



HYPERSOFT

TECHNOLOGIES LIMITED

CIN-L29309TG1983PLC003912

To
The Secretary
BSE Limited
P J Towers, Dalai Street
Mumbai — 400 001
Fax No's: 022 22722037
Email: corp.relations@bseindia.com

Date: 02nd September, 2024

Dear Sir,

Sub.: Notice of the 41st Annual General Meeting (AGM) of the Company to be held on 27th September 2024 for the Financial Year 2023-24 as required under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Ref.: BSE Scrip Code; 539724

With reference to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the notice of 41st Annual General Meeting of the company scheduled to be held on 27th September, 2024 at 3:00 P.M. through Video conference (VC) facility or Other Audio Visual Means (OAVM).

We request you to take the above information on record and acknowledge receipt of the same.

Thanking you

For HYPERSOFT TECHNOLOGIES LIMITED

(Feroz Russi Bhote)
Managing Director
DIN: 00156590

HYPERSOFT TECHNOLOGIES LIMITED

**FOURTY FIRST ANNUAL REPORT
2023-2024**

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HYPERSOFT TECHNOLOGIES LIMITED

BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL

Mr. Feroz Russi Bhote

Managing Director

Mr. Vinay Vir

Independent Director

Mrs. Geeta Feroz Bhote

Director

Mr. Joydip Lahiri

Independent Director

Mr. Shaik Khudaventh

Chief Financial Officer

Mrs. Shilpa Agarwal

**Company Secretary & Compliance
Officer**

REGISTERED OFFICE

28, Goyal Society, Moti Valley Tirmulgerry

Secunderabad - 500 015 Telangana, India Phone: 040-27744413

Email: info@hypersoftindia.com Website:
www.hypersoftindia.com

CIN L29309TG1983PLC003912

DEPOSITORY REGISTRARS & SHARE TRANSFER AGENTS

M/s. CIL Securities Limited

214, Raghava Ratna Towers, Chirag Ali Lane, Abids,
Hyderabad -500 001

Tel. # 040-23203155

Email: advisors@cilsecurities.com

AUDITORS

M/s. Ramanatham & Rao Chartered

Accountants, Hyderabad

BANKERS

HDFC Bank Limited

LISTING

BSE Limited

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 41ST ANNUAL GENERAL MEETING OF THE MEMBERS OF M/S. HYPERSOFT TECHNOLOGIES LIMITED (L29309TG1983PLC003912) WILL BE HELD ON FRIDAY, 27TH DAY OF SEPTEMBER 2024 AT 3:00 P.M. THROUGH VIDEO CONFERENCE (VC) FACILITY/ OTHER AUDIO-VISUAL MEANS (OAVM) TO TRANSACT THE FOLLOWING BUSINESS

Ordinary Business:

To consider and if thought fit to pass with or without modification(s) the following resolutions as ordinary resolutions:

- 1. To receive, consider and adopt the Audited Balance Sheet as on 31st March, 2024 and Profit & Loss Statement for the year ended on 31st March, 2024 together with notes and annexures thereto and the Report of Directors' and Auditors' thereon.**

“RESOLVED THAT the Audited Balance Sheet as of 31st March 2024 and the Profit and Loss Statement as on that date, together with notes and annexures thereto and the Report of Directors' and Auditors' of the Company be and are hereby considered, adopted and approved.”

- 2. To re-appoint Mr. Feroz Russi Bhote, Director who retires by rotation and being eligible, offers himself for re-appointment**

“RESOLVED THAT Mr. Feroz Russi Bhote, Director (DIN: 00156590) who retires by rotation and being eligible for re-appointment be and is hereby re-appointed as a Director of the Company.”

Special Business:

- 3. To consider the appointment of Mr. Umesh Chandra Lunker (DIN-01446435) as an Independent Director of the Company**

To consider and if thought fit to pass with or without modification(s) the following resolution as special resolution:

“RESOLVED THAT pursuant to provisions of sections 149, 150, 152 and 161 read with Schedule IV of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and based on the recommendations of Nomination and Remuneration Committee, the approval of the shareholders of the company be and is hereby accorded to appoint Mr. Umesh Chandra Lunker (DIN: 01446435) who has been appointed as an additional director of the company with effect from 21st May 2024, as per the provisions of Section 161(1) of the Companies Act 2013 and who holds office up to the date of next Annual General Meeting of the Company or the last date on which the Annual General Meeting should have been held, whichever is earlier, be and is hereby appointed as the Independent Director of the Company for a term of five (5) years with effect from 21st May, 2024.”

RESOLVED FURTHER THAT any one of the directors of the company be and is hereby authorized to file the relevant documents with the registrar of companies, and to do such acts and deeds as may be required to give effect to the above resolution.”

For and on behalf of Board of Directors

**Place: Secunderabad
Date: 30th August, 2024**

**Sd/-
(Feroz Russi Bhote)
Managing Director
DIN:00156590**

NOTES FOR MEMBERS' ATTENTION:

1. The statement pursuant to Section 102(1) of the Companies Act, 2013 and the Rules made there under in respect of the special business set out in the notice, Secretarial Standard on General Meetings (SS-2), wherever applicable, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (Listing Regulations) wherever applicable, is annexed hereto.
2. Pursuant to General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2022, 09/2023 dated September 25, 2023, and other circulars issued by the Ministry of Corporate Affairs ('MCA') and the Securities and Exchange Board of India ('SEBI') Circular Nos. SEBI/HO/CFD/CMD1/ CIR/P/2020/79 dated May 12, 2020 and SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 7, 2023, respectively (collectively referred to as 'Circulars'), companies are permitted to hold the AGM through VC/ OAVM, without the physical presence of the members at a common venue. Accordingly, the 41st AGM of the Company will be convened through VC/OAVM in compliance with the provisions of the Companies Act, 2013 and Rules made there under, Listing Regulations read with the aforesaid Circulars. The deemed venue for the 41st AGM shall be the registered office of the Company i.e., Plot No. 28, Goyal Society, Moti Valley, Tirmulgerry, Secunderabad-500015, Telangana India.
3. In line with the circulars, the Company is providing VC/OAVM facility to its members to attend the AGM. The facility for attending the AGM virtually will be made available for 100 members on first come first served basis. This will not include large members, promoters, institutional investors, directors, key managerial personnel, the chairpersons of the audit committee, nomination and remuneration committee, shareholders / investors grievance committee auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The VC/OAVM facility for members to join the meeting shall be kept open 30 minutes before the start of the AGM and shall be closed on expiry of 30 minutes after start of the AGM. Members can attend the AGM through VC/OAVM by following the instructions mentioned in this notice.
5. Corporate members whose authorized representatives are intending to attend the meeting are requested to send to the Company at info@hypersoftindia.com a certified copy of the board resolution authorizing such representative to attend the AGM through VC/OAVM and cast their votes through e-voting.
6. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
7. The statutory registers including register of directors and key managerial personnel and their shareholding, the register of contracts or arrangements in which directors are interested maintained under the Companies Act, 2013 and all other documents referred to in the notice will be available for inspection in electronic mode. Members who wish to inspect the register are requested to write to the company by sending e-mail to info@hypersoftindia.com
8. In accordance with the aforesaid Circulars, the notice of the AGM along with the annual report for the financial year 2023-24 has been sent only through electronic mode to the members who have registered their e-mail addresses with the company/depository participants. Members may note that the notice of AGM and annual report are also available on the company's website: www.hypersoftindia.com. The notice of AGM and annual report will also be available on the website of Stock Exchange (www.bseindia.com)
9. In accordance with the aforesaid Circulars, no physical copy of the notice of the AGM and the

annual report for the financial year 2023-24 has been sent to members who have registered their e-mail addresses with the Company/depository participants.

10. In accordance with the Circulars, members who have not registered their e-mail address may register their e-mail address with our Depository Registrars & Share Transfer Agents M/s. CIL Securities Ltd or with their depository participant or send their consent at info@hypersoftindia.com along with their folio no./DP ID client ID and valid e-mail address for registration.
11. Pursuant to Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015, Regulation 44 of the Listing Regulations and the aforesaid Circulars, the Company is pleased to offer voting by electronic means to the members to cast their votes electronically on all resolutions set forth in this notice. The detailed instructions for e-voting and attending the AGM through VC/OAVM are given as a separate attachment to this notice.
12. Members, desiring any information relating to the Financials from the Management or from the Statutory Auditors, are requested to write to the Company at an early date.
13. Members are requested to intimate immediately, any change in their address to their depository participants with whom they are maintaining their DEMAT accounts. If the shares are held in physical form, change in address has to be intimated to the Company's Registrar and Share transfer agent (RTA), M/s. CIL Securities Ltd, Regd. Office: 214, Raghava Ratna Towers, Chirag Ali Lane, Hyderabad -500001, Telangana.
14. SEBI has mandated the submission of permanent account number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participants with whom they are maintaining their DEMAT accounts. Members holding shares in physical form should submit their PAN to the Company or its RTA.
15. The Register of Members and Share Transfer Books of the Company in respect of Equity Shares will remain closed from 23rd September 2024 to 27th September 2024 both the days inclusive.
16. Since the AGM will be held through VC/OAVM, the route map is not annexed in this notice.
17. Since this AGM will be held through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
18. The Video link through which a member may be able to join the AGM will be shared separately.
19. Members who need assistance before or during the AGM, can contact Mr. Shaik Khudaventh, Email Id: accounts@hypersoftindia.net Phone No. 7702706413.
20. M/s. CIL Securities Ltd, Regd. Office: 214, Raghava Ratna Towers, Chirag Ali Lane, Hyderabad - 500001, Telangana is the Share Transfer Agent (STA) of the Company. All communications in respect of share transfers and changes in the address of the members may be communicated to them.
21. Members holding shares in the same name under different Ledger Folios are requested to apply for Consolidation of such Folios and send the relevant share certificates to the Share Transfer

Agent/Company.

22. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 41st Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).

The Company has appointed Mr. P Surya Prakash, Company Secretary in practice (Membership No. FCS 9072), M/s SPP & Associates, Company Secretaries, Hyderabad as scrutinizer for conducting the e-voting process for the Annual General Meeting in a fair and transparent manner.

The instructions for members for voting electronically are as under: -

In case of members receiving e-mail:

- i. Log on to the e-voting website www.evotingindia.com
- ii. Click on “Shareholders” tab.
- iii. Now, select the “HYPERSOFT TECHNOLOGIES LIMITED” from the drop down menu and click on “SUBMIT”
- iv. Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v. Next enter the Image Verification as displayed and Click on Login.
- vi. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

vii. If you are a first-time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</p> <p>In case the sequence number is less than 8 digits, enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</p> <p>Your sequence number is printed on bottom side of the address sticker.</p>
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account for the Company records for the said demat account or folio.</p> <p>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter themember id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</p>

viii. After entering these details appropriately, click on “SUBMIT” tab.

- ix. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in DEMAT form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the DEMAT holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi. Click on the EVSN for the relevant HYPERSOFT TECHNOLOGIES LIMITED on which you choose to vote.
- xii. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- xiii. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xiv. After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xv. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xvi. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- xvii. If DEMAT account holder has forgotten the changed password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporate. They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com. After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on. The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

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

1. Members will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-voting system. Members may access the same at www.evoting.nsdl.com under shareholders login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholders login where the EVSN 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 this notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-voting system of CDSL.
2. Members are encouraged to join the meeting through laptops instead of mobiles for better experience.
3. Further members will be required to allow camera usage on their systems and use a good speed internet to avoid any disturbance during the meeting.
4. Please note that participants connecting through mobile devices or tablets or laptop, via mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
5. Members who would like to express their views/ask questions during the meeting need to register themselves as a speaker by sending their request mentioning their name, DEMAT account number/folio number, e-mail ID and mobile number at accounts@hypersoftindia.com on or before - 20th September 2024 (6:00 pm IST).
6. Those members who have registered themselves as a speaker in advance will only be allowed to

express their views/ask questions during the meeting.

7. The company reserves the right to limit the number of speakers depending on the availability of time at the AGM.
8. In case any assistance is needed, members may contact the Company or RTA or CDSL.

Commencement of e-voting:

- The voting period begins on 24th September 2024 at 9.00 AM (IST) and closes on 26th September 2024 at 5.00 PM (IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 20th September 2024 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
- The voting period again will commence half an hour prior to the meeting and will be closed as soon as the proceedings of the meeting are completed.

EXPLANATORY STATEMENT
(Pursuant to Section 102 of the Companies Act, 2013)

Item No.3:

Regularization of appointment of Mr. Umesh Chandra Lunker (DIN- 01446435) as Director

Board of Directors upon recommendation of Nomination and Remuneration Committee meeting has appointed Mr. Umesh Chandra Lunker (Din: 01446435) as Director in the category of Non-executive Independent Director on the Board of the company with effect from 21st May 2024.

Mr. Umesh Chandra Lunker (Din: 01446435), has consented to act as Independent Director of the Company and has given a declaration to the Board that they meet the criteria of independence as provided in Section 149(6) of the Act. In the opinion of the Board, Mr. Umesh Chandra Lunker (Din: 01446435), fulfils the conditions specified in the Act and the Rules framed thereunder for functioning as Independent Director and he is independent of the management of the Company.

Considering his experience and expertise, the Board is of the opinion that his induction as Independent Director would immensely benefit the Company.

The Nomination and Remuneration Committee of the Company at its meeting held on 20th May, 2024 has recommended the appointment of Mr. Umesh Chandra Lunker (Din: 01446435), as an independent director for a period of 5 years, pursuant to the amended provisions of Section of Companies Act, 2013.

Except Mr. Umesh Chandra Lunker (Din: 01446435), none of the Directors or Key Managerial Personnel of the Company or their respective relatives is deemed to be concerned or interested in the aforesaid Resolution.

PROFILE OF DIRECTOR SEEKING APPOINTMENT

Details of Directors seeking appointment as Directors at this Annual General Meeting pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Secretarial Standard-2 on General Meetings.

