short-term borrowings			-
(b) Trade payables	7.0	5,95,600	5,73,651
(c) Other current liabilities			-
(d) Short-term provisions	8.0	20,155	23,712
<b>TOTAL</b>		10,16,48,280	10,16,10,763
<b>B ASSETS</b>			
1 Non-current assets			
(a) Property, Plant & Equipments			
(i) Tangible assets	9	41,61,816	54,48,809
(b) Non-current investments			
(c) Deferred tax assets (net)			-
(d) Long-term loans and advances			-
(e) Other non-current assets			-
2 Current assets			
(a) Current investments			
(b) Inventories	11.0	9,35,64,871	9,12,85,470
(c) Trade receivables	12.0	30,36,833	41,23,665
(d) Cash and cash equivalents	13.0	93,704	43,542
(e) Short-term loans and advances		-	-
(f) Other current assets	14.0	7,91,055	7,09,277
<b>TOTAL</b>		9,74,86,463	9,61,61,954
		10,16,48,279	10,16,10,763
See accompanying notes forming part of the financial statements			
In terms of our report attached. For BGS & Associates Chartered Accountants. FRN- 0013021S		For and on behalf of the Board of Directors Netripples Software Limited	
sd.- B.Govardhana Setty Proprietor M No. : 224317	sd/- Mazhar Pasha Managing Director DIN: 00719970	sd/- Sameer Sohrab Director DIN: 02423411	
PLACE : Hyderabad DATE : 01.09.2022			

CASH FLOW STATEMENT FOR COMPANIES OTHER THAN FINANCE COMPANIES			
2.0 Cash Flow Statement for the year ended As on 31 March 2022		<b>netripples</b>	
		For the Year ended 31 March 2022	For the Year ended 31 March 2021
		Rs	Rs.
<b>A. Cash flow from operating activities</b>			
Net Profit / (Loss) before extraordinary items and tax		39,280	1,13,406
<i>Adjustments for:</i>			
Depreciation and amortization		8,28,859	9,27,683
Provision for impairment of fixed assets and intangibles			
Other R & T and Legal Expenses		38,900	39,700
(Profit) / loss on sale / write off of assets			
Expense on employee stock option scheme			
Finance costs		-	-
Operating profit / (loss) before working capital changes		9,07,038	10,80,789
<i>Adjustments for (increase) / decrease in operating assets:</i>			
Inventories		9,35,64,871	9,12,85,470
Trade receivables		30,36,833	41,23,665
Short-term loans and advances			
Long-term loans and advances		-	-
Other current assets		-	-
Other non-current assets			
<i>Adjustments for increase / (decrease) in operating liabilities:</i>			
Trade payables		5,95,600	5,73,651
Other current liabilities		-	-
Other long-term liabilities			
Short-term provisions		20,155	23,712
Long-term provisions			
Cash flow from extraordinary items			
Cash generated from operations		9,68,92,987	9,58,92,561
Net income tax (paid) / refunds			
Net cash flow from / (used in) operating activities (A)		9,68,92,987	9,58,92,561

**NETRIPPLES SOFTWARE LIMITED**


3.0 PROFIT AND LOSS ACCOUNT (WITHOUT EBITDA) As on 31 March 2022

*(Statement of Profit and Loss without stating EBITDA)*

Particulars		Note No.	For the Year ended 31 March 2022	For the Year ended 31 March 2021
A	CONTINUING OPERATIONS			
1	Revenue from operations (gross)			
	Exports	15.0	9,28,74,525	10,91,11,485
	Indigenous		-	-
	Less: Excise duty		-	-
	Revenue from operations (net)		-	-
2	Other income			
3	Total revenue (1+2)		9,28,74,525	10,91,11,485
4	Expenses			
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	16.0	-22,79,402	-21,76,012
	(d) Employee benefits expense	17.0	18,50,835	21,77,448
	(e) Finance costs		-	-
	(f) Depreciation and amortisation expense	10.0	8,28,859	9,27,683
	(g) Other expenses	18.0	9,24,34,954	10,80,68,960
	Total expenses		9,28,35,245	10,89,98,079
5	Profit / (Loss) before product Upgrade /Exceptional items and tax (3 - 4)		39,280	1,13,406
6	Product Compatibility Upgrades /Exceptional items (To be computed)			
7	Profit / (Loss) before extraordinary items and tax (5 ± 6)		39,280	1,13,406
8	Extraordinary items (under evaluation)			
9	Profit / (Loss) before tax (7 ± 8)		39,280	1,13,406
10	Tax expense:			
	(a) Current tax expense for current year	8.0	20,155	23,712
	(b) (Less): MAT credit (where applicable)			
	(c) Current tax expense relating to prior years			
	(d) Net current tax expense		20,155	23,712
	(e) Deferred tax			
11	Profit / (Loss) from continuing operations (9 ± 10)		19,124	89,694
B	DISCONTINUING OPERATIONS			
13	Profit / (Loss) from discontinuing operations (12.i ± 12.ii ± 12.iii)			
C	TOTAL OPERATIONS			
14	Profit / (Loss) for the year (11 ± 13)		19,124	89,694

In terms of our report attached.

