



September 06, 2024

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| <p>To,<br/><b>BSE LIMITED</b><br/>Phiroze Jeejeebhoy Towers<br/>Dalal Street ,Mumbai – 400001<br/><a href="tel:022-22721233/34">Tel:022-22721233/34</a><br/>Fax: 022-22722131/2037/2061/41<br/>Email: <a href="mailto:corp.relations@bseindia.com">corp.relations@bseindia.com</a><br/><a href="mailto:corp.compliance@bseindia.com">corp.compliance@bseindia.com</a><br/>Scrip Code: 532172</p> | <p>To,<br/>The National Stock Exchange Limited,<br/>Exchange Plaza, BandraKurla Complex,<br/>Bandra (East), Mumbai: 400051<br/>Tel: 022-26598235/36/452<br/>Fax: 022-26598237/38<br/>Email: <a href="mailto:cmlist@nse.co.in">cmlist@nse.co.in</a><br/>Scrip Code: ADROITINFO</p> |
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**Sub: Submission of Annual Report 2023-2024, Under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

Dear Sir/ Madam,

In compliance with the provisions of Regulation 34 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,2015, please find enclosed herewith a copy of Annual Report of the Company for the year ended 31<sup>st</sup> March,2024.

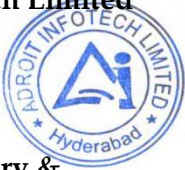
The Annual Report is also uploaded on the Company's website: <https://www.adroitinfotech.com/annual-reports.html>

You are requested to take the same in your record.

**Thanking you.**

**Yours faithfully,**

**for Adroit Infotech Limited**



**Piyush Prajapati**  
Company Secretary &  
Compliance Officer



Solutions Simplified

# Adroit Infotech Limited

2023-2024



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## CORPORATE INFORMATION

### Board of Directors:

|                              |                                     |
|------------------------------|-------------------------------------|
| Sudhakaran Reddy Sunkerneni  | Managing Director                   |
| Venkat Lakshma Reddy Patlola | Independent Director                |
| Sridhar Pyata Reddy          | Non-Independent Director            |
| Sunkireddy Rajashekar Reddy  | Non-Independent Director            |
| Venkateshwara Reddy Varri    | Additional/Independent Director     |
| Kanthi Reddy Sunkerneni      | Additional/Non-Independent Director |

### Key Managerial Person:

|                              |  |
|------------------------------|--|
| Sudhakaran Reddy Sunkerneni  | Managing Director                      |
| Ravichandra Rao Badanidiyoor | Chief Financial Officer                |
| Piyush Prajapati             | Company Secretary & Compliance Officer |

### Statutory Committees;

#### Audit Committee:

|                              |          |
|------------------------------|----------|
| Venkat Lakshma Reddy Patlola | Chairman |
| Sudhakaran Reddy Sunkerneni  | Member   |
| Venkateshwara Reddy Varri    | Member   |

#### Nomination & Remuneration Committee:

|                              |          |
|------------------------------|----------|
| Venkateshwara Reddy Varri    | Chairman |
| Sridhar Reddy Pyata          | Member   |
| Venkat Lakshma Reddy Patlola | Member   |

#### Stakeholders and Relationship Committee:

|                              |          |
|------------------------------|----------|
| Venkat Lakshma Reddy Patlola | Chairman |
| Venteshwara Reddy Varri      | Member   |
| Sridhar Reddy Pyata          | Member   |

#### Rights Issue Committee

|                              |          |
|------------------------------|----------|
| Venkat Lakshma Reddy Patlola | Chairman |
| Venteshwara Reddy Varri      | Member   |
| Sudhakaran Reddy Sunkerneni  | Member   |

### Registered and Corporate Office:

Plot No. 7A, MLA Colony, Road No. 12,  
Banjara Hills, Hyderabad – 500034.  
Email: [cs@adroitinfotech.com](mailto:cs@adroitinfotech.com)  
Website: [www.adroitinfotech.com](http://www.adroitinfotech.com)  
CIN: L72300TG1990PLC011129  
Tel: +91-40-2355 2284/85/86  
Fax: +91-40-2355 2283

### Statutory Auditors:

M/s. Rao and Shyam,  
Chartered Accountants  
110, Taramandal Complex, Saifabad,  
Khairatabad, Hyderabad,  
Telangana 500016

### Bankers:

#### HDFC BANK LIMITED

Plot No. 1355A, Road No. 1 & 45 Jubilee,  
Hills, Hyderabad -500033

#### AXIS BANK LIMITED

Gr Flr, Plot No. 7A, MLA Colony, Road No. 12,  
Banjara Hills, Hyderabad -500034, Telangana

### Registrar and Share Transfer Agents:

#### Venture Capital and Corporate Investments Private Limited

“AURUM”, Door No.4-50/P-II/57/4F & 5F,  
Plot No.57, 4th & 5th Floors, Jayabheri  
Enclave Phase – II, Gachibowli, Hyd 500 032  
Phone: +91 040-23818475/76/23868023,  
E mail: [info@vccilindia.com](mailto:info@vccilindia.com)

### Stock Exchanges:

National Stock Exchange of India Limited  
Bombay Stock Exchange Limited

## NOTICE

**Notice** is hereby given that the 34<sup>th</sup> Annual General Meeting (AGM) of the Members of Adroit Infotech Limited (“the Company”) will be held on 30<sup>th</sup> September day, Monday, 2024 at 09.00 A.M. IST through Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”), to transact the following business:

### **ORDINARY BUSINESS:**

- 1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2024 and the Reports of the Board of Directors and Auditors thereon; and in this regard, pass the following resolution as an Ordinary Resolution:**

“**RESOLVED THAT** the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2024 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted.”

- 2. To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2024 and the Report of the Auditors thereon and in this regard, pass the following resolution as an Ordinary Resolution.**

“**RESOLVED THAT** the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2024 and the report of Auditors thereon laid before this meeting, be and are hereby considered and adopted.”

- 3. To re-appoint Mr. Sridhar Reddy Pyata (DIN: 07268714), who retires by rotation as a Director at this Annual General Meeting and being eligible seeks re-appointment and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, (“the Act”) **Mr. Sridhar Reddy Pyata (DIN: 07268714)**, who retires by rotation at this meeting, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

### **SPECIAL BUSINESS:**

- 1. Appointment of Mr. Venkateswar Reddy Vari (DIN: 00534590) as an Independent Director of the Company.**  
To consider and if thought fit, to pass with or without modification(s) the following Resolution as a **Special Resolution:**

“**RESOLVED THAT** in accordance with the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (“Rules”) including any statutory modification(s) or reenactment thereof for the time being in force and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as amended, Mr. Venkateswar Reddy Vari (DIN: 00534590) who was appointed as an Additional Director in the category of Non-Executive Independent Director of the company w.e.f. 04.05.2024 by the Board of Directors of the Company on the recommendation of Nomination and Remuneration Committee, pursuant to Section 161 of the Companies Act, 2013 and the Articles of Association of the Company and being eligible for appointment has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act read with the rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations and in respect of whom the Company has received notice in writing under Section 160 of the Act, from a member proposing his candidature for the office of an Independent Director, be and is hereby appointed as a Non-Executive Independent Director of the Company, to hold office for a term of 5 (five) consecutive years with effect from 04.05.2024 to 03.05.2029 and not liable to retire by rotation.”

**2. Appointment of Ms. Kanthi Reddy Sunkerneni (DIN:10732925) as a Non-Independent Director of the Company.**

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

**“RESOLVED THAT** in accordance with the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (“Rules”) including any statutory modification(s) or reenactment thereof for the time being in force and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as amended, Ms. Kanthi Reddy Sunkerneni (DIN: 10732925) who was appointed as an Additional Director in the category of Non-Executive Non-Independent Director of the company w.e.f. 07.08.2024 by the Board of Directors of the Company on the recommendation of Nomination and Remuneration Committee, from a member proposing his candidature for the office of an Non-Independent Director, be and is hereby appointed as a Non- Executive, Non-Independent Director of the Company, to hold office for a term of three years with effect from 07.08.2024 to 06.08.2027 and liable to retire by rotation.”

**3. To consider approval of the consequent alteration to the Article of Association**

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

**“RESOLVED THAT** Pursuant to the provisions of section 14, 61 and other applicable provision of the Companies Act, 2013 (Including any statutory modification(s) or re-enactment(s) thereof for the time being in force and the Rules made thereafter consent of the Company be and is hereby accorded, subject to the approval of the Registrar of Companies Hyderabad Telangana the Article of Association of the Company be and hereby altered to replace/ substitute the following in place the following Article 6

**28. (1) The Board may, from time to time, make calls upon the members in respect of a monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:**

**\* Provided that no call shall exceed half of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.”**

**FURTHER RESOLVED THAT** in pursuance of Clause 28 sub-clause (1) of the Articles of Association of the Company, any Director of the Company or the Company Secretary be and are hereby authorized to do all such acts, deeds, matters and things as may be necessary and incidental to give effect to this resolution.”

**4. To consider approval of the consequent alteration to the Memorandum of Association**

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

**“RESOLVED THAT** pursuant to the provisions of Section 13 and other applicable provisions, if any, of Companies Act, 2013, (including any statutory modifications or re-enactment thereof, for the time being in force), and the rules framed there under, consent of the Board of Directors of the Company be and is hereby accorded, subject to the approval of the Registrar of Companies, Telangana and subject to the approval of Shareholders in General Meeting, to append following sub clause (38) after sub clause (37) of **CLAUSE III (B) i.e. (B) THE OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENTS THE ABOVE MAIN OBJECTS ARE** of the Memorandum of Association of Company:

**\* 38. To invest or to acquire by purchase or otherwise the Land, agriculture field or other property for business purpose on such terms and conditions as may be consider appropriate and in the best interest of the Company**

**FURTHER RESOLVED THAT** in pursuance of append the Clause 38 after clause (37) of CLAUSE III (B) of the Memorandum of Association of the Company, any Director of the Company or the Company Secretary be and are hereby authorized to do all such acts, deeds, matters and things as may be necessary and incidental to give effect to this resolution.”

**5. To consider approval of the consequent for Borrowing money(ies) for the purpose of business of the Company**

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

**“RESOLVED THAT** pursuant to Section 180(1)(c) of the Companies Act, 2013 and all other applicable provisions, if any, of the Companies Act, 2013 and rules made there under (including any statutory modification(s) or re-enactment thereof, for the time being in force) and in supersession of all the earlier resolutions, the consent of the members of the Company be and is hereby accorded to the Board of Director(s) (hereinafter referred to as the “Board” which term shall be deemed to include any Committee thereof for the time being exercising the powers conferred on the Board of Directors by this Resolution), to borrow any sum or sums of monies, from time to time, in any form including but not limited to by way of loans, financial facility, through the issuance of debentures, commercial paper or such other form, upon such terms and conditions as to interest, repayment, or otherwise and with or without security, as the Board may think fit for the purposes of the Company’s business notwithstanding that the money or monies to be borrowed, together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital of the Company and its free reserves, provided however, the total amount so borrowed (apart from the temporary loans obtained from the Company’s bankers in the ordinary course of business) shall not exceed at any point in time a sum equivalent to Rs. 50 crores/- (Rupees Fifty Crore Only) by way of fund-based facilities and Rs. 100 Crores (One Hundred Crore Only) by way of non-fund-based facilities over and above the aggregate, of the paid-up share capital and free reserves of the Company.”

**6. Creation of security on the properties of the Company, both present and future, in favour of lenders:**

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

**“RESOLVED THAT** pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with the Companies (Meetings of Board and its Powers) Rules, 2014 including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, and the Articles of Association of the Company, consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of the Board) for creation of charge / mortgage / pledge / hypothecation / security in addition to existing charge / mortgage / pledge / hypothecation / security, in such form and manner and with such ranking and at such time and on such terms as the Board may determine, on all or any of the moveable and / or immovable properties, tangible or intangible assets of the Company, both present and future and / or the whole or any part of the undertaking(s) of the Company, as the case may be in favour of the Lender(s), Agent(s) and Trustee(s), for securing the borrowings availed / to be availed by the Company by way of loan(s) (in foreign currency and / or rupee currency) and securities (comprising fully / partly convertible debentures and/or non-convertible debentures with or without detachable or nondetachable warrants and / or secured premium notes and / or floating rate notes / bonds or other debt instruments), issued / to be issued by the Company including deferred sales tax loans availed / to be availed by various Units of the Company, from time to time, subject to the limits approved under Section 180(1)(c) of the Act together with interest at the respective agreed rates, additional interest, compound interest in case of default, accumulated interest, liquidated damages, commitment charges, premia on prepayment, remuneration of the Agent(s) / Trustee(s), premium (if any) on redemption, all other costs, charges and expenses, including any increase as a result of devaluation / revaluation / fluctuation in the rates of exchange and all other monies payable by the Company in terms of the Loan Agreement(s), Debenture Trust Deed(s) or any other document, entered into / to be entered into between the Company and the Lender(s) / Agent(s) / Trustee(s) / State Government(s) / Agency(ies) representing various state government and/or other agencies etc. in respect of the said loans / borrowings / debentures / securities / deferred sales tax loans and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board and the Lender(s) / Agent(s) / Trustee(s) / State Government(s) / Agency(ies), etc.

**RESOLVED FURTHER THAT** the securities to be created by the Company as aforesaid may rank prior / pari passu / subservient with / to the mortgages and /or charges already created or to be created in future by the Company or in

such other manner and ranking as may be thought expedient by the Board and as may be agreed to between the concerned parties.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorised to finalise, settle, and execute such documents / deeds / writings / papers / agreements as may be required and to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to creating mortgages / charges as aforesaid.”

7. **Sell, Lease, Mortgage or otherwise disposed of whole or substantially whole of the undertaking of the Company**  
To consider and, if thought fit, to give assent or dissent to the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 180(1)(a) and other applicable provisions of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof), the consent of the Company be and is hereby accorded to the Board of Directors ( which term shall be deemed to include any Committee thereof, which the Board may have constituted or hereinafter constitute) to exercise its powers including the powers conferred by this resolution and with the power to delegate such authority to any person or persons) to create mortgage (s) and/or charge (s) and/or hypothecation (s), in such form and manner and with such ranking and at such time and terms as the Board may determine, on all or any of its movable and / or immovable properties and assets of the Company wherever situated both present and future or to sell, lease or otherwise dispose of the whole or substantially the whole of the such movable and/or immovable properties and / or undertaking of the Company in favour of Financial Institution (s)/ Bank(s)/ Lender (s)/ Agent (s)/ Trust (s) for securing the borrowings availed/ to be availed by the Company, by way of loan (s) and/or securities issued/ to be issued by the Company time to time, subject to the limits specified under section 180(1)(c) of the Companies Act, 2013, together with interest, cost, charges and expenses thereon.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (which term shall be deemed to include any Committee thereof, which the Board may have constituted or hereinafter constitute) to exercise its powers including the powers conferred by this resolution and with the power to delegate such authority to any person or persons) be and is hereby authorized to do all such acts, deeds and things and to sign all such documents and writings as may be necessary, expedient and incidental thereto to give effect to this resolution and for matter connected therewith or incidental thereto.”

8. **To increase in threshold of loans/ guarantees, providing of securities and making of investments in securities under section 186 of the Companies Act, 2013:**

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

“**RESOLVED THAT** pursuant to the provisions of Section 186 of the Companies Act, 2013 and any other applicable provisions of the Companies Act, 2013 and Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) and in supersession of all the earlier resolutions passed in this regard, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise its powers, including the powers conferred by this Resolution) to (a) give any loan to any person or other body corporate; (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate from time to time in one or more tranches as the Board of Directors as in their absolute discretion deem beneficial and in the interest of the Company, for an amount not exceeding Rs. 100 Crores (Rupees One Hundred Crores Only), notwithstanding that such investments, outstanding loans given or to be given and guarantees and/or security provided may collectively exceed the limits prescribed under Section 186 of the Companies Act, 2013.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorized to take from time to time all decisions and such steps as may be necessary for giving



loans, guarantees or providing securities or for making such investments and to execute such documents, deeds, writings, papers and/or agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion, deem fit; necessary or appropriate.”

**9. Approval to advance any loan/give guarantee/provide security u/s 185 of the Companies Act, 2013:**

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

**“RESOLVED THAT** pursuant to the provisions of Section 185 and other applicable provisions, if any of the Companies Act, 2013 (“Act”) (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to such approvals, consents, sanctions and permissions as may be necessary, approval of the members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise its powers, including the powers conferred by this Resolution), for giving loan(s) in one or more tranches including loan represented by way of book debt (the “Loan”) to, and/or giving of guarantee(s), and/or providing of security(ies) in connection with any Loan taken/to be taken by any entity which is a Subsidiary or Associate or Joint Venture or group entity of the Company or any other person in which any of the Directors of the Company is deemed to be interested as specified in the explanation to sub-section 2 of section 185 of the Act (collectively referred to as the “Entities”), of an aggregate amount not exceeding Rs. 50 Crores (Rupees Fifty Crores Only) for the financial year 2024-25, in its absolute discretion deem beneficial and in the best interest of the Company.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorized to negotiate, finalise and agree to the terms and conditions of the aforesaid Loans / Guarantees / Securities, and to take all necessary steps, to execute all such documents, instruments and writings and to do all necessary acts, deeds and things in order to comply with all the legal and procedural formalities and to do all such acts, deeds or things incidental or expedient thereto and as the Board may think fit and suitable.”.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to do all acts, deeds and things in their absolute discretion that may be considered necessary, proper and expedient or incidental for the purpose of giving effect to this resolution in the interest of the Company.”

**10. To approve related party transactions:**

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

**“RESOLVED THAT** pursuant to the provisions of Section 188 and other applicable provisions, if any of the Companies Act, 2013 (“Act”), read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014) and Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), including any statutory modification(s) or re-enactment thereof for the time being in force and subject to such approvals, consents, sanctions and permissions as may be necessary, approval of the members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise its powers, including the powers conferred by this Resolution) to enter into contract(s)/ arrangement(s)/ transaction(s) with parties as detailed in the table(s) forming part of the Explanatory Statement annexed to this notice with respect to sale, purchase or supply of goods or materials, leasing of property of any kind, availing or rendering of any services including the providing and/or receiving of loans or guarantees or securities or making investments, or any other transactions of whatever nature, notwithstanding that such transactions may exceed 10% of the Consolidated Turnover of the Company in any financial year or such other threshold limits as may be specified by the Listing Regulations from time to time, up to such extent and on such terms and conditions as the Board of Directors may deem fit, in the normal course of business and on arm’s length basis, within the aggregate limits and during the financial years as mentioned in the explanatory statement.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do or cause to be done all such acts, matters, deeds and things and to settle any queries, difficulties that may arise with regard to any

transaction with the related party and execute such agreements, documents and writings and to make such filings as may be necessary or desirable for the purpose of giving effect to this resolution, in the best interest of the Company."

**11. Increase The Remuneration of Managing Director Mr. Sudhakaran Reddy Sunkerneni, From the Existing the Salary of Rs.3,50,000/- P.M. to Salary of Rs. 4,50, 000/- P.M.:**

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

**"RESOLVED THAT**, pursuant to the provisions of Section 196, 197, 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ('the Act'), the consent of the members be and is hereby accorded for revision in remuneration of Mr. Sudhakaran Reddy Sunkerneni (Holding DIN : 01436242), Managing Director, with effect from 01st April, 2024 for the remaining period of his tenure ending on 19<sup>th</sup> day of August, 2025.

**RESOLVED FURTHER THAT** the remuneration payable to Mr. Sudhakaran Reddy Sunkerneni, Managing Director with effect from 01st day of April, 2024 shall be as under: Salary: Rs. 4,50,000/- p.m. (Rupees Four Lakhs Fifty Thousand Only) with effect from 01st day of April, 2024 inclusive of all perquisite.

**RESOLVED FURTHER THAT** the consent and ratification of the Members of the Company be and is hereby accorded that Mr. Sudhakaran Reddy Sunkerneni, Managing Director of the Company be paid remuneration by way of Salary, Perquisites and allowances upto a maximum of Rs. 4,50,000/- (Rupees Four Lakhs Fifty Thousand Only) as minimum remuneration for the remaining period in case the Company has no profits or its profit are inadequate.

**RESOLVED FURTHER THAT** the above remuneration shall be subject to modification, as may be deemed fit by the Board from time to time and subject to the limits and stipulations prescribed by the Companies Act, 2013 read with Schedule V thereto, and/or any guidelines prescribed by the Government from time to time.

**RESOLVED FURTHER THAT** where in any financial year, during the currency of the tenure of Mr. Sudhakaran Reddy Sunkerneni as Managing Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary, perquisites and allowances as specified above as minimum remuneration, subject to the limits and conditions prescribed under Schedule V of the Companies Act, 2013, as may be amended from time to time.

**RESOLVED FURTHER THAT** except for the aforesaid revision in salary, all other terms and conditions of his appointment as Managing Director of the Company, as approved by the resolution passed at the 34<sup>th</sup> Annual General Meeting of the Company held on 30<sup>th</sup> September, 2024 shall remain unchanged.

**RESOLVED FURTHER THAT** the Board of Director or the Chief Financial Officer or the Company Secretary thereof be and are hereby authorized to do all such acts, deeds and things, to enter into such agreement(s), deed(s) of amendment(s) or any such document(s), as the Board may, in its absolute discretion, consider necessary, expedient or desirable including power to subdelegate, in order to give effect to this resolution."

## NOTES:

1. In view of the current extraordinary circumstances due to COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 (dated April 8, 2020), Circular No.17/2020 (dated April 13, 2020) Circular No. 20/2020 (dated May 5, 2020), Circular No. 02/2021 (dated January 13, 2021), Circular No. 19/2021 (dated December 8, 2021), Circular No. 21/2021 (dated December 14, 2021) and Circular No.2/2022 (dated May 5, 2022) Circular No.10/2022 (dated December 28, 2022) and Circular SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 Master Circular No. SEBI/ HO/CFD/PoD2/CIR/P/2023/120 dated 11th July 2023 and Circular No. SEBI/HO/CFD/CFD-PoD-2/P/ CIR/2023/167 dated 7th October 2023 issued by SEBI (“the Circulars”), companies are allowed to hold Annual General Meetings (“AGM”) through video conference or other audio visual means (“VC”) up to 30<sup>th</sup> September 2024. Hence, Members can attend and participate in the ensuing AGM through VC and Members of the Company joining through VC shall be reckoned for the purpose of quorum under Section 103 of the Act. Further, all resolutions in the meeting shall be passed through the facility of e-Voting/electronic system. The registered office of the Company shall be deemed to be the venue for the AGM. deemed to be the venue for the AGM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM/EGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting’s agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the EGM/AGM will be provided by CDSL.
3. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars 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.
4. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.
5. 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.
6. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to [cssaradacertifications@gmail.com](mailto:cssaradacertifications@gmail.com) with a copy marked to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
7. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to Remote e-voting and e-voting are given in these notes. The Company will also send communication relating to Remote e-voting which inter alia would contain details about User ID and password along with a copy of this Notice to the members, separately.

8. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“Act”) setting out material facts concerning the items of Special Business as set out above is annexed hereto. The relevant details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), of the person seeking **re-appointment as Director under Item No.3** of the Notice, are also annexed.
9. The Register of Members and Share Transfer Books will remain closed from Friday, September 20, 2024 to Monday, September 30, 2024 (both days inclusive).
10. The members who have not surrendered their old share certificates (Issued by the then M/s. Color (chips) India Limited, now known as Adroit Infotech Limited, under the change of name) are requested to surrender their old share certificates to M/s. Adroit Infotech Limited at their registered office: Plot No. 7A, MLA Colony, Road No. 12, Banjara Hills, Hyderabad - 500034 obtain their new share certificates of this Company.
11. As per Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company’s Registrars and Transfer Agents, Venture Capital and Corporate Investments Private Limited (“RTA”) for assistance in this regard.
12. The Ministry of Corporate Affairs, Government of India (vide its circular nos. 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively), has undertaken a ‘Green Initiative in Corporate Governance’ by allowing paperless compliances and recognizing delivery of Notices / Documents / Annual Reports, etc., to the shareholders through electronic medium. In view of the above the Company will send Notices / Documents / Annual Reports, etc., to the shareholders through email, wherever the email addresses are available; and through other modes of services where email addresses have not been registered. Accordingly, members are requested to support this initiative by registering their email addresses in respect of shares held in dematerialized form with their respective Depository Participants and in respect of shares held in physical form with the Company’s RTA.
13. This AGM Notice is being sent to all the Members; whose names appear in the Register of Members/ List of Beneficial Owners as received from National Securities Depository Limited (“NSDL”) / Central Depository Services (India) Limited (“CDSL”), It shall also be available on the website <https://www.adroitinfotech.com/news-room.html>.
14. The Board of Directors of the Company (the “Board”) has appointed Mrs. Sarada Putcha (Membership Number: 21717), Company Secretaries, as the Scrutinizer to scrutinize the voting process in a fair and transparent manner.
15. Members who have not registered their e-mail address are requested to register the same in respect of shares held in electronic form with the Depository through their Depository Participant(s) and in respect of shares held in physical form by writing to the Company’s Registrar and Share Transfer Agent.

16. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to RTA in case the shares are held by them in physical form.
17. The Securities and Exchange Board of India (SEBI) vide circular ref no. MRD/DoP/CIR-05/2007 dated April 27, 2007, made PAN the sole identification number for all participants transacting in the securities market, irrespective of the amount of transaction. In continuation of the aforesaid circular, it is hereby clarified that for securities market transactions and off market/private transactions involving transfer of shares of listed companies in physical form, it shall be mandatory for the transferee(s) to furnish a copy of their PAN card to the Company / RTAs for registration of such transfer of shares.
18. In terms of Section 72 of the Companies Act, 2013, a member of the Company may nominate a person on whom the shares held by him / her shall vest in the event of his / her death. Members desirous of availing this facility may submit nomination in prescribed Form SH - 13 to the Company / RTA, in case of shares held in physical form, and to their respective depository participant, if held in electronic form.
19. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
20. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
21. Members seeking any information with regard to the accounts or any matter to be placed at the AGM are requested to write to the Company on or before Friday, September 20, 2024 through email on [cs@adroitinfotech.com](mailto:cs@adroitinfotech.com). The same will be replied by the Company suitably.
22. No Dividend on equity shares is recommended by the Board of Directors for the Financial Year ended March 31, 2024.
23. In compliance with the aforesaid MCA and SEBI Circulars Notice of the AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2023-24 will also be available on the Company's website <https://www.adroitinfotech.com/news-room.html>, and the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. In case of any queries regarding the Annual Report, the Members may write to [cs@adroitinfotech.com](mailto:cs@adroitinfotech.com) receive an email response.
24. Instructions for remote e-voting, e-voting at AGM and joining the AGM are as follows:
  - A. VOTING THROUGH ELECTRONIC MEANS:
    - i. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the SEBI Listing Regulations, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on all the resolutions set forth in this Notice. The

instructions for e-voting are given herein below.