Particulars	Umesh Chandra Lunker
DIN	01446435
Date of Birth and Age	31/03/1956
Date of appointment	21/05/2024
Occupation	BE (Mechanical) M.B.A
Directorship held in public and private companies (excluding foreign companies)	1. Pan Securities Limited 2. Pan Commodities India Private Limited 3. Neha Investments Private Limited
Memberships/Chairmanships of companies (only Audit and Stakeholder Relationship Committee)	1. Audit Committee of Hypersoft (Chairman) 2. Stakeholder Relationship Committee of Hypersoft (Chairman)
Shareholding in the Company	Nil

Additional Information

As required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the particulars of Director who seeks re-appointment are given below:

Mr. Feroz Russi Bhote (DIN- 00156590) who retires by rotation and was re-appointment as the Director of the company:

Name of the Director	Date of Appointment	Qualification	DOB	Expertise In specific functional areas	Name of other Companies in which the person Holds directorship Or membership of Committees of the Board	Number of shares held in Hypersoft Technologies Limited
Mr. Feroz Russi Bhote	18/04/1983	Master Degree in Computer Science	14/07/1956	Computer Software	1. CIL Securities Limited	641650

For and on behalf of Board of Directors

Place: Secunderabad
Date: 30th August 2024

Sd/-
(Feroz Russi Bhote)
Managing Director
DIN: 00156590

DIRECTORS' REPORT

Dear Shareholders,

Your directors are happy to present 41st Annual Report and the Financial Results for the financial year ended on 31st March 2024.

1. Financial Results

(Rs. in Lakhs)

Particulars	2023-2024	2022-2023
Income from operations	82.67	86.95
Other Income	10.40	9.05
Total Income	93.06	96.00
Total Expenditure excluding depreciation	116.2	99.63
Depreciation	1.88	4.74
Total Expenditure	118.08	104.37
Net Profit / (Loss) before Tax & Exceptional Items	(25.02)	(8.37)
Exceptional Items (Exp)	39.55	-
Net Profit / (Loss) before Taxation	(64.57)	(8.37)
Current Tax	2.93	0
Deferred Tax	(0.53)	2.86
Other Comprehensive Income	(34.36)	1.57
Net Profit / (Loss) after Taxation	(101.33)	(9.66)

2. Management Discussion & Analysis (M D &A): Review of Business & Outlook

Your company remains a preferred supplier for several software requirements. Stockbrokers are showing a renewed interest in our software which is of the highest quality. Additionally, ERP system for manufacturing, processing and stock control has been the focus of the company.

In the stock markets, SEBI has increased compliance regulations exponentially and the result is that several brokers are preferring to shut down the business rather than comply with all the regulations. Keeping this in mind, the focus of the Company has shifted to other products especially Online opening of Accounts for Stockbrokers.

The mobile market in India is the second largest in the world after China, and Mobile applications developed by your company have shown great acceptance and will continue to be the prime mover. The Global Mobile Applications market is poised to grow at a sustained rate and the number of users of smart phones will soon cross more than half the population of the country. The Online KYC package - and its Mobile versions - developed by your Company has been accepted by Extremely large Broking houses.

Opportunities and Threats

The Online KYC model so far has been targeted at very large broking houses. To cater to smaller brokers, the software is being modified to be offered in a SAAS (Software As A Service) configuration.

Absence of skilled manpower, high cost of development, high cost of user acquisition, competition driven by independent and freelance developers and the high cost of marketing are major impediments to growth.

Outlook

With the release of our KYC package, we envisage many brokers accepting the system. Since this is virtually independent of SEBI regulations, we see a bright future for the product.

The pandemic has mostly affected the business and the possibility of meeting potential new customers has reduced to a great extent. Also, with the new compliances being brought in for Stockbrokers by SEBI the number of brokers giving up their membership is increasing.

Risk and Concerns

1. The first major problem developed in recent times subject to added different legal laws and norms.
2. Another major problem the need to develop the optimum mix of employees. A big dilemma is to get the balance correct in terms of recruitment.

Internal control systems and their adequacy

The Company has a proper and adequate system of internal controls. This ensures that all transactions are authorized, recorded and reported correctly, and assets are safeguarded and protected against loss from unauthorized use or disposition. In addition, there are operational controls and fraud risk controls, covering the entire spectrum of internal financial controls. The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations.

Discussion on financial performance with respect to operational performance

During the year under review, your Company made a Turnover of Rs. 93.06 Lakhs as against Rs. 96.00 Lakhs for the previous year and had a loss of Rs. 101.33 Lakhs as against a loss of Rs. 9.66 Lakhs for the previous year.

Material development in Human Resource & Industrial Relations

There are no significant developments in human resources and number of people employed. However, all our efforts were made to retain the talent and improve the productivity.

3. Change in the nature of business

There were no changes in the nature of business of the Company during the financial year 2023-2024.

4. Deposits

The Company has not accepted any deposits from the public during the year in pursuant to Section 73 of the Companies Act, 2013.

5. Material Changes and Commitments

During the financial year the Company has issued a notice of postal ballot on November 6, 2023 pursuant to Sections 108 and 110 of the Companies Act, 2013, and the relevant rules, considering the following transaction:

1. Approval for Sale of Company premises situated at Mumbai and Hyderabad.

Thomas Joesph Lloyd are appointed as the Scrutinizer to conduct the aforesaid postal ballot, scrutinize the e-voting process and issue the report.

Additionally, after the financial year ended 31st March 2024, an Open Offer was announced for the acquisition of up to 11,05,442 (Eleven Lakhs Five Thousand Four Hundred and Forty-Two) fully paid-up equity shares, representing 26% of the total paid-up/voting share capital of Hypersoft Technologies Limited ("Target Company"). The offer was made by Mr. Narra Purna Babu ("Acquirer-1") and Mr. Sudhakara Varma Yarramraju ("Acquirer-2"), collectively referred to as the "Acquirers," at a cash consideration of INR 11 per share.

This Open Offer was made pursuant to and in compliance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (SEBI (SAST) Regulations), specifically under Regulations 3(1) and 4, along with Regulations 13, 14, and 15(1), and other applicable provisions. The offer was managed by CIL Securities Limited, acting as the Manager to the Offer, for and on behalf of the Acquirers.

The Open Offer was triggered following the execution of the Share Purchase Agreement ("SPA") on 7th June 2024, between the Acquirers and the Sellers, wherein the Sellers agreed to sell an aggregate of up to 20,34,440 Equity Shares, representing 47.85% of the fully paid-up equity share capital of and control over the Target Company. The aggregate consideration for this transaction was INR 2,23,78,840 (Two Crore Twenty Three Lakhs Seventy Eight Thousand Eight Hundred and Forty Only) at a price of INR 11 per Equity Share, with the payment of the said amount being treated as an Earnest Money Deposit.

This Open Offer represents a significant transaction for the Company, reflecting a material change in the ownership and control of Hypersoft Technologies Limited.

6. Number of meetings of the Board

The Board of Directors met Seven (7) times during this financial year on 27th May 2023, 29th May 2023, 11th August 2023, 21st August 2023, 27th October 2023, 09th December 2023, 02nd February 2024.

7. Extract of Annual Return

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, Company shall place a copy of the annual return on the website of the company, and the weblink of the same is mentioned below:

8. Policy on directors' appointment and remuneration

The current policy is to have an appropriate mix of executive and independent directors to maintain the independence of the Board and they demark their functions of governance and management. As on March 31, 2024, the Board consists of 4 (four) members. The Board periodically evaluates the need for a change in its composition and size. The policy of the Company on directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under Sub-Section (3) of Section 178 of the Companies Act, 2013, adopted by the Board, is appended as **Annexure-I** to the Board's report. We affirm that the remuneration paid to the directors is as per the terms laid out in the nomination and remuneration policy of the Company.

9. Directors and Key Managerial Personnel

Mr. Feroz Russi Bhote was re- appointed as a Managing Director of the Company with effect from 15th February 2023.

Ms. Geeta Bhote, is designated as the Director of the Company.

Mr. Feroz Russi Bhote (DIN: 00156590), the Managing Director, who retires by rotation, was re-appointed as the Director of Company.

Mr. Shaik Khudaventh is designated as the Chief Financial Officer of the Company with effect from 10th November 2021

Mrs. Shilpa Agarwal is appointed as the Whole-time Company Secretary and Compliance Officer of the Company with effect from 21st August, 2023.

Mr. Vinay Vir (DIN: 02378210) is no longer associated with the company as an Independent Director, effective April 27, 2024, due to his passing.

Mr. Umesh Chandra Lunker was appointed as an Additional Director (categorized as Independent Director) of the Company with effect from 21st May 2024. The Board proposes his regularization at the upcoming Annual General Meeting (AGM).

10. Declaration given by Independent Directors

The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirement), Regulations 2015.

11. Contracts and arrangements with Related Parties under Section 188

The Company has not entered into any contracts or arrangements with related parties during the financial year. Therefore, AOC-2 is not required to be enclosed in this report.

12. Particulars of loans, guarantees or investments under Section 186

The Company has not made any investments and has not given any loans or guarantees under

section 186 of the Companies Act, 2013.

13. Risk Management

The Company has developed and implemented a risk management framework that includes identification of elements of risk, if any, which in the opinion of the Board may threaten the existence of the Company.

The following broad categories of risks to the business objectives have been considered in our risk management framework:

Strategy: Risks to the successful execution of the Company's articulated strategies. These originate from the choices we make on markets, business mix, resources and delivery models that can potentially impact our competitive advantage in the medium and long term. Risks related to scalability and sustainability of our business might also have an impact on our business.

Industry: Risks relating to the inherent characteristics of our industry such as competitive structure, emergence of new business models, technological landscape, extent of linkage to economic environment and regulatory structure.

Counterparty: Risks arising from our association with entities for conducting business. The counterparties include clients, vendors, alliance partners and their respective industries. Counterparty risks include those relating to litigation and loss of reputation.

Resources: Risks arising from inappropriate sourcing or sub-optimal utilization of key organizational resources such as financial capital, talent and infrastructure.

Operations: Risks inherent to business operations including those relating to client acquisition, service delivery to clients, business support activities, information security, intellectual property physical security, and business activity disruptions. Operational risks are assessed primarily on three dimensions - business process effectiveness, compliance to policies and procedures, and strength of underlying controls.

Regulatory environment: Risks due to adverse developments in the regulatory environment that could potentially impact our business objectives and lead to loss of reputation.

Societal: Risks and opportunities relating to our focus on the environment and society at large. Environmental focus includes conservation of essential resources such as water and energy, disposal of waste, minimizing emissions, etc. Social focus includes projects to impact the communities in the regions where we operate.

14. Subsidiaries, Associate Companies and Joint Ventures

The Company does not have any subsidiaries, Associate Companies or Joint Ventures.

15. Annual Evaluation of Board's Performance

The Nomination and Remuneration Committee of the Company approved an Evaluation Policy during the year 2014-2015, which was adopted by the Board of Directors. The policy provides for evaluation of the Board, the Committees of the Board and individual Directors, including the Chairman of the Board. The Policy provides that evaluation of the performance of the Board and Committees of Board shall be carried out on an annual basis.

The Evaluation process of performance focused on various aspects of the Board and Committees functioning such as composition of the Board and Committees, experience and competencies, performance of specific duties and obligations, governance issues etc., A separate exercise was carried out to evaluate the performance of individual Directors on parameters such as attendance, contribution and independent judgement.

The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Director being evaluated. The performance evaluation of Managing Director and Non-Executive Director was carried out by the Independent Directors, who also reviewed the performance of the Board as a whole. The Nomination and Remuneration Committee (NRC) also reviewed the performance of the Board, its committees and of the Directors.

The Chairman of the Board provided feedback to the Directors on an individual basis, as appropriate. Significant highlights, learning and action points with respect to the evaluation were presented to the Board.

16. Transfers to reserves

The Company has not transferred any amount to the reserves in the financial year.

17. Dividend

In view of the accumulated losses, the Directors express their inability to recommend dividend during the year.

18. Auditors

Pursuant to the provisions of Section 139 of the Act read with Companies (Audit and Auditors) Rules, 2014, and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 as amended from time to time, M/s. Ramanatham & Rao, Chartered Accountants, bearing Firm Registration Number 002934S were appointed as Statutory Auditors from the conclusion of Thirty ninth Annual General meeting (AGM) till the conclusion of Forty fourth Annual General Meeting of the Company.

There are no observations, qualifications and remarks in the auditor's report for financial year ended 31st March 2024.

19. Secretarial Auditor

SPP & Associates, Practicing Company Secretaries, was appointed to conduct the secretarial audit of the Company for the financial year 2023-2024, as required under Section 204 of the Companies Act, 2013 and Rules there under.

The secretarial audit report for the financial year 2023-2024 forms part of the Annual Report as **Annexure-II** to the Board's report.

20. Corporate Governance

A report on the Corporate Governance, which *inter alia*, includes the composition and construction of Audit Committee, is featuring as a part of Annual Report. Your Company will continue to adhere in letter and spirit to the good corporate governance policies. Pursuant to the relevant

provisions of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), as referred to in Regulation 15(2) of the Listing Regulations for the period 1st April, 2023 to 31st March, 2024, a certificate from the auditors of the Company is enclosed.

21. Managing Director’s Declaration

Pursuant to the provisions of Listing Regulations, a declaration by the Managing Director of the Company declaring that all the members of the Board and the Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company is enclosed. The same can be viewed on the website of the Company at www.hypersoftindia.com

22. Directors’ Responsibility Statement

In accordance with the provisions of the section 134(c) of the Companies Act, 2013 and based on the information provided by the management your directors state that:

- a. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- b. The directors had selected such accounting policies and applied them consistently and made judgments and estimates 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 loss of the Company for that period.
- 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 on a going concern basis.
- e. The directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- f. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

23. Corporate Social Responsibility – Not Applicable

24. Significant and material orders

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

25. Secretarial Standards

The Company is in compliance of Secretarial Standards during the financial year 2023-2024.