**FOR BGS & ASSOCIATES**  
 Chartered Accountants.  
 Firm Regn. No. 0013021S

sd/-

**B.GOVARDHAN SETTY**  
 Proprietor  
 Membership No. : 224317

 PLACE : Hyderabad  
 DATE : 01.09.2022

 For and on behalf of the Board of Directors  
 Netripples Software Limited

sd/-

**Mazhar Pasha**  
 Managing Director

sd/-

**Sameer Sohrab**  
 Director

(Statement of Profit and Loss stating EBITDA)

Particulars		Note No.	For the Year ended 31 March 2022	For the Year ended 31 March 2021
A	<b>CONTINUING OPERATIONS</b>			
1	Revenue from operations (gross)	15.0	9,28,74,525	10,91,11,485
	Domestic Income		-	-
	Revenue from operations (net)		-	-
2	Expenses			
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	16.0	-22,79,402	-21,76,012
	(d) Employee benefits expense	17.0	18,50,835	21,77,448
	(e) Other expenses		9,24,34,954	10,80,68,960
	Total		9,20,06,387	10,80,70,396
3	Earnings before exceptional items, extraordinary		39,280	1,13,406
4	Finance costs		-	-
5	Depreciation and amortization expense	10.0	8,28,859	9,27,683
6	Other income			
7	Profit / (Loss) before exceptional and		39,280	1,13,406
8	Exceptional items			
9	Profit / (Loss) before extraordinary items and tax		39,280	1,13,406
10	Extraordinary items			
11	Profit / (Loss) before tax (9 ± 10)		39,280	1,13,406
12	Tax expense:			
	(a) Current tax expense for current year	8.0	20,155	23,712
	(b) (Less): MAT credit (where applicable)			
	(c) Current tax expense relating to prior years			
	(d) Net current tax expense		20,155	23,712
	(e) Deferred tax			
			20,155	23,712
	13 Profit / (Loss) from continuing operations (11 ±		19,124	89,694
B	<b>DISCONTINUING OPERATIONS</b>			
GN 9.9.2	14.i Profit / (Loss) from discontinuing operations			
GN 9.9.3	14.ii Gain / (Loss) on disposal of assets / settlement			
GN 9.10	14.iii Add / (Less): Tax expense of discontinuing operations		-	-
AS 24.32(a)	(a) on ordinary activities attributable to the discontinuing operations		-	-
AS 24.23(a)	(b) on gain / (loss) on disposal of assets / settlement of liabilities		-	-
GN 6.5	15 Profit / (Loss) from discontinuing operations (14.i ± 14.ii ± 14.iii)			
GN 6.6				
GN 9.9				
C	<b>TOTAL OPERATIONS</b>		19,124	89,694
16	Profit / (Loss) for the year (13 ± 15)		19,124	89,694

In terms of our report attached.  
FOR BGS & ASSOCIATES  
Chartered Accountants.

sd/-  
Proprietor  
Membership No. : 224317  
PLACE : Hyderabad  
DATE : 01.09.2022

For and on behalf of the Board of Directors  
Netripples Software Limited

sd/-  
Mazhar Pasha  
Managing Director  
DIN: 00719970

sd/-  
Sameer Sohrab  
Director  
DIN: 02423411

**NETRIPPLES SOFTWARE LIMITED**

Notes forming part of the financial statements Financial Year As on 31 March 2021



## 5.0 Share capital

Particulars	As on 31 March 2022		As on 31 March 2021	
	No of Shares	Amount	No of Shares	Amount
(a) Authorised Equity shares of Rs.10 each with voting rights	78,60,000	7,86,00,000	78,60,000	7,86,00,000
(b) Issued # Equity shares of Rs.10 each with voting rights	68,16,900	6,81,69,000	68,16,900	6,81,69,000
Equity shares of ` 10/- each with differential voting rights	-	-	-	-
(c) Subscribed and fully paid up Equity shares of Rs.10 each with voting rights	68,16,900	6,81,69,000	68,16,900	6,81,69,000
Total	6,81,69,000	6,81,69,000	68,16,900	6,81,69,000