- ii. The Board of Directors of the Company has appointed Mrs. Sarada Putcha (Membership Number: 21717), Company Secretary as Scrutinizer to scrutinize the process for the AGM in a fair and transparent manner.
- iii. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again and if casted again, then the same shall not be counted.
- iv. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date, a person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, only shall be entitled to avail the facility of Remote e-voting.
- v. Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date, may obtain the User ID and password for Remote e-voting by sending email to CDSL. intimating DP ID and Client ID / Folio No. at [www.evotingindia.com](http://www.evotingindia.com)
- vi. The remote e-voting period commences on Friday September 27, 2024 (9:00 A.M. IST) and ends on Sunday September 29, 2024 (5:00 P.M. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on Friday, September 20, 2024 i.e., cut-off date, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.
- vii. The Remote e-voting will not be allowed beyond the aforesaid date and time and the Remote e-voting module shall be disabled by CDSL upon expiry of aforesaid period.
- viii. The Scrutinizer, after scrutinizing the votes cast at the meeting through e-voting and through Remote e-voting, will, not later than 48 hours of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company and on the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com). The results shall simultaneously be communicated to the Stock Exchanges.
- ix. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e., on Monday, September 30, 2024.
- x. The details of the process and manner for remote e-voting are explained herein below:
  - a. The voting period begins from Friday, September 27, 2023 (9:00 A.M. IST) and ends on Sunday, September 29, 2024 (5:00 P.M. IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date on Friday, September 20, 2024 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - b. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
  - c. Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in

respect of all shareholders’ resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

**I. Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.**

- d. In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for **Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

| Type of shareholders   | Login Method  |
|--|---|
| Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b> | <p>1)Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</p> <p>2)After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers’ website directly.</p> <p>3)If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> The system will</p> |

|   |   |
|---|---|
|   | <p>authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>   |
| <p>Individual Shareholders holding securities in demat mode with NSDL Depository</p>                          | <ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS “Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</li> </ol> |
| <p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants</p> | <p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>   |

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



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

| <b>Login type</b>   | <b>Helpdesk details</b>  |
|---|--|
| Individual Shareholders holding securities in Demat mode with <b>CDSL</b> | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 21 09911 |
| Individual Shareholders holding securities in Demat mode with <b>NSDL</b> | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at : 022 - 4886 7000 and 022 - 2499 7000                  |

**II. Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.**

Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on “Shareholders” module.
- 3) 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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

|  | <b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>   |
|--|--|
| PAN  | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)<br>Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA. |
| Dividend Bank Details<br><b>OR</b> Date of Birth (DOB) | Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.<br>If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.                 |

- f. After entering these details appropriately, click on “SUBMIT” tab.
- g. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.
- h. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- i. Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- j. 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.
- k. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- l. 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.
- m. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- n. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- o. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

### III. Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- Alternatively, Non-Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; cs@adroitinfotech.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

## **INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 3 (three) **days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at cs@adroitinfotech.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 3 (three) **days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at cs@adroitinfotech.com. These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

## **PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

## 25. General Guidelines for Shareholders

- a. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on <https://www.evoting.cdsl.com> to reset the password
- b. If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 21 09911.
- c. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Future-x, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 1800 21 09911.

## 26. Other Instructions

- a. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer’s Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same.
- b. The result declared along with the Scrutinizer’s Report shall be placed on the Company’s website [www.adroitinfotech.com](http://www.adroitinfotech.com) and on the website of CDSL <https://www.evoting.cdsl.com> immediately. The Company shall simultaneously forward the results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.

Place: Hyderabad  
Date: September 04, 2024

By the Order of the Board of Directors  
**Adroit Infotech Limited**

Sd./-  
**Piyush Prajapati**  
Company Secretary  
Membership No A48320

### Registered Office:

#Plot No. 7A, MLA Colony, Road No. 12  
Banjara Hills, Hyderabad - 500034  
CIN: L72300TG1990PLC011129  
Tel: + 91 40 23552284/85, Email: [cs@adroitinfotech.com](mailto:cs@adroitinfotech.com), Website: [www.adroitinfotech.com](http://www.adroitinfotech.com)

## EXPLANATORY STATEMENT

***[Pursuant to Section 102(1) of the Act, the following Explanatory Statement sets out material facts relating to the business under Item No. 1 to 11 of the accompanying Notice dated: 4<sup>th</sup> September, 2024 convening the 34<sup>th</sup> Annual General Meeting of the Company scheduled for 30<sup>th</sup> September, 2024.]***

As required by Section 102 of the Companies Act, 2013 (“Act”), the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 1 and 11 of the accompanying Notice:

**Item No. 1**

**“RESOLVED THAT** in accordance with the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (“Rules”) including any statutory modification(s) or reenactment thereof for the time being in force and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as amended, Mr. Venkateswar Reddy Vari (DIN: 00534590) who was appointed as an Additional Director in the category of Non-Executive Independent Director of the company w.e.f. 04.05.2024 by the Board of Directors of the Company on the recommendation of Nomination and Remuneration Committee, pursuant to Section 161 of the Companies Act, 2013 and the Articles of Association of the Company and being eligible for appointment has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act read with the rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations and in respect of whom the Company has received notice in writing under Section 160 of the Act, from a member proposing his candidature for the office of an Independent Director, be and is hereby appointed as a Non- Executive Independent Director of the Company, to hold office for a term of 5 (five) consecutive years with effect from 04.05.2024 to 03.05.2029 and not liable to retire by rotation.”

**Item No. 2**

**“RESOLVED THAT** in accordance with the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (“Rules”) including any statutory modification(s) or reenactment thereof for the time being in force and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as amended, Ms. Kanthi Reddy Sunkerneni (DIN: 10732925) who was appointed as an Additional Director in the category of Non-Executive Non-Independent Director of the company w.e.f. 07.08.2024 by the Board of Directors of the Company on the recommendation of Nomination and Remuneration Committee, from a member proposing his candidature for the office of an Non-Independent Director, be and is hereby appointed as a Non- Executive, Non-Independent Director of the Company, to hold office for a term of One year with effect from 07.08.2024 to 06.08.2025 and is liable to retire by rotation.”

**Item No. 3**

**“RESOLVED THAT** Pursuant to the provisions of section 14, 61 and other applicable provision of the Companies Act, 2013 (Including any statutory modification(s) or re-enactment(s) thereof for the time being in force and the Rules made thereafter consent of the Company be and is hereby accorded, subject to the approval of the Registrar of Companies Hyderabad Telangana the Article of Association of the Company be and hereby altered to replace/ substitute the following in place the following:

***28. (1) The Board may, from time to time, make calls upon the members in respect of a monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:***

***\* Provided that no call shall exceed half of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.”***

**FURTHER RESOLVED THAT** in pursuance of Clause 28 sub-clause (1) of the Articles of Association of the Company, any Director of the Company or the Company Secretary be and are hereby authorized to do all such acts, deeds,

matters and things as may be necessary and incidental to give effect to this resolution.”

The Board of Directors of the Company at its meeting held on 04<sup>th</sup> September 2024 recommended that the existing Article of Association be altered with the text as set out in the resolution. Consent of the Members by way of Special Resolution is required for such alteration of Articles of Association in terms of the provisions of Section 14 of the Act.

The Board recommends this Special Resolution for your approval.

None of the Directors, Key Managerial Personnel and their relatives is, in any way, concerned or interested in the said Special Resolution.

#### Item No. 4

**“RESOLVED THAT** pursuant to the provisions of Section 13 and other applicable provisions, if any, of Companies Act, 2013, (including any statutory modifications or re-enactment thereof, for the time being in force), and the rules framed there under, consent of the Board of Directors of the Company be and is hereby accorded, subject to the approval of the Registrar of Companies, Telangana and subject to the approval of Shareholders in General Meeting, to append following sub clause (38) after sub clause (37) of **CLAUSE III (B) i.e. (B) THE OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENTS THE ABOVE MAIN OBJECTS ARE** of the Memorandum of Association of Company:

***\* 38. To invest or to acquire by purchase or otherwise the Land, agriculture field or other property for business purpose on such terms and conditions as may be consider appropriate and in the best interest of the Company***

**FURTHER RESOLVED THAT** in pursuance of append the Clause 38 after clause (37) of CLAUSE III (B) of the Memorandum of Association of the Company, any Director of the Company or the Company Secretary be and are hereby authorized to do all such acts, deeds, matters and things as may be necessary and incidental to give effect to this resolution.”

The Company, as per the provisions of Section 13 of the Companies Act, 2013 and the rules framed thereunder, shall not, except with the consent of Members by Special Resolution alter the Objects clause of its Memorandum of Association.

The existing Clause III (B) of Memorandum of Association needs to be appended with a new Clause no. 38 needs to be inserted under **CLAUSE III (B)**

The Board of Directors accordingly recommends the Special Resolution for the approval of the Members.

None of the Directors, Key Managerial Personnel and their relatives is, in any way, concerned or interested in the said Special Resolution.

#### Item No. 5 & 6

Keeping in view the Company’s long term strategic and business objectives, the Company may need additional funds. For this purpose, the Company may, from time to time, raise finance from various Banks and/or Financial Institutions and/ or any other lending institutions and/or Bodies Corporate and/or such other persons/ individuals as may be considered fit, which, together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company’s bankers in ordinary course of business) may exceed the aggregate of the paid-up capital and free reserves of the Company. Pursuant to Section 180(1)(c) of the Companies Act, 2013, the Board of Directors cannot borrow more than the aggregate amount of the paid-up capital of the Company and its free reserves at any time except with the consent of the members of the Company in a general meeting.

In order to facilitate securing the borrowing made by the Company, it would be necessary to create charge on the assets or whole or part of the undertaking of the Company. Further, Section 180(1)(a) of the Companies Act, 2013 provides for the power to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company subject to the approval of members in the General Meeting.

The above proposal is in the interest of the Company and the Board recommends the Resolution as set out at Item Nos. 5 & 6 for approval by the members of the Company as Special Resolutions.

None of the Directors, Key Managerial Personnel and their relatives is, in any way, concerned or interested in the said Special Resolution.

## **Item No. 7;**

Pursuant to section 180 (1) (a) and other applicable provisions of the Companies Act, 2013, the Company can dispose off its undertaking/property/assets through sale or lease or provide security of its assets for repayment of loan or otherwise only with the approval of members accorded by way of Special Resolution.

The Company may sell, lease, dispose off/create charge and/or mortgage all or any of the immovable and / or movable properties and / or undertaking of the Company wheresoever situated, present & future and the whole of the undertaking of the Company in favour of any other person/Bank/Financial Institution/NBFC's or otherwise, to secure the repayment of funds/credit facilities availed or to be availed by the Company, for a sum of money not exceeding Rs. 100/- Crores (Rupees One Hundred Crore).

The Board recommends the resolution set out in the accompanying Notice.

None of the Directors, Key Managerial Personnel and their relatives is, in any way, concerned or interested in the said Special Resolution.

## **Item No. 8**

In order to make optimum use of funds available with the Company and also to achieve long term strategic and business objectives, the Board of Directors of the Company proposes to make use of the same by making investment in other bodies corporate or granting loans, giving guarantee or providing security to other persons or other bodies corporate as and when required.

Members may note that pursuant to Section 186 of the Companies Act, 2013 ("Act"), the Company can give loan or give any guarantee or provide security in connection with a loan to any other body corporate or person and acquire securities of any other body corporate, in excess of 60% of its paid up share capital, free reserves and securities premium account or 100% of its free reserves and securities premium account, whichever is more, with the approval of Members by special resolution passed at the general meeting.

In view of the aforesaid, it is proposed to take approval under Section 186 of the Companies Act, 2013, by way of special resolution, up to a limit of Rs. 100 Crores, as proposed in the Notice. The above proposal is in the interest of the Company and the Board recommends the Resolution as set out at Item No. 8 for approval by the members of the Company as Special Resolution.

None of the Directors, Key Managerial Personnel and their relatives is, in any way, concerned or interested in the said Special Resolution.

## **Item No. 9:**

Pursuant to Section 185 of the Companies Act, 2013 ("the Act"), a Company may advance any loan including any loan represented by book debt, or give any guarantee or provide any security in connection with any loan taken by any entity (said entity(ies) covered under the category of 'a person in whom any of the director of the Company is interested' as specified in the explanation to Section 185(2)(b) of the Companies Act, 2013, after passing a Special Resolution in the general meeting. It is proposed to make loan(s) including loan represented by way of Book Debt to, and/or give guarantee(s) and/or provide security(ies) in connection with any loan taken/to be taken by the Subsidiary Companies or Associate or Joint Venture or group entity or any other person in whom any of the Director of the Company is deemed to be interested as specified in the explanation to Section 185(2)(b) of the Act (collectively referred to as the "Entities"), from time to time, for the purpose of capital expenditure of the projects and/or working

capital requirements including purchase of fixed assets as may be required from time to time for its principal business activities and other matters connected and incidental thereto, within the limits as mentioned in the Item no. 9 of the notice.

The members may note that Board of Directors would carefully evaluate the proposals and provide such loan, guarantee or security through deployment of funds out of internal resources/accruals and/or any other appropriate sources, from time to time, and the proposed loan shall be at such rate of interest as agreed by the parties in the best interest of the Company and shall be used by the borrowing company for its principal business activities only.

The Board of Directors recommend the resolution set forth in Item no. 9 of the notice for your approval as a Special Resolution.

None of the Directors or Key Managerial Personnel or their relatives are in any way concerned with or interested, financially or otherwise in the said resolution except to the extent of their shareholding in the Company, if any.

## Item No. 10

Pursuant to the provisions of Section 188 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, the Related Party Transactions as mentioned in clause (a) to (g) of the said section requires a Company to obtain approval of the Board of Directors and subsequently the Shareholders of the Company by way of ordinary resolution in case the value of the Related Party Transactions exceed the stipulated thresholds prescribed in Rule 15 of the said Rules and transactions other than in ordinary course of business and on arm's length basis.

Further, Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations") also stipulates that all material related party transactions shall require prior approval of the shareholders through ordinary resolution.

Accordingly, the related party transactions as recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on 04<sup>th</sup> September, 2024 are hereby placed before the shareholders for their approval by way of ordinary resolution to enable the Company / Subsidiary Company to enter into the following Related Party Transactions in one or more tranches. The transactions under consideration, are proposed to be entered into by the Company / Subsidiary Company with the following related parties in the ordinary course of business and at arms' length basis.

Pursuant to Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014 and SEBI Circular SEBI/HO/CFD/CMD1/ CIR/P/2021/662, dated November 22, 2021;

## Item No. 11

The Members of the Company at the 30<sup>th</sup> Annual General Meeting held on August 20, 2023 ("30<sup>th</sup> AGM") had appointed Mr. Sudhakaran Reddy Sunkerneni as the Managing Director of the Company effective from 20.08.2020 for a period of five years up to 19.08.2025.

Pursuant to the provisions of Section 196, 197 and 198 of the Companies Act, 2013 read with Schedule V, a company having inadequate/no profits, may subject to certain conditions including the passing of a Special resolution, pay such remuneration to its managerial personnel as may be decided by the Board of Directors on the recommendation of Nomination and Remuneration Committee.

Taking into consideration the increased business activities of the Company coupled with higher responsibilities cast on Mr. Sudhakaran Reddy Sunkerneni, the Board of Directors, on recommendation of the Nomination and Remuneration Committee of the Company, at its meeting held on 4<sup>th</sup> September 2024, has approved the proposal to increase the salary of Mr. Sudhakaran Reddy Sunkerneni, Managing Director, subject to the approval of shareholders, as set out in the resolution being item no. 5 of the accompanying notice w.e.f. 01st day of April, 2023 for the remaining period of his tenure i.e. up to 19th day of August 2025.



Minimum Remuneration: Where in any financial year, during the currency of the tenure of Mr. Sudhakaran Reddy Sunkerneni as Managing Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration to him by way of salary, perquisites and allowances as specified in the resolution being item no. 5 of the accompanying notice as minimum remuneration, subject to the limits and conditions as prescribed under Schedule V of the Companies Act, 2013, as may be amended from time to time.

Out of abundant caution and in view of the relevant extant provisions of law relating to managerial remuneration, the Company is complying with the provisions of Section II of Part II of Schedule V of the Companies Act, 2013 which prescribes that in case of no profits or inadequate profits, the remuneration can be paid by the Company to its managerial personnel as minimum remuneration within the limits arrived at in accordance with the requirements of the said section II, subject to the following:

- i. The payment of remuneration is approved by a resolution passed by the Board and also by the Nomination and Remuneration Committee of Directors.
- ii. There is no default in repayment of any of its debts or interest payable thereon.

The Nomination and Remuneration Committee at its meeting held on 4<sup>th</sup> day of September, 2024 has already approved the above remuneration payable to Mr. Sudhakaran Reddy Sunkerneni, Managing Director of the Company.

Further, the Company has not made any default in repayment of any of its debts or interest payable thereon. The proposed revision in remuneration above is well in conformity with the relevant provisions of the Companies Act, 2013, read with Schedule V to the said Act and hence approval of Central Government is not required for the above revision in remuneration.

Except for the aforesaid revision in salary, all other terms and conditions of his appointment as Managing Director of the Company as approved by the members of the Company shall remain unchanged.

During the financial year ended March 31, 2024, the profits of the Company may not be adequate and therefore the remuneration

payable to the Managing Director would exceed the limits prescribed under the relevant provisions of the Companies Act, 2013.

The details of remuneration payable to Mr. Sudhakaran Reddy Sunkerneni, Managing Director despite inadequacy or absence of profits is as under:

Remuneration:

- a) Salary: Rs. 2,40,000/- (Rupees One Lakh Forty Thousand only) per month.
- b) HRA: Rs. 56,000/- (Rupees Fifty-Six Thousand Only) per month.
- c) SPA: Rs. 1,54,000/- (Rupees One Lakh Fifty-Four Thousand only) per month.
- d) Medical Expenses/ Reimbursement: As approved by Board.
- e) Leave Travel Allowance: For self and family once in a year incurred in accordance with the Rules of the Company.
- f) Personal Accident Insurance: As per the rules of the Company.
- i) Gas & Electricity etc.: As per the rules of the Company.
- j) Car: As per the rules of the Company.
- k) Telephone: As per the rules of the Company.

Explanation: For the purpose of this part, 'family' means the spouse.

## Other Benefits:

- i) Gratuity: As per the rules of the Company.
- ii) Contribution to the Provident Fund, Superannuation Fund or Annuity Fund: As per the rules of the Company.
- iii) Encashment of leave: As per the rules of the Company.

Apart from the aforesaid remuneration, he will be entitled to reimbursement of all expenses incurred in connection with the business of the Company.

The appointee shall not be entitled to any sitting fees for Board / Committee meetings.

The said perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of Income Tax Act, 1961 or any rules thereunder or any statutory modifications or re-enactment thereof; and in the absence of any such rules, perquisite and allowances shall be evaluated at actual cost. The Company's contribution to Provident Fund, Superannuation or Annuity Fund, to the extent these singly or together are not taxable under the Income Tax law, gratuity payable and encashment of leave shall not be included for the purpose of computation of the overall ceiling of remuneration.

In the event of inadequacy of profits calculated as per Section 198 of the Companies Act, 2013 in this financial year Mr. Sudhakaran Reddy Sunkerneni shall be entitled to a minimum remuneration comprising salary, perquisites and benefits as detailed above subject to such revisions as may be approved by the Board.

The terms and conditions of the said appointment and / or agreement are subject to provisions of Sections 196, 197, 203 and other applicable provisions if any, of the Companies Act, 2013 ("The Act") read with Schedule V to the Act and the Companies (Appointment and Remunerations of Managerial Personnel) Rules, 2014 including any statutory modifications or enactments thereof from time to time and may be altered and varied from time to time by the Board/ Committee as it may in its discretion deem fit within the maximum amount of remuneration payable in accordance with the applicable rules and regulations. Further, the remuneration as would be paid to Mr. Sudhakaran Reddy Sunkerneni, managing director during his tenure would be the remuneration payable to him even if the said exceeds the stipulated managerial limits in terms of the provisions of Sections 196 and 197 of the Companies Act, 2013 read with Schedule V to the said Act and the excess payment of managerial remuneration, if any, during any financial year / period in between will stand waived subject to fulfillment and compliance of other conditions as mentioned under the various provisions of the Act or rules related thereto. Statement as required under Section II, Part II of the Schedule V of the Companies Act, 2013 with reference to Special Resolution at Item No.4 is annexed hereto.

Accordingly, the Board recommends the resolution set forth in Item No. 11 relating to increase in the managerial remuneration payable to Mr. Sudhakaran Reddy Sunkerneni, Managing Director, by way of Special Resolution.

Except Mr. Sudhakaran Reddy Sunkerneni, no other director(s) and Key Managerial Personnel(s) or their relatives, is in any way, concerned or interested, financially or otherwise, in this resolution.

## Statement containing additional information as required in Schedule V of the Companies Act, 2013 – Mr. Sudhakaran Reddy Sunkerneni (Item No.11 of Notice)

### 1. General Information

|   |   |   |  |
|---|---|---|--|
| 1 | Nature of industry  | IT/ITeS                                   |  |
| 2 | Date or expected date of commencement of commercial production  | Existing Company in operation since 1990. |  |
| 3 | In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus | Not Applicable                            |  |
| 4 | Financial performance based on given indicators   | Particulars                               | Fy 2023-2024 (As per Audited Financials Report) (Rs. In Lakhs) |

|  |   |                                       |         |
|--|---|---------------------------------------|---------|
|  |   | Paid up Capital                       | 2166.74 |
|  |   | Reserves & Surplus                    | 73.36   |
|  |   | Total Revenue from operations         | 684.87  |
|  |   | Total Expenses                        | 481.62  |
|  |   | Profit Before Tax                     | 203.25  |
|  |   | Tax Expenses (Including Deferred Tax) | (4.61)  |
|  |   | Profit After Tax                      | 209.48  |
|  | Foreign Investments or collaborations, if any | Not Applicable                        |         |

**2. Information about the appointee:**

|   |  |  |
|---|--|--|
| 1 | Background details   | A distinguished Chartered Accountant representing a coalition of specialized skills in corporate finance advisory, tax consultancy with demonstrated skills in implementation of ERP Software (SAP) in countries across two continents.  |
| 2 | Past remuneration  | Rs. 54,00,000/- P. A   |
| 3 | Recognition or awards  | NA   |
| 4 | Job profile and his suitability  | A strong believer in adding value and optimizing the benefits accruing to stakeholders. Expert in managing risk and creating value for money by leveraging talent and technology. Possessing a broad vision and experience of over 20 years, he has been actively involved with many products and services companies, to help them develop and grow. |
| 5 | Remuneration proposed  | As stated in the Explanatory Statement at Item No.11 of this Notice.   |
| 6 | Comparative remuneration profile with respect to industry, size of the company, profile of the position and person   | The remuneration of Mr. Sudhakaran Reddy Sunkerneni is comparable to that drawn by the peers in the similar capacity in the industry and is commensurate with the size of the Company and diverse nature of its business.  |
| 7 | Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any | Mr. Sudhakaran Reddy Sunkerneni is not related to any of the Directors and Key Managerial Personnel of the Company.  |

**3. Other Information:**

|   |   |   |
|---|---|---|
| 1 | Reasons of loss or inadequate profits                             | During the financial year ended March 31, 2023, the profits of the Company may not be adequate due to COVID impact and therefore the remuneration payable to the Managing Director would exceed the limits prescribed. Hence this proposal under applicable provisions of Schedule V. |
| 2 | Steps taken or proposed to be taken for improvement               | Many corrective actions have been taken including cost control, reduction in avoidable manpower etc.,   |
| 3 | Expected increase in productivity and profits in measurable terms | During 2023-2024, Q1 results showed considerable recovery in demand and business results. Q2 is expected to show further progressive recovery of demand and underlying business results.  |

## PROFILE OF DIRECTORS BEING APPOINTED/RE-APPOINTED

As required by Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the particulars of Appointment/Re-appointment of Directors are given below:

|  |   |   |  |
|--|---|---|--|
| Name of the Director   | Mr. Venkateswar Reddy Varri   | Ms. Kanthi Reddy Sunkernenineni   | Sridhar Reddy Pyata  |
| Category   | Non-Executive & Independent Director  | Non-Executive & Non-Independent Director  | Non-Executive & Non-Independent Director   |
| DIN  | 00534590  | 10732925  | 07268714   |
| Date of Birth and Age  | 02/01/1969 & 55 yrs   | 20/06/1995 & 34 yrs   | 26/12/1970 & 53 years  |
| Qualification  | B. Com,   | MBBS, MS (Ophthalmology)  | BE Electronics   |
| Nature of Expertise/Experience   | he possesses rich experience in Management and Administration Matters. Very Pro-active and focused in his approach towards business | . she possesses rich experience in Management and Administration Matters. include leadership, team management, the ability to monitor, manage risk, negotiation skills, research and strategy, business intelligence, and networking in medical field | 23 Yrs of SAP HANA, Success Factors & Logistics Solution Architect of which 19 years' in Program Management, Quality Assurance, Process Audit. |
| First Appointment on the Board   | 04-05-2024  | 07-08-2024  | 01-09-2020   |
| Terms & Conditions of Appointment/ Re-appointment                                | Non-Executive - Independent Director  | Non-Executive - Non-Independent Director  | Non-Executive & Non-Independent Director   |
| Remuneration Details   | Nil   | Nil   | Nil  |
| No. of shares held in Adroit Infotech Limited as at March 31, 2023               | Nil   | Nil   | NIL  |
| Relationship with other Directors/ Manager/KMP                                   | Not Applicable  | Yes,  | Not Applicable   |
| No. of Board meetings attended out of 10 meetings held during the year 2023-2024 | Not Applicable  | Not Applicable  | 6 (out of 10)  |
| Other Directorships  | <b>Listed Public Companies:</b>   | <b>Listed Public Companies:</b>   | <b>Listed Public Companies:</b>  |
|  | Nil   | Nil   | Nil  |
|  | <b>Private Companies:</b>   | <b>Private Companies:</b>   | <b>Private Companies:</b>  |
|  | Twin Cities Hotels Pvt Ltd  | Nil   | 1800 Engineers (India) Private Limited<br>ESGK IT Solutions Private Limited  |
|  | <b>Foreign Companies:</b>   | <b>Foreign Companies:</b>   | <b>Foreign Companies:</b>  |
|  | Nil   | Nil   | Nil  |
|  | <b>Section 8 Companies:</b>   | <b>Section 8 Companies:</b>   | <b>Section 8 Companies:</b>  |
|  | Nil   | Nil   | Nil  |
|  | <b>LLPs:</b>  | <b>LLPs:</b>  | <b>LLPs:</b>   |
|  | Sriven Enterprises LLP<br>Manjira Dream Built LLP   | Nil   | Nil  |
|  | Member:<br>1. Audit Committee<br>2. Nomination and  | Member:<br>Nil  | Member:<br>1. Nomination and Remuneration  |

|  |   |     |   |
|--|---|-----|---|
|  | Remuneration Committee<br>3. Stakeholders Relationship Committee<br>4. Rights Issue Committee |     | Committee<br>2. Stakeholders Relationship Committee |
| Chairmanships/Memberships of the Committees of other public limited companies as on March 31, 2024 | Nil   | Nil | Nil   |

Place: Hyderabad  
 Date: September 04, 2024

**Adroit Infotech Limited**

Sd./-  
**Piyush Prajapati**  
 Company Secretary  
 Membership No A48320

**Registered Office:**  
 #Plot No. 7A, MLA Colony, Road No. 12  
 Banjara Hills, Hyderabad - 500034  
 CIN: L72300TG1990PLC011129  
 Tel: + 91 40 23552284/85/86  
 Email: [cs@adroitinfotech.com](mailto:cs@adroitinfotech.com)  
 Website: [www.adroitinfotech.com](http://www.adroitinfotech.com)

## DIRECTORS' REPORT

Dear Members,  
Adroit Infotech Limited  
Hyderabad.

Your directors have great pleasure in presenting their 34<sup>th</sup> Annual Report on the Business and Operations of your Company ('the Company' or 'AIL'), along with the audited financial statements, for the Financial Year ended March 31, 2024. The Consolidated Performance of your Company and its subsidiaries has been referred to wherever required.

### FINANCIAL SUMMARY/HIGHLIGHTS:

The performance of the Company for the Financial Year ended March 31, 2024, is as under:

#### Results of our operations and state of affairs.

(Rupees in Lakhs)

| Particulars   | Consolidated  |               | Standalone    |               |
|---|---------------|---------------|---------------|---------------|
|   | 2022-2023     | 2023-2024     | 2022-2023     | 2023-2024     |
| Total Income  | 2,271.93      | 2583.70       | 560.20        | 684.87        |
| <b>Profit before Financial Cost, Depreciation, Taxation and Exceptional items</b> | <b>569.04</b> | <b>565.10</b> | <b>238.46</b> | <b>327.17</b> |
| <b>Less:</b>  |               |               |               |               |
| Financial Cost  | 29.57         | 24.16         | 27.52         | 10.52         |
| Depreciation and Amortization Expenses  | 150.99        | 159.61        | 125.07        | 113.40        |
| <b>Profit/(Loss) before tax &amp; Exceptional Items</b>                           | <b>388.51</b> | <b>381.33</b> | <b>85.86</b>  | <b>203.25</b> |
| <b>Less:</b>  |               |               |               |               |
| Exceptional items/Extra Ordinary Items  | 0             |               | 0             |               |
| <b>Profit/(Loss) before tax</b>   | <b>388.51</b> | <b>381.33</b> | <b>85.86</b>  | <b>203.25</b> |
| Less: Tax expenses  | -10.19        | 81.77         | -52.21        | -4.61         |
| Profit before Minority Interest   | <b>378.41</b> | <b>299.56</b> | <b>138.16</b> | <b>207.86</b> |
| Less: Minority Interest   | -             | -             | -             | -             |
| <b>Profit/(Loss) after tax</b>  | <b>378.41</b> | <b>303.74</b> | <b>138.16</b> | <b>209.48</b> |

#### Standalone and Consolidated Financial Statements:

The standalone and consolidated financial statements of the Company have been prepared in accordance with the Indian Accounting Standards ('Ind AS') as notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended. The financial highlights and the results of the operations, including major developments have been further discussed in detail in the Management Discussion and Analysis Report.