26. Internal Financial Controls

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the 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 disclosures.

27. Whistle Blower Policy/ Vigil Mechanism

To create enduring value for all stakeholders and ensure the highest level of honesty, integrity and ethical behavior in all its operations, the Company has formulated a Whistle Blower Policy/Vigil Mechanism that governs the actions of its employees. This Whistleblower Policy/Vigil Mechanism aspires to encourage all employees to report suspected or actual occurrence(s) of illegal, unethical or inappropriate events (behaviors or practices) that affect Company's interest / image.

A copy of the Policy is available on the website of the Company.

28. Disclosures Under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules there under for prevention and redressal of complaints of sexual harassment at workplace. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment and the Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the financial year 2023-2024, the Company has not received any complaints on sexual harassment.

29. DISCLOSURE ON CORPORATE INSOLVENCY RESOLUTION PROCESS INITIATED UNDER THE INSOLVENCY AND BANKRUPTCY CODE (IBC)

The Company has not made any application, nor any proceeding are pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the financial year 2023-2024.

30. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF - Not Applicable

31. Conservation of Energy & Technology Absorption, Foreign Exchange Earnings and Outgo:

A. Conservation of Energy:

- (a) Energy Conservation measures taken:** Your Company's operations are software oriented and not energy intensive. Adequate measures have been taken to conserve energy wherever possible by using energy-efficient computers and equipment.
- (b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy:** Exchanging legacy CRT monitors with

LCD power saving monitors.

- (c) **Impact of the measures (a) and (b) above for energy consumption and consequent impact on the cost of production of goods:** As energy conservation is very meager and energy cost forms a small part of total costs, the impact of costs is not material.

B. Technology Absorption:

Research and Development (R & D):

(a) Specific areas in which R & D carried out by the Company:

The Company continues to focus and invest in R & D activities for developing and improving the quality and enhancing the benefits of its software products. The Company is a product-oriented Company and the continuous development of new products, and the existing products is an ongoing exercise.

(b) Benefits derived as a result of the R & D:

Research and development of new products & processes will continue to be of importance to your Company. Products although have a longer gestation, are of higher benefit to the Company and its profitability in the long run.

(c) Future plan of Action:

The Company continues to strive for development and innovation of new products and improving the existing ones in order to meet the changing requirements and to cater to customer needs.

(d) Expenditure on R & D: NIL

Adaptation and Innovation:

As a result of new partnerships, the Company now has absorbed new technologies and will result in better adaptation to Indian customer needs.

C. Foreign Exchange Earnings & Outgo:

Particulars	2023-2024 (Rs. in Lakhs)	2022-2023 (Rs. in Lakhs)
Foreign Exchange Earnings	-	-
Foreign Exchange Outgo:		
Purchase	-	-
Expenses	-	-

32. Appreciation:

Your directors place on record their appreciation of the continued assistance and co- operation extended by the shareholders, customers, bankers and the dedicated employees and the business associates.

For and on behalf of Board of Directors

**Place: Secunderabad
Date: 30th August, 2024**

**(Feroz Russi Bhote)
Managing Director
DIN: 00156590**

**(Geeta Bhote Feroz)
Director
DIN: 02378210**

Statement of Disclosure of Remuneration under Section 197 of Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2023-2024:

Sl. No.	Name of Director	Designation	Ratio of remuneration of each Director to median remuneration of Employees
1.	Mr. Feroz Russi Bhote	Managing Director	0.21

2. Percentage increase in remuneration of each director and KMP in the financial year 2023-2024:

Sl. No.	Name of Director/CFO	Designation	% increase in Remuneration in the Financial Year 2023-2024
1.	Mr. Feroz Russi Bhote	Managing Director	Nil
2.	Mr. Khudaventh Shaik	Chief Financial Officer	10%
3.	Ms. Shilpa Agarwal	Company Secretary	Nil

3. The percentage increase in the median remuneration of employees in the financial year 2023-2024 was 3%.
4. There are 12 (Twelve) permanent employees on the rolls of company as on 31st March, 2024.

5. Relationship between average increase in remuneration and company performance:
The reward philosophy of the Company is to provide market competitive total reward opportunity that has a strong linkage to and drives performance culture. Every year, the salary increases for the Company are decided on the basis of a benchmarking exercise that is undertaken with similar profile organizations. The final salary increases given are a function of Company's market competitiveness in this comparator group as well as overall business affordability. During the year, similar approach was followed to establish the remuneration increases to the Employees. Variable compensation is an integral part of our total reward package and is directly linked to an individual performance rating and business performance. Salary increases during the year were in line with Company's performance as well as per Company's market competitiveness.

6. Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:

Aggregate Remuneration of Key Managerial Personnel in FY 2023-2024	29,90,400
Total Revenue of the Company in FY 2023-2024	93,06,483
Remuneration of KMP (as % of revenue)	32.13

7. Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the salaries of the Company in comparison to the rate at which the company came out with the last public offer the variations in the net worth of the Company as at the close of

the current financial year and previous financial year –N.A

8. Average percentage increase made in the salaries of Employees other than the managerial personnel in the financial year was 10% whereas the increase in the managerial remuneration was Nil.
9. Comparison of each remuneration of the KMP against the performance of the company:

Particulars	Managing Director (Rs. Lacks)	CFO (Rs. Lacks)	CS (Rs. Lacks)
Remuneration of Key Managerial Personnel in FY 2023-2024	18.00	7.92	3.98
Total Revenue of the Company in FY 2023-2024	93.06	93.06	93.06
Remuneration of KMP (as % of revenue)	19.34	8.51	4.28

10. The key parameters of any variable component of remuneration availed by the directors – Nil
11. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year– Nil
12. It is hereby affirmed that the remuneration paid is as per the remuneration policy of the Company.

For and on behalf of Board of Director

Place: Secunderabad
Date: 30th August 2024

(Feroz Russi Bhote)
Managing Director
DIN: 00156590

(Geeta Bhote Feroz)
Director
DIN: 02378210

Annexure-I

Nomination and Remuneration Policy

The Board of Directors are collectively responsible for selection of a member on the Board. The Nomination and Remuneration Committee of the Company follows defined criteria for identifying, screening, recruiting and recommending candidates for election as Director on the Board. The criteria for appointment to the Board include:

- Composition of the Board, which is commensurate with the size of the Company, its portfolio, geographical spread and its status as a listed Company.
- Desired age and diversity on the Board.
- Size of the Board with optimal balance of skills and experience and balance of Executive and Non-Executive Directors consistent with the requirements of law.
- Professional qualifications, expertise and experience in specific area of business. The guiding principles for Company's reward policies / practices are as follows:
 1. Open, Fair, Consistent and Explainable: increase transparency and ensure fairness and consistency in Reward framework.
 2. Insight and Engagement: make Reward truly relevant to the employees by using leading edge tools that helps the Company 'hear' how employees feel about their Reward.
 3. Innovation: continuously improve Company's Reward through innovations based on insight, analytics expertise.
 4. Simplicity, Speed and Accuracy: simplify reward plans and processes and deliver the information employees need quickly, clearly and efficiently.
 5. Business Results: Company's business results are the ultimate test of whether Reward solutions are effective and sustainable.

The appointment of Executive Directors, Key Managerial Personnel, Management Committee members and other employees is by virtue of their employment with the Company as management employees and therefore, their terms of employment vis-à-vis salary, variable pay, service contract, notice period and severance fee, if any, are governed by the applicable policies at the relevant point in time. The total reward for Executive Directors, Key Managerial Personnel and Management Committee members is reviewed and approved by the Nomination and Remuneration Committee annually, taking into account external benchmarks.

Annexure II

FORM NO. MR-3

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024**

*[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To
The Members
HYPERSOFT TECHNOLOGIES PRIVATE LIMITED
28, Goyal Society, Moti Valley,
Tirmulgerry, Secunderabad,
Telangana-50005, India

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Hypersoft Technologies 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 ("Audit Period") 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 31st March, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; \
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder (Not applicable to the Company during the Audit Period);
- (iv) 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
- (v) 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 (Not applicable to the Company during the Audit Period);
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not applicable to the Company during the Audit Period).
 - d. The Securities and Exchange Board of India (Shared Based Employee Benefits and Sweat Equity) Regulations 2021 (Not applicable to the Company during the Audit Period);

- e. Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (Not applicable to the Company during the Audit Period);
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;(Not applicable to the company during the Audit Report);and
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the Audit Period).
 - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (vi) We have also examined compliance with the applicable clauses of the following:
- i. Secretarial Standards issued by The Institute of Company Secretaries of India;
 - ii. The Listing Agreements entered into by the Company with Stock Exchanges

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

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors and Committee of the Board, as the case may be.

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

We further report that the Company is engaged in the business of Computer programming, consultancy and related activities as such there are no specific industry laws which are applicable to the Company.

We further report that during the Audit period the Company has below specific events/ actions having a major bearing on the Company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines and standards, etc.,:

1. Sale of Company's premises situated at Mumbai and Hyderabad

Date: 30-08-2024
Place: Hyderabad

For SPP & Associates
Company Secretaries

Sd/-
Surya Prakash Perumalla
Company Secretary in Practice
FCS No. 9072; CP No.11142
FRN: S2023TS899200
UDIN: F009072F001058483

(This report is to be read with my letter of even date which is annexed as Annexure –A and forms an integral part of this report).

“Annexure – A”

To
The Members
Hypersoft Technologies Limited
28, Goyal Society,
Moti Valley, Tirmulgerry, Telangana, Secunderabad,
India- 500015

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

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

Date: 30-08-2024
Place: Hyderabad

For SPP & Associates
Company Secretaries

Sd/-
Surya Prakash Perumalla
Company Secretary in Practice
FCS No. 9072; CP No.11142
FRN: S2023TS899200
UDIN: F009072F001058483

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
Hypersoft Technologies Limited
28, Goyal Society,
Moti Valley, Tirmulgerry, Secunderabad,
Telangana-500015, India

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Hypersoft Technologies Limited, having CIN (Corporate Identification Number) L29309TG1983PLC003912 and having registered office at 28, Goyal Society, Moti Valley, Tirmulgerry, Secunderabad, Telangana-500015 (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 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 Director Identification Number (DIN) status at the portal (www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and 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 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

S. No	Name of Director	DIN	Date of appointment in Company
1	Feroz Russi Bhote	00156590	18-04-1983
2	Vinay Vir	02378210	24-10-2008
3	Geeta Feroz Bhote	06976756	06-02-2015
4	Joydip Lahiri	07385700	28-05-2018

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.

Date: 30-08-2024
Place: Hyderabad

For SPP & Associates
Company Secretaries

Sd/-
Surya Prakash Perumalla
Company Secretary In Practice
FCS No. 9072; CP No.11142
FRN: S2023TS899200
UDIN: F009072F001058483

REPORT ON CORPORATE GOVERNANCE FOR THE FINANCIAL YEAR 2023-2024

The Corporate Governance report is not applicable to our company; however, we have prepared it, including all the necessary details.

Company's Philosophy:

The Company's philosophy on Corporate Governance envisages the attainment of the highest levels of transparency, accountability and equity, in all facets of its operations and in efficient conduct of its business and in meeting its obligations to stakeholders.

A. Board of Directors:

At present the composition of the Board of Directors comprises of Four (4) Directors comprising of One (1) Executive Director, two (2) Non-Executive Independent Directors and one (1) Non-executive Director.

1) Composition and category of Directors as on date is:

S. No.	Name of the Director	Category
1	Mr. Feroz Russi Bhote	Promoter & Managing Director
3	Mr. Joydip Lahiri	Non-Executive & Independent Director
4	Mrs. Geeta Feroz Bhote	Non-Executive Director
5	Mr. Umesh Chandra Lunker	Non-Executive & Independent Director

The Composition and Category of Directors as on 31st March, 2024 was as under:

S. No.	Name of the Director	Category
1	Mr. Feroz Russi Bhote	Promoter & Managing Director
2	Mr. Vinay Vir	Non-Executive & Independent Director
3	Mr. Joydip Lahiri	Non-Executive & Independent Director
4	Mrs. Geeta Feroz Bhote	Non-Executive Director

1. Mr. Vinay Vir (DIN: 02378210) is no longer associated with the company as an Independent Director, effective April 27, 2024, due to his passing.
2. Mr. Umesh Chandra Lunker is appointed as Additional Director categorized as (Independent Director) of the Company with effect from 21st May 2024.

2) Attendance of each director at the Board Meetings held during the year 2023-2024 and of the Annual General Meeting held for previous Financial Year on 26th September, 2023

Name of the Director	Board Meetings held and eligible to attend during the Year	Meetings attended	Last AGM
Mr. Feroz Russi Bhote	7	7	Present
Mr. Vinay Vir	7	7	Present
Mrs. Geeta Feroz Bhote	7	7	Present
Mr. Joydip Lahiri	7	6	Present

None of the directors of the Company are members in more than 10 committees or act as Chairman of more than five committees across all Companies in which he/she is a director.

3) Number of meetings of the Board:

The Board of Directors met 7 (seven) times during this financial year on 27th May 2023, 29th May 2023, 11th August 2023, 21st August 2023, 27th October 2023, 9th December 2023, 2nd February 2024.

4) Disclosure of relationships between directors inter-se:

Ms. Geeta Feroz Bhote, Director of the Company, is the wife of Mr. Feroz Russi Bhote, Managing Director of the Company.

5) Number of shares and convertible instruments held by non-executive Directors:

Not Applicable.

6) Familiarization program for Independent Directors:

The details of training and familiarization program is available on our website <http://www.hypersoftindia.com/Investor Relations.html>

B. Audit Committee:

The Audit Committee was constituted in terms of Section 177 of the Companies Act, 2013 and the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

1) Brief description of terms of reference:

The term of reference of the Audit Committee is in conformity with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which inter alia, includes the following:

- a) Oversight of Company's financial reporting process.
- b) Recommending appointment and removal of external auditors and fixing of

their fees.