**NETRIPPLES SOFTWARE LIMITEE** **netripples**

Notes forming part of the financial statements Financial Year As on 31 March 2022

6.0 Reserves and surplus

Closing balance	For the year ended	For the year ended 31 March 2021
(g) General reserve		
Opening balance	3,04,83,335	3,03,93,641
Add: Transferred from surplus in Statement of Profit	19,124	89,694
Less: Utilized / transferred during the year for:		
Issuing bonus shares		
Others (give details)		
Closing balance	3,05,02,459	3,04,83,335

**NETRIPPLES SOFTWARE LIMITED****netripples**

Notes forming part of the financial statements Financial Years on 31 March 2021

## 7.0 Trade payables \*

Particulars	As at 31 March 2022	As at 31 March 2022
Trade payables: Acceptances	5,95,600	5,73,651
Other than Acceptances		
Total	5,95,600	5,73,651

\* Trade payables are dues in respect of goods purchased or services received (including from employees, professionals and others under contract) in the normal course of business.

NETRIPPLES SOFTWARE LIMITED

Notes forming part of the financial statements  
Financial Year As on 31 March 2022

**netripples**

8.0 Short-term provisions

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
(b) Provision - Others:		
(i) Provision for tax - Current Year	20,155	23,712
(ii) Provisions for taxes up to last year		
Total	20,155	23,712

**NETRIPPLES SOFTWARE LIMITED**

Notes forming part of the financial statements As on 31 March 2022

**netripples**

**9.0 Property, Plant and Equipment**

On WDV Basis Description of the asset	Rate	Gross Carrying Amount				Depreciation Block				Net Carrying Amount	
		As on 01.04.21	Additions during the year	Disposals during the year	As on 31.03.2022	As on 01.04.21	For the year	Eliminated on Disposal	As on 31.03.2022	As on 31.03.2022	As on 31.03.21
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
PLANT & MACHINERY	31.23%	1,76,24,183	-	9,86,866	1,66,37,317	1,59,59,507	2,11,680	5,28,732	1,56,42,455	9,94,862	16,64,676
Furniture & Fixtures	25.89%	64,86,797	-	1,02,000	63,84,797	57,58,437	1,62,164	1,02,000	58,18,602	5,66,195	7,28,360
Electrical Installations	25.89%	54,81,156	-	4,34,500	50,46,656	48,63,358	47,456	4,34,500	44,76,314	5,70,342	6,17,798
Vehicles	31.23%	22,59,860	-	-	22,59,860	13,84,847	2,73,267	-	16,58,114	6,01,746	8,75,013
Office Equipments	45.07%	69,48,985	-	12,65,000	56,83,985	53,86,023	1,34,292	12,65,000	42,55,315	14,28,671	15,62,962
<b>TOTAL</b>		<b>3,88,00,982</b>	<b>-</b>	<b>27,88,366</b>	<b>3,60,12,616</b>	<b>3,33,52,173</b>	<b>8,28,859</b>	<b>23,30,232</b>	<b>3,18,50,800</b>	<b>41,61,816</b>	<b>54,48,809</b>

**NETRIPPLES SOFTWARE LIMITED**

Notes forming part of the financial statements Financial Year As on 31 March 2022



**10.0 Depreciation**

C. Depreciation and amortization relating to continuing operations:			
Particulars		For the year ended 31 March 2022	For the year ended 31 March 2021
Depreciation and amortization for the year on tangible assets as per Note		8,28,858.54	9,27,683
Depreciation and amortization for the year on intangible assets as per Note			
Less: Utilized from revaluation reserve			
Depreciation and amortization relating to discontinuing operations			
Depreciation and amortization relating to continuing operations		8,28,858.54	9,27,683
Notes:			
(I) Details of amounts written off on reduction of capital or revaluation of assets or sums added to assets on revaluation during the preceding 5 years:			

	NETRIPPLES SOFTWARE LIMITED <b>netripples</b>		
	Notes forming part of the financial statements Financial Year As on 31 March 2022		
	11.0 Inventories		
	(At lower of cost and net realizable value)		
	Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
	(b) Work-in-progress @ (Refer Note below) Goods-in-transit	1,76,23,475	2,02,27,863
		1,76,23,475	2,02,27,863
	(c) Finished goods (other than those	7,59,41,396	7,10,57,607
		7,59,41,396	7,10,57,607
	Total	9,35,64,871	9,12,85,470

NETRIPPLES SOFTWARE LIMITED

**netripples**

Notes forming part of the financial statements Financial Year As on 31 March 2022