Further, a statement containing the salient features of the financial statements of our subsidiaries pursuant to sub-section 3 of Section 129 of the Companies Act, 2013 in the prescribed form AOC-1 is appended as Annexure 1 to the Board's Report.

The statement also provides the details of performance and the financial positions of each of the subsidiaries, associates and joint venture.

#### REVIEW OF OPERATIONS:

During the year under review, your Company achieved consolidated revenue of Rs. 2583.70 Lakhs as against revenue of Rs. 2,271.93 Lakhs in the previous fiscal. Consolidated EBITDA of Rs. 565.10 Lakhs as against Rs. 569.04 Lakhs of previous year.

At standalone level, your Company recorded revenue of Rs 684.87 Lakhs against a revenue of Rs. 560.20 Lakhs in the previous year, EBITDA of Rs. 327.17 Lakhs as against Rs 238.46 Lakhs of previous year.

## **DIVIDEND:**

Your directors have not recommended any dividend for this financial year 2023-2024.

## **CHANGE IN THE NATURE OF BUSINESS, IF ANY:**

There is no change in the nature of business of the Company, during the year.

## **MATERIAL CHANGES AND COMMITMENTS IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY:**

There are no material changes and commitments affecting the financial position of the Company which occurred between the end of the Financial Year to which the Financial Statements relate and the date of the report.

## **DEPOSITS:**

Your Company has not accepted any deposits falling within the meaning of section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 during the Financial Year under review and as such no amount of principal or interest on public deposits was outstanding as on the date of balance sheet.

## **TRANSFER TO RESERVES:**

The Company has transferred 209.48 Lakhs to the reserves during the Financial Year ended March 31, 2024.

## **FUTURE OUTLOOK:**

Renewed thrust with a larger Sales force to tap the growing market during Q 2, Q 3 & Q 4 will take up the Top line under standalone and consolidated revenue level of Rs. 35.00 crores, up from the previous year's consolidated revenue of Rs. 25.83 Crores, an estimated growth of around 35.5% YoY.

## **SHARE CAPITAL:**

The Issued, Subscribed and Paid-up Capital of the Company as on March 31, 2024 is Rs. 21,66,73,720/- (Rupees Twenty-One Crores Sixty-Six Lakhs Seventy-Three Thousand Seven Hundred and Twenty Only) divided into 2,16,67,372 (Two Crore Sixteen Lakhs Sixty -Seven Thousand Three Hundred and Seventy-Two) Equity shares of Rs.10/- (Rupees Ten) each.

The Company has Issued, Subscribed and partly paid-up shares 3,25,01,058 (Three Crores Twenty-Five Lakhs One Thousand Fifty-Eight Only) on Rights basis amounting to Rs. 10/- (Rupees Ten Only) Each Share with Premium of Rs. 5/- each Share as on March 31, 2024.

The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a) (ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished

## **CONSOLIDATED FINANCIAL STATEMENTS (CFS):**

The Consolidated Financial Statements of your Company for the financial year 2023-2024 are prepared in compliance with applicable provisions of the Companies Act, 2013 read with the Rules issued thereunder, applicable Accounting Standards and the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the "Listing Regulations"). The consolidated financial statements have been prepared on the basis of audited financial statements of your Company, its subsidiaries, as approved by the respective Board of Directors.

The CFS should therefore be read in conjunction with the directors' report, financial notes, cash flow statements and the individual auditor reports of the subsidiaries.

Pursuant to provisions of section 129(3) of the Companies Act, 2013, a statement containing salient features of the financial statements of the Company's subsidiaries is attached to the financial statements of the Company.

## **ABRIDGED ANNUAL ACCOUNTS:**

Pursuant to the provisions of the first proviso to Section 136(1) of the Act and Rule 10 of Companies (Accounts) Rules, 2014, the abridged annual accounts are being sent to all shareholders whose e-mail id's are not registered with the Company. The full annual report is available on the website of your Company at [www.adroitinfotech.com](http://www.adroitinfotech.com) and available for inspection at the registered office of the Company during working hours. Any member interested in obtaining the full annual report may write to the Company Secretary and the same will be furnished on request

## **SUBSIDIARIES COMPANIES:**

The Company has 3 subsidiary Company as on March 31, 2024. There are no associate or joint venture companies within the meaning of Section 2(6) of the Companies Act, 2013 ("Act"). There has been no material change in the nature of the business of the subsidiaries.

Further, pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited financial statements in respect of subsidiaries, are available on the website of the Company <https://www.adroitinfotech.com/investor-relations>.

## **DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the requirement under section 134(3) and 134(5) of the Companies Act, 2013, with respect to the Directors' Responsibility Statement relating to the Company (Standalone), your board of directors to the best of their knowledge and ability confirm that:

- a) That in the preparation of the annual accounts for the financial year ended March 31, 2024, the applicable accounting standards had been followed along with proper explanation relating to material departure;
- b) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at March 31, 2024 and of the profit and loss of the Company for the financial year ended March 31, 2024;
- c) That 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) That the Directors had prepared the annual accounts on a 'going concern' basis,
- e) That the Directors laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively; and
- f) That the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors and external consultants, including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by management and the relevant board committees, including the audit committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during Financial Year 2024.

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP):**

The composition of the Board is in accordance with provisions of Section 149 of the Companies Act, 2013 and Regulation 17 of the Listing Regulations, with an appropriate combination of Non-executive and Independent Directors.



## Appointment / Resignation of Directors:

In accordance with the provision of section 152(6) and the Articles of Association of Company Mr. Sridhar Reddy Pyata shall retire by rotation at the ensuing Annual General Meeting of the Company and, being eligible, offers himself for re-appointment. The Board recommends his re-appointment.

## Evaluation of Board, its committees & Directors:

Pursuant to the provisions of Companies Act, 2013 and Regulation 17 of Listing Regulations, the Board carried out evaluation of its own as well as performance of that of its committees. The Board also carried out performance evaluation of all the Individual Directors. Additionally, the Nomination and Remuneration committee of the Board also carried out the evaluation of the performance of the individual directors. The performance evaluation was carried out by the way of obtaining feedback from the directors through a structured questionnaire prepared in accordance with the Board Evaluation Policy.

The structured questionnaire prepared to evaluate the performance of Individual Directors, the Board and committees contained various different parameters.

The performance evaluation of the non-independent directors was carried out by the Independent Directors at their separate meeting.

## Independent Director:

Pursuant to the provisions of the section 149 of the Companies Act, 2013, the following Non-Executive Directors are appointed as Independent Directors: -

| Sr. No. | Name of the Director     | Date of Appointment |
|---------|--------------------------|---------------------|
| 1.      | Triveni Banda            | 05-09-2023          |
| 2.      | Venkateshwara Reddy Vari | 04-05-2024          |
| 3.      | Shobha Rani Surapanani   | 04-05-2024          |

## Declaration by independent directors:

Pursuant to the provisions of Section 149 of the Act, the independent directors have submitted declarations that each of them meets the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations. There has been no change in the circumstances affecting their status as independent directors of the Company.

During the year under review, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission, if any and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board / Committee of the Company.

## FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS:

Independent Directors are familiarized about the Company's operations and businesses. Interaction with the Business heads and key executives of the Company is also facilitated. Detailed presentations on important policies of the Company is also made to the directors. Direct meetings with the Chairman is further facilitated to familiarize the incumbent Director about the Company/its businesses and the group practices.

The details of familiarization programme held in Financial Year 2023-2024 are also disclosed on the Company's website at <http://adroitinfotech.com/policies.html>

## Women Director:

In terms of the provision of Section 149 of the Companies Act, 2013 and Regulation 17 (1) of SEBI (LODR) Regulation, 2015 a listed company shall have at least one-woman director on the board of the company. Your Company has appointed Ms. Triveni Banda as Woman Director on the Board w.e.f. 04-09-2023 and resigned on 05-02-2024 due the pre-occupancy in her professional services

## Key Managerial Personnel:

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on March 31, 2024 are:

| S.NO. | NAME                             | DESIGNATION                              |
|-------|----------------------------------|--|
| 1.    | Mr. Sudhakiran Reddy Sunkerneni  | Managing Director                        |
| 2.    | Mr. Ravichandra Rao Badanidiyoor | Chief Financial Officer                  |
| 3.    | Mr. Piyush Prajapati             | Company Secretary and Compliance Officer |

## MEETINGS OF THE BOARD AND COMMITTEES:

The Board of Directors duly met Six (6) times during the Financial Year. The dates on which the meetings were held are 29/04/2023, 25/05/2023, 07/08/2023, 05/09/2023, 14/11/2023, and 05/02/2024. For further details on the meetings and the attendance of directors/members, please refer report on Corporate Governance of this Annual Report.

The intervening gap between the Meetings was within the period of 120 (One Hundred and Twenty) days as prescribed under the Companies Act, 2013.

The number of meetings attended by the Directors during the Financial Year 2023-24 is as follows:

| S.No. | Date of Board Meeting | No. of Directors entitled to attend | No. of Directors who attended | % of their attendance |
|-------|-----------------------|-------------------------------------|-------------------------------|-----------------------|
| 1.    | 29/04/2023            | 6                                   | 3                             | 50%                   |
| 2.    | 25/05/2023            | 6                                   | 3                             | 50%                   |
| 3.    | 07/08/2023            | 6                                   | 4                             | 67%                   |
| 4.    | 05/09/2023            | 6                                   | 4                             | 67%                   |
| 5.    | 14/11/2023            | 6                                   | 4                             | 67%                   |
| 6.    | 05/02/2024            | 6                                   | 4                             | 67%                   |

The Company has various Committees which have been constituted as a part of good corporate governance practices and the same are in compliance with the requirements of the relevant provisions of applicable laws and statutes.

Details of the following committees constituted by the Board along with their composition, terms of reference and meetings held during the year are provided in the Report on Corporate Governance which forms part of this Annual Report:

- i) Audit Committee
- ii) Nomination and Remuneration Committee
- iii) Stakeholders Relationship Committee
- iv) Rights Issue Committee

The details with respect to the composition, powers, roles, terms of reference, Meetings held and attendance of the Directors at such Meetings of the relevant Committees are given in detail in the Report on Corporate Governance of the Company which forms part of this Annual Report.

## BOARD EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Board of Directors has carried out an annual performance evaluation of their own, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and other Committees. The manner in which the evaluation has been carried out has been explained hereunder.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

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

In a separate meeting of independent directors, performance of non-independent directors, the Board as a whole and the Chairman of the Company was evaluated, taking into account the views of executive directors and non-executive directors.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. At the board meeting that followed the meeting of the independent directors and meeting of Nomination and Remuneration Committee, the performance of the Board, its Committees, and individual directors was also discussed. Performance evaluation of Independent Directors was done by the entire Board, excluding the independent director being evaluated.

#### **SECRETARIAL STANDARDS:**

The Company has duly complied with the applicable Secretarial Standards, i.e., SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively.

#### **PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES:**

##### **The information required under Section 197 of the Act read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

The remuneration paid to your Directors is in accordance with the Nomination and Remuneration Policy formulated in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) for the time being in force). The salient aspects covered in the Nomination and Remuneration Policy has been outlined in the Corporate Governance Report which forms part of this report.

The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2023-2024 and percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2023-2024, are as under:

The median remuneration is Rs. 6,00,000 P.A. and the percentage increase in the median remuneration of employees in the financial year is Nil%.

The number of permanent employees on the rolls of company including subsidiaries as on March 31, 2024: 14+80=94 Nos

It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

##### **The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided as below:**

Details of Employee/s throughout the financial year was in receipt of remuneration for that year which, in the aggregate, was not less than 1,02,00,000: NIL

Details of for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than Rs. 8,50,000 per month: NIL

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

The average annual increase was 6 percent in India. However, during the course of the year, the total increase is approximately

7.7 percent, after accounting for promotions and other event-based compensation revisions. The increase in remuneration is in line with the market trends in the respective countries.

**Affirmation that the remuneration is as per the remuneration policy of the Company:**

The Company affirms that the remuneration is as per the remuneration policy of the Company.

**REMUNERATION POLICY:**

Your directors have, on the recommendation of the Nomination & Remuneration Committee, framed a policy for selection and appointment of Directors, Senior Management Personnel and their remuneration. The Remuneration Policy forms part of the Corporate Governance Report.

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

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, forms part of the Financial Statements.

**VIGIL MECHANISM:**

Pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013 and Regulation 22 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, a Vigil Mechanism for directors and employees to report genuine concerns about any instance of any irregularity, unethical practice and/or misconduct has been established. Further, the details as aforesaid are available on the website of your company at [www.adroitinfotech.com](http://www.adroitinfotech.com).

**DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment.

No case of sexual harassment was reported during the financial year.

**DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY:**

The Board of Directors of the Company has formed a Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The Committee is responsible for monitoring and reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The development and implementation of risk management policy has been covered in the Management Discussion and Analysis, which forms part of this report.

**INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

Your Company has established and maintained a framework of internal financial controls and compliance systems. Based on the same and the work performed by the internal auditors, statutory auditors and external agencies and the reviews performed by Top Management team and the Audit Committee, your Directors are of the opinion that your Company's Internal Financial Controls were adequate and effective during the financial year 2023-2024.

Further the statutory auditors of your company have also issued an attestation report on internal control over financial reporting (as defined in section 143 of Companies Act 2013) for the financial year ended March 31, 2024, which forms part to the Statutory Auditors Report.

**TRANSACTIONS WITH RELATED PARTIES:**

None of the transactions with related parties fall under the scope of Section 188(1) of the Act. The information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 are given in Annexure-2 in **Form No. AOC-2** and the same forms part of this report.

## AUDITORS':

### A. STATUTORY AUDITORS:

At the Thirty-Second AGM held on July 25, 2022 the Members approved appointment of M/s. Rao & Shyam, Chartered Accountants, Hyderabad (Firm Registration No.006186S), as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of Thirty-Second AGM till the conclusion of the thirty-seventh AGM.

The Auditors have confirmed that they have subjected themselves to the peer review process of Institute of Chartered Accountants of India (ICAI) and hold valid certificate issued by the Peer Review Board of the ICAI.

There are no qualifications, reservations or adverse remarks made by M/s Rao & Shyam, Statutory Auditors in their report for the financial year ended 31st March, 2024. The Auditor's Report is enclosed with the financial statements in this Annual Report.

### B. SECRETARIAL AUDITOR:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed Mrs. Sarada Putcha- Practising Company Secretaries, to undertake the Secretarial Audit of your Company. The Secretarial Audit Report submitted by Mrs. Sarada Putcha, Practising Company Secretaries is enclosed as **Annexure – 3 to this report**.

Further, Practising Company Secretaries/Chartered Accountants carries out Reconciliation of Share Capital Audit every quarter and the report thereon is submitted to the Stock Exchanges.

## DETAILS IN RESPECT OF FRAUD REPORTED BY AUDITOR:

There have been no instances of fraud reported by the Auditors of the Company under Section 143(12) of the Companies Act, 2013 and the Rules framed there under either to the Company or to the Central Government.

## EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORT:

### a. STATUTORY AUDITOR'S REPORT:

The Board has duly reviewed the Statutory Auditor's Report on the Accounts for the year ended March 31, 2024 and has noted that the observation made in the Auditors' Report read together with relevant notes thereon are self-explanatory and hence, do not call for any further comments under Section 134 of the Companies Act, 2013

### b. SECRETARIAL AUDIT REPORT:

The Board has duly reviewed the Secretarial Auditor's Report for the year ended March 31, 2024 and has noted that the observation made in the Secretarial Auditors' Report read together with relevant notes thereon are self-explanatory and hence, do not call for any further comments under Section 134 of the Companies Act, 2013.

## INTERNAL AUDITOR:

Pursuant to the provisions of Section 138 of the Companies read with rules made there under, the Board has appointed M/s. P R Chandra & Co, Chartered Accountants as Internal Auditor of the Company for the Financial Year 2023-2024.

## MAINTENANCE OF COST RECORDS AND COST AUDIT:

Maintenance of cost records and requirement of cost audit as prescribed under sub-section (1) of Section 148 of the Companies Act, 2013, are not applicable for the business activities carried out by the Company.

## DISCLOSURE REQUIREMENTS:

As per SEBI Listing Regulations, the Corporate Governance Report with the Auditors' Certificate thereon, and the integrated

Management Discussion and Analysis are attached, which forms part of this report.

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

## ANNUAL RETURN:

Annual Return as at March 31, 2024 is placed on the Company's website at <http://www.adroitinfotech.com/news-room.html>. By virtue of amendment to Section 92(3) of the Companies Act, 2013, the Company is not required to provide extract of Annual Return (Form MGT-9) as part of the Board's Report.

## LISTING WITH STOCK EXCHANGES:

The Company confirms that it has paid the Annual Listing Fees for the Financial Year 2023-24 to BSE Limited as well as National Stock Exchange of India Limited where the Company's Shares are listed.

## POLICIES:

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandated the formulation of certain policies for all listed companies. All the policies are available on our website <http://www.adroitinfotech.com/policies.html>. The policies are reviewed periodically by the Board and updated based on need and new compliance requirement.

## DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

### a) Conservation of Energy:

The Company is in the business of development of Information Technology and does not require large quantities of energy. However, wherever possible energy saving efforts are made.

### b) Technology Absorption:

We firmly believe that technology is the genesis of innovative business practices, which in turn enable the organization to carry out business effectively and efficiently. Even though the Information Technology industry is technology intensive, we believe that there is an increasing need to mechanize the processes involved in order to minimize costs and increase efficiency. We intend to make investments in innovative techniques for this regard.

### c) Foreign Exchange earnings and outgo:

The particulars of earning and expenditure in foreign exchange during the year are given as additional information in note no. 41 in Notes on Financial Statements.

| Sl. No | Foreign exchange earnings and outgo | FY. 2023 | FY. 2024 |
|--------|-------------------------------------|----------|----------|
| A      | Foreign exchange earnings           | 525.23   | 529.87   |
| B      | CIF Value of imports                | 0        | 0        |
| C      | Expenditure in foreign currency     | 0        | 3.42     |

## CORPORATE GOVERNANCE:

Your Company is committed to maintain the high standards of corporate governance and adhere to the corporate governance requirements set out by Securities and Exchange Board of India. The Report on corporate governance as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 forms part of the Annual Report.

The requisite certificate from the Practicing Company Secretary confirming compliance with the conditions of corporate governance as stipulated under the aforesaid Regulations is included as a part of this report.

## MANAGEMENT DISCUSSION AND ANALYSIS (MD&A):

The Management Discussion and Analysis Report for the financial year under review, as stipulated under Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, is presented in a separate section forming part of the Annual Report.

## BUSINESS RESPONSIBILITY REPORT (BRR):

Securities Exchange Board of India (SEBI) vide circular CIR/CFD/DIL/8/2012 dated August 13, 2012 has mandated the inclusion of BRR as part of the Annual Report for the top 100 listed entities based on their market capitalization on BSE Limited and National Stock Exchange of India Limited as at March 31, 2024. In view of the requirements specified, the Company is not mandated for the providing the BRR and hence it does not form a part of this Report.

## DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016):

There is no proceeding pending under the Insolvency and Bankruptcy Code, 2016

## 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:

During the period under review, there was no instance of onetime settlement with any Bank or Financial Institution.

## GENERAL:

Your directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the financial year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of shares (including sweat equity shares) to employees of your Company under any scheme save and except ESOS referred to in this Report.
3. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
4. During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
5. During the year under review, your company has not declared any dividend neither has transferred any amount to reserves.
6. Non-applicability of Corporate Social Responsibility under Section 135 of the Companies Act, 2013.
7. There were no qualifications mentioned by the Auditors in their report.
8. The policies, as framed by the company is available on the web link as provided hereunder:  
<http://www.adroitinfotech.com/policies-our-company.html>

## ACKNOWLEDGMENT:

The Directors thank the Company's employees, customers, vendors, investors, Banks, Financial Institutions, and other business partners for their continuous support. The Directors also thank the Government of India, Governments of various states in India, and concerned Government departments and agencies for their co-operation extended by them to your company. The Directors appreciate and value the contribution made by every member of the Adroit family.

**for adroit infotech limited**

Sd/-  
Sudhakaran Sunkerneni Reddy  
Managing Director  
DIN: 001436242

Sd/-  
Sridhar Pyata Reddy  
Director  
DIN: 07268714

Place: Hyderabad  
Date: September 04, 2024

## ANNEXURE

### FORM NO AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures.

#### PART-A SUBSIDIARIES

(Information in respect of each subsidiary to be presented with amount in Rs.)

FY 2023-2024

| Sl.No. | Name of the subsidiary   | Verso Altima India Pvt Ltd | Adroit Infotech US Inc. | Adroit Infotech LLC FZ |
|--------|--|----------------------------|-------------------------|------------------------|
|        |  | INR In Lakhs               | INR In Lakhs            | INR In Lakhs           |
| a      | Share Capital  | 50.00                      | 0.49                    | 11.36                  |
| b      | Reserves and Surplus   | 271.09                     | 17.12                   | -                      |
| c      | Total Assets   | 810.48                     | 130.04                  | -                      |
| d      | Total Liabilities  | 489.39                     | 112.92                  | -                      |
| 0e     | Details of Investments   | -                          | -                       | -                      |
| f      | Turnover   | 1898.83                    | -                       | -                      |
| g      | Profit before tax  | 178.08                     | -                       | -                      |
| h      | Provision for tax  | 86.38                      | -                       | -                      |
| l      | Profit After Tax   | 94.25                      | -                       | -                      |
| j      | Proposed Dividend  | -                          | -                       | -                      |
| k      | % of Share Holding   | 100%                       | 100%                    | 100%                   |
|        | Reporting Currency   | -                          | -                       | -                      |
|        | Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries. | -                          | -                       | -                      |

\* Subsidiaries for USA and India are consolidated.

Notes: The following information shall be furnished at the end of the statement:

- 1) Names of subsidiaries which are yet to commence operations. – 1 No (as on 31st March 2024)
- 2) Names of subsidiaries which have been liquidated or sold during the year. - Adroit Infotech DMCC



## Part B: Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures.

| Name of associates/Joint Ventures   | Name 1 | Name 2 | Name 3 |
|---|--------|--------|--------|
| 1.Latest audited Balance Sheet Date   | ----   | ----   | ----   |
| 2.Date on which the Associate or Joint Venture was associated or acquired   | ----   | ----   | ----   |
| 3.Shares of Associate or Joint Ventures held by the company on the year end | ----   | ----   | ----   |
| No. Shares  | ----   | ----   | ----   |
| Amount of Investment in Associates or Joint Venture                         | ----   | ----   | ----   |
| Extent of Holding (in percentage)   | ----   | ----   | ----   |
| 4.Description of how there is significant influence                         | ----   | ----   | ----   |
| 5.Reason why the associate/joint venture is not consolidated                | ----   | ----   | ----   |
| 6.Networth attributable to shareholding as per latest audited Balance Sheet | ----   | ----   | ----   |
| 7.Profit or Loss for the year   | ----   | ----   | ----   |
| i. Considered in Consolidation  | ----   | ----   | ----   |
| ii. Not Considered in Consolidation   | ----   | ----   | ----   |

- 1) Names of associates or joint ventures which are yet to commence operations. - Nil
- 2) Names of associates or joint ventures which have been liquidated or sold during the year. - Nil

## Form AOC-2

**(Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)**

Form for Disclosure of particulars of contracts / arrangements entered in to by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto (Pursuant to clause (h) of Sub-Section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

| S.No. | Particular  | Details |
|-------|---|---------|
| a.    | Name (s) of the related party & nature of relationship  | Nil     |
| b.    | Nature of contracts/arrangements/transaction  | Nil     |
| c.    | Duration of the contracts/arrangements/transaction  | Nil     |
| d.    | Salient terms of the contracts or arrangements or transaction including the value, if any                         | Nil     |
| e.    | Justification for entering into such contracts or arrangements or transactions'                                   | Nil     |
| f.    | Date of approval by the Board   | Nil     |
| g.    | Amount paid as advances, if any   | Nil     |
| h.    | Date on which the special resolution was passed in General meeting as required under first proviso to section 188 | Nil     |

2. Details of contracts or arrangements or transactions at Arm's length basis.

| S.No. | Particular  | Details |
|-------|---|---------|
| a.    | Name (s) of the related party & nature of relationship                                    | Nil     |
| b.    | Nature of contracts/arrangements/transaction  | Nil     |
| c.    | Duration of the contracts/arrangements/transaction  | Nil     |
| d.    | Salient terms of the contracts or arrangements or transaction including the value, if any | Nil     |
| e.    | Date of approval by the Board   | Nil     |
| f.    | Amount paid as advances, if any   | Nil     |

**By order of the board  
for Adroit Infotech Limited**

Sd./-  
Sudhakiran Sunkerneni Reddy  
Managing Director  
DIN: 001436242

Sd./-  
Sridhar Pyata Reddy  
Director  
DIN: 07268714

Place: Hyderabad  
Date: September 04,2024

## ANNEXURE-A

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> March'2024**  
**[Pursuant to section 204 (1) of the Companies Act, 2013 and rule No.9 of the Companies**  
**(Appointment and Remuneration Personnel) Rules, 2014]**

To,  
The Members,  
**ADROIT INFOTECH LIMITED**  
Plot No. 7A, MLA Colony, Road # 12, Banjara Hills, Hyderabad,  
Telangana, India - 500034.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Adroit Infotech Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my 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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended March 31, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- 1) The Companies Act, 2013 ('the Act') and the rules made there under;
- 2) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- 3) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- 4) Foreign Exchange Management Act, 1999 and the rules and regulations made there under;
- 5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (6) Contract Labour (Regulation and Abolition) Act, 1970
- (7) Employees State Insurance Act, 1948
- (8) Employees Compensation Act, 1923
- (9) Employees Provident Fund and Miscellaneous Provisions Act, 1952
- (10) Factories Act, 1948
- (11) Industrial Disputes Act, 1947
- (12) Industrial Employment (Standing Orders) Act, 1946
- (13) Indian Contract Act, 1872
- (14) Income Tax Act, 1961 and Indirect Tax Laws
- (15) Indian Stamp Act, 1999
- (16) Minimum Wages Act, 1948
- (17) Payment of Bonus Act, 1965
- (18) Payment of Gratuity Act, 1972
- (19) Payment of Wages Act, 1936

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India. (Notified w.e.f. 1st July, 2015)
- (ii) The Listing Agreement entered into by the Company with BSE Limited

The existing Listing Agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) w.e.f. 1st December, 2015 entered into by the Company with BSE Limited. During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

During the financial year under review Rights Issue of Equity Shares has been done.

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

All meetings were duly held in compliance with provisions of the Companies Act, 2013, rules thereof and the Secretarial Standard 1 issued by the Institute of Company Secretaries of India 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 the decisions in the Board meeting were taken unanimously during the audit period.

I 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.

I further report that during the audit period there were no instances

- (a) Public/Preferential issue of shares/debentures/sweat equity, etc.
- (b) Redemption/buy-back of securities
- (c) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013
- (d) Merger/amalgamation/reconstruction, etc.
- (e) Foreign technical collaborations

Place: Hyderabad  
Date: September 04, 2024

Sd./-  
Putcha Sarada  
Practicing Company Secretary  
ACS No: 21717  
CP No: 8735  
**UDIN: A021717F001129648**

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’

### SECRETARIAL AUDIT REPORT

#### Annexure 1

To,  
The Members,  
ADROIT INFOTECH LIMITED  
CIN: L72300TG1990PLC011129  
Plot No. 7A, MLA Colony, Road No.12  
Banjara Hills, Hyderabad – 500034.