- c) Reviewing with management the quarterly, half-yearly and annual financial results/ statements with special emphasis on accounting policies and practices, compliances with accounting standards and other legal requirements concerning financial statements.
- d) Reviewing the adequacy of the Audit and compliance functioning including policies, procedures, techniques and other regulatory requirements.
- e) Reviewing the adequacy of internal control systems and significant audit findings.
- f) Discussion with external auditors regarding nature and scope of audit.

2) Composition of Committee and details of meetings attended by its members

Name of the Member	Category	Meetings held and eligible to attend during the Year	Meeting attended
Mr. Vinay Vir (Chairman)	Independent Director	4	4
Mr. Feroz Russi Bhote	Managing Director	4	4
Mr. Joydip Lahiri	Independent Director	4	4

The Committee met 4 (Four) times during this financial year 29th May 2023, 11th August 2023, 27th October 2023, 02nd February 2024.

With regard to the sad demise of Mr. Vinay Vir (DIR- 02378210) who was an Independent Director of the Company and considering the proposal of appointment of Mr. Umesh Chandra Lunker as an Independent Director of the Company, it is proposed to reconstitute the Audit Committee of the Company by proposing to appoint Mr. Umesh Chandra Lunker as the Chairman of the Audit Committee of the Company and reconstituting the Audit Committee as below:

S-No.	Name	Designation & Category
1	Mr. Umesh Chandra Lunker	Chairman (Independent Director)
2	Mr. Feroz Russi Bhote	Member (Managing Director)
3	Mr. Joydip Lahari	Member (Independent Director)

C. Nomination & Remuneration Committee:

1) Brief description of terms of reference:

This committee was constituted in terms of section 178 of the Companies Act, 2013 and the Listing Regulations, to evaluate compensation and benefits given to Executive Directors.

2) Composition of the Committee and details of meetings attended by its Members:

Name of the Member	Meeting held during the year	Meeting attended
Mr. Vinay Vir	2	2
Mrs. Geeta Feroz. Bhote	2	2
Mr. Joydip Lahiri	2	2

The Committee met 2 (Two) time during this financial year on 27th May 2023, 21st August 2023.

With regard to the sad demise of Mr. Vinay Vir (DIR- 02378210) who was an Independent Director of the Company and considering the proposal of appointment of Mr. Umesh Chandra Lunker as an Independent Director of the Company, it is proposed to reconstitute the Nomination and Remuneration Committee of the Company by proposing to appoint Mr. Umesh Chandra Lunker as the Chairman of the Nomination and Remuneration Committee of the Company and reconstituting the Nomination and Remuneration Committee as below:

S-No.	Name	Designation & Category
1	Mr. Umesh Chandra Lunker	Chairman (Independent Director)
2	Mr. Geeta Feroz Bhote	Member (Director)
3	Mr. Joydip Lahiri	Member (Independent Director)

3) Performance Evaluation Criteria for Independent Directors

The performance evaluation criteria for independent directors are determined by the Nomination and Remuneration committee. An indicative list of factors that may be evaluated include participation and contribution by a director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behavior and judgment.

The Independent Directors met 1(One) time during this financial year on 07th February 2024.

4) Remuneration Policy

Our policy on the appointment and remuneration of directors and key managerial personnel provides a framework based on which our human resources management aligns their recruitment plans for the strategic growth of the Company. The nomination and remuneration policy is provided herewith pursuant to Section 178(4) of the Companies Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Details of remuneration to all the directors:

Particulars	Feroz Russi Bhote (Managing Director) (in Rs. Lakhs)
Salary	18.00
Perquisites	0.42
Provident Fund	1.51
Total	19.93

The Non-Executive Directors not eligible for commission and also, they have not been paid sitting fee and any other expenses.

D. Shareholders / Investors Grievance Committee:**1) Terms of reference**

The Committee was constituted to specifically look into the redressing of shareholder and investor complaints like transfer of shares, non-receipt of balance-sheet etc.

2) Composition, name of members and Chairman:

The Committee comprises of the following directors: -

- (i) Mr. Vinay Vir - Chairman
- (ii) Mrs. Geeta Feroz Bhote - Member
- (iii) Mr. Joydip Lahiri - Member

The Committee met 4 (Four) times during this financial year 29th May 2023, 11th August 2023, 27th October 2023, 02nd February 2024.

With regard to the sad demise of Mr. Vinay Vir (DIR- 02378210) who was an Independent Director of the Company and considering the proposal of appointment of Mr. Umesh Chandra Lunker as an Independent Director of the Company, it is proposed to reconstitute the Shareholders/ Investors Committee of the Company by proposing to appoint Mr. Umesh Chandra Lunker as the Chairman of the Shareholders/ Investors Committee of the Company and reconstituting the Shareholders/ Investors Committee as below:

S-No.	Name	Designation & Category
1	Mr. Umesh Chandra Lunker	Chairman (Independent Director)
2	Mrs. Geeta Feroz Bhote	Member (Director)
3	Mr. Joydip Lahiri	Member (Independent Director)

3) Name and Designation of Compliance Officer:

Ms. Priyanka Jain (ACS 60266) was the Whole-time Company Secretary and Compliance Officer till 1st June 2023 and Mrs. Shilpa Agarwal (ACS 37140) is appointed as the Whole-time Company Secretary and Compliance Officer with effect from 21st August 2023.

4) No. of Shareholders Complaints received during the year 2023-2024:

During the year 2023-2024, no complaints were received from the investors.

5) No. of complaints not solved to the satisfaction of shareholders:

The Company has not received any complaints during the year 2023-2024, so question of complaints not solved to the satisfaction of shareholders does not arise.

6) General Body Meetings

Details of last three Annual General Meetings (AGM):

The information about the last three general body meetings are given below:

Financial Year	AGM	Venue	Time & Date of AGM
2020-2021	38 th AGM	Registered Office	3:00 p.m. on 27 th September, 2021
2021-2022	39 th AGM	Registered Office	4:30 p.m. on 26 th September, 2022
2022-2023	40 th AGM	Registered Office	3:00 p.m. on 26 th September, 2023

7) Special Resolution passed through postal ballot system during the year and person who conducted the postal ballot exercise:

During the financial year the Company has issued a notice of postal ballot on November 6, 2023 pursuant to Sections 108 and 110 of the Companies Act, 2013, and the relevant rules, considering the following transaction:

1. Approval for Sale of Company premises situated at Mumbai and Hyderabad.

Thomas Joesph Lloyd-Advocate are appointed as the Scrutinizer to conduct the aforesaid postal ballot, scrutinize the e-voting process and issue the report and the results were declared on 07th December, 2023.

8) Whether any special resolution proposed to be conducted through postal ballot:

Apart from the above mentioned postal ballot, there are currently no proposals for passing any special resolution via postal ballot.

E. Disclosures:

- A. The Company had no Related Party transactions. None of the transactions with any of the related parties were in conflict with the interests of the Company.

There has been no non-compliance by the Company of the regulations imposed by the Stock Exchange or SEBI or any Statutory Authority, on any matter related to capital markets during the last 3 years.

B. Means of Communication:

- Financial results of the Company (Quarterly, half-yearly and Annual) have been approved by the Board and intimated to the Stock Exchanges and published in Business Standard and Telugu.
- The Management Discussion and Analysis Report forms part of the Annual Report.

C. Whistle Blower Policy

To create enduring value for all stakeholders and ensure the highest level of honesty, integrity and ethical behavior in all its operations, the company has formulated a Whistle Blower Policy/Vigil Mechanism that governs the actions of its employees. This Whistleblower Policy/Vigil Mechanism aspires to encourage all employees to report suspected or actual occurrence(s) of illegal, unethical or inappropriate events (behaviors or practices) that affect Company's interest / image.

A copy of the Policy is available on the website of the Company.

F. General Shareholder information:

1) Date, Time & Venue of the present Annual General Meeting:

On Friday, 27th September, 2024 at 03.00 PM through video conference

2) Financial Calendar for 2023-2024 (tentative):

<u>Quarter ending on</u>	<u>Reporting on</u>
30 th June, 2024	5 th August 2024 (Completed)
30 th September, 2024	Last week of October, 2024
31 st December, 2024	Last week of January, 2025
31 st March, 2025	Last week of May, 2025

3) Date of Book Closure:

The Register of Members and Share Transfer Books of the Company in respect of Equity Shares will remain closed from **23rd September 2024 to 27th September 2024** (both the days inclusive).

4) Listing on Stock Exchanges:

Name of Stock Exchange where the shares of the Company are listed	Address	Whether annual listing fee paid
BSE Limited	25 th Floor, P.J Towers, Dalal Street, Mumbai- 400 001	Paid

5)Scrip Code: BSE Limited: 539724

6)Market price data:

S.No	Month	High(Rs.)	Low(Rs.)
1	April, 2023	10.4	9.93
2	May, 2023	9.88	9.88
3	June, 2023	10.7	10.00
4	July, 2023	10.9	9.69
5	August, 2023	10.36	8.2
6	September, 2023	10.18	6.51
7	October, 2023	9.25	6.91
8	November, 2023	12.03	7.25
9	December, 2023	9.46	8.55
10	January, 2024	11.44	7.8
11	February, 2024	11.00	9.00
12	March, 2024	11.00	7.01

Performance in comparison to broad-based indices such as BSE Sensex:

	1 st April, 2023	31 st March, 2024	% change
Company Share Price (closing)	9.98	7.35	0.01
Sensex (Closing)	59,106.44	73,651.35	24.61

7) Registrar and Transfer Agents:

M/s. CIL Securities Ltd.

214, Raghava Ratna Towers, Chirag Ali Lane, Abids,Hyderabad -500001

Tel. # 040-23202465, 23203155

Fax # (040) 23203028, 66661267

Email: advisors@cilsecurities.com

a. Share Transfer System:

The Company's Share transfers are taken care by M/s. CIL Securities Limited, Depository Registrars and Share Transfer Agents appointed by the Company. Transfers which are received in physical form are processed and the share certificates are returned within a period of 15 days from

the date of receipt, subject to documents being valid and complete in all respects.

b. Distribution of Shareholding as on 31st March 2024:

Sl. No.	Category	No. of Shareholders	Percentage of Shareholders	No. of Equity Shares	Percentage of Shareholding
1.	0-500	632	67.45	61382	1.44
2.	501-1000	79	8.43	70559	1.66
3.	1001-2000	44	4.70	72828	1.71
4.	2001-3000	47	5.02	116079	2.73
5.	3001-4000	13	1.39	49674	1.17
6.	4001-5000	38	4.06	183614	4.32
7.	5001-10000	40	4.27	327400	7.70
8.	10001-4251700	44	4.70	3370164	79.27
Total		937	100.00	42,51,700	100.00

c. Dematerialization of Shares:

The Company's shares are available for holding / transfer in depository system of both Central Depository Services (India) Limited and National Securities Depository Limited. The members have the option of holding the shares in physical or dematerialized form. The processing activities with respect to the requests received for dematerialization are generally completed within 15 days from the date of receipt of request.

The ISIN No. allotted for the equity shares of the Company – INE 039D01014.

As on 31st March 2024 a total no of 35,92,500 equity shares of the Company stand dematerialized constituting 68.9% of the paid-up share capital of the Company.

d. Outstanding GDRs / ADRs / Warrants / Convertible Debentures during the year 2023-2024:

The Company has not issued any GDRs / ADRs / Warrants / Convertible Debentures during the year 2023-2024.

e. Commodity price risk or foreign exchange risk and hedging activities: NIL

f. Plant Locations:

The Company doesn't have manufacturing facilities. However, the Company has the SoftwareDevelopment facilities, the particulars of which are given below:

Development facilities / Branch	Location
Hyderabad	Plot No. 28, Goyal Society, Moti Valley, Tirmulgherry, Secunderabad, Telangana – 500015, India

g. Address for correspondence:

i) For any query in Demat : M/s. CIL Securities Ltd.

214, Raghava Ratna Towers, Chirag Ali Lane, Abids, Hyderabad, Telangana, India -500001

Tel. # 040-23203155

Email : advisors@cilsecurities.com

ii) For any other queries: Registered Office of the Company

Plot No. 28, Goyal Society, Moti Valley, Tirmulgherry

Secunderabad, Telangana, India – 500 015.

Phone # 2774 4413

E-mail: info@hypersoftindia.com Website: www.hypersoftindia.com

**DECLARATION UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA
(LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS,
2015**

I, Feroz Russi Bhote, Managing Director do hereby declare that pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, all the members of the Board and Senior Management Personnel of the Company have furnished their affirmation of compliance with the Code of Conduct of the Company.

Place: Secunderabad
Date: 30th August 2024

Sd/-
(Feroz Russi Bhote)
Managing Director
DIN: 00156590

Independent Auditor's Report

To the Members of Hypersoft Technologies Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Hypersoft Technologies Limited** (“the Company”), which comprise the Balance Sheet as at 31st March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, and its Loss, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significant 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. We have determined the matters described below to be the key audit matters to be communicated in our report.