## 12.0 Trade receivables

	Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021	For the year ended 31 March, 2020
	Other Trade receivables  Secured, considered good Doubtful  Less: Provision for doubtful trade  Total	30,36,833	41,23,665	59,12,685
		30,36,833	41,23,665	59,12,685

## NETRIPPLES SOFTWARE LIMITED




Notes forming part of the financial statements Financial Year As on 31 March 2022

## 13.0 Cash and cash equivalents

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021	For the year ended 31 March, 2020
(a) Cash on hand	5,600	20,500	35,450
(b) Cheques, drafts on hand			
(c) Balances with banks			
(i) In current accounts	88,104	23,042	30,022
(ii) In EEFC accounts			
(iii) In deposit accounts (Refer Note (i) below)			
(d) Others (specify nature)			
<b>Total</b>	93,704	43,542	65,472
Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 <i>Cash Flow Statements</i> is			



<b>NETRIPPLES SOFTWARE LIMITED</b> 			
Notes forming part of the financial statements Financial Years on 31 March 2022			
14.0 Other Current Assets *			
16.00	Particulars	As at 31 March 2022	As at 31 March 2021
16.1	GST refund claim for FY 2017-18	13,931	13,931
16.2	GST refund claim for FY 2018-19	5,66,720	5,66,720
16.3	GST credits as on 31 March 2019	31,788	31,788
16.4	GST credits as on 31 March 2020	96,838	96,838
16.5	GST credits as on 31 March 2021	2,01,501	
16.4	GST credits as on 31 March 2022	2,24,335	
16.4	Total	7,91,055	7,09,277
<p>*Current Assets are dues in respect of receivables from Statutory Organizations like GST Income Tax, other Govt Agencies or Private agencies where an amount as on 31st March of that financial year is accumulated and shown here.</p>			

## NETRIPPLES SOFTWARE LIMITED

**netripples**

Notes forming part of the financial statements Financial Years on 31 March 2022

## 15.0 Revenue from operations

	Particulars	As on 31 March, 2022	As on 31 March, 2021
(a)	Sale of products @ (Refer Note (I) below)		
	Exports	9,28,74,525	10,91,11,485
	Domestic Sales		
(b)	Sale of services @ (Refer Note (ii) below)		
(c)	Other operating revenues # (Refer Note (iii) below)	9,28,74,525	10,91,11,485
(d)	<u>Less:</u> duties		
	Total	9,28,74,525	10,91,11,485

	NETRIPPLES SOFTWARE LIMITED		<b>netripples</b>
	Notes forming part of the financial statements Financial Year As on 31 March 2022		
	16.0 Changes in inventories of finished goods, work-in-progress and stock-in-trade @		
Ref. No.	Particulars	As on 31 March, 2022	As on 31 March, 2021
	<u>Inventories at the end of the year:</u>		
	Finished goods	7,59,41,396	7,10,57,607
	Work-in-progress	1,76,23,475	2,02,27,863
	Stock-in-trade		
		9,35,64,871	9,12,85,470
	<u>Inventories at the beginning of the year:</u>		
	Finished goods	7,10,57,607	6,89,87,968
	Work-in-progress	2,02,27,863	1,97,34,500
		9,12,85,470	8,87,22,468
	Add Stock-in-trade/Milestone Under Acceptance		-386990
	Net (increase) / decrease	(22,79,402)	(21,76,012)

	<b>netripples</b>		
	<b>NETRIPPLES SOFTWARE LIMITED</b> Notes forming part of the financial statements Financial Year As on 31 March 2022  17.0 Employee benefits expense		
	Particulars	As on 31 March 2022	As on 31 March 2021
	Salaries and wages #		
	Contributions to provident and other funds (Refer Note 30.4) @	17,93,645	21,10,170
	Staff welfare expenses **	57,190.00	67,278
	Total	18,50,835	21,77,448

**18.0 OTHER EXPENSES****netripples**

Notes forming part of the financial statements Financial Year As on 31 March 2022