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and process 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. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
5. 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.

Sd./-

Putchra Sarada  
Practicing Company Secretary  
ACS No: 21717  
CP No: 8735  
UDIN: **A021717F001129648**

Place: Hyderabad  
Date: September 04,2024

**FORM No. MR-3**  
**SECRETARIAL AUDIT REPORT**

(Pursuant to Section 204 (1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024**

**To,**

**The Members,**

**Verso Altima India Private Limited**

42/803 NRI Complex, Seawood Estate,

Palm Beach Road, Sector 54, 56, 58, Navi Mumbai Nerul. Thane

Maharashtra 400706 INDIA

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Verso Altima India Private Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my 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 authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended March 31, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- 1) The Companies Act, 2013 ('the Act') and the rules made there under;
- 2) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- 3) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- 4) Foreign Exchange Management Act, 1999 and the rules and regulations made there under;
- 5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; - **NOT APPLICABLE**
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **NOT APPLICABLE**
  - c) The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **NOT APPLICABLE**
- 6) Contract Labour (Regulation and Abolition) Act, 1970
- 7) Employees State Insurance Act, 1948
- 8) Employees Compensation Act, 1923
- 9) Employees Provident Fund and Miscellaneous Provisions Act, 1952
- 10) Factories Act, 1948
- 11) Industrial Disputes Act, 1947
- 12) Industrial Employment (Standing Orders) Act, 1946
- 13) Indian Contract Act, 1872
- 14) Income Tax Act, 1961 and Indirect Tax Laws
- 15) Indian Stamp Act, 1999
- 16) Minimum Wages Act, 1948
- 17) Payment of Bonus Act, 1965

18) Payment of Gratuity Act, 1972

19) Payment of Wages Act, 1936

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

(iii) Secretarial Standards issued by The Institute of Company Secretaries of India. (Notified w.e.f. 1st July, 2015)

(iv) The Listing Agreement entered into by the Company with BSE Limited - **NOT APPLICABLE**

The existing Listing Agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) w.e.f. 1st December, 2015 entered into by the Company with BSE Limited. During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above. – **NOT APPLICABLE**

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. – **NOT APPLICABLE** the changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

All meetings were duly held in compliance with provisions of the Companies Act, 2013, rules thereof and the Secretarial Standard 1 issued by the Institute of Company Secretaries of India 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 the decisions in the Board meeting were taken unanimously during the audit period.

I 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.

I further report that during the audit period there were no instances

(a) Public/Right/Preferential issue of shares/debentures/sweat equity, etc.

(b) Redemption/buy-back of securities

(c) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013

(d) Merger/amalgamation/reconstruction, etc.

(e) Foreign technical collaborations

Sd/-  
Putcha Sarada  
Practicing Company Secretary  
ACS No: 21717  
CP No: 8735  
**UDIN: A021717F001129736**

Place: Hyderabad  
Date: September 04, 2024

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,  
Verso Altima India Private Limited  
42/803 NRI Complex, Seawood Estate,  
Palm Beach Road, Sector 54, 56, 58, Navi Mumbai Nerul. Thane  
MAHARASTRA 400706 INDIA

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and process 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. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
5. 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.

Sd./-  
Putcha Sarada  
Practicing Company Secretary  
ACS No: 21717  
CP No: 8735  
UDIN: **A021717F001129736**

Place: Hyderabad  
Date: September 04,2024



## REPORT ON CORPORATE GOVERNANCE

Corporate governance is the set of processes, customs, policies, laws and institutions affecting the way a company is directed, administered or controlled. It is a system of structuring, operating and controlling a company with a view to achieve long term strategic goals to satisfy shareholders, creditors, employees, customers and suppliers.

Corporate governance is based on principles such as conducting the business with all integrity and fairness, being transparent with regard to all transactions, making all the necessary disclosures and decisions, complying with all the laws of the land, accountability and responsibility towards the stakeholders and commitment to conducting business in an ethical manner.

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

Adroit Infotech Limited ("AIL" or 'Company') believes that timely disclosures, transparent accounting policies and a strong and independent Board go a long way in maintaining good corporate governance, preserving shareholders' trust and maximizing long-term corporate value.

The Company's philosophy on Corporate Governance focuses on the attainment of the highest standards of transparency, accountability, ethics and equity with management flexibility, empowerment and responsiveness in the interest of shareholders, customers, employees, business associates and the society at large.

AIL's corporate governance framework is based on the following main principles:

- Appropriate composition and size of the Board;
- Timely flow of information to the members of the Board and Board Committees;
- Well-developed systems and processes for risk management and financial reporting;
- Timely and accurate disclosure of all material operational and financial information.

### BOARD OF DIRECTORS:

Half of the Board, 3 out of 6, are Independent non-executive Directors. The Board's actions and decisions are aligned with the Company's best interests. It is committed to the goal of sustainably elevating the Company's value creation. The Board critically evaluates the Company's strategic direction, management policies and their effectiveness.

None of the Directors on the Board holds directorships in more than ten public companies. None of the Independent Directors serves as an independent director on more than seven listed entities. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2024 have been made by the Directors. None of the Directors is related to each other.

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management.

As on March 31, 2024, the Board has Five Directors, comprising (i) Two Independent Directors, (ii) One Executive Director (iii) Two Non-independent Director. The composition of the Board is in conformity with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations).

| Name*                        | Designation              | Audit Committee | Nomination & Remuneration Committee | Stakeholder Relationship Committee | Rights Issue Committee |
|------------------------------|--------------------------|-----------------|-------------------------------------|------------------------------------|------------------------|
| Sunder Raj Nyayapathi        | Independent Director     | Chairman        | Chairman                            | Chairman                           | Chairman               |
| Venkat Lakshma Reddy Patlola | Independent Director     | Member          | Member                              | Member                             | Member                 |
| Sudhakaran Reddy Sunkerneni  | Manging Director         | Member          | -                                   | Member                             | Member                 |
| Sridhar Pyata Reddy          | Non-Independent Director | -               | Member                              |                                    | -                      |

|                             |                          |   |   |  |   |
|-----------------------------|--------------------------|---|---|--|---|
| Sunkireddy Rajashekar Reddy | Non-Independent Director | - | - |  | - |
|-----------------------------|--------------------------|---|---|--|---|

None of the above Directors are related to each other. The composition of Board/Committees is available on the website of the Company i.e., <http://adroitinfotech.com/committees.html>

Each Director informs the Company on an Annual Basis about the Board and Board Committee positions he occupies in other companies including Chairmanships and notifies changes periodically and regularly during the term of their directorship in the Company. None of the Directors on the Board are Members of more than ten Committees or Chairman of more than five Committees across all the public companies in which they are Directors.

#### MEETINGS OF THE BOARD AND COMMITTEES:

Six (6) Meetings of the Board of Directors were held during the year. For further details on the meetings and the attendance of directors/members, please refer report on Corporate Governance of this Annual Report.

The intervening gap between the Meetings was within the period of 120 (One Hundred and Twenty) days as prescribed under the Companies Act, 2013

All the directors have attended AGM held on 30<sup>th</sup> September, 2023. The number of meetings attended by the Directors during the Financial Year 2023-24 is as follows:

| S.No. | Date of Board Meeting | No. of Directors entitled to attend | No. of Directors who attended | % of their attendance |
|-------|-----------------------|-------------------------------------|-------------------------------|-----------------------|
| 1.    | 29/04/2023            | 6                                   | 3                             | 50%                   |
| 2.    | 25/05/2023            | 6                                   | 3                             | 50%                   |
| 3.    | 07/08/2023            | 6                                   | 4                             | 67%                   |
| 4.    | 05/09/2023            | 6                                   | 4                             | 67%                   |
| 5.    | 14/11/2023            | 6                                   | 4                             | 67%                   |
| 6.    | 05/02/2024            | 6                                   | 4                             | 67%                   |

#### DECLARATION BY INDEPENDENT DIRECTORS:

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act. The maximum tenure of independent directors is in compliance with the Act. All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act.

During the financial year 2023-2024, information as mentioned in Schedule II Part A of the SEBI Listing Regulations, has been placed before the Board for its consideration.

The terms and conditions of appointment of the Independent Directors are disclosed on the website of the Company.

The Board is of the opinion that the independent directors fulfill the conditions specified in these regulations and are independent of the management.

None of the independent directors have resigned during the financial year 2023-24 and therefore reasons for the resignation of an independent director who resigns before the expiry of his/her tenure along with a confirmation by such director that there are no other material reasons other than those provided do not apply to the company for the said financial year.

#### SEPARATE MEETINGS OF THE INDEPENDENT DIRECTORS:

During the year under review, the Independent Directors met on 05.02.2024 inter alia, to discuss:

- Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;
- Evaluation of the performance of the Chairman of the company, taking into account the views of the Executive and Non-Executive Directors;
- Evaluation of the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the Meeting.

#### FAMILIARISATION PROGRAMMES TO INDEPENDENT DIRECTORS:

Independent Directors are familiarized about the Company's operations and businesses. Interaction with the Business heads and key executives of the Company is also facilitated. Detailed presentations on important policies of the Company is also made to the directors. Direct meetings with the Chairman is further facilitated to familiarize the incumbent Director about the Company/its businesses and the group practices.

Brief details of the familiarization programme is available on the website of the Company:

<http://adroitinfotech.com/policies.html>

The Following is the List of Core Skills/ Expertise/ Competencies Identified By The Board Of Directors as Required in the Context of Its Business (Es) And Sector(S) For It To Function Effectively and Those Actually Available with The Board:

The Board of the Company consist of members having diverse expertise, skills and experience. In terms of the requirement of the SEBI Listing Regulations, the Board has identified the core skills/expertise/ competencies of the Directors in the context of the Company's business for effective functioning and as available with the Board. These are as follows:

| Name of Directors            | Skills/Expertise/Competence of Directors |  |                  |  |   |                         |                |
|------------------------------|--|--|------------------|--|---|-------------------------|----------------|
|                              | Knowledge                                | Strategic thinking and decision making | Financial Skills | Technical /Professional skills and specialized Knowledge to business | Governance, Ethics & Regulatory Oversight | Audit & Risk Management | Sustainability |
| Sudhakaran Reddy Sunkerneni  | ✓  | ✓                                      | ✓                | --   | ✓   | ✓                       | ✓              |
| Sunder Raj Nyaypathi         | ✓  | ✓                                      | ✓                | ✓  | ✓   | ✓                       | ✓              |
| Venkat Lakshma Reddy Patlola | ✓  | ✓                                      | ✓                | ✓  | ✓   | ✓                       | ✓              |
| Sridhar Pyata Reddy          | ✓  | ✓                                      | ✓                | ✓  | ✓   | ✓                       | ✓              |
| Sunkireddy Rajashekar Reddy  | ✓  | ✓                                      | ✓                | --   | ✓   | ✓                       | ✓              |
| Venkateshwara Reddy Vari     | ✓  | ✓                                      | ✓                |  | ✓   | ✓                       | ✓              |

#### COMMITTEES OF THE BOARD:

The Board Committees focus on specific areas and make informed decisions within the authority delegated. Each such Committee is guided by its Charter, which defines the composition, scope and powers. The Committees also make specific recommendations to the Board on various matters whenever required. All observations, recommendations and decisions of the Committees are placed before the Board for information or for approval.

#### THE COMPANY HAS THREE BOARD-LEVEL COMMITTEES, NAMELY:

1. Audit Committee;
2. Nomination & Remuneration Committee/Compensation Committee
3. Stakeholders Relationship Committee; and
4. Rights Issue Committee

## AUDIT COMMITTEE:

The management is responsible for the Company's internal controls and the financial reporting process while the statutory auditors are responsible for performing independent audits of the Company's financial statements in accordance with generally accepted auditing practices and for issuing reports based on such audits. The Board of Directors has constituted and entrusted the Audit Committee with the responsibility to supervise these processes and thus ensure accurate and timely disclosures that maintain the transparency, integrity and quality of financial control and reporting. Committee is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations and Section 177 of the Companies Act, 2013.

Names of Members and Chairman of the Audit Committee and the meetings attended by them during the Financial Year 2023–2024 ending on 31st March, 2024, are as under:

| Name of Directors            | Category             | Status / Designation | No. of Meetings held | No. of Meetings attended |
|------------------------------|----------------------|----------------------|----------------------|--------------------------|
| Sunder Raj Nyayapathi        | Independent Director | Chairman             | 5                    | 5                        |
| Venkat Lakshma Reddy Patlola | Independent Director | Member               | 5                    | 5                        |
| Sudhakiran Reddy Sunkerneni  | Managing Director    | Member               | 5                    | 5                        |

The Committee met Seven (5) times during the year 2023–2024. The dates on which the Audit Committee meetings were held are 25/05/2023, 07/08/2023, 05/09/2023, 14/11/2023, and 05/02/2024. The maximum time gap between any two consecutive meetings was not more than 120 days.

Members of the Audit Committee have requisite accounting, financial and management expertise.

The primary responsibilities of the Audit Committee are to:

1. Supervise the financial reporting process;
2. Review the quarterly and annual financial results before placing them to the Board along with related disclosures and filing requirements;
3. Review the adequacy of internal controls in the Company, including the plan, scope and performance of the internal audit function and remuneration of the Chief Internal Auditor;
4. Discuss with management, the Company's major policies with respect to risk assessment and risk management;
5. Hold discussions with statutory auditors on the nature and scope of audits and any views that they have about the financial control and reporting processes;
6. Recommendation for appointment remuneration and terms of appointment of auditors of the Company;
7. Ensure compliance with accounting standards and with listing requirements with respect to the financial statements;
8. Ensure that adequate safeguards have been taken for legal compliance for the company;
9. Review related party transactions;

The Audit Committee comprises of Director and Independent Directors. All members of the Audit Committee are financially literate and bring in expertise in the fields of finance, economics, strategy and management.

The Audit Committee invites such of the executives, as it considers appropriate, Statutory Auditors and Internal Auditors to be present at its meetings. The Company Secretary acts as the Secretary to the Audit Committee. The Audit Committee also meets the Statutory Auditors and Internal Auditors separately, without the presence of management representative.

## NOMINATION & REMUNERATION COMMITTEE:

The Board has constituted Nomination & Remuneration Committee consisting of three Independent Directors.

| Name of Directors            | Category                 | Status / Designation | No. of Meetings held | No. of Meetings attended |
|------------------------------|--------------------------|----------------------|----------------------|--------------------------|
| Sunder Raj Nyayapathi        | Independent Director     | Chairman             | 3                    | 3                        |
| Venkat Lakshma Reddy Patlola | Independent Director     | Member               | 3                    | 3                        |
| Sridhar Reddy Pyata          | Non-Independent Director | Member               | 3                    | 3                        |

The terms of reference of the Committee cover evaluation of compensation and benefits for Executive Director(s), Non-Executive Director(s),

Key Managerial Personnel, framing of policies and systems of the Employee Stock Option Scheme and looking after the issues relating to major HR policies. Committee is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations and Section 178 of the Companies Act, 2013

- Recommendation to the Board the setup and composition of the Board and its committees.
- Recommendation to the Board the appointment/re-appointment of Directors and Key Managerial Personnel.
- Support the Board and Independent Directors in evaluation of the performance of the Board, its Committees and individual Directors.
- Recommendation to the Board of Director the Remuneration Policy of Directors, executive team or Key Managerial Personnel as well as the rest of employees.

#### CRITERIA OF SELECTION OF NON-EXECUTIVE DIRECTORS:

- The Non-Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of manufacturing, marketing, finance, taxation, law, governance and general management.
- In case of appointment of Independent Directors, the N&R Committee shall satisfy itself with regard to the criteria of independence of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.
- The N&R Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.
- The N&R Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director:
  - Qualification, expertise and experience of the Directors in their respective fields;
  - Personal, Professional or business standing;
  - Diversity of the Board.
  - In case of re-appointment of Non-Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

#### STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Stakeholders Relationship Committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations and Section 178 of the Companies Act, 2013 is empowered to perform the functions of the Board relating to handling of stakeholders' queries and grievances. It primarily focuses on:

1. Consider and resolve the grievances of shareholders of the Company with respect to transfer of shares, non-receipt of annual report, non-receipt of declared dividend, etc.;
2. Evaluate performance and service standard of the Registrar and Share Transfer Agent of the Company;
3. Provide guidance and make recommendations to improve investor service levels for the investors.

The Company Secretary of the Company Act as the secretary of the Committee and also designated as Compliance Officer.

In order to expedite the process of transfers of shares, transmission of shares etc. the Board has delegated the powers to certain officers of the Company.

**An analysis of the investor complaints received and redressed during the financial year 2023-2024 is given below:**

| Sl No. | Nature of Complaint               | Received | Disposed | Pending | Not resolved to the satisfaction of shareholders |
|--------|-----------------------------------|----------|----------|---------|--|
| 1      | Non receipt of dividend warrants  | -        | -        | -       | -  |
| 2      | Non receipt of Annual Report      | -        | -        | -       | -  |
| 3      | Non receipt of Stock Split Shares | -        | -        | -       | -  |

#### **RIGHTS ISSUE COMMITTEE:**

The Board has constituted Rights Issue Committee consisting of two Independent Directors and one Non-Independent Director

| Name of Directors            | Category                 | Status / Designation | No. of Meetings held | No. of Meetings attended |
|------------------------------|--------------------------|----------------------|----------------------|--------------------------|
| Sunder Raj Nyayapathi        | Independent Director     | Chairman             | 4                    | 4                        |
| Venkat Lakshma Reddy Patlola | Independent Director     | Member               | 4                    | 4                        |
| Sudhakaran Sunkerneni Reddy  | Non-Independent Director | Member               | 4                    | 4                        |

The terms of reference of the Committee cover regulatory and all other rights issue related activities,

The Rights Issue Committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations and Section 178 of the Companies Act, 2013 and is empowered to perform the functions in order to completing the formalities relating statutory/regulatory guidelines including price determination, allotment process and appointment of merchant bankers, RTA and banker to the issue and others related activities:

1. Consider and resolve the grievances of shareholders of the Company with respect to the allotment/transfer of shares, non-receipt of Letter of Offer (LOF), etc.;
2. Evaluate performance and service standard of the Registrar and Share Transfer Agent of the Company;
3. Provide guidance and make recommendations to improve investor service levels for the investors.
4. To handling of stakeholders' queries and grievances etc.,

The Company Secretary of the Company Act as the secretary of the Committee and also designated as Compliance Officer.

In order to expedite the process of Rights Issue etc. the Board has delegated the powers to certain officers of the Company.

#### **REMUNERATION:**

The Non-Executive Directors shall not be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board/Committee meetings and commission. The Independent Directors of the Company shall not be entitled to participate in the Stock Option Scheme of the Company, if any, introduced by the Company.

#### **CRITERIA FOR SELECTION/APPOINTMENT OF CEO, CFO & MANAGING DIRECTOR:**

For the purpose of selection of the CEO/CFO & Managing Director, the N&R Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board.

The Committee will also ensure that the incumbent fulfills such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013, or other applicable laws.

#### REMUNERATION FOR THE CEO, CFO & MANAGING DIRECTOR:

- i. At the time of appointment or re-appointment, the CEO & Managing Director shall be paid such remuneration as may be mutually agreed between the Company (which includes the N&R Committee and the Board of Directors) and the CEO & Managing Director, within the overall limits prescribed under the Companies Act, 2013;
- ii. The remuneration shall be subject to the approval of the Members of the Company in General Meeting;
- iii. The remuneration of the CEO & Managing Director is broadly divided into fixed and variable components. The fixed component comprises salary, allowances, perquisites, amenities and retrial benefits. The variable component comprises performance bonus; as mutually agreed;
- iv. In determining the remuneration (including the fixed increment and performance bonus) the N&R Committee shall ensure / consider the following.
  - a. The relationship of remuneration and performance benchmarks is clear;
  - b. The balance between fixed and variable pay reflecting short- and long-term performance objectives, appropriate to the working of the Company and its goals;
  - c. The responsibility required to be shouldered by the CEO & Managing Director, the industry benchmarks and the current trends;
  - d. The Company's performance vis-à-vis the annual budget achievement and individual performance vis-à -vis the KRAs / KPIs.

#### REMUNERATION POLICY FOR THE SENIOR MANAGEMENT EMPLOYEES:

In determining the remuneration of the Senior Management Employees (i.e. KMP and Executive Committee Members) the N&R Committee shall ensure / consider the following:

- i. The relationship of remuneration and performance benchmark is clear;
- ii. The balance between fixed and variable pay reflecting short-term and long-term performance objectives, appropriate to the working of the Company and its goals; as mutually agreed.
- iii. The remuneration is divided into two components viz. fixed component comprising salaries, perquisites and retirement benefits and a variable component comprising performance bonus;
- iv. The remuneration including annual increment and performance bonus is decided based on the criticality of the roles and responsibilities, the Company's performance vis-à-vis the annual budget achievement, individual's performance vis-à-vis KRAs / KPIs, industry benchmark and current compensation trends in the market. as mutually agreed,

The Managing Director will carry out the individual performance review based on the standard appraisal matrix and shall take into account the appraisal score card and other factors mentioned hereinabove, whilst recommending the annual increment and performance incentive to the N&R Committee for its review and approval.

#### DIRECTORS REMUNERATION:

The remuneration paid/payable to the Executive Directors is given below:

#### EXECUTIVE DIRECTORS:

| S.No. | Particulars                                   | Mr. Sudhakiran Reddy Sunkerneni |
|-------|---|---------------------------------|
| 1     | Salary (p.a)                                  | 42.00 Lakhs                     |
| 2     | Contribution to Provident & Other Funds (p.a) | Nil                             |
| 3     | Rent Free Accommodation / Perks (p.a)         | Nil                             |
|       | <b>TOTAL</b>                                  | Nil                             |

Stock Option (nos.): NIL      Notice period: NIL

## NON-EXECUTIVE DIRECTORS:

The Sitting fee and commission payable to the Non-Executive Directors during the year under review is in conformity with the applicable provisions of the Companies Act, 2013, and duly considered and approved by the Board and the shareholders.

The details of sitting fee paid to the Non-Executive Directors (Independent) during the financial year 2023-2024 and, proposed commission, stock options granted, accepted & outstanding are as follows:

| Name                         | Sitting Face | Commission | Stock Options* |
|------------------------------|--------------|------------|----------------|
|                              | (Rs).        | (Rs).      | (Numbers)      |
| Sunder Raj Nyayapathi        | Nil          | Nil        | Nil            |
| Venkat Lakshma Reddy Patlola | Nil          | Nil        | Nil            |
| Sudhakaran Reddy Sunkerneni  | Nil          | Nil        | Nil            |
| Sridhar Pyata Reddy          | Nil          | Nil        | Nil            |
| Sunkireddy Rajashekar Reddy  | Nil          | Nil        | Nil            |
| Triveni Banda                | Nil          | Nil        | Nil            |

Other than above, there is no pecuniary or business relationship between the non-executive directors and the company. A declaration to this effect is also submitted by all the Directors at the beginning of each financial year.

## Service Contracts, Notice Period, Severance Fees:

The appointment of the Executive Director is governed by resolutions passed by the Shareholders of the Company, which cover the terms and conditions of such appointment, read with the service rules of the Company.

No separate service contract is entered into by the Company with Executive Directors.

Either party is entitled to terminate the appointment by giving 3 months' Notice from either side or by giving him 3 months' salary in lieu of Notice. No severance fee is payable to any Director.

## Code of Conduct:

The Company has adopted the Code of Conduct for its directors and senior management personnel (the "Code of Conduct") in accordance with applicable provisions of the Listing Regulations and the Act and the same is available on the website of the Company at <http://adroitinfotech.com>

The Company through its Code of Conduct provides guiding principles of conduct to promote ethical business practice, fair dealing, managing situations of conflict of interest and compliance with applicable laws and regulations. It is the responsibility of all the board members and senior management personnel to familiarize themselves with the Code and comply with its provisions.

All the board members and senior management personnel have affirmed compliance with the Code of Conduct.

## GENERAL BODY MEETINGS:

### A. ANNUAL GENERAL MEETING:

| Year(s)   | Date of AGM | Time    | Venue   | Special / Ordinary Resolution  |
|-----------|-------------|---------|---|--|
| 2020-2021 | 30.09.2021  | 9:00 am | Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") | <ol style="list-style-type: none"> <li>1. Adopt the Audited Financial Statements (Standalone and Consolidated) for the financial year ended 31 March, 2021</li> <li>2. To re-appoint Mr. Mr. Sudhakaran Sunkerneni Reddy (DIN: 01436242)</li> <li>3. Regularisation of Additional Director, Mr. Sunkireddy Rajashekar Reddy</li> <li>4. Regularisation of Additional Director, Mr. Sridhar Pyata Reddy</li> <li>5. Conversion of Credit Balance of Promoter(s) into Unsecured Loan:</li> </ol> |



|           |            |         |   |   |
|-----------|------------|---------|---|---|
| 2021-2022 | 25.07.2022 | 9:00 am | Through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) | <ol style="list-style-type: none"> <li>1. Adopt the Audited Financial Statements (Standalone &amp; Consolidated) for the financial year ended 31 March, 2022.</li> <li>2. To re-appoint Mr. Sridhar Pyata Reddy</li> <li>3. To appoint M/s. Rao &amp; Shyam,</li> <li>4. Alteration of Articles of Association of the Company</li> <li>5. Appointment of Mr. Sudhakaran Sunkerneni Reddy</li> <li>6. To Offer, Issue and Allot Equity Shares pursuant to conversion of Loan to Equity</li> <li>7. To Offer, Issue and Allot Equity Shares on Preferential on cash Basis</li> <li>8. To Offer, Issue and Allot Equity Shares on Preferential basis on swap of shares.</li> <li>9. To Offer, Issue and Allot Share Warrants on Preferential Basis</li> </ol>    |
| 2022-2023 | 30.09.2023 | 9:00 am | Through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) | <ol style="list-style-type: none"> <li>1. Adopt the Audited Financial Statements (Standalone and Consolidated) for the financial year ended 31 March, 2023.</li> <li>2. To re-appoint Mr. Rajashekar Reddy Sunkireddy</li> <li>3. Reclassification of certain members of Promoter Group from “Promoter and Promoter Group” category to “Public shareholding” category,</li> <li>4. Increase The Remuneration of Managing Director Mr. Sudhakaran Reddy Sunkerneni, From the Existing The Salary of Rs.2,00,000/- P.M. to Salary of Rs. 3,50, 000/- P.M.:</li> <li>5. Appointment of Ms. Triveni Banda (DIN: 09528975) as an Independent Director of the Company.</li> <li>6. To Offer, Issue and Allot Equity Shares on Preferential on cash Basis</li> </ol> |

**B. EXTRAORDINARY GENERAL MEETING:**

There is no Extraordinary General Meeting (EGM) held during the financial year 2023-2024

**POSTAL BALLOT:**

Details of special resolution passed through postal ballot, the persons who conducted the postal ballot exercise, details of the voting pattern and procedure of postal ballot:

No postal ballot was conducted during the Financial Year 2023-2024.

None of the Directors of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India or the Ministry of Corporate Affairs or any such statutory authority. A Certificate to this effect, duly signed by the Practicing Company Secretary is annexed to this Report.

M/s. Rao & Shyam, Chartered Accountants (Firm Registration No. 006186S) have been appointed as the Statutory Auditors of the Company. The particulars of payment of Statutory Auditors’ fees are given below:

| <b>(Amount In Rs.)</b>         |          |
|--------------------------------|----------|
| Services as Statutory Auditors | 2,00,000 |
| Tax Audit                      | 20,000   |

|                          |                 |
|--------------------------|-----------------|
| Services for Tax Matters | 30,000          |
| <b>Total</b>             | <b>2,50,000</b> |

## OTHER DISCLOSURES:

- a. Disclosures on materially significant related party transactions, which may have potential conflict with the interest of the Company at large:

There are no materially significant related party transactions that may have potential conflict with the interest of the Company at large. However, the other related party transactions forms part of the financial statements. The related party transactions policy is available on the website of the Company i.e. <http://adroitinfotech.com/policies.html>

- b. There was no non-compliance by the Company, penalties, and strictures imposed on the Company by the Stock Exchanges or Securities and Exchange Board of India or any statutory authority, on any matter related to capital markets, during the last three years.