S. No.	Key Audit Matter	Auditor's Response
1	<p data-bbox="418 352 862 604"><i>Accuracy of recognition, measurement, presentation and disclosure revenues and other related balances in view adoption of Ind AS 115 "Revenue from Contracts with Customers" Revenue accounting standard applicable from 1st April 2018.</i></p> <p data-bbox="418 636 862 1203">Application of the new revenue accounting standard from the current financial year involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of identified performance obligation, appropriateness of the basis used to measure revenue recognized over a period, and disclosures including presentations of balances in the standalone financial statements. Estimated efforts is a critical estimate to determine revenue, as it requires consideration of progress of the contract, efforts incurred till date, efforts required to complete the remaining performance obligation.</p> <p data-bbox="475 1234 862 1297">Refer Note 22 to the financial statements.</p>	<p data-bbox="922 352 1243 384"><u>Principal Audit Procedures:</u></p> <p data-bbox="922 384 1403 604">We assessed the Company's internal process to identify the impact of adoption of the new revenue accounting standard. Our audit approach consisted testing of the design and operating effectiveness of internal controls and procedures as follows:</p> <ul data-bbox="878 604 1403 1333" style="list-style-type: none"> • Evaluated the design of internal controls relating to implementation of the new revenue accounting standard. • Selected a sample of existing continuing contracts and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. • Tested the relevant information, accounting systems and change relating to contracts and related information used in recording and disclosing revenue in accordance with new revenue accounting standard. • Reviewed a sample of contracts to identify possible delays in achieving milestones, which require change in estimated efforts to complete the remaining performance obligations. • Performed analytical procedures and test of details for reasonableness and other related material items.

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 Directors Report and Corporate Governance Report but does not include the financial statements and our auditor's report thereon. The Directors Report and Corporate Governance Report are expected to be made available to us after the date of this auditor's report.

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

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

When we read the Directors report and Corporate Governance Report if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the IND AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities 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 scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act based on our audit, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

- (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act read with Rule 7 of Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 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 with reference to financial statements the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.
- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197 (16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with 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 according to the explanations given to us:

- i. The Company does not have 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 Management has represented that, to the best of its 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 to or in any other person or entity, including foreign entity (“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;
- (b) The Management has represented, that, to the best of its 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, 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;

(c) Based on the audit procedures that have been 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) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The Company has not declared dividends during the financial year under audit.

vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Sec 143 (11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Ramanatham & Rao
Chartered Accountants
Firm Regn. No. 002934 S

Place: Secunderabad
Date: 23rd May, 2024

(L Mahesh Kumar)
Partner
M. No. 212851
UDIN: 24212851BKELXO6934

Annexure – A to the Independent Auditors’ Report

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

We have audited the internal financial controls with reference to Financial Statements of Hypersoft Technologies Limited (“the Company”) as of 31st 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 with reference to these financial statements 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 with reference to these financial statements were 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 with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to these financial statements 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 with reference to these financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to financial statements 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 with reference to financial statements 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 with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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 with reference to financial statements and such internal financial controls over financial reporting were operating effectively as at 31st March, 2024 based on the internal control with reference to financial statements 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 **Ramanatham & Rao**
Chartered Accountants
Firm Regn. No. 002934 S

Place: Secunderabad
Date: 23rd May, 2024

(L Mahesh Kumar)
Partner
M. No. 212851
UDIN: 24212851BKELXO6934

Annexure - B to the Independent Auditors' Report

(The Annexure referred to in our Independent Auditors' Report to the members of the Hypersoft Technologies Ltd. on the financial statements for the period ended 31st March 2024)

- 1.1 In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - a) The Company is maintaining proper records showing full particulars including the Quantitative details and the situation of Plant, Property & Equipment.
 - b) The company is maintaining proper records showing full particulars of intangible assets
- 1.2 The Property, Plant and Equipment have been physically verified by the Management at reasonable intervals, and according to the information and explanations given to us, no material discrepancies were noticed on such verification. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its business.
- 1.3 According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable property are held in the name of company.
- 1.4 During the year the Company has disposed of (sold) all of its immovable property hence clause 3 (i) (c) of the order is not applicable.
- 1.5 During the year the company has not revalued any of its Plant Property and Equipment.
- 1.6 No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- 2.1 The Company has inventory in the form of software products and licences. The management has carried out physical verification of inventory at reasonable interval. As per the information given to us are no material discrepancies noticed on such verification.
- 2.2 The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- 3.1 The Company has not made any investments in, provided any guarantee or security or granted any loans, secured or unsecured during the period and hence clause 3 (iii) is not applicable.
- 4.1 In our opinion and according to the information and explanations given to us, the Company has not given any loans, made investments or provided securities to companies and other parties listed under section 185 and 186 of the Act.
- 5.1 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.
- 6.1 The Central Government has not prescribed the maintenance of Cost records under section 148 (1) of the Act, for any of the services rendered by the Company. Hence, reporting under clause 3(vi) of the Order is not applicable.
- 7.1 According to the information and explanations given to us and on the basis of our examination of the records, the Company is generally regular in depositing undisputed statutory dues

including provident fund, employees state insurance, income tax, sales tax, service tax, Goods and Services Tax and other taxes to the appropriate authorities. According to the information and explanations given to us, no undisputed amounts are payable in respect of provident fund, employees state insurance, income tax, sales tax, service tax, Goods and Services Tax and other taxes were in arrears as at 31st March 2024 for a period of more than six months from the date they became payable.

- 7.2 According to the information and explanations given to us, there are no material dues of duties or taxes which are disputed and not deposited with the concerned authorities.
- 8.1 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
- 9.1
- a) The Company does not have any loans or borrowings from any financial institution, banks, government, or debenture holders during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
 - 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.
 - f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- 10.1
- (a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 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.
- 11.1
- (a) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
 - (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
 - (c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.

- 12.1 The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- 13.1 According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- 14.1 In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- 14.2 We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- 15.1 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.
- 16.1 In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi) of the Order is not applicable.
- 17.1 The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- 18.1 There has been no resignation of the statutory auditors of the Company during the year.
- 19.1 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. Provisions of Corporate Social Responsibility (CSR) are not applicable to the company, hence clause 3 (xx) is not applicable to the Company.

21. The reporting under clause (xxi) of the order is not applicable in respect of the audit of standalone financial statements of the company. Accordingly, no comment has been included in respect of the said clause under this report.

For **Ramanatham & Rao**
Chartered Accountants
Firm Regn. No. 002934 S

Place: Secunderabads
Date: 23rd May, 2024

(L Mahesh Kumar)
Partner
M. No. 212851
UDIN: 24212851BKELXO6934

HYPERSOFT TECHNOLOGIES LIMITED
BALANCE SHEET AS AT 31-03-2024

Particulars	Note No	As at March 31, 2024	As at March 31, 2023
		RS. In Lakhs	RS. In Lakhs
ASSETS			
Non-current assets			
Property, plant and equipment	2	3.24	187.16
Other Intangible Assets	2	0.39	0.55
Financial assets		-	-
(i) Other financial assets	3	3.07	3.07
Deferred tax Assets (net)	4	6.28	5.65
Total non-current assets		12.98	196.43
Current Assets			
Inventories	5	0.00	37.00
Financial assets			
i) Trade receivables	6	7.70	9.22
ii) Cash and cash equivalents	7	8.12	5.60
iii) Other Bank balances	8	237.62	115.27
iv) Loans		-	-
v) Other financial assets	9	1.67	0.49
Current Tax assets	10	6.66	6.22
Other current assets	11	4.17	3.59
Total current assets		265.94	177.38
TOTAL ASSETS		278.92	373.81
EQUITY AND LIABILITIES:			
Equity			
Equity share capital	12	449.22	449.22
Other equity	13	(227.59)	(126.25)
Total equity		221.63	322.97
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings		-	-
(ii) Other financial liabilities	14	-	-
Provisions	15	37.92	22.70
Total non-current liabilities		37.92	22.70
Current liabilities			
Financial liabilities			
(i) Borrowings	16	1.60	13.89
(ii) Trade payables	17	1.51	2.81
(iii) Other financial liabilities	18	1.72	2.36
Provisions	19	8.88	6.90
Other current liabilities	20	5.66	2.17
Total current liabilities		19.37	28.14
Total liabilities		57.29	50.84
Total equity and liabilities		278.92	373.81
Significant Accounting Policies	1		
The accompanying notes form an integral part of financial statements			
As Per our report of even date		For and on behalf of the Board	
RAMANATHAM & RAO		-Sd-	
Chartered Accountants		FEROZ RUSSI BHOTE	
FR No : 002934 S		Managing Director	
-Sd-		-Sd-	
L MAHESH KUMAR		UMESH CHANDRA LUNKER	
Partner		Director	
Membership No : 212851			
-Sd-		-Sd-	
Place: HYDERABAD		SHILPA AGARWAL	
Date.23-05-2024		Company Secretary	

HYPERSOFT TECHNOLOGIES LIMITED			
STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED ON 31-03-2024			
PARTICULARS	NOTE No	YEAR ENDED	YEAR ENDED
		ENDED MARCH 31, 2024	ENDED MARCH 31, 2023
		RS. In Lakhs	RS. In Lakhs
INCOME:			
Revenue from operations	21	82.67	86.95
Other income	22	10.40	9.05
Total Income		93.06	96.00
EXPENSES:			
Cost of material consumed		-	-
Changes in inventories of finished goods (Database Licenses purchased)	23	0.50	4.00
Stock-in-Trade and work-in-progress		-	-
Employee benefit expenses	24	72.48	58.13
Depreciation and amortisation expenses	25	1.88	4.74
Other expenses	26	42.65	37.01
Finance cost	27	0.58	0.49
Total expenses		118.08	104.37
PROFIT BEFORE TAX & EXCEPTIONAL ITEMS		(25.02)	(8.37)
Exceptional Items		39.55	-
Profit/(Loss) before Tax		(64.57)	(8.37)
Current tax	28	2.93	0.00
Deferred tax	28	(0.53)	2.86
Total tax expenses		2.40	2.86
PROFIT FOR THE YEAR		(66.97)	(11.23)
Other comprehensive income			
Items should not be reclassified to profit or loss			
Remeasurement of PPE		(42.57)	0.00
Remeasurement of the net defined benefit liability /asset, net		(0.41)	2.09
Income tax relating to these items		8.62	(0.52)
Other comprehensive income for the year net of tax		(34.36)	1.57
Total comprehensive income for the year		(101.33)	(9.66)
Earnings per equity share for profits from operations attributable to the owners of the Company			
Basic earnings per share in Rupees		(1.58)	(0.26)
Diluted earnings per share in Rupees		(1.58)	(0.26)
The accompanying notes form an integral part of financial statements			
As Per our report of even date		For and on behalf of the Board	
RAMANATHAM & RAO			
Chartered Accountants		-Sd-	
FR No : 002934 S		FEROZ RUSSI BHOTE	
		Managing Director	
-Sd-			
L MAHESH KUMAR		- Sd -	
Partner		UMESH CHANDRA LUNKER	
Membership No : 212851		S KHUDAVENTH	
		Chief Financial Officer	
		- Sd -	
Place: HYDERABAD		SHILPA AGARWAL	
Date :23-05-2024		Company Secretary	

HYPERSOFT TECHNOLOGIES LIMITED		
CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31-03-2024		
PARTICULARS	31ST MARCH, 2024	31ST MARCH, 2023
	RS. In Lakhs	RS. In Lakhs
<u>CASH FLOW FROM OPERATING ACTIVITIES</u>		
Net Profit / (Loss) Before Tax	(64.57)	(8.40)
Adjustments to reconcile net cash provided by operating activities :		
Depreciation	1.88	4.77
Interest Expenses	0.58	0.49
Interest Income	(9.47)	(5.76)
Loss on Sale of Assets	3.05	-
Current Tax Paid	3.00	-
Operating Profit / (Loss) before working capital change	(65.53)	(8.90)
Adjustments for		
Non-Current Provisions	14.80	(6.09)
Financial Liabilities	(0.64)	(0.83)
Trade Payables	(1.30)	1.29
Current Provisions	1.98	(0.22)
Other Current Liabilities	(2.45)	(2.90)
Current Assets		
Inventories	37.00	4.00
Trade Receivables	1.52	(3.49)
Other Financial Assets	(123.52)	(3.33)
Other Current Assets	(1.03)	1.39
Cash from Operations	(139.16)	(19.07)
Net Cash generated from Operating Activities	(139.16)	(19.07)
<u>CASH FLOW FROM INVESTING ACTIVITIES</u>		
Purchase of Fixed Assets	-	(0.14)
Proceeds on Sale of Fixed Assets	145.09	-
Non Current - Other Financial Assets	-	-
Other Non Current Assets	-	-
Interest received	9.47	5.76
Cash Flow from Investing Activities	154.56	5.63
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Short term borrowings	(12.30)	13.89
Changes in Non Current Liabilities	-	-
Interest paid	(0.58)	(0.49)
Cash flow from Financing Activities	(12.88)	13.40
Net Increase / (Decrease) in Cash and Cash Equivalents	2.52	(0.04)
Cash and Cash Equivalents at the beginning of the year	5.60	5.64
Cash and Cash Equivalents at the end of the PERIOD/YEAR	8.12	5.60
The accompanying notes form an integral part of financial statements		
As Per our report of even date	For and on behalf of the Board	
RAMANATHAM & RAO		
Chartered Accountants		
FR No : 002934 S		-Sd-
		FEROZ RUSSI BHOTE
-Sd-		Managing Director
L MAHESH KUMAR	-Sd-	
Partner	S. KHUDAVENTH	
Membership No : 212851	Chief Financial Officer	- Sd -
	-Sd-	UMESH CHANDRA LUNKER
	SHILPA AGARWAL	Director
	Company Secretary	
Place: Hyderabad		
Date :23-05-2024		