## 18.0 Other expenses

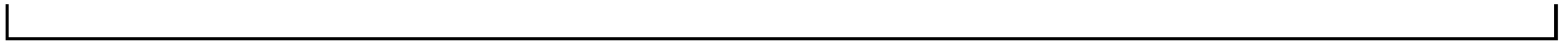
Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Travelling and conveyance *	2,49,405	2,54,495
Communication *	48,560	49,555
Computer Peripherals and Consumables	1,31,159	1,21,063
Insurance A/c	31,600	32,231
Rates and Taxes	3,98,900	4,07,041
Onsite Project Infrastructure Services	2,02,80,000	2,49,95,903
Printing & Stationary and Books	80,900	72,465
Power and Fuel	62,782	1,70,187
Onsite Project Operating Software Tools and SW Services	1,99,52,900	2,44,41,704
Business Promotions	4,82,453	1,90,524
Repairs and maintenance - Others *	98,967	46,027
Office Maintenance	52,387	74,143
General Expenses	2,42,571	2,60,233
Onsite Project Miscellaneous Expenses	1,69,85,100	1,73,31,712
Directors Sitting Fee	20,000	13,496
Onsite Third party SW Integration & Config Services	1,74,28,748	2,39,06,946
R & T ,Legal and Professional Charges	38,900	39,700
Subscriptions & Seminars Membership Fees	5,36,972	37,912
Vehicle Maintenance	63,750	65,033
Onsite Medical Equipment & Device Integration Expenses	1,51,73,900	1,54,83,590
Auditors Remuneration	75,000	75,000
Total	9,24,34,954	10,80,68,960

NETRIPPLES SOFTWARE LIMITED							<b>netripples</b>		
19.0 Revenue Segment Information as on 31.03.2022									
Ref. No.	Note	For the year ended 31 March 2022				Particulars			
		Particulars	Single Segment	Eliminations	Total	Segment information			
			Application Software and Services			There is Single Segment of Application Software and Services			
						For the year ended 31 March 2021			
						Particulars	Single Segment	Eliminations	Total
							Application Software and Services		
		Revenue	9,28,74,525	-	9,28,74,525	Revenue	10,91,11,485	-	10,91,11,485

NETRIPPLES SOFTWARE LIMITED		<b>netripples</b>			
Notes forming part of the financial statements Financial Year As on 31.03.2022					
20.0 Earnings Per Share					
Note	Particulars	For the year ended on 31 March 2022	For the year ended on 31 March 2021	For the year ended on 31 March 2020	
	Earnings per share				
	<u>Basic</u>				
	<u>Continuing operations</u>				
	Net profit / (loss) for the year from continuing operations	19,124	89,694	98,499	
	Less: Preference dividend and tax thereon				
	Net profit / (loss) for the year from continuing operations attributable to	19,124	89,694	98,499	
	Weighted average number of equity shares	68,16,900	68,16,900	68,16,900	
	Par value per share	10	10	10	
	Earnings per share from continuing operations - Basic	0.0028	0.0132	0.0144	
	<u>Total operations</u>				
	Net profit / (loss) for the year	19,124	89,694	98,499	
	Less: Preference dividend and tax thereon				
	Net profit / (loss) for the year attributable to the equity shareholders	19,124	89,694	98,499	
	Weighted average number of equity shares	68,16,900	68,16,900	68,16,900	
	Par value per share	10	10	10	
	Earnings per share - Basic	0.0028	0.0132	0.0144	
	<u>Continuing operations</u>	0	0	0	
	Net profit / (loss) for the year from continuing operations	19,124	89,694	98,499	
	Net profit / (loss) for the year from continuing operations attributable to	19,124	89,694	98,499	
	Weighted average number of equity shares	68,16,900	68,16,900	68,16,900	
	Par value per share	10	10	10	
	Earnings per share from continuing operations, excluding extraordinary	0.0028	0.0132	0.0144	
	<u>Total operations</u>				
	Net profit / (loss) for the year	19,124	89,694	98,499	
	Net profit / (loss) for the year attributable to the equity shareholders,	19,124	89,694	98,499	
	Weighted average number of equity shares	68,16,900	68,16,900	68,16,900	
	Par value per share	10	10	10	
	Earnings per share, excluding extraordinary items - Basic	0.0028	0.0132	0.0144	

NETRIPPLES SOFTWARE LIMITED				
Notes forming part of the financial statements Financial Year 2021-22				
GN 6.13		21.0 Deferred Tax Liabilities		<b>netripples</b>
Ref. No.	Note	Particulars	As at 31 March 2022	As at 31 March 2021
		Deferred tax (liability) / asset		
		<u>Tax effect of items constituting deferred tax liability</u>		
		On difference between book balance and tax balance of	-	
		On expenditure deferred in the books but allowable for tax	23,61,065	23,61,065
		On items included in Reserves and surplus pending		
		Others		
		Tax effect of items constituting deferred tax liability	23,61,065	23,61,065
		Net deferred tax (liability) / asset	23,61,065	23,61,065
		<p>The Company has recognized deferred tax asset on unabsorbed depreciation to the extent of the corresponding deferred tax liability on the difference between the book balance and the written down value of fixed assets under Income Tax (or) The Company has recognized deferred tax asset on unabsorbed depreciation and brought forward business losses based on the Management's estimates of future profits considering the non-cancellable customer orders received by the Company.</p>		
		The net deferred tax liability / asset should always be classified as non-current and disclosed on the face of the Balance Sheet.		