- c. Whistle blower policy:

The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism as defined under Regulation 22 of SEBI Listing Regulations for directors and employees to report concerns about unethical behavior. No Person has been denied access to the Chairman of the audit committee. The Vigil Mechanism Policy is available on the website of the Company i.e. <http://adroitinfotech.com/policies.html>

- d. The Company has complied with all mandatory requirements of SEBI Listing Regulations.

- e. Subsidiary Companies:

Regulation 24 of SEBI Listing Regulations; The Board of Directors has reviewed the financial statements and minutes of the board meetings of Adroit Infotech Limited (AIL), the materially unlisted subsidiary company. The Policy for determining 'material' subsidiaries is available on the website of the Company i.e. <http://adroitinfotech.com/policies.html>

- f. There are Subsidiaries which are located in Middle East:

Adroit Infotech L.L.C. FZ

- g. Disclosure of commodity price risks and commodity hedging activities: Not Applicable.

The Company is preparing its financial statements in line with the accounting standards issued by the Institute of Chartered Accountants of India and the company have not raised any fresh funds from the public or through Right or Preferential Issue.

## DETAILS OF COMPLIANCE WITH MANDATORY REQUIREMENTS:

The Company has complied with all mandatory requirements specified in regulation 17 to 27 and clause (b) to (i) of sub regulation (2) of regulation 46 of SEBI Listing Regulations.

## NON-MANDATORY REQUIREMENTS:

### REPORTING OF INTERNAL AUDITOR:

The Internal Auditor directly reports to the Audit Committee.

### CEO AND CFO CERTIFICATION:

The Chief Executive Officer and the Chief Financial Officer of the Company give certification on financial reporting and internal controls for the financial year 2023-2024 to the Board of Directors as required under regulation 17(8) of SEBI Listing Regulations.

### MEANS OF COMMUNICATION:

### PUBLICATION OF RESULTS:

The quarterly, half-yearly & nine months un-audited financial results and annual audited results of the Company were generally published in Business Standard, national level English newspaper(s) as well as Vishal Andhra, regional language newspaper circulating in the state of Telangana.

#### **WEBSITE AND NEWS RELEASE:**

The quarterly, half-yearly & nine months un-audited financial results and annual audited results of the company are available on the website of the Company i.e. “<http://adroitinfotech.com/financial-reports.html>”. Official news releases, detailed presentations made to media, analysts, institutional investors, etc. are available on the website of the Company i.e. [www.adroitinfotech.com](http://www.adroitinfotech.com) Official media releases are sent to BSE Limited and National Stock Exchange of India Limited. Your Company also makes timely disclosure of necessary information to BSE Limited and National Stock Exchange of India Limited in terms of the SEBI Listing Regulation and other rules and regulation issued by the Securities and Exchange Board of India.

Further following information is available on the website of the Company i.e. [www.adroitinfotech.com](http://www.adroitinfotech.com):

- Details of business of the Company;
- Terms and conditions of appointment of Independent Directors;
- Composition of various Committees of Board of Directors;
- Code of Conduct for Board of Directors and Senior Management Personnel
- Details of establishment of vigil mechanism/ Whistle Blower policy;
- Criteria of making payments to Non-Executive Directors;
- Policy on dealing with Related Party Transactions;
- Policy for determining ‘material’ subsidiaries;
- Details of familiarization programs imparted to Independent Directors;
- Policy for determination of materiality of events.

#### **NSE ELECTRONIC APPLICATION PROCESSING SYSTEM (NEAPS):**

The NEAPS is a web-based application designed by NSE for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are filed electronically on NEAPS.

#### **BSE CORPORATE COMPLIANCE & LISTING CENTRE (THE ‘LISTING CENTRE’):**

BSE’s Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are also filed electronically on the Listing Centre.

#### **E-VOTING:**

Pursuant to the requirements of the Companies Act, 2013 and the SEBI Listing Regulations, company is providing e-voting facility to its shareholders, in respect of all shareholders’ resolutions, to be passed at the General Meetings.

#### **Additional Shareholders’ Information**

##### **Annual General Meeting:**

**Date** : 30.09.2024

**Time** : 9.00 AM

**Venue of AGM:** The Company is conducting meeting through VC / OAVM as such there is no requirement to have a venue for the AGM.

##### **Financial Calendar**

**Financial Year** : 1st April to 31st March

**Book Closure dates** : As mentioned in the Notice of this AGM

## DIVIDEND / UNCLAIMED DIVIDEND:

Your directors have not recommended any dividend.

## UNCLAIMED SHARES:

The Company is in the process of sending reminders to the shareholders whose shares were lying with the Company unclaimed/undelivered. These will be transferred to the Demat Suspense Account /unclaimed suspense account as required in accordance with the procedural requirements of the SEBI Listing Regulations.

## CODE OF CONDUCT FOR PROHIBITION OF INSIDER TRADING:

Your company had adopted a Code of conduct as per Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time. All Directors, Senior Management Personnel, person forming part of Promoter(s)/Promoter(s) Group(s) and such other Designated Employees who could have access to the Unpublished Price Sensitive Information of the Company are governed by this Code. During the year under review, the Company had made due compliance with Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The code of conduct is available on the website of the Company i.e. [www.adroitinfotech.in](http://www.adroitinfotech.in) Company Secretary of the Company was appointed as the Compliance Officer by the Board to ensure compliance and effective implementation of the Insider Trading Code.

## LISTING ON STOCK EXCHANGES:

The Company's shares are listed on BSE Ltd, Floor 25, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001 and

The National Stock Exchange of India Limited (NSE), Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051.

### Stock Code:

a) Trading scrip code on BSE : 532172

b) Trading scrip code on NSE : ADROITINFO

**International Securities Identification Number (ISIN):** ISIN is a unique identification number of traded scrip. The Company's ISIN for equity shares is INE737B01033 the listing fee as applicable has been paid to all stock exchanges.

**Corporate Identity Number (CIN) of the Company:** L72300TG1990PLC011129

## Market Price Data

The Monthly high and low prices of your company's share at BSE and NSE for the year ended March 31, 2024 are as under:

| Month    | NSE   |       | BSE   |       |
|----------|-------|-------|-------|-------|
|          | High  | Low   | High  | Low   |
| Apr-2023 | 28.90 | 19.55 | 28.54 | 19.2  |
| May-2023 | 25.50 | 18.00 | 25.4  | 17    |
| Jun-2023 | 24.40 | 17.55 | 24.33 | 17.7  |
| Jul-2023 | 20.55 | 16.65 | 19.98 | 16.51 |
| Aug-2023 | 20.60 | 17.40 | 22.29 | 17.01 |
| Sep-2023 | 35.35 | 20.05 | 33.46 | 20.5  |
| Oct-2023 | 25.20 | 18.70 | 24.99 | 18.9  |
| Nov-2023 | 23.75 | 19.90 | 23.68 | 19.75 |
| Dec-2023 | 23.85 | 20.10 | 23.88 | 20.03 |
| Jan-2024 | 29.95 | 18.10 | 30.5  | 18.06 |
| Feb-2024 | 20.10 | 17.05 | 19.99 | 17.07 |
| Mar-2024 | 19.00 | 14.40 | 19.00 | 14.42 |

## SHARE TRANSFER SYSTEM:

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended, securities can be transferred only in dematerialized form w.e.f. April 1, 2020, except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are affected through the depositories with no involvement of the Company. The Directors and certain Company officials (including Chief Financial Officer and Company Secretary) are authorized by the Board severally to approve transfers, which are noted at subsequent Board Meetings.

All queries and requests relating to share transfers/transmissions may be addressed to our Registrar and Transfer Agent:

### Venture Capital and Corporate Investments Private Limited

Contact Person: Mr. Prasad

“AURUM”, Door No.4-50/P-II/57/4F & 5F, PLOT No.57, 4th & 5th Floors,

Jayabheri Enclave Phase – II Gachibowli, Hyderabad – 500 032

Phone: + +91 040 23818475 / +91 040 35164940

Fax: +91 040-23868024, E mail: [info@vccilindia.com](mailto:info@vccilindia.com)

### DEMATERIALIZATION OF SHARES AND LIQUIDITY:

The Company’s shares are compulsorily traded in dematerialized form on NSE and BSE. Equity shares of the Company representing 99.37% of the total shares have been dematerialized up-to March 31, 2024. Dematerialization of shares is done through M/s. Venture Capital and Corporate Investments Pvt. Ltd. and on an average the dematerialization process is completed within 7 days from the date of receipt of a valid dematerialization request along with the relevant documents.

#### a) Fully Paid-up Equity Share Capital as on 31st March;2024

| Particulars     | Number of Shares on March 31,2024 | % of Total Issued Capital |
|-----------------|-----------------------------------|---------------------------|
| CDSL            | 1,29,05,405                       | 59..56                    |
| NSDL            | 86,25,552                         | 39.81                     |
| Physical Shares | 1,36,415                          | 0.63                      |
| <b>Total</b>    | <b>2,16,67,372</b>                | <b>100.00</b>             |

#### b) Total Equity Share Capital of the company as on 31st March 2024

| Particulars     | Number of Shares on March 31,2024 | % of Total Issued Capital |
|-----------------|-----------------------------------|---------------------------|
| CDSL            | 3,15,83,356                       | 58.31                     |
| NSDL            | 2,24,48,659                       | 41.44                     |
| Physical Shares | 1,36,415                          | 0.25                      |
| <b>Total</b>    | <b>5,41,68,430</b>                | <b>100.00</b>             |

*\*Out of the above total equity share capital include 3,25,01,058 Partly Paid-up Equity Shares.*

## SECRETARIAL AUDIT:

The Company has undertaken secretarial audit for the financial year 2023-2024 which, inter alia, includes audit of compliance with the Companies Act, 2013, and the rules made under the Act, SEBI Listing Regulations and applicable regulations prescribed by the Securities and Exchange Board of India and Foreign Exchange Management Act, 1999 and Secretarial Standard issued by the Institute of the Company Secretaries of India. The Secretarial Audit Report forms part of the Annual Report.

As stipulated by Securities and Exchange Board of India, a Qualified Practicing Company Secretary carries out Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges. The Audit confirms that the total Listed and Paid-up capital is in agreement with the aggregate of the total number of shares in dematerialized form and in physical form.

## Categories of equity shareholding as on March 31, 2024:

| Sl.No. | Description                       | No. of Shares      | % of Total Capital |
|--------|-----------------------------------|--------------------|--------------------|
| 1      | Company Promoter / Promoter group | 1,00,35,164        | 46.31              |
| 2      | Foreign Institutional Investors   | 0                  | 0                  |
| 3      | Banks / Mutual Funds / NBFC       | 0                  | 0                  |
| 4      | Bodies Corporates and Any others  | 3,62,011           | 1.67               |
| 5      | Individuals / HUF                 | 1,10,30,572        | 50.91              |
| 6      | Non-Resident Indians              | 2,35,796           | 1.09               |
| 7      | Foreign Bodies Corporate          | 0.00               | 0.0                |
| 8      | Clearing Members and Trusts       | 3,829              | 0.02               |
|        | <b>Total</b>                      | <b>2,16,67,372</b> | <b>100.00</b>      |

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

The Company has not issued any convertible Share Warrants on preferential basis to the Promoters and Non-Promoters during the year.

### Plant Locations:

The Company does not have any plant locations; however, the Company has its IT Centre at Plot No. 7A, MLA Colony, Road No. 12, Banjara Hills, Hyderabad -500034, Telangana, India.

### Investor Correspondence

For queries relating to shares:

#### Venture Capital and Corporate Investments Private Limited

“AURUM”, Door No.4-50/P-II/57/4F & 5F, PLOT No.57, 4th & 5th Floors,

Jayabheri Enclave Phase – II Gachibowli, Hyderabad – 500 032

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Fax: +91 040-23868024, E mail: [info@vccilindia.com](mailto:info@vccilindia.com)

#### For queries relating to Financial Statements and other contents of Annual Report:

##### Adroit Infotech Limited

Company Secretary & Compliance Officer

Plot No. 7A, MLA Colony, Road No. 12

Banjara Hills, Hyderabad-500034

Tel: +91-040-2355 2284/85/86, Fax: +91-040-2355 2283

E mail: [cs@adroitinfotech.com](mailto:cs@adroitinfotech.com)

## PRACTICING COMPANY SECRETARIES' CERTIFICATE ON CORPORATE GOVERNANCE

To,  
The Members of  
Adroit Infotech Limited  
Hyderabad

I have examined the compliance of the conditions of Corporate Governance by M/s. ADROIT INFOTECH LIMITED ('the Company') for the year ended on March 31, 2024, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

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

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the

I further state that such compliance 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.

Place: Hyderabad  
Date: September 04, 2024

**Sarada Putcha**  
Practicing Company Secretary  
Membership No. 21717  
Certificate of Practice No. 8735  
UDIN: A021717F001165530

**DECLARATION ON CODE OF CONDUCT FOR THE YEAR 2023-2024**  
**(Pursuant to Part D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

**To**  
**The Members**  
**Adroit Infotech Limited**

I, Sudhakaran Sunkerneni Reddy, Managing Director of Adroit Infotech Limited do hereby declare and confirm that:

The Company has adopted a Code of Conduct for its employees including the Managing Director and Executive Directors.

In addition, the company has adopted a Code of Conduct for its Non-Executive Directors and Independent Directors. These Codes are available on the Company's website.

The Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the Financial Year ended March 31, 2024.

**BY ORDER OF THE BOARD**  
*for Adroit Infotech Limited*

**Sd./-**  
**Sudhakaran Reddy Sunkerneni**  
**Managing Director**  
**DIN: 01436242**

**Place: Hyderabad**  
**Date: September 04,2024**



## MANAGEMENT DISCUSSION & ANALYSIS

### OVERVIEW OF THE ECONOMY

#### INDUSTRY STRUCTURE AND DEVELOPMENTS:

Software and computing technology are transforming businesses in every industry around the world in a very profound and fundamental way. The continued reduction in the unit cost of hardware, the explosion of network bandwidth, advanced software technologies and technology-enabled services are fueling the rapid digitization of business processes and information. Over the past two decades, with the emergence of the internet and inexpensive connectivity, the global delivery model of service delivery has risen to become the preferred model in sourcing of IT services, business process services and research and development services.

The rapid pace at which technology is changing and the need for highly-skilled professionals in both the renewed and new technology areas are driving businesses to rely on third parties to realize their IT transformation. Several technology solution and service providers have emerged over the years, offering different models for clients to consume their solution and service offerings:

#### GLOBAL DELIVERY MODEL

Our Global Delivery Model is based on a scalable infrastructure that results in multiple efficiencies for our clients. We divide projects into components that we execute simultaneously at client sites and at our Development Centres in India and around the world.

#### OPPORTUNITIES AND THREATS

##### OUR STRENGTHS

We believe our strengths give us the competitive advantage to position ourselves as the leading global solutions and services company.

We develop and integrate innovative solutions that enable our clients to leverage IT to achieve their business objectives at competitive costs. We use our quality processes and global talent pool to deliver “time to development” advantages, cost savings and productivity improvements.

Consulting and domain expertise: Our specific industry, domain, process, and technology expertise allows us to enable clients to transform their businesses with innovative strategies and solutions. Our expertise helps our clients enhance their performance, gain process and IT efficiencies, increase agility and flexibility, reduce costs, and achieve measurable business value.

Breadth of offerings: Our suite of comprehensive end-to-end business solutions includes business and technology consulting, enterprise solutions, systems integration, custom application development, application maintenance and production support, infrastructure management, cloud ecosystem integration, product engineering and lifecycle solutions, business process management, software products, and business platforms and solutions.

Deep client relationships and brand: We have long-standing relationships with large corporations and other organizations. Our track record in delivering high-quality solutions across the entire software lifecycle and our strong domain expertise help us solidify these relationships and gain increased business from existing clients. This history of client retention allows us to showcase and strengthen our brand.

##### OUR STRATEGY

Our strategic objective is to build a sustainable organization that remains relevant to the agenda of our clients, while generating profitable growth for our investors. In order to do this, we will apply the priorities of ‘renew’ and ‘new’ to our own business and cascade it to everything we do.

## THESE TRANSLATE TO THE FOLLOWING STRATEGIC FOCUS AREAS:

Build expansive, lasting relationships with our clients by delivering differentiated market offerings: Our strategy is to engage with clients on their large transformative programs, both in traditional IT areas as well as for their new digital business initiatives. We expand existing client relationships by providing them with a broad set of end-to-end service offerings and increase the size, nature and number of projects we do with them. Our specific industry, domain, process, and technology expertise allows us to enable clients transform their businesses with innovative strategies and solutions. We offer an end-to-end suite of high-quality, highly responsive and innovation-led services spanning business consulting, IT services, software platform-based services and business process management. This enables us to partner with our clients on large, multi-year engagements.

Our Global Delivery Model provides scale, quality, expertise and cost and time-to-market advantages to our client projects. The model enables us to perform work at the location where the best talent is available and where it makes the best economic sense with the least amount of acceptable risk. Over the last 30 years, we have developed our distributed execution capabilities to deliver high-quality and scalable services. This scalable infrastructure complements our ability to deliver project components that are executed round the clock and across time zones enabling us to reduce project delivery times.

Enhance our operational processes for agility and optimal cost: We periodically assess the effectiveness of our organization structure and processes to optimize it for alignment with our strategic objectives and agility. Attract and retain a global, diverse, motivated and high-performing employee base -Our employees are our biggest assets. We will deploy our capital in making elective business acquisitions that augment our expertise, complement our presence in certain market segments and accelerate the execution of our strategies.

## OUR COMPETITION

We experience intense competition in traditional services and see a rapidly-changing marketplace with new competitors arising in new technologies who are focused on agility, flexibility and innovation.

We typically compete with other technology services providers in response to requests for proposals. Clients often cite our industry expertise, comprehensive end-to-end solutions, ability to scale, superior quality and process execution, Global Delivery Model, experienced management team, talented professionals and track record as reasons for awarding us contracts.

## OUTLOOK, RISKS AND CONCERNS;

### OUTLOOK:

In order to meet the changing market realities, your Company has been following the philosophy of providing the highest quality products and services at the lowest possible prices All endeavors are made to achieve possible cost reduction in every area of operations.

Your Company's philosophy to provide high class quality products i.e. full value for money, to consumers would greatly benefit in the long run. In the otherwise increasing cost arena, every expense, whether capital or revenue is minutely reviewed to achieve all possible savings.

### RISKS AND CONCERNS:

Risk Management at "Adroit Infotech" is an enterprise wide function that aims at assessing threats to business sustainability and mitigating those threats. The function is backed by a qualified team of specialists with deep industry experience who develop frameworks and methodologies for assessing and mitigating risks.

## INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has a proper and adequate system of internal control to ensure all the assets are safeguarded and protected against loss from unauthorized use or disposition and the transactions are authorized, regarded and reported correctly.

The Company's Internal Audit Department is regularly carrying out the Audit in all areas. Additionally, the Audit committee is

reviewing all Audit Reports with significant control, all issues raised by internal and external auditing regularly, reports on the business development, all the past and the future plans are given to the Board of Directors, Internal Auditor's reports are regularly circulated to all the senior management to comply with the findings.

Normal forcible risks of the Company's Assets are adequately covered by comprehensive insurances.

## DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE –STANDALONE & CONSOLIDATED

During the year under review, your company has earned revenue of Rs 684.87 Lakhs and profit/ (Loss) of Rs. 203.25 Lakhs and consolidated revenue of Rs. 2583.70 Lakhs and profit/ (Loss) of Rs. 388.51 Lakhs.

## MATERIAL DEVELOPMENTS IN HUMAN RESOURCES.

Human capital is broadly people's competencies, capabilities and experience, being continuously innovative and contribute to the organizations shared goals and values.

During the year under review, the Company has undertaken extensive steps in optimizing the manpower at the Plant, corporate office and Field locations. Employee/employer relations were cordial throughout the year. Measures for safety of the employees, training and development continued to receive top priorities.

## CAUTIONARY STATEMENT

Certain statements made in the management discussion and analysis report relating to the Company's objectives, projections, outlook, expectations, estimates and others may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ from such expectations, projections and so on whether express or implied. Several factors could make significant difference to the Company's operations. These include climatic conditions and economic conditions affecting demand and supply, government regulations and taxation, natural calamities and so on over which the Company does not have any direct control.

## Key Financial Ratios

| Sl. No | Particulars   | Year Ended 31-03-2024 | Year Ended 31-03-2023 | Variance |
|--------|---|-----------------------|-----------------------|----------|
| a      | Current Ratio<br>(Current Assets / Current Liabilities)   | 2.60                  | 1.50                  | 73.31%   |
| b      | Debt-Equity Ratio,<br>(Non- Current Borrowings+ Current Borrowings)/Total Equity  | 0.03                  | 0.08                  | -83.46%  |
| d      | Return on Equity Ratio<br>ROE = (Net Earnings / Shareholders' Equity) x 100   | 0.70                  | 0.68                  | 2.42%    |
| f      | Trade Receivables turnover ratio<br>(Sales (net of discounts) / Average Trade Receivables)  | 0.88                  | 0.92                  | -4.54%   |
| h      | Net capital turnover ratio<br>(Net annual sales / Working capital) the working capital is calculated by subtracting a company's current liabilities from its current assets | 0.95                  | 6.22                  | -46.34%  |
| i      | Net profit ratio<br>Net profit after Tax / Net sales) x 100   | 34.41                 | 24.66                 | 41.11%   |
| j      | Return on Capital employed, (Earnings before interest and taxes (EBIT), by capital employed)<br>" Capital Employed = Total Assets - Current Liabilities                     | 8.79%                 | 11.18%                | -26.07%  |

**COMPLIANCE CERTIFICATE**  
**(Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To,  
The Board of Directors,  
Adroit Infotech Limited

Dear members of the Board,

We, Sudhakiran Sunkerneni Reddy, Managing Director and Ravichandra Rao Badanidiyoor (CFO) of Adroit Infotech Limited certify that:

- a. We have reviewed Financial Statements and the Cash Flow Statement for the year ended March 31, 2024 and that to the best of our knowledge and belief:
  - I. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - II. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. To Their best of Knowledge and belief, no transactions entered into by the company during the year which are fraudulent, Illegal or violate of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for Financial Reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to Financial Reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the Auditors and the Audit Committee.
  - I. Significant changes in internal control over Financial Reporting during the year;
  - II. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the Financial Statement; and
  - III. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over Financial Reporting.

By Order Of The Board  
For Adroit Infotech Limited

Place: Hyderabad  
Date: September 04,2024

Sd/-  
Ravichandra Rao Badanidiyoor  
Chief Financial Officer

Sd/-  
Sudhakiran Sunkerneni Reddy  
Managing Director  
DIN: 01436242

**Independent Auditor’s Report  
To the Members of Adroit Infotech Limited  
Report on the Audit of the Standalone Financial Statements  
Opinion**

1. We have audited the accompanying standalone financial statements of Adroit Infotech Limited (‘the Company’), which comprise the Balance Sheet as at 31 March 2024, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (‘the Act’) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (‘Ind AS’) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

**Basis for Opinion**

3. We conducted our audit in accordance with the Standards on Auditing 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 Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (‘ICAI’) together with the 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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matter**

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
5. We have determined the matters described below to be the key audit matters to be communicated in our report.

| Sr.no | Key Audit Matter   |
|-------|--|
| 1     | <p><b>Revenue recognition</b></p> <p>The Company’s contracts with customers include contracts with multiple products and services. The Company derives revenues from IT services comprising software consulting and package implementation, maintenance and business process management services. The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligations to determine the deliverables and the ability of the customer to benefit independently from such deliverables involves significant judgment.</p> <p>In certain integrated services arrangements, contracts with customers include subcontractor services or third-party vendor equipment or software. In these types of arrangements, revenue from sales of third-party vendor products or services is recorded net of costs when the Company is acting as an agent between the customer and the vendor and gross when the Company is the principal for the transaction. In doing so, the</p> |

|           |  |
|-----------|--|
|           | <p>Company first evaluates whether it controls the products or service before it is transferred to the customer. The Company considers whether it has the primary obligation to fulfil the contract, inventory risk, pricing discretion and other factors to determine whether it controls the products or service and therefore, is acting as a principal or an agent.</p> <p>Fixed price maintenance revenue is recognized rate ably either on (1) a straight-line basis when services are performed through an indefinite number of repetitive acts over a specified period or (2) using a percentage of completion method when the pattern of benefits from the services rendered to the customer and the Company’s costs to fulfill the contract is not even through the period of contract because the services are generally discrete in nature and not repetitive. The use of method to recognize the maintenance revenues requires judgment and is based on the promises in the contract and nature of the deliverables.</p> <p>As certain contracts with customers involve management’s judgment in (1) identifying distinct performance obligations, (2) determining whether the Company is acting as a principal or an agent and (3) whether fixed price maintenance revenue is recognized on a straight-line basis or using the percentage of completion method, revenue recognition from these judgments were identified as a key audit matter and required a higher extent of audit effort. Refer relevant Notes to the standalone financial statements</p> |
|           | <p><b>Auditor’s Response</b></p>   |
|           | <p><b>Principal Audit Procedures Performed</b></p> <p>Our audit procedures related to the (1) identification of distinct performance obligations, (2) determination of whether the Company is acting as a principal or agent and (3) whether fixed price maintenance revenue is recognized on a straight-line basis or using the percentage of completion method included the following, among others:</p> <ul style="list-style-type: none"> <li>• We tested the effectiveness of controls relating to the (a) identification of distinct performance obligations, (b) determination of whether the Company is acting as a principal or an agent and (c) determination of whether fixed price maintenance revenue for certain contracts is recognized on a straight-line basis or using the percentage of completion method.</li> <li>• We selected a sample of contracts with customers and performed the following procedures: –             <ul style="list-style-type: none"> <li>- Obtained and read contract documents for each selection, including master service agreements, and other documents that were part of the agreement.</li> <li>- Identified significant terms and deliverables in the contract to assess management’s conclusions regarding the (i) identification of distinct performance obligations (ii) whether the Company is acting as a principal or an agent and (iii) whether fixed price maintenance revenue is recognized on a straight-line basis or using the percentage of completion method.</li> </ul> </li> </ul>                   |
| <p>2.</p> | <p><b>Revenue recognition - Fixed price contracts using the percentage of completion method</b></p> <p>Fixed price maintenance revenue is recognized rateably either (1) on a straight-line basis when services are performed through an indefinite number of repetitive acts over a specified period or (2) using a percentage of completion method when the pattern of benefits from services rendered to the customer and the Company’s costs to fulfill the contract is not even through the period of contract because the services are generally discrete in nature and not repetitive. Revenue from other fixed-price, fixed-timeframe contracts, where the performance obligations are satisfied over time is recognized using the percentage-of-completion method.</p> <p>Use of the percentage-of-completion method requires the Company to determine the actual efforts or costs expended to date as a proportion of the estimated total efforts or costs to be incurred. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. The estimation of total efforts or costs involves significant judgment and is assessed throughout the period of the contract to reflect any changes based on the latest available information. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the estimated efforts or costs to complete the contract.</p>                              |

|  |  |
|--|--|
|  | <p>We identified the estimate of total efforts or costs to complete fixed price contracts measured using the percentage of completion method as a key audit matter as the estimation of total efforts or costs involves significant judgment and is assessed throughout the period of the contract to reflect any changes based on the latest available information. This estimate has a high inherent uncertainty and requires consideration of progress of the contract, efforts or costs incurred to date and estimates of efforts or costs required to complete the remaining contract performance obligations over the term of the contracts.</p> <p>This required a high degree of auditor judgment in evaluating the audit evidence and a higher extent of audit effort to evaluate the reasonableness of the total estimated amount of revenue recognized on fixed-price contracts. Refer relevant notes to the standalone financial statements.</p>   |
|  | <p><b>Auditor’s Response</b></p>   |
|  | <p><b>Principal Audit Procedures Performed</b></p> <p>Our audit procedures related to estimates of total expected costs or efforts to complete for fixed-price contracts included the following, among others:</p> <ul style="list-style-type: none"> <li>• We tested the effectiveness of controls relating to (1) recording of efforts or costs incurred and estimation of efforts or costs required to complete the remaining contract performance obligations and (2) access and application controls pertaining to time recording, allocation and budgeting systems which prevents unauthorised changes to recording of efforts incurred.</li> <li>• We selected a sample of fixed price contracts with customers measured the using percentage-of-completion method and performed the following:             <ul style="list-style-type: none"> <li>– Evaluated management’s ability to reasonably estimate the progress towards satisfying the performance obligation by comparing actual efforts or costs incurred to prior year estimates of efforts or costs budgeted for performance obligations that have been fulfilled.</li> <li>– Compared efforts or costs incurred with Company’s estimate of efforts or costs incurred to date to identify significant variations and evaluate whether those variations have been considered appropriately in estimating the remaining costs or efforts to complete the contract.</li> <li>– Tested the estimate for consistency with the status of delivery of milestones and customer acceptances and sign off from customers to identify possible delays in achieving milestones, which require changes in estimated costs or efforts to complete the remaining performance obligations.</li> </ul> </li> </ul> |

**Information other than the Financial Statements and Auditor’s Report thereon**

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

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

7. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act 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 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.
8. In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
9. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

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

10. 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 Standards on Auditing 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.
11. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements 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 Board of Directors' 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;
  - Obtain sufficient appropriate audit evidence regarding the financial information of the Company and its branches or the business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of the Company and such branches included in the financial statements, of which we are the independent auditors. For the other branches included in the financial statements, which have been audited by the branch auditors, such branch auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
12. 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.
13. 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.
14. 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**

15. As required by section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
16. Further to our comments in Annexure A, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, 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 purpose of our audit of the accompanying standalone financial statements;

- 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, including the manner prescribed in Rule 3(1) of Companies (Accounts) Rules, 2014, except that the audit trail feature was not enabled at the database level as further stated in paragraph 17(h) (vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).;
- c) The standalone financial statements dealt with by this report are in agreement with the books of account;
- d) in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;
- e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act;
- f) With respect to the maintenance of accounts and other matters connected therewith refer to our comments in paragraph 17(b) above on reporting under Section 143(3)(b) of the Act and paragraph 17(h)(vi) below on reporting under rule 11(g) of the of the Companies (Audit and Auditors) Rules, 2014 (as amended).;
- g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2024 and the operating effectiveness of such controls, refer to our separate report in Annexure B wherein we have expressed an unmodified opinion; and
- h) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
  - i. the Company does not have any pending litigation which would impact its financial position as at 31 March 2024;
  - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2024;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2024;
  - iv.
    - a. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the 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 ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
    - b. The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the 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; and

- c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
  
- v. The Company has not declared or paid any dividend during the year ended 31 March 2024.
  