HYPERSOFT TECHNOLOGIES LIMITED
Statement of Changes in Equity

Rs						
A. EQUITY SHARE CAPITAL						
Balance at the Beginning of the Reporting Period as at April 01, 2021	Changes in Equity Share capital during the year	Balance at the End of the Reporting Period as at March 31, 2023				
449.22	-	449.22				
<hr/>						
Balance at the Beginning of the Reporting Period as at April 01, 2022	Changes in Equity Share capital during the year	Balance at the End of the Reporting Period as at March 31, 2024				
449.22	-	449.22				
<hr/>						
B. OTHER EQUITY						
Rs						
Particulars	Reserves and Surplus				Other items of other comprehensive income	Total
	Retained Earnings	Capital Reserve	Share Premium	Revaluation Surplus		
Balance at the Beginning of the Reporting Period as at April 01, 2022	(258.52)	37.88	32.75	88.64	(17.33)	(116.59)
Changes in accounting policy/ prior period adjustments	0.00	0.00	0.00	0.00	0.00	0.00
Restated balance at the beginning of the Accounting Period as at April 01, 2022	(258.52)	37.88	32.75	88.64	(17.33)	(116.59)
Total Income for the year	(11.23)	0.00	0.00	0.00	0.00	(11.23)
Remeasurements of post-employment benefit obligation, net of tax through Other Comprehensive Income	0.00	0.00	0.00	0.00	1.57	1.57
Dividend paid	0.00	0.00	0.00	0.00	0.00	0.00
Transfer to Retained Earnings	0.00	0.00	0.00	0.00	0.00	0.00
Balance at the end of the Reporting Period as at March 31, 2023	(269.75)	37.88	32.75	88.64	(15.76)	(126.25)
<hr/>						
Particulars	Reserves and Surplus				Other items of other comprehensive income	Total
	Retained Earnings	Capital Reserve	Share Premium	Revaluation Surplus		
Balance at the Beginning of the Accounting Period as at April 01, 2023	(269.75)	37.88	32.75	88.64	(15.76)	(126.25)
Changes in accounting policy/ prior period adjustments	0.00	0.00	0.00	0.00	0.00	0.00
Restated balance at the beginning of the Accounting Period as at April 01, 2023	(269.75)	37.88	32.75	88.64	(15.76)	(126.25)
Total income for the year	(66.98)	0.00	0.00	0.00	0.00	(66.98)
Remeasurements of post-employment benefit obligation, net of tax through Other Comprehensive Income	0.00	0.00	0.00	0.00	(0.31)	(0.31)
Dividend paid	0.00	0.00	0.00	0.00	0.00	0.00
Fair Value Changes in PPE	0.00	0.00	0.00	0.00	(34.06)	(34.06)
Transfer to retained earnings	88.64	0.00	0.00	(88.64)	0.00	0.00
Balance at the end of the Accounting Period as at March 31, 2024	(336.73)	37.88	32.75	0.00	(50.13)	(227.59)
The accompanying notes form an integral part of financial statements						
As Per our report of even date RAMANATHAM & RAO Chartered Accountants FR No : 002934 S			For and on behalf of the Board			
-Sd-	-Sd-	-Sd-				
L MAHESH KUMAR Partner Membership No : 212851	S. KHUVAVENTH Chief Financial Officer	FEROZ R. BHOTE Managing Director				
	-Sd-	-Sd-				
	SHILPA AGARWAL Company Secretary	UMESH CHANDRA LUNKER Director				
Place: Hyderabad Date :23-05-2024						

Note 1: MATERIAL ACCOUNTING POLICIES

A: CORPORATE INFORMATION

The accompanying financial statements comprise the financial statements of HYPERSOFT Technologies Limited (the Company). The Company is a public Company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at Hyderabad, Telangana, India.

B. BASIS OF ACCOUNTING:

The financial statements are prepared and presented in accordance with Generally Accepted Accounting Principles in India (GAAP), mainly comprising the mandatory Accounting Standards(IND AS) as notified under section 133 of the Companies Act, 2013 read with the Companies(Indian Accounting Standards) Rules, 2015 to the extent applicable and the provisions of the Companies Act, 2013.

Balance Sheet , Statement of Profit and Loss, Cash Flow Statement and Statement of Changes in Equity are prepared in conformity with Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') , the provisions of the Act (to the extent notified) and guide lines issued by the Securities and Exchange Board of India (SEBI).

Accounting policies have been consistently applied except where a newly issued Accounting Standard is initially adopted or a revision to an existing Accounting Standard requires a change in accounting policy hitherto in use.

The company generally follows mercantile system of Accounting and recognizes significant items of income and expenditure on accrual basis.

C. USE OF ESTIMATES:

The preparation of Financial Statements in conformity with GAAP requires estimates and assumptions (including revisions if any) that affect the reported amount of assets and liabilities, disclosure of contingent liability on the date of financial statements and the reported amount of Revenue and expenses during the reporting period. Differences between the actual results and estimates are recognized in the period in which the results are known/materialized.

This note provides an overview of the areas that involve a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in the relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Critical Estimates and judgments

The areas involving critical estimates or judgments are:

- Estimation of current tax expense and payable
- Estimation of defined benefit obligation
- Estimation of useful life of Property, Plant and Equipment

- Impairment of trade receivables

D. BASIS OF MEASUREMENT

The financial statements have been prepared on a historical cost basis except for certain assets and liabilities which have been measured at fair value as per applicable IND AS accounting standards.

The Financial Statements are presented in Indian Rupees (INR), except when otherwise indicated, which is the functional currency of the Company.

E. REVENUE RECOGNITION:

The Company derives revenues primarily from business IT services comprising of software development and related products.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.

Interest income is accrued on a time basis, by reference to the principal outstanding and the applicable effective interest rate.

F. PROPERTY, PLANT & EQUIPMENT:

Property, Plant & Equipment are disclosed at historical cost of acquisition.

G. DEPRECIATION:

During the year, depreciation is provided on the straight line method and based on the useful life and in the manner specified in schedule II of the Companies Act, 2013.

H. PRIOR PERIOD / PREPAID EXPENSES:

Expenditure less than Rs.10,000/- are not classified into Prior Period Expenditure or Prepaid Expenses in view of the fact that they are not material in nature.

I. FOREIGN CURRENCY TRANSACTIONS:

Transactions in foreign currencies are accounted at functional currency, at the exchange rate prevailing on the date of transactions. Gains / losses arising out of the fluctuations in the exchange rate between functional currency and foreign currency are recognized in the Statement of Profit & Loss in the period in which they arise.

The fluctuations between foreign currency and functional currency relating to monetary items at the year ending are accounted as gains / losses in the Statement of Profit & Loss

J) INCOME TAX

Tax expense comprises of current and deferred taxes.

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. The management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

K. PROVISIONS & CONTINGENCIES:

Provisions are recognized in the books when there is a present obligation as a result of past events involving substantial degree of estimation and it is probable that there will be an outflow of economic resources. contingent liabilities, if any, are not recognized but are disclosed in the notes.

L. FINANCIAL INSTRUMENTS:

Non-Derivative Financial Instruments:

Non-derivative financial instruments are recognized initially at fair value when the Company becomes a party to the contractual provisions of the instrument.

Dividend and interest income are recognized when earned.

Non-derivative financial instruments consists of

- a) Financial Assets which includes Cash and Cash equivalents, trade receivables, unbilled revenue and eligible current and non-current assets.

- b) Financial Liabilities includes short term and long term borrowings bank overdrafts, trade payables and eligible current and non-current liabilities.

Cash and cash equivalents

Cash and cash equivalents include all cash balances and short-term highly liquid investments with an original maturity of three months or less that are readily convertible into known amounts of cash which are subject to insignificant risk of change in value. Bank overdraft, if any are shown within borrowings in current liabilities in the Balance Sheet.

Receivables

Trade and other receivables

Receivables are initially recognized at fair value, which in most cases approximates the nominal value. If there is any subsequent indication that those may be impaired, they are reviewed for impairment.

Trade and other payables

Liabilities are recognized for amounts to be paid in future for goods or services received, Whether billed by the supplier or not.

M. EVENTS AFTER THE REPORTING PERIOD

Adjusting events are events that provide further evidence of condition that existed at the end of the reporting period. The financial statements are adjusted for such events before authorization for issue.

Note - 2 : Property, plant and equipment:											
The changes in the carrying value of property, plant & equipment for the year ended March 31, 2024											
Asset Description	Gross carrying amount				Accumulated Depreciation & Amortisation				Net carrying amount		
	As at April 1, 2023	Additions/adjustments	Deletions/adjustments	As at March 31, 2024	As at April 1, 2023	Depreciation for the Year	Depreciation of Deletions	Total Depreciation as on Mar-24	As at March 31, 2024	As at March 31, 2023	
Building own	225.79	-	225.79	-	42.18	1.41	43.59	-	-	-	183.61
Plant and Machinery	21.06	-	-	21.06	21.06	-	-	21.06	-	-	-
Furniture and Fixtures	10.49	-	-	10.49	9.96	-	-	9.96	0.52	0.52	0.52
Office Equipments	13.24	-	-	13.24	12.00	0.17	-	12.17	1.07	1.24	1.24
Vehicles	11.49	-	-	11.49	10.71	0.07	-	10.78	0.71	0.78	0.78
Computers	23.36	-	-	23.36	22.36	0.06	-	22.42	0.94	1.00	1.00
	305.44	-	225.79	79.65	118.28	1.71	43.59	76.40	3.24	187.16	187.16
Other Intangible Assets:											
Gross carrying amount											
Asset Description	As at April 1, 2023	Additions/adjustments	Deletions/adjustments	As at March 31, 2024	Accumulated Depreciation & Amortisation				Net carrying amount		
					As at April 1, 2023	Depreciation for the Year	Depreciation of Deletions	Total Depreciation as on Mar-24	As at March 31, 2024	As at March 31, 2023	
Computer Software: Acquired	1.78	-	-	1.78	1.22	0.17	-	1.39	0.39	0.55	0.55
TOTAL	307.22	-	225.79	81.43	119.50	1.88	43.59	77.79	3.63	187.71	187.71

The changes in the carrying value of property, plant & equipment for the year ended March 31, 2023											
Asset Description	Gross carrying amount				Accumulated Depreciation & Amortisation				Net carrying amount		
	As at April 1, 2022	Additions/adjustments	Deletions/adjustments	As at March 31, 2023	As at April 1, 2022	Depreciation for the Year	Depreciation of Deletions	Total Depreciation as on Mar-23	As at March 31, 2023	As at March 31, 2022	
Building own	225.79	-	-	225.79	37.95	4.23		42.18	183.61	187.84	
Plant and Machinery	21.06	-	-	21.06	21.06	-		21.06	-	-	
Furniture and Fixtures	10.49	-	-	10.49	9.96	-		9.96	0.52	0.52	
Office Equipments	13.24	-	-	13.24	11.83	0.17		12.00	1.24	1.41	
Vehicles	11.49	-	-	11.49	10.60	0.11		10.71	0.78	0.89	
Computers	23.22	0.14	-	23.36	22.30	0.06		22.36	1.00	0.92	
	305.30	0.14	-	305.44	113.71	4.57			187.16	191.59	
Other Intangible Assets:											
Gross carrying amount											
Asset Description	As at April 1, 2022	Additions/adjustments	Deletions/adjustments	As at March 31, 2023	As at April 1, 2022	Depreciation for the Year	Depreciation of Deletions	Total Depreciation as on Mar-23	As at March 31, 2023	As at March 31, 2022	
Computer Software: Acquired	1.78	-	-	1.78	1.06	0.17			0.55	0.72	
TOTAL	307.08	0.14	-	307.22	114.76	4.74			187.71	192.31	

Note - 3 : Other Financial Assets - Non Current		
All amounts in INR in Lakhs unless otherwise stated		
Particulars	As at	As at
	31-Mar-24	31-Mar-23
Non-current		
Security deposits	3.07	3.07
Total other financial assets - non-current	3.07	3.07
Note - 4 : Deferred Tax Assets (Net)		
The balance comprises temporary differences attributable to:		
Particulars	As at	As at
	31-Mar-24	31-Mar-23
(a) On time Difference of Depreciation		
Opening Balance	(14.90)	(15.97)
For the Year	14.83	1.08
Closing Balance Asset / (Liability)	(0.06)	(14.90)
(b) On time Difference of Gratuity		
Opening Balance	5.31	9.69
For the Year charged (debited) to P & L A/c	(0.93)	3.86
For the Year charged to Other Comprehensive Income	(0.10)	0.52
For the Year		
Closing Balance Asset / (Liability)	6.34	5.31
(c) On time Difference of Doubtfull debts		
Opening Balance	-	-
For the Year	-	-
Closing Balance Asset / (Liability)	-	-
(d) Un-used Tax credits		
Opening Balance	15.23	15.31
For the Year	(15.23)	(0.08)
Closing Balance Asset / (Liability)	-	15.23
(d) Net Deferred to Asset / (Liability)	6.28	5.65
(e) Adjustment for the year ((Exp) / Income)	(0.53)	2.86
(e) Adjustment for the year OCI	(0.10)	0.52
Note - 5 : Inventories		
Particulars	As at	As at
	31-Mar-24	31-Mar-23
Finished goods (Closing Stock of Database Licenses purchased)	-	37.00
Total Inventories	-	37.00

Particulars	As at	As at
	31-Mar-24	31-Mar-23
Trade receivables	7.70	9.22
Less: Write off of bad debts	-	-
Total trade receivables	7.70	9.22
Break-up of security details		
a) UnSecured, considered good		
For a period Exceeding 6 Months	7.70	7.15
For a period not exceeding 6 Months		2.07
b) Trade receivables which have significant increase in credit risk	-	-
c) Trade receivables - credit impaired	-	-
d) Trade receivables from related parties	-	-
Less: Allowance for expected credit losses	-	-
Total	7.70	9.22
Less: Write off of bad debts	-	-
Total trade receivables	7.70	9.22
Note - 6.1 : Trade Receivables - Ageing Schedule		
Trade receivables ageing schedule for the year ended as on March 31, 2023 and March 31, 2022		
	As at	As at
	31-Mar-24	31-Mar-23
- Undisputed trade receivables considered good		
a) Less than 6 months	-	7.15
b) 6 months to 1 year	7.70	2.07
c) 1 year to 2 years	-	-
d) 2 year to 3 years	-	-
e) More than 3 years	-	-
Total	7.70	9.22
Note - 6.2 : There are no disputed trade receivables and doubtful trade receivables		
Note - 7 : Cash and Cash Equivalents		
	As at	As at
	31-Mar-24	31-Mar-23
Balances with banks		
- in current accounts	7.84	5.35
Cash on hand	0.29	0.25
Total cash and cash equivalents	8.12	5.60
Note - 8 : Bank Balances other than above		
	As at	As at
	31-Mar-24	31-Mar-23
Bank deposits with maturity more than 3 months but less than 12 months *	237.61	115.27
(* Rs.25,21,128/- held as lien for Overdraft in Current Year		
Previous Year - Rs.14,64,153/-)		
Total cash and cash equivalents	237.61	115.27