## INDEPENDENT AUDITORS' REPORT

To the Members of NETRIPPLELS SOFTWARE LIMITED  
Report on the Financial Statements

We have audited the accompanying standalone financial statements NETRIPPLELS SOFTWARE LIMITED as at March 31, 2022, the Statement of profit and loss for the year ended, the Statement of changes in the equity, the statement of changes in the cash flows and a summary of the significant accounting policies and other explanatory information.

### **Opinion:**

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

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the [information included in the Board report, but does not include the Financial Statements and our auditor's report thereon.

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

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

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

### **Management's responsibility for the Financial Statements:**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies(Accounts) Rules, 2014. 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, true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's responsibility:**

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

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

- a. 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.

- b. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
- c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- e. Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in

- (i) Planning the scope of our audit work and in evaluating the results of our work;  
and
- (ii) To evaluate the effect of any identified misstatements in the Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**Report on other legal and regulatory requirements:**

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

OR

The provisions of the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 is not applicable to the Company since

- (a) It is not a subsidiary or holding company of a public company;
- (b) Its paid-up capital and reserves and surplus are not more than Rs.1 Crores as at the balance sheet date;
- (c) Its total borrowings from banks and financial institutions are not more than Rs.1 Crores at any time during the year; and
- (d) Its turnover for the year is not more than Rs.10 Crores during the year.

As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books [and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.]
- (c) [The reports on the accounts of the branch offices of the Company audited under Section 143(8) of the Act by branch auditors have been sent to us and have been properly dealt with by us in preparing this report.]
- (d) The Balance Sheet, the Statement of Profit and Loss, (the Statement of Changes in Equity) and the Cash Flow Statement dealt with by this Report are in agreement with the books of account [and with the returns received from the branches not visited by us].

- (e) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (f) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
- (g) Since the Company's turnover as per last audited Financial Statements is less than Rs.50 Crores and its borrowings from banks and financial institutions at any time during the year is less than Rs.25 Crores, the Company is exempted from getting an audit opinion with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls vide notification dated June 13, 2017;

OR

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 A".

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - a. The Company does not have any pending litigations which would impact its financial position.
  - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - d. i The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company

to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- ii The management has represented, that, to the best of it’s knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other 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;
  - iii Based on such audit procedures which we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
- e. The company has not declared or paid any dividend during the year is in accordance with section 123 of the Companies Act 2013”, Hence clause not applicable.

For BGS & ASSOCIATES,  
Chartered Accountants.  
FRN-0013021S

Sd/-  
B. Govardhana Setty  
Proprietor  
Membership No :224317

Place: Hyderabad  
Date: 01.09.2022.

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

Referred to in paragraph under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of the Company for the year ended March 31, 2022:

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
- (c) The title deeds of immovable properties are held in the name of the company.
- 2) (a) The management has conducted the physical verification of inventory at reasonable intervals.
- (b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.



- 7)
  - (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2022 for a period of more than six months from the date on when they become payable.
  - b) According to the information and explanation given to us, there are no dues of income tax, sales tax, outstanding on account of any dispute.
- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.

- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For and on behalf of  
BGS& Associates  
Chartered Accountants  
Firm's registration number:013021S

Sd/-  
*Proprietor*  
Membership number:224317

Place: Hyderabad,  
Date: 01.09.2022

## **Annexure – B to the 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

We have audited the internal financial controls over financial reporting of NETRIPPLELS SOFTWARE LIMITED as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### **Management’s Responsibility for Internal Financial Controls:**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditors’ Responsibility:**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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

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

- 1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.
- 2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company.
- 3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

### **Opinion:**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, 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 BGS & ASSOCIATES,  
Chartered Accountants.

Sd/-

Proprietor

Membership No :224317

Place: Hyderabad,

Date: 01.09.2022

*NETRIPPLELS SOFTWARE LIMITED*  
*HYDERABAD*

SIGNIFICANT ACCOUNTING POLICIES FORMING A PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Accounting convention

The Financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013, and the relevant provisions of the Companies Act, 2013 (“the 2013 Act”), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention except for certain categories of fixed assets that are carried at re-valued amounts.

All assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle and other criteria set out in the Schedule III to the 2013 Act. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has determined its operating cycle as twelve months for the purpose of current, non-current classification of assets and liabilities.

A. Change in Accounting policy

There is no change in the accounting policy as compared to previous year.