- vi. Based on our examination which included test checks, the Company, in respect of financial year commencing on or after 1 April 2023, has used an accounting software Tally *software* which is operated by a third party software service provider for maintaining its books of account and in absence of an 'Independent Service Auditor's Assurance Report on the Description of Controls, their Design and Operating Effectiveness' ('Type 2 report' issued in accordance with SAE 3402, Assurance Reports on Controls at a Service Organisation), we are unable to comment on whether audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of audit trail feature being tampered with.

For **Rao and Shyam**  
Chartered Accountants  
Firm's Registration No.: 006186S

Sd/-  
**Kandarp Kumar Dudhoria**  
Partner  
Membership No.: 228416  
UDIN: 24228416BKBZJA9387

**Place:** Hyderabad  
**Date:** 14 May 2024

## Annexure A

### Referred to in Paragraph 16 of the Independent Auditor's Report of even date to the members of Adroit Infotech Limited on the standalone financial statements for the year ended 31 March 2024

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) A The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and right of use assets
- B The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a regular programme of physical verification of its property, plant and equipment, capital work in progress, investment property and relevant details of right-of-use assets and under which the assets are physically verified in a phased manner over a period of 3 years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain property, plant and equipment, capital work in progress, right of use assets and investment property were verified during the year and no material discrepancies were noticed on such verification.
- (c) The Company does not own any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, reporting under clause 3(i)(c) of the Order is not applicable to the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or Intangible assets during the year.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.
- (ii) (a) The Company does not hold any inventory/tangible inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.
- (b) As disclosed in note to the standalone financial statements, the Company has been sanctioned a working capital limit in excess of Rs 5 crore by banks or financial institutions based on the security of current assets. The quarterly returns/statements, in respect of the working capital limits have been filed by the Company with such banks and/or financial institutions and such returns/statements are in agreement with the books of account of the Company for the respective periods which were not subject to audit, except for the details mentioned in the note xx of the financial statement.
- (iii) (a) The Company has not provided security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. The Company has provided loans and guarantees to subsidiaries during the year as per details in the financial statement
- (b) In our opinion and according to the information and explanations given to us, the investments made, guarantees made and terms and conditions of the grant of all loans provided are, prima facie, not prejudicial to the interest of the Company.
- (c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments/ receipts of principal and interest are regular.
- (d) There is no overdue amount in respect of loans granted to such companies.

- (e) The Company has not granted any loan or advance in the nature of loan which has fallen due during the year. Further, no fresh loans were granted to any party to settle the overdue loans/advances in nature of loan that existed as at the beginning of the year.
- (f) The Company has granted loan or advance(s) in the nature of loans which is repayable on demand or without specifying any terms or period of repayment, as per details in the financial statements
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act in respect of loans and investments made and guarantees and security provided by it, as applicable. Further, the Company has not entered into any transaction covered under section 185 of the Act.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products/ services / business activities. Accordingly, reporting under clause 3(vi) of the Order is not applicable.
- (vii) (a) In our opinion and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (vii) (b) According to the information and explanations given to us, there are no statutory dues referred to in sub clause (a) above that have not been deposited with the appropriate authorities on account of any dispute.
- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.
- (ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us including confirmations received from banks, representation received from the management of the Company and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.
- (d) In our opinion and according to the information and explanations given to us and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have, prima facie, not been utilized for long term purposes.

- (e) According to the information and explanations given to us and 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 and associates.
- (f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries and associate companies.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.  
(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x) (b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company or no material fraud on the Company has been noticed or reported during the period covered by our audit.  
(b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under subsection 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.  
(c) According to the information and explanations given to us, the Company has received whistle blower complaints during the year, which have been considered by us while determining the nature, timing and extent of audit procedures.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (Xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.
- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as per the provisions of section 138 of the Act which is commensurate with the size and nature of its business.  
(b) We were unable to obtain any of the Internal Audit Reports of the Company on timely basis, hence the Internal Audit Reports have not been considered by us, only to the extent made available to us.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.

- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a),(b) and (c) of the Order are not applicable to the Company.
- (xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due
- (xx) According to the information and explanations given to us, the Company does not have any unspent amounts towards Corporate Social Responsibility in respect of any ongoing or other than ongoing project as at the end of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Rao and Shyam**  
Chartered Accountants  
Firm's Registration No.: 006186S

Sd/-  
**Kandarp Kumar Dudhoria**  
Partner  
Membership No.: 228416  
UDIN : 24228416BKBZJA9387

**Place:** Hyderabad  
**Date:** 14 May 2024

## Annexure B

### Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of Adroit Infotech Limited ('the Company') as at and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

#### Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls 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 ("the Guidance Note") 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 the Company's 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 information, as required under the Act.

#### Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. 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 with reference to financial statements.

#### Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls 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 controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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

7. 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 controls 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

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2024, based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Rao and Shyam**  
Chartered Accountants  
Firm's Registration No.: 006186S

Sd/-  
**Kandarp Kumar Dudhoria**  
Partner  
Membership No.: 228416  
UDIN: 24228416BKBZJA9387

Hyderabad  
14 May 2024

| <b>ADROIT INFOTECH LIMITED</b><br><b>(CIN: L72300TG1990PLC011129)</b><br><b>Plot No 7A, MLA Colony, Road No: 12, Banjara Hills. Hyderabad -500034</b><br><b>(All amounts in ₹ lakhs, except share data and where otherwise stated)</b><br><b>Standalone Balance Sheet as at March 31, 2024</b> |                              |   |                         |
|--|------------------------------|---|-------------------------|
| Particulars  | Note No                      | As at<br>March 31, 2024                             | As at<br>March 31, 2023 |
| <b>ASSETS</b>  |                              |   |                         |
| <b>Non-Current Assets</b>  |                              |   |                         |
| (a) Property, Plant and Equipment  |                              | 61.68   | 86.14                   |
| (b) Other Intangible assets  | 2                            | 669.52  | 669.52                  |
| (c) Intangible Assets under development  |                              | 30.03   | 107.82                  |
| (d) Right of Use of Asset (RoU)  | 15                           | 4.24  | 12.73                   |
| <b>(e) Financial Assets</b>  |                              |   |                         |
| (i) Investments  | 3                            | 1,242.19  | 1,187.97                |
| (ii) Other Deposits  | 4                            | 998.75  | -                       |
| (f) Deferred tax Assets (net)  | 5                            | 95.49   | 37.34                   |
| (g) Income tax assets (net)  | 6                            | 0.38  | 31.89                   |
| <b>Total Non-Current Assets</b>  |                              | <b>3,102.29</b>                                     | <b>2,133.41</b>         |
| <b>Current Assets</b>  |                              |   |                         |
| <b>(a) Financial Assets</b>  |                              |   |                         |
| (i) Trade Receivables  | 7                            | 738.95  | 598.20                  |
| (ii) Cash & Cash Equivalents   | 8                            | 145.82  | 20.31                   |
| (iii) Loans  | 9                            | 108.77  | 305.95                  |
| (b) Current Tax Assets (Net)   | 10                           | 11.13   | 6.42                    |
| (c) Other Current Assets   | 11                           | 0.77  | 0.20                    |
| <b>Total Current Assets</b>  |                              | <b>1,005.45</b>                                     | <b>931.09</b>           |
| <b>TOTAL ASSETS</b>  |                              | <b>4,107.74</b>                                     | <b>3,064.50</b>         |
| <b>EQUITY AND LIABILITIES</b>  |                              |   |                         |
| <b>Equity</b>  |                              |   |                         |
| (a) Equity Share Capital   | 12                           | 2,979.26  | 2,026.74                |
| (b) Other Equity   | 13                           | 73.36   | (739.94)                |
| <b>Total Equity</b>  |                              | <b>3,052.63</b>                                     | <b>1,286.80</b>         |
| <b>Share Application Money Pending for Allotment</b>   |                              |   |                         |
|  |                              | <b>193.75</b>                                       | <b>543.75</b>           |
| <b>Liabilities</b>   |                              |   |                         |
| <b>Non-Current Liabilities</b>   |                              |   |                         |
| <b>(a) Financial Liabilities</b>   |                              |   |                         |
| (i) Borrowings   | 14                           | 29.79   | 45.24                   |
| (ii) Lease liabilities   | 15                           | -   | 5.01                    |
| (iii) Trade Payables   | 16                           | -   | 18.33                   |
| (iv) Other Financial Liabilities   | 14                           | -   | -                       |
| (b) Provisions   | 17                           | 6.01  | 7.86                    |
| (c) Deferred Tax Liabilities   | 5                            | 5.20  | -                       |
| (d) Other non-current liabilities  | 18                           | 434.33  | 537.96                  |
| <b>Total Non-Current Liabilities</b>   |                              | <b>475.34</b>                                       | <b>614.40</b>           |
| <b>Current Liabilities</b>   |                              |   |                         |
| <b>(a) Financial Liabilities</b>   |                              |   |                         |
| (i) Borrowings   | 19                           | 60.45   | 184.72                  |
| (ii) Lease liabilities   | 15                           | 5.01  | 8.98                    |
| (iii) Trade payables   | 20                           | -   | -                       |
| (iii) Other Financial Liabilities  |                              | -   | -                       |
| - Total outstanding dues of micro enterprises and small enterprises  |                              | -   | -                       |
| - Total outstanding dues of creditors other than micro enterprises and small enterprises   |                              | 34.46   | 114.75                  |
| (b) Other current liabilities  | 23                           | 168.86  | 263.10                  |
| (c) Provisions   | 21                           | 96.88   | 32.37                   |
| (d) Income Tax Liabilities (net)   | 22                           | 20.36   | 15.63                   |
| <b>Total Current Liabilities</b>   |                              | <b>386.02</b>                                       | <b>619.55</b>           |
| <b>TOTAL EQUITY AND LIABILITIES</b>  |                              | <b>4,107.74</b>                                     | <b>3,064.50</b>         |
| <b>Significant Accounting Policies</b>   | 1                            |   |                         |
| <b>Corporate Information and Basis of Preparation-Refer Page No.</b>   |                              |   |                         |
| <b>For RAO &amp; SHYAM</b>   |                              | <b>for and on behalf of Adroit Infotech Limited</b> |                         |
| <b>Chartered Accountants</b>   |                              |   |                         |
| <b>Firm Registration Number : 0061865</b>  |                              |   |                         |
| Sd./-  | Sd./-                        | Sd./-   |                         |
| Kandarp Kumar Dudhoria   | Sudhakiran Reddy Sunkerneni  | Sridhar Pyata Reddy                                 |                         |
| Partner  | Managing Director            | Director  |                         |
| Membership Number : 228416   | DIN 01436242                 | DIN 07268714  |                         |
| UDIN: 24228416BKBZJA9387   |                              |   |                         |
|  | Sd./-                        | Sd./-   |                         |
|  | Ravichandra Rao Badanidiyoor | Piyush Prajapati                                    |                         |
| Place: Hyderabad   | Chief Finance officer        | Company Secretary &                                 |                         |
| Date: 14 May 2024  |                              | Compliance officer                                  |                         |

| ADROIT INFOTECH LIMITED<br>(CIN: L72300TG1990PLC011129)<br>Plot No 7A, MLA Colony, Road No: 12, Banjara Hills. Hyderabad -500034<br>Standalone Statement of Profit and Loss for the year ended March 31, 2024<br>(INR in Lakhs) |          |   |   |
|---|----------|---|---|
| Particulars   | Note No. | For the Year Ended<br>March 31, 2024                | For the Year Ended<br>March 31, 2023      |
| <b>Income</b>   |          |   |   |
| i) Revenue From Operations  | 24       | 587.08  | 550.25                                    |
| ii) Other Income  | 25       | 97.80   | 9.94                                      |
| <b>Total Income</b>   |          | <b>684.87</b>                                       | <b>560.19</b>                             |
| <b>Expenses</b>   |          |   |   |
| i) Employee benefits expense  | 26       | 151.81  | 115.40                                    |
| ii) Finance Costs   | 27       | 10.52   | 27.52                                     |
| iii) Depreciation and amortisation expense  | 28       | 113.40  | 125.08                                    |
| iv) Other Expenses  | 29       | 205.89  | 206.33                                    |
| <b>Total expenses</b>   |          | <b>481.62</b>                                       | <b>474.33</b>                             |
| <b>Profit Before Tax</b>  |          |   |   |
|   |          | <b>203.25</b>                                       | <b>85.84</b>                              |
| Tax Expenses  |          |   |   |
| -Current Tax  |          | 0.71  | 3.26                                      |
| -Deferred Tax   |          | (5.31)  | (55.47)                                   |
| <b>Profit/(loss) for the period from continuing operations</b>  |          |   |   |
| Profit/(loss) from discontinued operations  |          | -   | -   |
| Tax expense of discontinued operations  |          | -   | -   |
| <b>Profit/(loss) from discontinued operations after tax</b>   |          |   |   |
|   |          | -   | -   |
| <b>I Profit/(loss) for the Year</b>   |          |   |   |
|   |          | <b>207.86</b>                                       | <b>138.06</b>                             |
| <b>II Other Comprehensive Income</b>  |          |   |   |
| <b>i) Items that will not be reclassified to profit or loss:</b>  |          |   |   |
| -Impairment of allowances in doubt ful debt   |          | -   | -   |
| -Actuarial loss/(gain) on defined benefit obligation  |          | 1.62  | 0.08                                      |
| -Equity Instruments through other comprehensive income  |          | -   | -   |
| -Income Tax relating to these items   |          | -   | -   |
| <b>ii) Items that will be reclassified to profit or loss:</b>   |          |   |   |
| -Debt Instruments through Other Comprehensive Income  |          | -   | -   |
| -The effective portion of gains and loss on hedging instruments in a cash flow hedge  |          | -   | -   |
| -Income Tax relating to these items   |          | -   | -   |
| <b>Other Comprehensive Income</b>   |          |   |   |
|   |          | <b>1.62</b>   | <b>0.08</b>                               |
| <b>Total Comprehensive Income for the period</b>  |          |   |   |
|   |          | <b>209.48</b>                                       | <b>138.14</b>                             |
| <b>Earnings per equity share :</b>  |          |   |   |
| (1) Basic   |          | 0.98  | 0.73                                      |
| (2) Diluted   |          | 0.98  | 0.73                                      |
| <b>for RAO &amp; SHYAM</b>  |          | <b>for and on behalf of Adroit Infotech Limited</b> |   |
| <b>Chartered Accountants</b>  |          |   |   |
| <b>Firm Registration Number : 0061865</b>   |          |   |   |
| Sd./-   |          | Sd./-   | Sd./-                                     |
| Kandarp Kumar Dudhoria  |          | Sudhakaran Reddy Sunkerneni                         | Sridhar Pyata Reddy                       |
| Partner   |          | Managing Director                                   | Director                                  |
| Membership Number : 228416  |          | DIN 01436242  | DIN 07268714                              |
| UDIN: 24228416BKBZJA9387  |          |   |   |
|   |          | Sd./-   | Sd./-                                     |
|   |          | Ravichandra Rao Badanidiyoor                        | Piyush Prajapati                          |
|   |          | Chief Finance officer                               | Company Secretary &<br>Compliance officer |
| Place: Hyderabad  |          |   |   |
| Date: 14 May 2024   |          |   |   |

| <b>ADROIT INFOTECH LIMITED</b>  |  |  |
|---|--|--|
| <b>(CIN: L72300TG1990PLC011129)</b>                                     |  |  |
| <b>Standalone Cash Flow Statement For The Year Ended March 31, 2024</b> |  |  |
| <b>(INR In Lakhs )</b>  |  |  |
| <b>Particulars</b>  | <b>For the year ended<br/>March 31, 2024</b> | <b>For the year ended<br/>March 31, 2023</b> |
| <b>Cash flow from operating activities</b>                              |  |  |
| Profit before income tax from<br>Continuing operations                  | 203.25                                       | 85.84  |
| <b>Profit before income tax including discontinued operations</b>       |  |  |
| Adjustments for   |  |  |
| Depreciation and amortisation expense                                   | 113.40                                       | 125.08                                       |
| Interest Income   | 97.80  | 9.94   |
| Finance costs(net)  | 10.52  | 27.52  |
| <b>Operating Profit Before working Capital Charges</b>                  | <b>424.97</b>                                | <b>248.38</b>                                |
| <b>Adjustments For :</b>  |  |  |
| Increase/ (Decrease) in Short Term Borrowings                           | (139.72)                                     | (429.52)                                     |
| Increase/ (Decrease) in Trade payables                                  | (98.62)                                      | 34.92  |
| Increase/ (Decrease) in Other Current Liabilities                       | (94.24)                                      | 4.64   |
| Increase/ (Decrease) in Current Tax Liabilities                         | 4.73   | 8.98   |
| Increase/ (Decrease) in Non-Current Liabilities                         | (103.64)                                     | 542.98                                       |
| Increase/ (Decrease) in Long Term Provisions                            | (1.85)                                       | 1.24   |
| Increase/ (Decrease) in Short Tem Provisions                            | 64.52  | 12.12  |
| Increase/ Decrease in Trade receivables                                 | (140.75)                                     | (303.26)                                     |
| Increase/ Decrease in Other Non-Current Assets                          | (26.64)                                      | 199.89                                       |
| Increase/ Decrease in Short Term Loans and advances                     | 197.18                                       | (21.60)                                      |
| Increase/ Decrease in Current Tax Assets                                | (4.71)                                       | (5.12)                                       |
| Increase/ Decrease in Other Current Assets                              | (0.57)                                       | 1.58   |
| <b>Cash generated from operations</b>                                   | <b>80.66</b>                                 | <b>295.22</b>                                |
| Interest Paid   | (10.52)                                      | (27.52)                                      |
| Direct Taxes  | 5.20   | -  |
| <b>Net cash inflow from operating activities</b>                        | <b>75.34</b>                                 | <b>267.70</b>                                |
| <b>Cash flows from investing activities</b>                             |  |  |
| Payments for property, plant and equipment                              | (2.66)                                       | (108.15)                                     |
| Proceeds/purchase on or Investments                                     | (54.22)                                      | (1,187.97)                                   |
| Interest Income   | (97.80)                                      | (9.94)                                       |
| Investment made in Fixed Deposits                                       | (998.75)                                     | -  |
| <b>Net cash outflow from investing activities</b>                       | <b>(1,153.43)</b>                            | <b>(1,306.06)</b>                            |
| <b>Cash flows from financing activities</b>                             |  |  |
| Proceeds from Issue of share capital<br>(net of Share Issue Expenses)   | 952.53                                       | 200.00                                       |
| Share Application Money   | (350.00)                                     | 543.75                                       |
| Increase/(Decrease) in Reserves   | 610.04                                       | 308.43                                       |
| Repayment of lease liabilities  | (8.98)                                       | -  |
| <b>Net cash inflow (outflow) from financing activities</b>              | <b>1,203.59</b>                              | <b>1,052.18</b>                              |
| <b>Net increase (decrease) in cash and cash equivalents</b>             | <b>125.51</b>                                | <b>13.82</b>                                 |
| Cash and cash equivalents at the beginning of the financial year        | 20.32  | 6.50   |
| Effects of exchange rate changes on cash and cash equivalents           | -  | -  |
| <b>Cash and cash equivalents at end of the year</b>                     | <b>145.82</b>                                | <b>20.32</b>                                 |

The accompanying notes form an integral part of these standalone financial statements

**Notes:**

The above statement of cash flow from operating activities has been prepared under the 'Indirect method' as set out in Indian Accounting Standard (Ind AS) 7 - Statement of Cash Flows

**for RAO & SHYAM**

**Chartered Accountants**

**Firm Registration Number : 0061865**

Sd./-

Kandarp Kumar Dudhoria

Partner

Membership Number : 228416

UDIN: 24228416BKBZJA9387

Place: Hyderabad

Date: 14 May 2024

**for and on behalf of Adroit Infotech Limited**

Sd./-

Sudhakaran Reddy Sunkerneni

Managing Director

DIN 01436242

Sd./-

Ravichandra Rao Badanidiyoor

Chief Finance officer

Sd./-

Sridhar Pyata Reddy

Director

DIN 07268714

Sd./-

Piyush Prajapati

Company Secretary &

Compliance officer

## Equity Shares

| Particulars   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------------------------|-------------------------|
| <b>Authorized</b>                                       |                         |                         |
| Ordinary shares of par value of Rs. 10/- each           |                         |                         |
| Number  | 650.00                  | 650.00                  |
| <b>Amount</b>   | 6,500.00                | 6500.00                 |
| <b>Issued, subscribed and fully paid</b>                |                         |                         |
| Ordinary shares of par value of Rs.10/- each fully paid |                         |                         |
| Number  | 216.67                  | 202.67                  |
| Issued, subscribed and partly paid @2.50 per share      | 81.25                   | -                       |
| <b>Amount</b>   | <b>2,979.26</b>         | <b>2,026.74</b>         |

### A. Reconciliation of number of shares:

| Particulars   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------------------------|-------------------------|
| Opening Equity Shares   | 202.67                  | 182.67                  |
| Add: -No. of Shares, Share Capital issued/ subscribed during the year | 14.00                   | 20.00                   |
| Add: -No. of Shares Partly paid Rights Issue @2.50                    | 325.01                  | -                       |
| Less: Deduction   | -                       | -                       |
| <b>Closing balance</b>  | <b>541.68</b>           | <b>202.67</b>           |

1) The Company has converted 14,00,000 Share Warrants into Equity shares pertaining to the promoter during the year. (Previous year : Nil)

2) During the year, the Company has successfully completed the Rights Issue. The shares were offered @2:1. Totally 3,25,01,058 Rights Equity was raised. The issue was priced at Rs.15/- per share (including premium of Rs.5/-). The amount payable on application was fixed at Rs.3.75/- per share (including Rs.1.25 premium).