Note - 9 : Other Financial Assets - Current		
Particulars	As at	As at
	31-Mar-24	31-Mar-23
Unsecured, considered good		
Security deposits	-	-
Interest Accrued but not due	1.67	0.49
Total other financial assets - current	1.67	0.49
Note - 10 : Current Tax Assets - (Net)		
Particulars	As at	As at
	31-Mar-24	31-Mar-23
Balances with government authorities - Tax deducted at Source	6.66	6.22
Total other non-current assets	6.66	6.22
Note - 11 : Other Current Assets		
Particulars	As at	As at
	31-Mar-24	31-Mar-23
<i>Advances other than capital advances</i>		
<i>Unsecured (Considered good)</i>		
Advances to Suppliers	-	-
Balances with government authorities - Indirect Tax Credits	0.00	0.00
Prepaid Expenses	1.28	2.51
Other Advances	2.88	1.07
Total other current assets	4.17	3.59

Note - 12 : Equity Share Capital				
Authorised equity share capital				
Particulars	As at		As at	
	31-Mar-24		31-Mar-23	
Authorised equity share capital				
Ordinary Shares of par value of Rs.10/- each number			60.00	60.00
Amount Rs		600.00		600.00
Issued, Subscribed and fully paid				
42,51,700 Equity Shares of Rs10 each fully paid			425.17	425.17
Add: Forfeited Shares			24.05	24.05
As at March 31, 2024			449.22	449.22
(i) Reconciliation of number of Shares				
Particulars	As at		As at	
	31-Mar-24		31-Mar-23	
Equity Shares outstanding at the beginning of the year			42.52	42.52
Add:				
1. No. of Shares allotted as fully paid up bonus during the year as fully paid up pursuant to a contract without payment			-	-
3. No. of Shares allotted to employees pursuant to ESOPs/ ESPs			-	-
4. No. of Shares allotted for cash pursuant to public issue.			-	-
Less:				
1. No. Of shares bought back during the year			-	-
Equity Shares outstanding at the end of the year			42.52	42.52
Terms and rights attached to equity shares				
1)The Company has one class of equity shares having a par value of INR 10. Each shareholder is eligible for one vote per share held.				
2) Forfeited shares represents 9,61,900 equity shares of Rs.10/- each forfeited on 20th June,1988 against which the company has received Rs 2.50 per share				
(ii) Details of shareholders holding more than 5% shares in the Company				
Particulars	As at		As at	
	31-Mar-24		31-Mar-23	
		Number of shares (% holding)		Number of shares (% holding)
(a) D.R Bhote		511675 (12.03%)		511675 (12.03%)
(b) F.R. Bhote		641650 (15.09%)		605650 (14.24%)
(c) Kashmira D Bhote		254000 (5.97%)		230900 (5.43%)
(d) Savio Pinto		235089 (5.53%)		250000 (5.88%)
(ii) Details of Promoter shareholding in the Company				
			FY 2023-24	
Promoter Name	Number of Shares held	% of Total Shares	% Change during the year	
(a) D.R Bhote	511,675	12.03%	-	
(b) F.R. Bhote	641,650	15.09%	-	
(c) Kashmira D Bhote	254,000	5.97%	-	

Note - 13 : Reserves and Surplus		
Particulars	As at	As at
	31-Mar-24	31-Mar-23
Capital Reserve	37.88	37.88
Revaluation Surplus	-	88.64
Securities Premium	32.75	32.75
Retained earnings	(298.22)	(285.51)
Total reserves and surplus	(227.59)	(126.25)
(a) Capital reserve		
Particulars	As at	As at
	31-Mar-24	31-Mar-23
Opening balance	37.88	37.88
Additions during the year	-	-
Deductions/Adjustments during the year	-	-
Closing balance	37.88	37.88
(b) Revaluation reserve		
Particulars	As at	As at
	31-Mar-24	31-Mar-23
Opening balance	88.64	88.64
Additions during the year	-	-
Deductions/Adjustments during the year	88.64	-
Closing balance	-	88.64
(c) Securities Premium		
Particulars	As at	As at
	31-Mar-24	31-Mar-23
Opening balance	32.75	32.75
Additions during the year	-	-
Deductions/Adjustments during the year	-	-
Closing balance	32.75	32.75
(d) Retained earnings		
Particulars	As at	As at
	31-Mar-24	31-Mar-23
Opening balance	(285.51)	(275.85)
Net profit for the period	(66.98)	(11.23)
Transfer from Revaluation Reserve	88.64	-
<i>Restatement adjustments- net of tax</i>	(34.37)	1.57
Closing balance	(298.22)	(285.51)

Note - 14 : Other Financial Liabilities - Non Current		
Particulars	As at	As at
	31-Mar-24	31-Mar-23
Deposits- others	-	-
Total of Other current financial liabilities	-	-
Note - 15 : Provisions - Non Current		
Particulars	As at	As at
	31-Mar-24	31-Mar-23
Employee Benefit Obligations		
Gratuity Payable	26.44	22.70
Others	11.48	-
Total of Provisions - Non Current	37.92	22.70
Note - 16 : Current Borrowings		
Particulars	As at	As at
	31-Mar-24	31-Mar-23
Secured		
From Banks		
Bank Overdrafts	1.60	13.89
Total current borrowings	1.60	13.89
(i) Bank Overdraft is secured under hypothecation by way of charge on Fixed Deposits of the Company		
(ii) Maturity date - Payable on demand		
(iii) Terms of repayment - Payable on Demand		
(iv) Interest Rate - 7.15%		
Note - 17 : Trade Payables		
Particulars	As at	As at
	31-Mar-24	31-Mar-23
Trade payables	1.51	2.81
Total trade payables	1.51	2.81
Note - 17.1 : Trade Payables		
There is no interest due or outstanding on the dues to Micro, Small and Medium Enterprises. During the year ended March 31, 2024 and March 31, 2023, no amount was paid beyond the appointed day as defined in the Micro, Small and Medium Enterprises Development Act 2006		
Note - 17.2 : Trade Payables		
Trade payables ageing schedule for the year ended as on March 31, 2024 and March 31, 2023		
	As at	As at
	31-Mar-24	31-Mar-23
-Outstanding dues to Micro & Small Entps		
a) Less than 1 year	-	-
b) 1 year to 2 years	-	-
c) 2 year to 3 years	-	-
d) More than 3 years	-	-
Sub - Total (A)	-	-
- Other dues		
a) Less than 1 year	1.51	2.81
b) 1 year to 2 years	-	-
c) 2 year to 3 years	-	-
d) More than 3 years	-	-
Sub - Total (B)	1.51	2.81
Total (A=B)	1.51	2.81
There are no disputed amounts outstanding against trade payables.		

Note - 18 : Other Financial Liabilities - Current				
Particulars		As at	As at	
		31-Mar-24	31-Mar-23	
Expenses payable		1.72	2.36	
Others		-	-	
Total other financial liabilities		1.72	2.36	
Note - 19 : Provisions - Current				
Particulars		As at	As at	
		31-Mar-24	31-Mar-23	
Employee Benefit Obligations				
Gratuity Payable		2.93	2.54	
Provident Fund		4.74	4.36	
Others		1.22	-	
Total other current financial liabilities		8.88	6.90	
Note - 20 : Other Current Liabilities				
Particulars		As at	As at	
		31-Mar-24	31-Mar-23	
Advances from customers		4.50	-	
Statutory dues		1.16	2.17	
Total other current liabilities		5.66	2.17	

Note - 21 : Revenue from Operations		
	All amounts in INR unless otherwise stated	
Particulars	Year ended	Year ended
	31-Mar-24	31-Mar-23
Sale of products	0.50	4.56
Sale of Services	82.17	82.40
Other operating revenue - Exports	-	-
Total revenue	82.67	86.95
21.1: Disaggregated Revenue :		
Particulars	Year ended	Year ended
	31-Mar-24	31-Mar-23
Sale of products	0.50	4.56
Sale of Services	82.17	82.40
Total revenue	82.67	86.95
21.2: Trade Receivables and Contract Balances		
a) The Company classifies the right to consideration in exchange for deliverables as receivable.		
b) A receivable is a right to consideration that is unconditional upon passage of time. Trade receivables are presented net of impairment in the Balance Sheet.		
21.3: Disclosures relating to pending performance obligations are not given since there are no pending obligations.		
Note - 22 : Other Income		
Particulars	Year ended	Year ended
	31-Mar-24	31-Mar-23
Interest income on deposits with banks	9.47	5.76
Other non operating inome	-	-
1. Rental Income	-	1.93
2. Other Income	0.92	1.35
Total other income	10.40	9.05

Note - 23 : Changes in inventories of finished goods (Database Licenses Purchased),	
Stock-in -Trade and work-in-progress			
Particulars	Year ended	Year ended	
	31-Mar-24	31-Mar-23	
Opening balance	37.00	41.00	
Less: Stocks written down	36.50	-	
	0.50	41.00	
Closing Balance	-	37.00	
Total Changes in inventories of finished goods			
(Database Licenses Purchased),			
Stock-in-Trade and work-in-progress (A-B)	0.50	4.00	
Note - 24 : Employee benefit Expense			
Particulars	Year ended	Year ended	
	31-Mar-24	31-Mar-23	
Salaries, wages and bonus	48.71	48.54	
Contribution to provident and other funds	6.00	4.52	
Gratuity	3.72	3.68	
Staff welfare expenses	1.36	1.39	
Earned Leave Encashment	12.70	-	
Total employee benefit expense	72.48	58.13	
Note - 25 : Depreciation and Amortisation Expense			
Particulars	Year ended	Year ended	
	31-Mar-24	31-Mar-23	
Depreciation of property, plant and equipment	1.88	4.74	
Total depreciation and amortisation expense	1.88	4.74	
Note - 26 : Other Expenses			
Particulars	Year ended	Year ended	
	31-Mar-24	31-Mar-23	
Power and Fuel	2.00	2.21	
Repairs & Maintenance- Vehicles & Others	5.68	6.44	
Repairs & Maintenance - Building	0.01	0.42	
Repairs & Maintenance - Plant & Machinery	0.28	0.26	
Communication Expenses	0.90	0.76	
Rates & Taxes	0.64	0.57	
Travel & conveyance	0.60	1.13	
Professional charges	5.80	4.26	
Payment to Auditors	0.90	0.92	
Insurance	0.13	0.14	
Selling and marketing expenses	0.54	1.26	
Directors' Remuneration	18.00	12.00	
Listing Fees	3.43	3.72	
Subscription & Membership	1.00	1.00	
Office Expenses	0.53	0.67	
Miscellaneous Expenses	2.21	1.24	
Total other expenses	42.65	37.01	

Details of payments to auditors		
Particulars	Year ended 31-Mar-24	Year ended 31-Mar-23
Payment to auditors		
As auditors:		
Statutory audit fee	0.90	0.92
In other capacities	-	-
Certification fees	-	-
Total	0.90	0.92
Note - 27 : Finance Costs		
Particulars	Year ended 31-Mar-24	Year ended 31-Mar-23
Interest and finance charges on financial liabilities calculated	0.57	0.48
Others	0.01	0.01
Total finance costs	0.58	0.49
Note - 28 : Income Tax Expense		
(a) Income tax expense		
Particulars	Year ended 31-Mar-24	Year ended 31-Mar-23
Current tax		
Current tax on profits for the year	2.93	-
Adjustments for current tax of prior periods	-	-
Total current tax expense	2.93	-
Deferred tax		
Decrease/(increase) in deferred tax assets	14.20	3.94
(Decrease)/increase in deferred tax liabilities	(14.83)	(1.08)
	(0.63)	2.86
Deferred tax expense/(benefit) trn to P & L Statement	(0.53)	2.86
Deferred tax expense/(benefit) OCI	0.10	0.52
Income tax expense	3.36	3.38

RATIOS:						
The following are analytical ratios for the year ended March 31, 2024 and March 31, 2023						
Particulars	Numerator	Denominator	31-03-2024	31-03-2023	Variance %	Reasons for Variance more than 25%
Current Ratio	Current assets	Current liabilities	13.73	6.30	117.80%	Increase in ratio due to increase in Other Bank Balances.
Debt – Equity Ratio	Total Debt	Shareholder’s Equity	0.72	0.04	1578.29%	Increase in ratio since increase in borrowings (OD)during the year.
Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	-	-	-	No term loans hence ratio is not applicable.
Return on Equity (ROE)	Net Profits after taxes	Average Shareholder’s Equity	(24.59)	(3.48)	-607.27%	Increase in Loss during the year
Inventory Turnover Ratio	Sales	Average Inventory	4.47	2.23	100.42%	Inventory written down during the year
Trade receivables turnover ratio	Revenue	Average Trade Receivable	9.77	11.64	16.00%	
Trade payables turnover ratio	Purchases of services and other expense	Average Trade Payables	19.73	4.27	362.27%	Ratio increased since increase in average expenses
Net capital turnover ratio	Revenue	Working Capital	0.34	0.58	42.46%	Decrease in Revenue
Net profit ratio	Net Profit	Revenue	-81.00%	-12.91%	-527.22%	Ratio Decreased since increase in expenditure
Return on capital employed (ROCE)	Earning before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	(0.11)	-0.02	-340.74%	Ratio Decreased since increase in expenditure
Return on Investment(ROI)	Income generated from investments	Time weighted average investments				No investments hence ratio is not applicable.