B. Use of Estimates

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

C. Revenue Recognition:

a) Sale of goods

- I. Revenue from sale of goods and services is recognized when all the significant risks and rewards of ownership transferred to the buyer and the company retains no effective control of the goods transferred to a degree usually associated with ownership.
- II. No significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods.
- III. The company has collected the receivables through third party instead of directly from clients. Third part has collected and transferred from their account to company account on regular basis.

b) dividend from investment is recognized when the right to receive payment is established.

- c) Revenue from interest is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

#### D. Tangible and Intangible Fixed Assets

All fixed assets are stated at cost of acquisition, less accumulated depreciation and accumulated impairment losses if any. Direct costs are capitalized until the assets are ready for use and includes freight, duties, taxes and expenses incidental to acquisition and installation.

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

Tangible fixed assets and Intangible assets, that are not yet ready for their intended use, are carried at costs, comprising direct cost, and other incidental / attributable expenses and reflected under Capital work in progress / Intangible assets under development, respectively.

Losses arising from the retirement of and gains or losses arising from the disposal of fixed assets which are carried at cost are recognized in the statement of Profit and Loss.

Intangible assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any.

Gains or Losses arising from the retirement or disposal of intangible assets are determined as a difference between the new disposal proceeds and the carrying amount of the asset and are recognized as income or expense in the statement of Profit or Loss.

#### E. Depreciation

Depreciation is provided on a pro-rata basis on Written down Value method (WDV) over the useful lives of the assets specified in the schedule II of the Companies Act, 2013 from the month the assets are put to use during the financial year. In respect of assets sold or disposed off during the year, depreciation/ amortisation is provided upto the month of sale or disposal of the assets.

The carrying values of assets/ cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount exceeds the recoverable amount.

#### F. Inventories

Items of inventories are measured at lower of cost or net realizable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing them to their respective present location and condition. Cost of raw materials, stores and spares, packing materials, trading and other products are determined on weighted average basis. Cost of work-in-progress and finished stock is determined on absorption costing method.

#### G. Investments

Investments that are readily realizable and intended to be held for not more than a year from the date on which such investments are made are classified as current investments. All other investments are classified as long term investments.

Long term investments are stated at cost, except where there is a diminution in value (other than temporary), in which case the carrying value is reduced to recognize the decline. Current investments are carried at lower of cost and fair value, computed separately in respect of each category of investment.

#### H. Foreign Currency Transactions

Transactions made during the year in foreign currency are recorded at the exchange rate prevailing at the time of transactions. Exchange differences arising on actual payment/realization and year end reinstatement referred to above are recognized in the Statement of profit and loss.

Particulars	Amount in Rs.
Foreign exchange Loss during the Year:	Nil
Foreign exchange gain during the Year:	Nil
Net Effect (Loss)	Nil

#### I. Cash and Cash equivalents

In the cash flow statements, cash and cash equivalents include cash in hand, demand deposits with the bank and other short-term highly liquid investments with the original maturities of three months or less.

#### J. Lease

The assets acquired on lease wherein a significant portion of risks and rewards of ownership of an asset is retained by the lessor are classified as operating leases. Lease rentals paid for such leases are recognized as an expense on systematic basis over the terms of lease.

#### K. Borrowing Cost

Borrowing Cost that are directly attributable to acquisition or Construction of a qualifying asset capitalized as a part of cost of such asset. Qualifying asset is one that takes substantial period of time to get ready for its intended use. All other borrowing costs are recognized as expenditure in the period in which they are incurred.

#### L. Subsidy

Any government grants available to the company are recognized when there is a reasonable assurance of compliance with the conditions attached to such grants and when benefits in respect there off have been earned and it is reasonably certain that the ultimate collection will be made. Government subsidy related to specific fixed assets is deducted from the gross value of assets concerned.

M. Impairment of assets

At each balance date an assessment is made whether any indication exists that an asset has been impaired. If any such indication exists, an impairment loss i.e the amount by which the carrying amount of asset exceeds its recoverable amount is provided in the books of accounts.

N. Accounting for Taxes on Income

Provision for Taxation for the year comprises of current tax. Current tax is amount of income-tax determined to be payable in accordance with the provisions of income tax act 1961. Deferred tax is the tax effect of timing difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

O. Provisions & Contingent liabilities

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the notes.

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

P. Earnings Per Share.

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

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

Q. Segment Reporting.

The Company's primary segment is identified as business segment based on nature of product, risks, returns and the internal business reporting system and secondary segment is identified based on geographical location of the customers as per Accounting Standard – 17. The Company is principally engaged in a single business segment.