3) The aggregate number of equity shares allotted as fully paid up by way of bonus shares in immediately preceding five years ended March 31, 2024 is Nil (previous period of five years ended March 31, 2023: Nil shares) (g) The aggregate number of equity shares issued pursuant to contract, without payment being received in cash in immediately preceding last five years ended on March 31, 2024 -10,00,000 shares)

### Statement of Changes in equity for the current Year 23-24

|   | Reserves and surplus |                   |                    | Other items of other comprehensive income | Total    |
|---|----------------------|-------------------|--------------------|---|----------|
|   | Capital reserve      | Retained earnings | Securities premium | Remeasurement of defined benefit plans    |          |
| <b>Balance as at 31 March 2023</b>                  | 290.00               | (1,330.01)        | 300.00             | 0.08                                      | (739.93) |
| Total comprehensive income                          |                      |                   |                    | -   | -        |
| Dividends   |                      |                   |                    | -   | -        |
| Premium on shares issued during the year            |                      |                   | 554.89             | -   | 300.00   |
| Actuarial loss/(gain) on defined benefit obligation |                      | (0.08)            |                    | 1.62                                      | (0.00)   |

|                                    |               |                   |               |             |              |
|------------------------------------|---------------|-------------------|---------------|-------------|--------------|
| shares issued to promoters         |               |                   |               |             | -            |
| Transfer to retained earnings      |               | 209.48            |               |             | 209.48       |
| Any other changes                  |               | 48.92             |               |             | 48.92        |
| <b>Balance as at 31 March 2024</b> | <b>290.00</b> | <b>(1,073.23)</b> | <b>854.89</b> | <b>1.70</b> | <b>73.36</b> |

| Statement of Changes in equity for the previous Year 22-23 |                      |                   |                    |   |                 |
|--|----------------------|-------------------|--------------------|---|-----------------|
|  | Reserves and surplus |                   |                    | Other items of other comprehensive income | Total           |
|  | Capital reserve      | Retained earnings | Securities premium | Remeasurement of defined benefit plans    |                 |
| Balance as at 31 March 2022                                | 290.00               | (1,424.21)        | -                  | -   | (1,134.21)      |
| Total comprehensive income                                 | -                    | -                 | -                  | -   | -               |
| Dividends  | -                    | -                 | -                  | -   | -               |
| Premium on shares issued during the year                   | -                    | -                 | 300.00             | -   | 300.00          |
| Actuarial loss/(gain) on defined benefit obligation        | -                    | (0.08)            | -                  | 0.08                                      | -               |
| Shares issued to promoters                                 | -                    | -                 | -                  | -   | -               |
| Transfer to retained earnings                              | -                    | 78.26             | -                  | -   | 78.26           |
| Any other changes  | -                    | 16.02             | -                  | -   | 16.02           |
| <b>Balance as at 31 March 2023</b>                         | <b>290.00</b>        | <b>(1,330.01)</b> | <b>300.00</b>      | <b>0.08</b>                               | <b>(739.93)</b> |

for RAO & SHYAM

Chartered Accountants

Firm Registration Number : 0061865

Sd./-

Kandarp Kumar Dudhoria

Partner

Membership Number : 228416

UDIN: 24228416BKBZJA9387

Place: Hyderabad

Date: 14-May-2024

for and on behalf of Adroit Infotech Limited

Sd./-

Sudhakaran Reddy Sunkerneni

Managing Director

DIN 01436242

Sd./-

Ravichandra Rao Badanidiyoor

Chief Finance officer

Sd./-

Sridhar Pyata Reddy

Director

DIN 07268714

Sd./-

Piyush Prajapati

Company Secretary &

Compliance officer

**ADROIT INFOTECH LIMITED**

Notes to accounts for the year ended March 31, 2024

**Note: 2 Property, Plant and Equipment**

(INR in Lakhs)

| Particulars                      | Rate of Dep. | Gross carrying value as at April 1, 2023 | Additions   | Disposal/adjustments | Gross carrying value as at March 31, 2023 | Accumulated depreciation as at April 1, 2023 | Depreciation for the year | Disposal/adjustments | Accumulated depreciation as at March 31, 2024 | Carrying Value as at March 31, 2024 | Carrying Value as at March 31, 2023 |
|----------------------------------|--------------|--|-------------|----------------------|---|--|---------------------------|----------------------|---|-------------------------------------|-------------------------------------|
| Computers                        | 63.16%       | 187.16                                   | 0.07        | -                    | 187.23                                    | 187.10                                       | 0.07                      | -                    | 187.17  | 0.06                                | 0.06                                |
| Servers & Networks               | 39.30%       | 18.20                                    | -           | -                    | 18.20                                     | 17.66  | 0.22                      | -                    | 17.87   | 0.33                                | 0.55                                |
| Furniture and Fixtures           | 25.89%       | 30.73                                    | 2.59        | -                    | 33.33                                     | 26.99  | 1.02                      | -                    | 28.01   | 5.32                                | 3.75                                |
| Electrical Equipments            | 25.89%       | 4.24                                     | -           | -                    | 4.24                                      | 3.03   | 0.31                      | -                    | 3.34  | 0.90                                | 1.21                                |
| Office Equipments                | 45.07%       | 10.56                                    | -           | -                    | 10.56                                     | 10.27  | 0.13                      | -                    | 10.40   | 0.16                                | 0.28                                |
| Motor Vehicles                   | 31.23%       | 158.45                                   | -           | -                    | 158.45                                    | 79.47  | 24.67                     | -                    | 104.14  | 54.31                               | 78.98                               |
| Genset                           | 18.10%       | 3.50                                     | -           | -                    | 3.50                                      | 3.25   | 0.05                      | -                    | 3.30  | 0.20                                | 0.25                                |
| Buildings (Temporary Structures) | 63.16%       | 4.85                                     | -           | -                    | 4.85                                      | 3.78   | 0.67                      | -                    | 4.46  | 0.39                                | 1.07                                |
| <b>Total</b>                     |              | <b>417.70</b>                            | <b>2.66</b> | <b>-</b>             | <b>420.36</b>                             | <b>331.55</b>                                | <b>27.13</b>              | <b>-</b>             | <b>358.68</b>                                 | <b>61.68</b>                        | <b>86.14</b>                        |

**Other Intangible Assets**

| Particulars   | Rate of Dep. | Gross carrying value as at April 1, 2023 | Additions | Disposal/adjustments | Gross carrying value as at March 31, 2023 | Accumulated depreciation as at April 1, 2023 | Depreciation for the year | Disposal/adjustments | Accumulated depreciation as at March 31, 2024 | Carrying Value as at March 31, 2024 | Carrying Value as at March 31, 2023 |
|---|--------------|--|-----------|----------------------|---|--|---------------------------|----------------------|---|-------------------------------------|-------------------------------------|
| Computer Software   | 63.16%       | 13.29                                    | -         | -                    | 13.29                                     | 13.20  | 0.06                      | -                    | 13.26   | 0.03                                | 0.09                                |
| Intangible Assets others & Intangible Assets Under Development* | 10.00%       | 1,046.58                                 | -         | -                    | 1,046.58                                  | 269.34                                       | 77.72                     | -                    | 347.06  | 699.52                              | 777.25                              |
| <b>Total</b>  |              | <b>1,059.88</b>                          | <b>-</b>  | <b>-</b>             | <b>1,059.88</b>                           | <b>282.54</b>                                | <b>77.78</b>              | <b>-</b>             | <b>360.32</b>                                 | <b>699.55</b>                       | <b>777.34</b>                       |

\*others & Intangible Assets Under Development is less than 3 years

**FY 2022-2023**

(INR in Lakhs)

| Particulars                      | Rate of Dep. | Gross carrying value as at April 1, 2022 | Additions   | Disposal/adjustments | Gross carrying value as at March 31, 2023 | Accumulated depreciation as at April 1, 2022 | Depreciation for the year | Disposal/adjustments | Accumulated depreciation as at March 31, 2023 | Carrying Value as at March 31, 2023 | Carrying Value as at March 31, 2022 |
|----------------------------------|--------------|--|-------------|----------------------|---|--|---------------------------|----------------------|---|-------------------------------------|-------------------------------------|
| Computers                        | 63.16%       | 187.16                                   | -           | -                    | 187.16                                    | 187.00                                       | 0.10                      | -                    | 187.10  | 0.06                                | 0.15                                |
| Servers & Networks               | 39.30%       | 18.20                                    | -           | -                    | 18.20                                     | 17.30  | 0.36                      | -                    | 17.66   | 0.55                                | 0.90                                |
| Furniture and Fixtures           | 25.89%       | 30.73                                    | -           | -                    | 30.73                                     | 25.68  | 1.31                      | -                    | 26.99   | 3.75                                | 5.06                                |
| Electrical Equipments            | 25.89%       | 4.24                                     | -           | -                    | 4.24                                      | 2.60   | 0.42                      | -                    | 3.03  | 1.21                                | 1.63                                |
| Office Equipments                | 45.07%       | 10.56                                    | -           | -                    | 10.56                                     | 10.04  | 0.23                      | -                    | 10.27   | 0.28                                | 0.52                                |
| Motor Vehicles                   | 31.23%       | 158.45                                   | -           | -                    | 158.45                                    | 43.61  | 35.87                     | -                    | 79.47   | 78.98                               | 114.84                              |
| Genset                           | 18.10%       | 3.50                                     | -           | -                    | 3.50                                      | 3.20   | 0.06                      | -                    | 3.25  | 0.25                                | 0.30                                |
| Buildings (Temporary Structures) | 63.16%       | 2.67                                     | 2.18        | -                    | 4.85                                      | 2.66   | 1.12                      | -                    | 3.78  | 1.07                                | 0.01                                |
| <b>Total</b>                     |              | <b>415.51</b>                            | <b>2.18</b> | <b>-</b>             | <b>417.70</b>                             | <b>292.09</b>                                | <b>39.46</b>              | <b>-</b>             | <b>331.55</b>                                 | <b>86.14</b>                        | <b>123.42</b>                       |

**Other Intangible Assets**

| Particulars   | Rate of Dep. | Gross carrying value as at April 1, 2022 | Additions    | Disposal/adjustments | Gross carrying value as at March 31, 2023 | Accumulated depreciation as at April 1, 2022 | Depreciation for the year | Disposal/adjustments | Accumulated depreciation as at March 31, 2023 | Carrying Value as at March 31, 2023 | Carrying Value as at March 31, 2022 |
|---|--------------|--|--------------|----------------------|---|--|---------------------------|----------------------|---|-------------------------------------|-------------------------------------|
| Computer Software   | 63.16%       | 13.29                                    | -            | -                    | 13.29                                     | 13.05  | 0.15                      | -                    | 13.20   | 0.09                                | 0.24                                |
| Intangible Assets others & Intangible Assets Under Development* | 10.00%       | 961.83                                   | 84.75        | -                    | 1,046.58                                  | 192.37                                       | 76.97                     | -                    | 269.34  | 777.25                              | 769.47                              |
| <b>Total</b>  |              | <b>975.13</b>                            | <b>84.75</b> | <b>-</b>             | <b>1,059.88</b>                           | <b>205.42</b>                                | <b>77.12</b>              | <b>-</b>             | <b>282.54</b>                                 | <b>777.34</b>                       | <b>769.71</b>                       |

\*others & Intangible Assets Under Development is less than 3 years

## ADROIT INFOTECH LIMITED

Notes to accounts for the year ended March 31, 2024, All amounts are in Rs. Lakhs

### NON-CURRENT ASSETS

#### Note 3 Investments

| Particulars  | As at March 31, 2024 | As at March 31, 2023 |
|--|----------------------|----------------------|
| <b>Investment</b>  |                      |                      |
| Investment Adroit Infotech Ltd. US 60,000 Equity shares of USD: 0.01 Cent Each, Fully paid | 0.49                 | -                    |
| Investment Adroit Infotech LLC FZ 5,000 Equity shares of AED 10 Each, Fully paid           | 11.36                | -                    |
| Verso Altima Private Limited 5,00,000 Equity shares of Rs. 10 Each, Fully paid             | 1,230.34             | 1,187.97             |
| <b>Total</b>   | <b>1,242.19</b>      | <b>1,187.97</b>      |

Aggregate amount of unquoted Investments 1,242.19 1,187.97

Aggregate amount of impairment in value of Investments - Nil

#### Note 4 Other Deposits

| Particulars  | As at March 31, 2024 | As at March 31, 2023 |
|--|----------------------|----------------------|
| <b>(i) Other Deposits</b>  |                      |                      |
| Deposits   | 48.75                | -                    |
| Fixed Deposit in Banks (with original maturity of more than 12 months) | 950.00               | -                    |
| <b>Total</b>   | <b>998.75</b>        | <b>-</b>             |

#### Note : 5 Deferred tax assets and liabilities (Net)

Movement in Deferred Tax Assets and Liabilities

| Particulars                       | As at March 31, 2024 | As at March 31, 2023 |
|-----------------------------------|----------------------|----------------------|
| <b>a) Deferred Tax Liability</b>  |                      |                      |
| Opening balance                   | 5.20                 | 5.20                 |
| Adjustment to Profit loss account | -                    | -                    |
| <b>Closing balance as on</b>      | <b>5.20</b>          | <b>5.20</b>          |
| <b>b) Deferred tax Assets</b>     |                      |                      |
| Opening balance                   | 90.81                | 34.71                |
| Adjustment to Profit loss account | 5.31                 | 55.47                |
| <b>Closing balance as on</b>      | <b>95.49</b>         | <b>90.18</b>         |
| <b>Net Deferred Tax Assets</b>    | <b>90.29</b>         | <b>84.98</b>         |

| Deferred tax asset/(liability) (net)      | As at March 31, 2024 | As at March 31, 2023 |
|---|----------------------|----------------------|
| <b>Deferred tax liability (Gross)</b>     |                      |                      |
| Property and equipment                    | -                    | -                    |
| Investments                               | -                    | -                    |
| <b>Deferred tax asset (Gross)</b>         |                      |                      |
| Property and equipment                    | (2.64)               | (2.94)               |
| Provision for employee benefits           | (5.31)               | (49.85)              |
| <b>Net deferred tax asset/(liability)</b> | <b>(7.96)</b>        | <b>(1.09)</b>        |



## Unrecognized Deferred tax assets

Deferred tax assets have not been recognized in respect of the following items

| Particulars                | As at March 31, 2024 | As at March 31, 2023 |
|----------------------------|----------------------|----------------------|
| Unabsorbed Depreciation    | 171.87               | 159.39               |
| Business Losses            | 31.15                | 31.15                |
| Current year Profit/(Loss) | (90.56)              | (104.92)             |
| <b>Total</b>               | <b>112.46</b>        | <b>85.62</b>         |

## Note: 6 Income Tax Assets

| Particulars                  | As at March 31, 2024 | As at March 31, 2023 |
|------------------------------|----------------------|----------------------|
| Balance with Tax Authorities | 0.38                 | 22.07                |
| MAT Credit Entitlement Acct  | -                    | 9.82                 |
| <b>Total</b>                 | <b>0.38</b>          | <b>31.89</b>         |

## Note: 7 Current Trade Receivables

| Particulars                        | As at March 31, 2024 | As at March 31, 2023 |
|------------------------------------|----------------------|----------------------|
| <b>(i) Other Trade Receivables</b> |                      |                      |
| Secured, considered Good           | -                    | -                    |
| Unsecured, considered good         | 738.95               | 598.20               |
| Doubtful                           | -                    | -                    |
| Allowances for doubtful debts      | -                    | -                    |
| <b>Total</b>                       | <b>738.95</b>        | <b>598.20</b>        |

\*Trade receivables ageing schedule for the years ended as on March 31, 2024 & 2023 (Refer Note No. 37)

## Note: 8 Cash & Cash Equivalents

| Particulars                | As at March 31, 2024 | As at March 31, 2023 |
|----------------------------|----------------------|----------------------|
| Cash on hand               | 0.41                 | 0.34                 |
| <b>Balances with Banks</b> |                      |                      |
| -in Current Account        | 145.41               | 19.98                |
| <b>Total</b>               | <b>142.82</b>        | <b>20.31</b>         |

## Note: 9 Loans & Advances

| Particulars                 | As at March 31, 2024 | As at March 31, 2023 |
|-----------------------------|----------------------|----------------------|
| Unsecured (considered good) |                      |                      |
| Advance from Suppliers      | -                    | -                    |
| *Other Advances             | 108.77               | 305.95               |
| <b>Total</b>                | <b>108.77</b>        | <b>305.95</b>        |

\*This represents advances paid for purchase of Capital Assets & Other Advances receivable in cash or kind. Also, said balance include loan/advance given to subsidiary amounting to Rs. 88.67 Lakhs (31 March 2023: Rs 17.76 Lakhs) receivable on demand.

## Note: 10 Current Tax Assets

| Particulars                         | As at March 31, 2024 | As at March 31, 2023 |
|-------------------------------------|----------------------|----------------------|
| Balance with Government Authorities | 11.13                | 6.42                 |
| <b>Total</b>                        | <b>11.13</b>         | <b>6.42</b>          |

## Note: 11 Other Current Assets

| Particulars      | As at March 31, 2024 | As at March 31, 2023 |
|------------------|----------------------|----------------------|
| Prepaid Expenses | 0.77                 | 0.20                 |
| <b>Total</b>     | <b>0.77</b>          | <b>0.20</b>          |

## Note: 12 Equity Shares

| Particulars   | As at March 31, 2024 | As at March 31, 2023 |
|---|----------------------|----------------------|
| <b>Authorized</b>   |                      |                      |
| Ordinary shares of par value of Rs. 10/- each                     |                      |                      |
| Number  | 650.00               | 650.00               |
| <b>Amount</b>   | <b>6,500.00</b>      | <b>6,500.00</b>      |
| <b>Issued, subscribed and fully paid</b>                          |                      |                      |
| Ordinary shares of par value of Rs.10/- each Number fully paid    | 216.67               | 202.67               |
| Issued, subscribed and partly paid value of Rs 2.50/- each number | 81.25                | -                    |
| <b>Amount</b>   | <b>2979.26</b>       | <b>2,026.74</b>      |

## A Reconciliation of number of shares:

| Particulars   | As at March 31, 2024 | As at March 31, 2023 |
|---|----------------------|----------------------|
| Opening Equity Shares                                       | 202.67               | 182.67               |
| Add: -No. of Shares issued/ subscribed during the year      | 14.00                | 20.00                |
| Add: -No. of Partly paid Shares issued through Rights @2.50 | 325.01               | -                    |
| Less: Deduction   | -                    | -                    |
| <b>Closing balance</b>                                      | <b>541.68</b>        | <b>202.67</b>        |

1) The Company has converted 14,00,000 Share Warrants into Equity shares pertaining to the promoter during the year. (Previous year : Nil)

2) During the year , the Company has successfully completed the Rights Issue. The shares were offered @2:1. Totally 3,25,01,058 Rights Equity was raised. The issue was priced at Rs.15/- per share (including premium of Rs.5/-). The amount payable on application was fixed at Rs.3.75/- per share (including Rs.1.25 premium).

3) The aggregate number of equity shares allotted as fully paid up by way of bonus shares in immediately preceding five years ended March 31, 2024 is Nil (previous period of five years ended March 31, 2023: Nil shares) (g) The aggregate number of equity shares issued pursuant to contract, without payment being received in cash in immediately preceding last five years ended on March 31, 2024 –10,00,000 shares)

## B Numbers of Shares in the company held by shareholder holding more than 5 percent

| Name of the Shareholder                | As at March 31, 2024 | As at March 31, 2023 |
|--|----------------------|----------------------|
| SoftPoint Technologies Private Limited | 6,585,745            | 8,085,795            |
| - Percentage of Holdings               | 21.39%               | 39.90%               |
| S Sudhakiran Reddy                     | 3,449,419            | 2,049,469            |
| - Percentage of Holdings               | 17.06%               | 10.11%               |

The Company has one class of share capital, comprising ordinary shares of Rs. 10/- each. Subject to the Company's Articles of Association and applicable law, the Company's ordinary shares confer on the holder the right to receive notice of and vote at general meetings of the Company, the right to receive any surplus assets on a winding-up of the Company, and an entitlement to receive any dividend declared on ordinary shares.

\* Does not include partly paid shares.

## C Share application money pending for Allotment

The Share application amount of Rs.5,43,75,000 represents the total amount of Rs.25/- per warrant received on 14,00,000 warrants from Mr. S. Sudhakaran Reddy (Rs.350 lakhs) and Rs.6.25 being 25% of the money received on 31,00,000 warrants from M/s Knowledge Roots Education Pvt Ltd.(Rs.193.75 lakhs).

These warrants are convertible into Equity shares. In the current year the 14 lakh Warrants of Mr. Sudhakaran Reddy were converted into Equity Shares. The balance of Rs. 193.75 Lakhs is the remaining balance pending for allotment.

## Note: 13 Other Equity

| Particulars  | As at March 31, 2024 | As at March 31, 2023 |
|--|----------------------|----------------------|
| <b>Capital reserve</b><br><i>Any profit or loss on purchase, sale, issue or cancellation of the company's own equity instruments is transferred to capital reserve.</i>                              | 290.00               | 290.00               |
| <b>Securities premium</b><br><i>This reserve represents the premium on issue of shares and can be utilized in accordance with the provisions of the Companies Act, 2013.</i>                         | 854.89               | 300.00               |
| <b>Retained earnings</b><br><i>Retained earnings represent the cumulative undistributed profits of the Company and can be utilized in accordance with the provisions of the Companies Act, 2013.</i> | (1,073.23)           | (1,330.01)           |
| <b>Other items of other comprehensive income</b>   | 1.70                 | 0.08                 |
| <b>Total Other Equity</b>  | <b>73.36</b>         | <b>(739.94)</b>      |

## NON-CURRENT LIABILITIES

### Note: 14 Borrowings

| Particulars                                   | As at March 31, 2024 | As at March 31, 2023 |
|---|----------------------|----------------------|
| <b>(i) Term Loans</b>                         |                      |                      |
| (a) From others                               |                      |                      |
| -Secured*                                     | 43.81                | 63.64                |
| Less: Current Maturities from long term debts | (14.01)              | (18.40)              |
| -Unsecured                                    | -                    | -                    |
| (ii) Other Loans - Related Party              |                      |                      |
| -Unsecured                                    | -                    | -                    |
| <b>Total</b>                                  | <b>29.79</b>         | <b>45.24</b>         |

\* Represents Vehicles loan, Hypothecation of Vehicles Loan from HDFC Bank Limited is payable on 35 balance installments at the rate of interest @7.1% p.a.

**Note: 15 Leases**  
**Company as a lessee**

The Company has lease contracts mainly for buildings used in its operations. Lease of building has a lease term upto 2.5 years from date of transition. The Company's obligations under its leases are secured by the lessor's title to the leased assets.

**Set out below are the carrying amounts of right-of-use assets recognized and the movements during the year:**

| Particulars                       | Total Right of Use Asset |
|-----------------------------------|--------------------------|
| <b>As at 01 April 2022</b>        | -                        |
| Additions                         | 21.22                    |
| Deletions                         | -                        |
| Depreciation expense for the year | (8.49)                   |
| <b>As at 31 March 2023</b>        | <b>12.73</b>             |
| Additions                         | -                        |
| Deletions                         | -                        |
| Depreciation expense for the year | (8.49)                   |
| <b>As at 31 March 2024</b>        | <b>4.24</b>              |

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Statement of Profit and Loss.

**Set out below are the carrying amounts of lease liabilities and the movements during the year:**

Lease liabilities included in the Ind AS Financial Statements:

| Particulars                                | As at         |               |
|--|---------------|---------------|
|  | 31 March 2024 | 31 March 2023 |
| <b>Opening Balance</b>                     | 13.99         | -             |
| Additions                                  | -             | 21.22         |
| Deletions                                  | -             | -             |
| Accretion of interest                      | 0.99          | 1.77          |
| Payment of lease liabilities               | (9.97)        | (9.00)        |
| <b>Closing Balance</b>                     | <b>5.01</b>   | <b>13.99</b>  |
| <b>Classification of lease liabilities</b> |               |               |
| Current                                    | 5.01          | 8.98          |
| Non-current                                | -             | 5.01          |

**The following are the amounts recognized in the Statement of Profit and Loss:**

|   | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|---|-------------------------------------|-------------------------------------|
| Depreciation expense on right-of-use assets                     | 8.49                                | 8.49                                |
| Interest expense on lease liabilities                           | 0.99                                | 1.77                                |
| <b>Total amount recognized in Statement of Profit and Loss:</b> | <b>9.17</b>                         | <b>10.26</b>                        |

The Company had total cash outflows for leases of Rs.9.97 Lakhs in 31 March 2024 (31 March 2023: Rs. 9 Lakhs)

The table below provides details regarding the undiscounted contractual maturities of lease liabilities:

|                            | As at         |               |
|----------------------------|---------------|---------------|
|                            | 31 March 2024 | 31 March 2023 |
| Within less than one year  | 5.15          | 9.97          |
| Between one and five years | -             | 5.15          |
| After more than five years | -             | -             |
| <b>Total</b>               | <b>5.15</b>   | <b>15.12</b>  |

## Note: 16 Trade Payables

| Particulars           | As at March 31, 2024 | As at March 31, 2023 |
|-----------------------|----------------------|----------------------|
| Other than MSMEs      |                      |                      |
| -Trade Payables       | -                    | 18.33                |
| -Other Trade Payables |                      | -                    |
| MSMEs                 |                      |                      |
| -Trade Payables       | -                    | -                    |
| <b>Total</b>          | <b>-</b>             | <b>18.33</b>         |

\*Trade payables ageing schedule for the years ended as on March 31, 2024 & 2023 (Refer Note No. 38)

## Note: 17 Provisions

| Particulars      | As at March 31, 2024 | As at March 31, 2023 |
|------------------|----------------------|----------------------|
| Gratuity Payable | 6.01                 | 7.86                 |
| Others Provision | -                    | -                    |
| <b>Total</b>     | <b>6.01</b>          | <b>7.86</b>          |

\* Gratuity Calculation for the years ended as on March 31, 2024 & 2023 (Refer Note No. 33)

\*\* Includes an Assets of LIC Gratuity Fund Amounting to Rs. 1.41 Lakhs Leading to decrease in the balance of Gratuity Payable

## Note: 18 Other Non - Current Liabilities

| Particulars                   | As at March 31, 2024 | As at March 31, 2023 |
|-------------------------------|----------------------|----------------------|
| - Cost of Acquisition Payable | 434.33               | 537.96               |
| <b>Total</b>                  | <b>434.33</b>        | <b>537.96</b>        |

## CURRENT LIABILITIES

### Note: 19 Borrowings

| Particulars                             | As at March 31, 2024 | As at March 31, 2023 |
|---|----------------------|----------------------|
| <b>(i) Cash Credits</b>                 |                      |                      |
| (a) From Banks                          |                      |                      |
| -Secured                                | 46.44                | 89.95                |
| -Unsecured                              | -                    | -                    |
| Current Maturities from long term debts | 14.01                | 18.40                |
| <b>(ii) Loans Unsecured</b>             |                      |                      |
| (a) From Others- Related parties**      | -                    | 76.47                |
| <b>Total</b>                            | <b>60.45</b>         | <b>184.72</b>        |

\*Cash Credit the cash credit is secured by way of hypothecation of all chargeable current assets of the company including receivables both present and future and first charge on moveable fixed assets of the company both present and future as collateral security, Interest charged at 12.5% p.a

\*\* - Loan from related party includes loan taken from director which is repayable on demand.

### Note: 20 Trade Payable

| Particulars                         | As at March 31, 2024 | As at March 31, 2023 |
|-------------------------------------|----------------------|----------------------|
| <b>CURRENT</b>                      |                      |                      |
| Other than MSMEs                    |                      |                      |
| -Trade Payables                     | 8.26                 | 2.49                 |
| -Other Trade Payables (Consultants) | 26.20                | 112.26               |
| <b>MSMEs</b>                        |                      |                      |
| -Nil                                | -                    | -                    |
| <b>Total</b>                        | <b>34.46</b>         | <b>114.75</b>        |

\*Trade payables ageing schedule for the years ended as on March 31, 2024 & 2023 (Refer Note No. 38)

## Note: 21 Provisions

| Particulars                     | As at March 31, 2024 | As at March 31, 2023 |
|---------------------------------|----------------------|----------------------|
| Provision for Employees benefit | 88.32                | 20.70                |
| Other Provisions                | 8.10                 | 11.66                |
| Gratuity Payable                | 0.47                 | -                    |
| <b>Total</b>                    | <b>96.88</b>         | <b>32.37</b>         |

## Note: 22 Current Tax Liabilities (Net)

| Particulars         | As at March 31, 2024 | As at March 31, 2023 |
|---------------------|----------------------|----------------------|
| Opening Balance     | 15.63                | 15.63                |
| Current Tax payable | 4.73                 | -                    |
| Adjustments         | -                    | -                    |
| <b>Total</b>        | <b>20.36</b>         | <b>15.63</b>         |

## Note: 23 Other Current Liabilities

| Particulars             | As at March 31, 2024 | As at March 31, 2023 |
|-------------------------|----------------------|----------------------|
| -Statutory dues Payable | 156.07               | 257.30               |
| -Expenses Payable       | 12.79                | 5.80                 |
| <b>Total</b>            | <b>168.86</b>        | <b>263.10</b>        |

## Note: 24 Revenue From Operations

| Particulars             | For the Year Ended<br>March 31, 2024 | For the Year Ended<br>March 31, 2023 |
|-------------------------|--------------------------------------|--------------------------------------|
| Revenue from Operations | 587.08                               | 550.25                               |
| <b>Total</b>            | <b>587.08</b>                        | <b>550.25</b>                        |

*Note: Revenue includes both domestic and overseas net of taxes (if any)*

## Note: 25 Other Income

| Particulars                  | For the Year Ended<br>March 31, 2024 | For the Year Ended<br>March 31, 2023 |
|------------------------------|--------------------------------------|--------------------------------------|
| Interest Income              | 4.63                                 | 0.93                                 |
| Foreign Currency Gain & Loss | 35.88                                | -                                    |
| Other Income                 | 57.29                                | 9.01                                 |
| <b>Total</b>                 | <b>97.80</b>                         | <b>9.94</b>                          |

## Note: 26 Employees' Benefit Expenses

| Particulars                                 | For the Year Ended<br>March 31, 2024 | For the Year Ended<br>March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| Salaries and wages                          | 102.99                               | 88.75                                |
| Directors Remuneration                      | 42.00                                | 24.00                                |
| Staff welfare Expenses                      | 1.12                                 | 0.89                                 |
| Employee Benefits & Provident Fund Expenses | 5.71                                 | 1.76                                 |
| <b>Total</b>                                | <b>151.81</b>                        | <b>115.40</b>                        |

## Note: 27 Finance Cost

| Particulars                                    | For the Year Ended<br>March 31, 2024 | For the Year Ended<br>March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| Interest on cash credit and Term loan Expenses | 8.17                                 | 20.06                                |
| Bank Charges                                   | 2.35                                 | 7.47                                 |
| <b>Total</b>                                   | <b>10.52</b>                         | <b>27.52</b>                         |

## Note: 28 Depreciation And Amortization Expenses

| Particulars                                     | For the Year Ended<br>March 31, 2024 | For the Year Ended<br>March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| <b>Depreciation / Amortization for the year</b> |                                      |                                      |
| Depreciation on PPE                             | 104.91                               | 116.59                               |
| Right of Use of Assets                          | 8.49                                 | 8.49                                 |
| <b>Total</b>                                    | <b>113.40</b>                        | <b>125.08</b>                        |

## Note: 29 Other Expenses

| Particulars                                     | For the Year Ended<br>March 31, 2024 | For the Year Ended<br>March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| Advertisement Expenditure                       | 1.19                                 | 1.03                                 |
| Annual Listing Fee, Custody Fee & Demat Charges | 7.50                                 | 13.60                                |
| Audit Fee                                       | 2.50                                 | 2.50                                 |
| Books and Periodicals                           | 0.08                                 | 0.06                                 |
| Electricity charges                             | 1.88                                 | 0.69                                 |
| E voting charges                                | 0.11                                 | 0.21                                 |
| Fines & Penalties                               | 1.43                                 | 3.60                                 |
| Fuel and Diesel                                 | 0.57                                 | 0.39                                 |
| Insurance Expenses                              | 0.38                                 | 0.27                                 |
| Late payments                                   | 1.74                                 | 0.03                                 |
| Interest on Late payments                       | 4.40                                 | 9.60                                 |
| Internet Expenses / Telephone Expenses          | 1.31                                 | 1.69                                 |
| Legal, License & Renewal fee                    | 15.15                                | 2.92                                 |
| Miscellaneous Expenses                          | 1.28                                 | 44.85                                |
| Office Maintenance                              | 0.54                                 | 5.76                                 |
| Office Rent                                     | 2.01                                 | -                                    |
| Postage & Courier Expense                       | 0.07                                 | 0.09                                 |
| Printing and Stationery                         | 0.60                                 | 0.18                                 |
| Professional Consultancy Fee                    | 105.28                               | 88.59                                |
| Rates and Taxes                                 | 0.26                                 | 21.66                                |
| Repairs and Maintenance                         | 0.35                                 | 1.08                                 |
| ROC Compliance and Filing Fee                   | 0.67                                 | 0.92                                 |
| Foreign Exchange Fluctuations                   | -                                    | 1.56                                 |
| Travelling and Conveyance Expenses              | 3.46                                 | 1.04                                 |
| Vehicle Maintenance                             | 0.08                                 | 0.76                                 |
| Visa Expenses                                   | (0.11)                               | -                                    |
| Other Admin Expenses                            | 53.15                                | 3.23                                 |
| <b>Total</b>                                    | <b>205.89</b>                        | <b>206.33</b>                        |

## Note 30

### Auditors Remuneration:

| Particulars          | For the Year 2023-24<br>Rs. In Lakhs | For the Year 2022-23<br>Rs. In Lakhs |
|----------------------|--------------------------------------|--------------------------------------|
| a) Statutory Auditor |                                      |                                      |
| Audit Fee            | 2.00                                 | 2.00                                 |
| Certification & Fee  | 0.20                                 | 0.20                                 |
| For other services   | 0.30                                 | 0.30                                 |
| <b>Total</b>         | <b>2.50</b>                          | <b>2.50</b>                          |

## Note 31

### Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006.