OTHER NOTES TO FINANCIAL STATEMENTS 2023-24:

Note No.29:Income Tax

A reconciliation of the Income Tax provision to the amount computed by applying the statutory income tax rate to the profit before tax is summarized as follows:

Particulars	Rs. In Lakhs	
	As at March 31, 2024	As at March 31, 2023
Profit (Loss) before tax	(66.97)	(8.37)
Enacted Tax rates for the financial year (Normal Rate)	26%	26%
Expected tax expense (A)	NIL	(2.18)
Tax affect on allowable items (B)	(0.14)	(2.19)
Tax affect on disallowable items (C)	5.55	2.56
Tax on incomes chargeable under other heads (D)	12.75	0.35
MAT Credit Aailed	15.23	NIL
Provision for income tax for the current year (A+B+C+D)	2.93	NIL
Deferred tax for the year - expense / (Income)	(0.53)	2.86
Net tax expense / (Income) for the year	2.40	2.86

Note No.30: Employee Benefits

- a) **Provident Fund:** Company pays fixed contribution to provident fund at predetermined rates to registered Provident fund administered by Central Government. The contribution of Rs.5,95,236/-(Previous year Rs.4,15,320/-) including administrative charges is recognized as expense and is charged in the Statement of Profit and Loss. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligations.
- b) **Gratuity:** Gratuity is non funded Defined Benefit Plan payable to the qualifying employees on separation. Company provides for gratuity for employees based on the present value of the Defined Benefit obligation and the related current service costs which are measured on actuarial valuation carried out as on Balance Sheet date. The liability has been assessed using Projected Unit Credit Method.

Reconciliation of opening and closing balances of the present value of the defined benefit obligation as at the year ended March 31, 2024 are as follows.

(Amount in Rs.)

I. Change in Benefit obligation:		As at March 31, 2024	As at March 31, 2023
Present value of obligation as at the beginning		25,24,287	27,80,516
a)	Interest Cost	1,89,069	1,75,370
b)	Current Service Cost	1,82,693	1,60,833
c)	Benefits paid	-	-
d)	Actuarial (gain) / loss	41,312	(1,15,826)
Present value of obligation at the end of the period		29,37,361	25,24,287

(Amount in Rs.)

II. Expenses recognized in the Statement of Profit & Loss:	As at March 31, 2024	As at March 31, 2023

a)	Current service Cost	1,82,693	1,79,211
b)	Interest Cost	1,89,069	1,88,845
c)	Expected return on Plan Assets	-	-
d)	Net Actuarial (gain)/loss recognized in the period	41,312	(2,08,900)
Expenses recognized in the statement of Profit & Loss		4,13,074	1,59,156

(Amount in Rs.)

III. Amounts recognized in the Balance Sheet		As at March 31, 2024	As at March 31, 2023
a)	Present value of Obligation as at the end of the period	29,37,361	25,24,287
b)	Fair value of Plan Assets at the end of the period	0	0
c)	Funded Status	0	0
d)	Liability recognized in Balance Sheet	29,37,361	25,24,287
	Current Liability	2,93,116	2,53,890
	Non Current Liability	26,44,245	22,70,397

IV. Principal Assumptions		As at March 31, 2024	As at March 31, 2023
a)	Discounting Rate	7.26%	7.49%
b)	Salary Escalation Rate	10%	10%
c)	Attrition Rate	8.50%	8.50%

The estimates of future salary increase considered in actuarial valuation, have been factored in inflation, seniority, promotion and other relevant factors.

The actuarial assumption for salary rise is 10 % (Previous Year 10%) and discount rate is 7.26% (Previous Year 7.49%).

V. Sensitivity of Present value of obligation		Defined Benefit Obligation	% Change
	Scenario		
1	Under Base Secenario	29,37,361	-
2	Salary Escalation – Up by 1%	30,49,575	3.82%
3	Salary Escalation – Down by 1%	28,24,610	-3.84%
4	Withdrawal Rates – Up by 1%	29,62,366	0.85%
5	Withdrawal Rates – Down by 1%	29,05,917	-1.07%
6	Discount Rates – Up by 1%	27,28,562	-7.11%
7	Discount Rates – Down by 1%	31,78,961	8.23%
8	Mortality Rates - Up by 10%	29,45,237	0.27%
9	Mortality Rates - Down by 10%	29,29,294	-0.27%

Note 31: Related Party Disclosures

- (i) Parties with whom company had transactions - NIL
- (ii) Key management personnel
 - a) Mr. F.R. Bhote, Managing Director
 - b) Mr. VinayVir, Director
- (iii) Remuneration to Key Management Personnel – Rs. 19.51 Lakhs (Previous year Rs. 13.32 Lakhs) as detailed below:

(Rs. in Lakhs)

Name of the Key Management Personnel	Position Held	Salary	Contribution to PF & Other benefits	Total
Mr.Feroz R Bhote	Managing Director	18.00 (12.00)	1.51 (1.32)	19.51 (13.32)

Note 32: Earnings per Share

(a) Earnings per share is calculated as shown below:

Rs. In Lakhs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Numerator :	(66.97)	(11.23)
Net Profit (Loss) after tax as per Statement of Profit and Loss		
Denominator :	42,51,700 Nos	42,51,700 Nos
Number of equity shares		
Number of equity shares allotted during the year	NIL	NIL
Weighted average number of equity shares for calculation of earnings per share (Basic & Diluted)	42,51,700 Nos	42,51,700 Nos
Nominal value of equity share	Rs. 10/-	Rs. 10/-
Earnings per share (Basic & Diluted) Amount in Rs.	(Rs.1.58)	(Rs.0.26)

Note 33: Segment Reporting

The Company has only one segment i.e. Software. It has identified India and Global as geographic segments.

Rs. In Lakhs

Revenue from geographic segments	As at March 31, 2024	As at March 31, 2023
India	82.67	86.94
Global	-	-

Note 34: Earnings in Foreign Currency

Earnings in Foreign Currency	As at March 31, 2024	As at March 31, 2023
Software services	-	-

Note 35: Foreign Currency outgo

Foreign Currency outgo	As at March 31, 2024	As at March 31, 2023
Nil	Nil	Nil

Note 36: Financial Instruments - Fair Values and Risk Management**Fair Value Measurements:**

Financial Instruments by Categories, its carrying value and Fair value

Rs. In Lakhs

As at 31 March, 2024					
Particulars	Amortized cost	FVTPL	FVTOCI	Carrying value	Total fair value as of March 31, 2024
Assets:					
Cash & Cash Equivalents	8.12	-	-	8.12	8.12
Bank balances	237.61			237.61	237.61
Trade Receivable	7.70	-	-	7.70	7.70
Loans	-	-	-	-	-
Other Financial Assets	1.67	-	-	1.67	1.67
Liabilities:					
Trade Payable	1.51	-	-	1.51	1.51
Borrowings	1.60	-	-	1.60	1.60
Other Financial Liabilities	1.72	-	-	1.72	1.72

As at 31 March, 2023					
Particulars	Amortized cost	FVTPL	FVTOCI	Carrying value	Total fair value as of March 31, 2023
Assets:					
Cash & Cash Equivalents	5.60	-	-	5.60	5.60
Bank balances	115.27			115.27	115.27
Trade Receivable	9.21	-	-	9.21	9.21
Loans	-	-	-	-	-
Other Financial Assets	3.56	-	-	3.56	3.56
Liabilities:					
Trade Payable	2.81	-	-	2.81	2.81
Borrowings	13.89	-	-	13.89	13.89
Other Financial Liabilities	2.36	-	-	2.36	2.36

The carrying amounts of above Financial Assets and Liabilities are considered to be same as their fair values due to the nature of the contractual obligations.

Fair Value Hierarchy

Management considers that, the carrying amount of those financial assets and financial liabilities that are not subsequently measured at fair value in the Financial Statements approximate their transaction value. No financial instruments are recognized and measured at fair value for which fair values are determined using the judgments and estimates. The fair value of Financial Instruments referred below has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active market for identical assets or liabilities. (Level-1 measurements) and lowest priority to unobservable (Level-3 measurements). The categories used are as follows:

- **Level 1** - Level 1 hierarchy includes financial instruments measured using quoted prices (unadjusted) in active markets.

- **Level 2** - Level 2 hierarchy includes financial instruments measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- **Level 3** - Level 3 hierarchy includes financial instruments measured using inputs that are not based on observable market data (unobservable inputs).

The following table presents fair value hierarchy as at March 31, 2024:

Particulars	As at March 31, 2024	Rs. In Lakhs		
		Fair value measurement at end of the reporting period/year		
		Level 1	Level 2	Level 3
Financial Assets				
Other Financial Assets	1.67	-	-	1.67
Financial Liabilities				
Borrowings	1.60	-	-	1.60
Trade Payables	1.51	-	-	1.51
Others	1.72	-	-	1.72

The following table presents fair value hierarchy as at March 31, 2023:

Particulars	As at March 31, 2023	Rs. In Lakhs		
		Fair value measurement at end of the reporting period/year		
		Level 1	Level 2	Level 3
Financial Assets				
Other Financial Assets	3.56	-	-	3.56
Financial Liabilities				
Borrowings	13.89	-	-	13.89
Trade Payables	2.81	-	-	1.52
Others	2.36	-	-	3.19

Valuation Process:

For Level-3 financial instruments, the fair values have been determined by applying the Net Book value method.

The carrying amounts of receivables, payables, bank balances and cash and cash equivalents are considered to be same as their fair value due to their contractual obligations.

For Financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Financial Risk Management:

The Company's activities expose to a variety of financial risks viz. market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Company is credit risk and liquidity risk. The Company's exposure to credit risk is influenced mainly by, dealings with Government and Government agencies being the top customers.

a. Management of Market Risk:

Market risks comprises of Price risk and Interest rate risk. The Company does not designate any fixed rate financial assets as fair value through Profit and Loss nor at fair value through OCI. Therefore, the Company is not exposed to any interest rate risk. Similarly, the Company does not have any Financial Instrument which is exposed to change in price.

b. Foreign Currency Risks:

The Company is exposed to foreign exchange risk arising from various Currency exposures primarily with respect to the US Dollars (USD) for the services rendered by the Company to foreign customers.

The Company exposure to foreign currency risk as at the end of the reporting period expressed in INR as on March 31, 2024 is as follows:

(Amount Rs)

Particulars	US Dollars	Total
Financial Assets :		
Trade Receivable	NIL	NIL
Less: Currency Forwards	-	-
Net Exposure to foreign currency risk (liabilities)	NIL	NIL

Increase/(Decrease) to profit before tax for changes of 5% against INR :

Strengthened	NIL
Weakened	NIL

The Company exposure to foreign currency risk as at the end of the reporting period expressed in INR as on March 31, 2023 is as follows:

(Amount Rs)

Particulars	US Dollars	Total
Financial Assets :		
Trade Receivable	NIL	NIL
Less: Currency Forwards	-	-
Net Exposure to foreign currency risk (liabilities)	NIL	NIL

Increase/(Decrease) to profit before tax for changes of 5% against INR :

Strengthened	NIL
Weakened	NIL

c. Credit Risk:

Credit risk is the risk of financial loss to the Company if a customer or a counter party fails to meet its contractual obligations. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables.

The company considers that, all the financial assets that are not impaired and past due as on each reporting dates under review are considered credit worthy.

Credit risk exposure

An analysis of age-wise trade receivables at each reporting date is summarized as follows:

(Rs. in Lakhs)

For the year ended March 31, 2024:

Particulars	Less than 1 year	Between 2 to 4 years	More than 4 Years	Total Rs.
Gross Carrying amount	7.70	-	-	7.70
Expected credit loss (Amount written off)	--	-	-	--
Carrying amount (net of impairment)	7.70	NIL	-	7.70

(Rs.in Lakhs)

For the year ended March 31, 2023:

Particulars	Less than 1 year	Between 2 to 4 years	More than 4 Years	Total Rs.
Gross Carrying amount	9.21	-	-	9.21
Expected credit loss (Amount written off)	--	-	-	--
Carrying amount (net of impairment)	9.21	NIL	-	9.21

d. Liquidity Risk:

The company's liquidity needs are monitored on the basis of monthly projections. The principal sources of liquidity are cash and cash equivalents, cash generated from operations and availability of cash credit and overdraft facilities to meet the obligations as and when due.

Short term liquidity requirements consist mainly of sundry creditors, expenses payable and employee dues during the normal course of business. The company maintains sufficient balance in cash and cash equivalents and working capital facilities to meet the short term liquidity requirements.

The company assesses long term liquidity requirements on a periodical basis and manages them through internal accruals and committed credit lines.

The following table shows the maturity analysis of the Companies Financial Liabilities based on contractually agreed, undiscounted cash flows as at the balance sheet date.

Particulars	Carrying amount	(Rs.in Lakhs)		Total
		<12 months	>12 months	
As on March 31, 2024				
Trade Payables	1.51	1.51	-	1.51
Other Financial Liabilities	1.72	1.72	-	1.72
As on March 31, 2023				
Trade Payables	2.81	2.81	-	2.81
Other Financial Liabilities	2.36	2.36	-	2.36

NOTE 37: PLANT PROPERTY & EQUIPMENT

During the year the Company has sold its Buildings with book value of Rs.225.79 lakhs which form substantial portion of Plant Property & Equipment.

NOTE 38: EXCEPTIONAL ITEMS

Exceptional items represent Loss on Write down of Inventory for Rs.36.50 lakhs and Loss on Sale of Buildings for Rs.3.05 Lakhs

NOTE 39: OTHERS

- i. No proceeds have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- ii. The company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- iii. In the opinion of the Board of Directors, the Company does not have any impaired assets.
- iv. Trade payables to Micro, Small, Medium Enterprises has been identified based on information available with the company. This has been relied upon by the auditor.

- v. Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.
- vi. Amounts in the financial statements are presented in Rupees in Lakhs, unless otherwise specified. All figures have been rounded to the nearest Lakhs with two decimals.