R. Income taxes

Income tax expenses comprise current and deferred taxes. Current tax is determined on income for the year chargeable to tax in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws and after considering credit for Minimum Alternate Tax (MAT) available under the said Act. MAT paid in accordance with the tax laws which gives future economic benefits in the form of adjustments to future tax liability, is considered as an asset if there is convincing evidence that the future economic benefit associated with it will flow to the Company resulting in payment of normal income tax.



- S. The accounts of Sundry Debtors, Sundry Creditors and Advances are subject to confirmation.
- T. The figures have been rounded off to the nearest Rupee.
- U. There are no dues to Micro, Small and Medium Enterprises, that are reportable under Micro, Small and Medium Enterprises Development Act 2006.
- V. The Previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

For BGS & ASSOCIATES,  
Chartered Accountants.  
FRN-0013021S  
Sd/-

B. Govardhana Setty  
Proprietor  
Membership No :224317

Place: Hyderabad,  
Date: 01.09.2022

For NETRIPPLE SOFTWARE LIMITED

sd/-

Director



Form No. MGT-8

[Pursuant to Section 92(2) of the Companies Act, 2013 and rule 11(2) of Companies  
(Management and Administration) Rules, 2014]

**CERTIFICATE BY A COMPANY SECRETARY IN PRACTICE**

I have examined the registers, records and books and papers of M/s. NETRIPPLES SOFTWARE LIMITED. (CIN: L72200TG1993PLC015760) (The Company) as required to be maintained under the Companies Act, 2013 (the Act) and the rules made thereunder for the financial year ended on 31<sup>st</sup> March, 2022. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the company, its officers and agents, I certify that:

- A. The Annual Return states the facts as at the close of the aforesaid financial year correctly and adequately.
- B. During the aforesaid financial year the Company has complied with provisions of the Act & Rules made there under in respect of:
  1. its status under the Act;
  2. maintenance of registers/records & making entries therein within the time prescribed therefore;
  3. filing of forms and returns as stated in the annual return, with the Registrar of Companies, Regional Director, Central Government, the Tribunal, Court or other authorities within/beyond the prescribed time;
  4. calling/ convening/ holding meetings of Board of Directors or its committees, if any, and the meetings of the members of the company on due dates as stated in the annual return in respect of which meetings, proper notices were given and the proceedings including the circular resolutions and resolutions passed by postal ballot, if any, have been properly recorded in the Minute Book/registers maintained for the purpose and the same have been signed;
  5. Closure of Register of Members / Security holders, as the case may be.
  6. As per the information provided to us, the Company has not Advanced any loans falling within the purview of Section 185 of the Act;
  7. As per the information provided to us, the Company has not entered into any contracts/arrangements falling within the purview of Section 188 of the Act;



8. As per the information provided to us, during the financial year the Company has neither made any allotment or buy back of securities/ redemption of preference shares or debentures/ alteration or reduction of share capital/ conversion of shares/ securities. The Company has made transfer/transmission of shares and duly delivered all certificates in respect thereof in accordance with the provisions of the Act;
9. There was no transaction necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
10. As per the information provided to us, the Company has not declared any dividend including interim dividend during the financial year, hence there was no need to open and deposit dividend amount in the separate Bank Account;
11. The Company has complied with the provision related to signing of audited financial statement as per the provisions of section 134 of the Act and report of directors is as per sub-sections (3), (4) and (5) thereof;
12. The Company has appointed woman director as required under section 149 and the Company Secretary as required under section 203 of the Act on its Board. All other provisions related to constitution/appointment/ re-appointments/retirement/filling up casual vacancies/disclosures of the Directors, Key Managerial Personnel and the remuneration paid to them have been complied properly.
13. The Company has complied with the provision related to appointment/ reappointment/ filling up of casual vacancies of auditors as per the provisions of section 139 of the Act;
14. The Company has no instance requiring approvals of the Central Government, Tribunal, Regional Director, Registrar, Court or such other authorities under the various provisions of the Act;
15. The Company has not invited/accepted any deposits including unsecured loans falling within the purview of Section 73 of the Act during the financial year;
16. The Company has complied with the provision in relation to the borrowings from its directors, members, public financial institutions, banks and others and creation/ modification/ satisfaction of charges in that respect, wherever applicable;
17. The Company has not made any loans to any persons within the meaning of Section 186 of the Companies Act, 2013 and has also not given any guarantees/securities or made any investment within the meaning of that Section.
18. During the year under scrutiny, the Company has not altered any of the provision of its Memorandum and Article of Association.

Place: VIJAYAWADA  
Date: 27/11/2022  
UDIN: A035463D002302288

  
CS HEMACHAND KODE  
Membership No: 35463  
Practice no.13416