Under the Micro, Small and Medium Enterprises Development act, 2006(MSMED) which came into force from Oct 2, 2006, certain disclosures are required to be made relating to MSMED. On the basis of information and records available with the company, the following disclosures are made for the amounts due to the micro and small enterprises.

(Rs. in Lakhs)

| S.NO. | Particulars  | As at March 31, 2024 | As at March 31, 2023 |
|-------|--|----------------------|----------------------|
| 1     | Principal amount due to any supplier as at the year end.   | -                    | -                    |
| 2     | Interest due on the principal amount unpaid at the year end to any supplier.   | -                    | -                    |
| 3     | Amount of interest paid by the company in terms of Sec-16 of the MSMED along with the amount of the payment made to the suppliers beyond the appointed day during the accounting year.   | -                    | -                    |
| 4     | Payment made to the enterprises beyond appointed date under- section 16 of MSMED   | -                    | -                    |
| 5     | Amount of interest due and payable for the period of delay in making payment, which has been paid but beyond the appointed day during the year, but without adding the interest specified under MSMED.   | -                    | -                    |
| 6     | Amount of interest accrued and remaining unpaid at the end of each accounting year and   | -                    | -                    |
| 7     | Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above or actually paid to the small enterprises, for the purpose of disallowances deductible expenditure U/S 23 of MSMED. | -                    | -                    |

## Note 32

### Related Party disclosures under IND AS - 24.

The List of Related Parties as identified by the management is as under:

|  |
|--|
| <b>1) Subsidiaries of the Company having significant Influence</b>   |
| a) Verso Altima India Pvt Ltd.                                       |
| b) Adroit Infotech US Inc  |
| c) Adroit Infotech LLC FZ  |
| <b>2) Branches of the Company having significant Influence</b>       |
| a) Adroit Infotech Limited USA.                                      |
| <b>3) Companies in which directors are interested</b>                |
| a) SoftPoint Technologies Private Limited                            |
| <b>4) Key Management Personnel (KMP) of the Company</b>              |
| a) Sudhakaran Reddy Sunkerneni Managing Director                     |
| b) B Ravichandra Rao - Chief Financial Officer                       |
| c) Piyush Prajapati – Company Secretary & Compliance Officer         |
| <b>5) Relative of KMP, having transactions with the Company -NIL</b> |
| a) Kanthi Reddy  |



Following transactions were carried out with related parties in the ordinary course of business during the year 2023-24

| (Rs. in Lakhs) |                               |              |                                      |       |               |
|----------------|-------------------------------|--------------|--------------------------------------|-------|---------------|
| S. No          | Description                   | Subsidiaries | Parties having Significant Influence | KMP   | Total         |
| 1              | Managerial Remuneration       | -            | -                                    | 57.30 | <b>57.30</b>  |
| 2              | Other Expenses (Rent Paid)    | -            | -                                    | 9.97  | <b>9.97</b>   |
| 3              | Service Sales                 | -            | -                                    | -     | -             |
| 4              | Investments                   | 11.85        | -                                    | -     | <b>11.85</b>  |
| 5              | Loans (Repaid to parties)     | -            | 859.13                               | -     | <b>859.13</b> |
| 6              | Loans (Received from parties) | -            | 782.66                               | -     | <b>782.66</b> |

Following are the transactions carried out with related parties during the previous year 2022-2023

| (Rs. in Lakhs) |                               |              |                                      |       |                |
|----------------|-------------------------------|--------------|--------------------------------------|-------|----------------|
| S. No          | Description                   | Subsidiaries | Parties having Significant Influence | KMP   | Total          |
| 1              | Managerial Remuneration       | -            | -                                    | 28.80 | <b>28.80</b>   |
| 2              | Other Expenses (Rent Paid)    | -            | -                                    | 9.00  | <b>9.00</b>    |
| 3              | Service Sales                 | 105.30       | -                                    | -     | <b>105.30</b>  |
| 4              | Loans (Repaid to parties)     | 1250.00      | -                                    | -     | <b>1250.00</b> |
| 5              | Loans (Received from parties) | -            | 769.99                               | -     | <b>769.99</b>  |
| 6              | Investments                   | -            | 408.47                               | -     | <b>408.47</b>  |

**Balances Outstanding with related parties are as follows:**

Further there is an amount receivable from subsidiary (Verso Altima India Pvt Ltd) amounting to Rs. 88.67 Lakhs (31 March 2023 Rs. 17.76 Lakhs) and payable for managerial remuneration amount to Rs. 10.60 Lakhs.

Based on the recommendation of the Nomination, Remuneration and Compensation Committee, all decisions relating to the remuneration of the Directories of the Company, are in accordance with shareholder's approval, wherever necessary.

**Terms and Conditions of transactions with Related Parties:**

The sales to related parties are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free.

For the year ended March 31, 2024, the Company has not recorded any impairment of receivables relating to amounts owed by related parties.

This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

**Note 33**

**Defined Benefit Plan**

The Company provides its employees with benefits under a defined benefit plan, referred to as the "Gratuity Plan". The Gratuity Plan entitles an employee, who has rendered at least five years of continuous service, to receive 15 days salary for each year of completed service (service of six months and above is rounded off as one year) at the time of retirement / exit.

The following tables summarize the components of net benefit expense recognized in the statement of profit or loss and the amounts recognized in the balance sheet for the plan:

Reconciliation of opening and closing balances of the present value of the defined benefit obligations:

(INR in Lakhs)

| S. No.   | Parties   | Gratuity (Funded Plan) as on |           |
|----------|---|------------------------------|-----------|
|          |   | 31-Mar-24                    | 31-Mar-23 |
| <b>1</b> | <b>Changes in Present Value of Obligation</b>   |                              |           |
| 1.1      | Present Value of Obligation at start:   | 7.96                         | 6.72      |
| 1.2      | Acquisition adjustment  | 0                            | 0         |
| 1.3      | Interest Cost   | 0.59                         | 0.48      |
| 1.4      | Past Service Cost   | 0                            | 0         |
| 1.5      | Current Service Cost  | 0.97                         | 0.84      |
| 1.6      | Curtailement Cost / (Credit)  | 0                            | 0         |
| 1.7      | Settlement Cost / (Credit)  | 0                            | 0         |
| 1.8      | Benefits paid   | 0                            | 0         |
| 1.9      | Actuarial (gain)/ loss on obligations   | (1.62)                       | (0.08)    |
|          | Present Value of Obligation at end  | 7.89                         | 7.96      |
| <b>2</b> | <b>Bifurcation of Accrued Liability</b>   |                              |           |
| 2.1      | Current Liability (Short term)  | 0.47                         | 0.37      |
| 2.2      | Non-Current Liability (Long term)   | 7.42                         | 7.58      |
| 2.3      | Total Accrued Total Liability   | 7.89                         | 7.96      |
| <b>3</b> | <b>Changes in the Fair Value of Plan Assets</b>   |                              |           |
| 3.1      | Fair Value of Plan Assets at the start:   | 0                            | 0         |
| 3.2      | Acquisition Adjustments   | 0                            | 0         |
| 3.3      | Expected Return on Plan Assets  | 0                            | 0         |
| 3.4      | Contributions   | 0                            | 0         |
| 3.5      | Benefits paid   | 0                            | 0         |
| 3.6      | Actuarial Gain /( loss)   | 0                            | 0         |
| 3.7      | Fair Value of Plan Assets at the end  | 0                            | 0         |
| <b>4</b> | <b>Change in the effect of Asset Ceiling</b>  |                              |           |
| 4.1      | Effect of Asset Ceiling at the beginning  |                              |           |
| 4.2      | Interest Expense or Cost (to the extent not recognized in net interest expense)                     |                              |           |
| 4.3      | Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling      |                              |           |
| 4.4      | Effect of Asset Ceiling at the end  |                              |           |
| <b>5</b> | <b>Expenses to be Recognized in P&amp;L A/c</b>   |                              |           |
| 5.1      | Current Service Cost  | 0.97                         | 0.84      |
| 5.2      | Past Service Cost   | 0                            | 0         |
| 5.3      | Interest Cost   | 0.59                         | 0.48      |
| 5.4      | Expected Return on Plan Assets  | 0                            | 0         |
| 5.5      | Expenses to be recognized in P&L A/c  | 1.56                         | 1.32      |
| <b>6</b> | <b>Other Comprehensive Income</b>   |                              |           |
| 6.1      | Actuarial (gain)/ loss on obligations - change in financial assumptions                             | 0                            | 0         |
| 6.2      | Actuarial (gain)/ loss on obligations - change in demographic assumptions                           | 0                            | 0         |
| 6.3      | Actuarial (gain)/ loss on obligations - experience variance (i.e. Actual experience vs assumptions) | (1.62)                       | (0.08)    |
| 6.4      | Total Actuarial (gain)/ loss on obligations   | (1.62)                       | (0.08)    |
| 6.5      | Actuarial Gain /( loss) on Plan Assets  | 0                            | 0         |
| 6.6      | Total OCI   | (1.62)                       | (0.08)    |
| 7.1      | Return on plan assets, excluding amount recognized in net interest expense                          | -                            | -         |

|     |   |       |       |
|-----|---|-------|-------|
| 7.2 | Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling  | -     | -     |
| 7.3 | Components of defined benefit costs recognized in other comprehensive income  | -     | -     |
| 8   | <b>Major categories of Plan Assets (as % of Total Plan Assets)</b>  |       |       |
| 8.1 | Government of India securities  | -     | -     |
| 8.2 | State Government securities   | -     | -     |
| 8.3 | High quality corporate bonds  | -     | -     |
| 8.4 | Equity shares of listed companies   | -     | -     |
| 8.5 | Property  | -     | -     |
| 8.6 | Special Deposit Scheme  | -     | -     |
| 8.7 | Funds managed by Insurer  | -     | -     |
| 8.8 | Bank balance  | -     | -     |
| 8.9 | Other Investments   | -     | -     |
|     | Total   | -     | -     |
| 9   | <b>Actuarial Assumptions</b>  |       |       |
|     | I have used actuarial assumptions selected by the Company. The Company has been advised that the assumptions need to be set up based on Para 144 of Ind AS19. |       |       |
| 9.1 | <b>Principal financial assumptions</b>  |       |       |
|     | Discount rate (per annum)   | 7.09% | 7.36% |
|     | Salary Growth rate (per annum)  | 6.00% | 6.00% |
| 9.2 | Demographic Assumptions:  |       |       |

**Sensitivity Analysis**

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary inc mortality. The sensitivity analysis below has been determined.

Based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other as constant. The result of sensitivity analysis is given below:

| Particulars                              | 31-Mar-2023   |        | 31-Mar-2024   |        |
|--|---------------|--------|---------------|--------|
|  | Dec.          | Inc.   | Dec.          | Inc.   |
| <b>Defined Benefit Obligation (Base)</b> | <b>795810</b> |        | <b>789251</b> |        |
| Discount Rate (- / + 1%)                 | 884020        | 721528 | 901736        | 695284 |
| (% change compared to base )             | -11.1%        | 9.3%   | -14%          | 12%    |
| Salary Growth Rate (- / + 1%)            | 656525        | 964301 | 657118        | 947237 |
| (% change compared to base)              | 17.5%         | -21.2% | 17%           | -20%   |
| Attrition Rate (- / + 50%)               | 663361        | 913353 | 754498        | 822270 |
| (% change compared to base)              | 16.6%         | -14.8% | 4%            | -4%    |
| Mortality Rate (- / + 10%)               | 768854        | 823656 | 782489        | 795963 |
| (% change compared to base )             | 3%            | -3%    | 1%            | -1%    |

## Note 34

### Earnings per Share (EPS) –

| S. No. | Particulars  | Year Ended<br>31-03-2024 | Year Ended<br>31-03-2023 |
|--------|--|--------------------------|--------------------------|
| 1      | Profit attributable to the Equity Share Holders (Rs in Lakhs)- A | 207.86                   | 138.07                   |
| 2      | No. of Equity Shares Fully Paid B                                | 2,16,67,372              | 2,02,67,372              |
|        | No. of Equity Shares Partly Paid B                               | 3,25,01,058              |                          |
| 3      | Nominal Value of the Share (Rs.)                                 | 10                       | 10                       |
| 4      | Basic / Weighted average number of Equity Shares – B*            | 2,12,33,990              | 1,90,18,057              |
| 5      | Earnings per Share (Rs.) – A/B*                                  | 0.98                     | 0.73                     |
| 6      | Diluted Earnings Per Share (Rs)- A/(B+E)                         | 0.98                     | 0.73                     |

## Note 35

As stipulated in Ind AS–36, the Company has assessed its potential of economic benefits of its business units and is of the view of that the assets employed in continuing business are capable of generating adequate returns over their useful life in the usual course of its business.

## Note 36

### Financial risk management

#### Financial risk factors

The Company's activities expose it to a variety of financial risks—market risk, credit risk and liquidity risk. The Company's primary 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 foreign exchange risk. The Company has major exposure in US Dollars which is not hedge.

The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. The gross carrying amount of a financial asset is written off (either partially or in full) when there is no realistic prospect of recovery.

#### Market Risk

The Company operates internationally and a major portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales and services in the United States and elsewhere. The exchange rate between the Indian Rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the results of the Company's operations are adversely affected as the Rupee appreciates / depreciates against these currencies.

#### The analysis of the foreign currency risk from financial assets and liabilities as at March 31, 2024 is as follows: (INR In Lakhs)

| Particulars           | Amount        |
|-----------------------|---------------|
| Financial Assets      | 666.03        |
| Financial Liabilities | 0.00          |
| <b>Total</b>          | <b>666.03</b> |

#### The analysis of the foreign currency risk from financial assets and liabilities as at March 31, 2023 is as follows: (INR in Lakhs)

| Particulars           | Amount        |
|-----------------------|---------------|
| Financial Assets      | 582.04        |
| Financial Liabilities | 0.00          |
| <b>Total</b>          | <b>582.04</b> |

#### Sensitivity analysis between Indian Rupee and US Dollar

| Particulars   | Year ended March 31, |       |
|---|----------------------|-------|
|   | 2024                 | 2023  |
| Impact on the Company's incremental operating margins | 0.04 to<br>0.10%     | 0.47% |

Sensitivity analysis is computed based on the changes in the income and expenses in foreign currency upon conversion into functional currency. This is due to exchange rate fluctuations between the previous reporting period and the current reporting period.

## Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to Rs. 738.95 Lakhs and Rs. 598.20 Lakhs as at March 31, 2024 and March 31, 2023, respectively. Trade receivables are typically unsecured and are derived from revenue from customers majorly located in the US and India. Credit risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of the customers to which the Company grants credit terms in the normal course of business. The Company uses simplified approach for determining to assess any required allowances. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. Management on regular basis keep track of receivables and provide board with reason for increase in trade receivables.

## Credit risk exposure

The Company's credit period generally ranges from 30-90 days. The allowance for lifetime expected credit loss on customer balances recognized for the years ended March 31, 2024 and March 31, 2023 is Nil.

Credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with banks and financial institutions with high ratings, assigned by international and domestic credit rating agencies. Ratings are monitored periodically and the Company has considered the latest available credit ratings as at the date of approval of these financial statements.

## Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time.

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company has no major outstanding borrowings. The Company believes that the working capital is sufficient to meet its current requirements. Further, on need basis Company raises from its shareholder for expanding business and acquisition purposes.

As at March 31, 2024, the Company had a working capital of Rs. 619.46 Lakhs including cash and cash equivalents of Rs. 145.82 Lakhs. Further, the Company has very limited loans in its portfolio which shows that the company has ability to meet its liability from the funds generated from the Cash Flow activities of Business.

## Note: 37 Trade Receivables-

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country, in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The Company's credit period for customers generally ranges from 60-90 days. The aging of trade receivables that are past due but not impaired is given below:

| Ageing for Trade Receivables – outstanding as at March 31, 2024 is as follows   |   |                 |           |           |                   |        |
|---|---|-----------------|-----------|-----------|-------------------|--------|
| Trade Receivables Ageing  |   |                 |           |           |                   |        |
| Particulars   | Outstanding for following periods from the due date of payments |                 |           |           |                   |        |
|   | Less than 6 months  | 6 months-1 year | 1-2 years | 2-3 years | more than 3 years | Total  |
| 1. undisputed trade receivables considered good                                 | 219.33  | 519.63          | -         | -         | -                 | 738.95 |
| 2. undisputed trade receivables- which have significant increase in credit risk | -   | -               | -         | -         | -                 | -      |
| 3. undisputed trade receivables- Credit impaired                                | -   | -               | -         | -         | -                 | -      |
| 4. Disputed trade receivables - considered good                                 | -   | -               | -         | -         | -                 | -      |
| 5. Disputed trade receivables- which have significant increase in credit risk   | -   | -               | -         | -         | -                 | -      |
| 6. Disputed trade receivables- Credit impaired                                  | -   | -               | -         | -         | -                 | -      |

| Ageing for Trade Receivables – outstanding as at March 31, 2023 is as follows   |   |                 |           |           |                   |        |
|---|---|-----------------|-----------|-----------|-------------------|--------|
| Particulars   | Outstanding for following periods from the due date of payments |                 |           |           |                   | Total  |
|   | Less than 6 months  | 6 months-1 year | 1-2 years | 2-3 years | more than 3 years |        |
| 1. undisputed trade receivables considered good                                 | 394.03  | 204.16          | -         | -         | -                 | 598.20 |
| 2. undisputed trade receivables- which have significant increase in credit risk | -   | -               | -         | -         | -                 | -      |
| 3. undisputed trade receivables- Credit impaired                                | -   | -               | -         | -         | -                 | -      |
| 4. Disputed trade receivables - considered good                                 | -   | -               | -         | -         | -                 | -      |
| 5. Disputed trade receivables- which have significant increase in credit risk   | -   | -               | -         | -         | -                 | -      |
| 6. Disputed trade receivables- Credit impaired                                  | -   | -               | -         | -         | -                 | -      |

**Note: 38 Trade Payables**

Ageing for trade payable outstanding as at March 31, 2024 is as follows:

Outstanding for following periods from due date of payments.

| Trade payables ageing as at March 31, 2024 |   |              |           |           |                   |       |
|--|---|--------------|-----------|-----------|-------------------|-------|
| Particulars                                | Outstanding for following periods from the due date of payments |              |           |           |                   | Total |
|  | Less than 6 months  | 6 mnts-1year | 1-2 years | 2-3 years | more than 3 years |       |
| 1. MSME                                    | -   | --           | -         | -         | -                 | -     |
| 2. Others                                  | 18.80   | 11.20        | 3.49      | 0.97      | -                 | 34.46 |
| 3. Disputed dues – MSME                    | -   | -            | -         | -         | -                 | -     |
| 4. Disputed dues- Others                   | -   | -            | -         | -         | -                 | -     |

There is no interest due or outstanding on the dues to Micro, Small and Medium Enterprises (MSME). During the years ended March 31, 2024. This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

Ageing for trade payable outstanding as at March 31, 2023 is as follows:

Outstanding for following periods from due date of payments.

| Trade payables ageing as at March 31, 2023 |   |              |           |           |                   |        |
|--|---|--------------|-----------|-----------|-------------------|--------|
| Particulars                                | Outstanding for following periods from the due date of payments |              |           |           |                   | Total  |
|  | Less than 6 months  | 6 mnts-1year | 1-2 years | 2-3 years | more than 3 years |        |
| 1. MSME                                    | -   | --           | -         | -         | -                 | -      |
| 2. Others                                  | 108.41  | 3.90         | 2.44      | 18.33     | -                 | 133.08 |
| 3. Disputed dues – MSME                    | -   | -            | -         | -         | -                 | -      |
| 4. Disputed dues- Others                   | -   | -            | -         | -         | -                 | -      |

There is no interest due or outstanding on the dues to Micro, Small and Medium Enterprises (MSME). During the years ended March 31, 2023. This information has been determined to the extent such parties have been identified based on information available with the Company.

## Note 39

### Capital management

The Company's policy is to maintain a stable capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors capital based on return on capital employed as well as the debt to total equity ratio

For the purpose of debt to total equity ratio, debt considered is long-term and short-term borrowings. Total equity comprises of issued share capital and all other equity reserves excluding Debenture Redemption Reserve

### The capital structure as follows

| Particulars   | 31-Mar-24      | 31-Mar-23      |
|---|----------------|----------------|
| Total equity attributable to the equity shareholders of the Company (Including share application money and Pending Allotment) | 3246.38        | 1830.55        |
| As a percentage of total capital  | 97.30          | 88.83          |
| Long term borrowings including current maturities   | 29.79          | 45.24          |
| Short term borrowings   | 60.45          | 184.72         |
| <b>Total borrowings</b>   | <b>90.24</b>   | <b>229.96</b>  |
| As a percentage of total capital  | 0.00           | 11.33          |
| <b>Total capital (equity and borrowings)</b>  | <b>3336.62</b> | <b>2060.51</b> |

## Note 40

### Corporate Social Responsibility:

The Company is not required to spend towards Corporate Social Responsibility (CSR) as per Section 135 of the Companies Act, 2013, since the company is within the threshold limit given as per the provisions of the Act.

## Note 41

### Details of foreign exchange Inflow or Out flow during the year:

#### Earnings in Foreign currency:

| Particulars        | For the year ended |                 |
|--------------------|--------------------|-----------------|
|                    | 31st March 2024    | 31st March 2023 |
| Sales and Services | 529.87             | 525.23          |
| <b>Total</b>       | <b>529.87</b>      | <b>525.23</b>   |

## Note 42

The Company is in the process of obtaining confirmations for the Balances of Trade Payables, Trade receivables, Advances from the Customers and other balances.

## Note: 43

### Effective Tax Rate (in Percentage)

| Particulars         | 31-Mar-24 | 31-Mar-23 |
|---------------------|-----------|-----------|
| Applicable tax rate | 27.82     | 27.82     |

## Note: 44

### Contingent Liabilities (IndAS-37)

#### Contingent liabilities/claims not provided for:

The Company has not received any notice nor there is any pending cases against the company, hence no contingent liabilities during the financial year 2023-2024.

The Company Received the Good and Service Tax (GST) audit intimation notice for the financial year 2018-2019, and the management the believes that they shall be no material cash out flow except for the provision which is created in the books.

## Note: 45 Key Financial Ratios

| Sl. No | Particulars   | Year Ended<br>31-03-2024 | Year Ended<br>31-03-2023 | Variance |
|--------|---|--------------------------|--------------------------|----------|
| a      | Current Ratio<br>(Current Assets / Current Liabilities)   | 2.60                     | 1.50                     | 73.31%   |
| b      | Debt-Equity Ratio,<br>(Non- Current Borrowings+ Current<br>Borrowings)/Total Equity   | 0.03                     | 0.18                     | -83.46%  |
| c      | Return on Equity Ratio<br>ROE = (Net Earnings / Shareholders' Equity) x 100   | 0.70                     | 0.68                     | 2.42%    |
| d      | Trade Receivables turnover ratio<br>(Sales (net of discounts) / Average Trade<br>Receivables)   | 0.88                     | 0.92                     | -4.54%   |
| e      | Net capital turnover ratio<br>(Net annual sales / Working capital) the working<br>capital is calculated by subtracting a company's<br>current liabilities from its current assets | 0.95                     | 1.77                     | -46.34%  |
| f      | Net profit ratio<br>Net profit after Tax / Net sales) x 100   | 35.41                    | 25.09                    | 41.11%   |
| g      | Return on Capital employed, (Earnings before<br>interest and taxes (EBIT), by (capital employed)<br>" Capital Employed = Total Assets - Current<br>Liabilities                    | 8.79%                    | 11.89%                   | -26.07%  |

### Reason for Variance more than 25%:

- Due to increase in Current Assets during in the Year when compared to Previous Year.
- Due to Decrease in Borrowings in the Current Year when compared to Previous Year.
- Decrease in Capital Turnover Ratio is mainly due to Increase in Working Capital when compared to Previous Year
- Increase in Net Profit Ratio is mainly due to increase in Sales when compared to the Previous Year.
- Decrease in Capital Employed is due to Issue of shares in the current Year Leading to increase in equity Share Capital and Negative impact on Capital Employed.

### Note: 46 Title deeds of immovable properties

The title deeds of all the immovable properties, to the financial statements, are held in the name of the company.

### Note: 47 Valuation of Property Plant & Equipment, intangible asset

The Company has not revalue its property, plant and equipment or intangible assets or both during the current or previous year.

### Note: 48 Loans or advances to specified persons

The company has advanced a Loan to wholly own subsidiary amounting to Rs. 85.91 Lakhs. Further, the company has also granted loan to the promoter amounting to Rs. 829.13 Lakhs which was repaid during the year. No other loans or advances in the nature of loans are granted to promoters, directors, KMPS and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment.

### Note: 49 Details of benami property held

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder

### Note: 50 Borrowing secured against current assets

The Company has borrowings from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts.

### Note: 51 Wilful defaulters

The Company has not been declared wilful defaulter by any bank or financial institution or other lender.



**Note: 52 Relationship with struck off companies**

The Company has no transactions with the companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.

**Note: 53 Registration of charges or satisfaction with Registrar of Companies (ROC)**

There are no charges or satisfaction yet to be registered with Registrar of Companies (ROC) beyond the statutory period.

**Note: 54 Compliance with number of layers of companies**

The Company has complied with the number of layers prescribed under the Section 2(87) of the Companies Act, 2013 read with Companies (Restriction on number of layers) Rules, 2017.

**Note: 55 Compliance with approved scheme(s) of arrangements**

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

**Note: 56 Utilisation of borrowed funds and share premium**

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

**Note: 57 undisclosed incomes**

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded previously in the books of account.

**Note: 58 Details of crypto currency or virtual currency**

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

**Note: 59 Utilisation of borrowings availed from banks and financial institutions**

The borrowings obtained by the company from banks and financial institutions have been applied for the purposes for which such Loans were taken.

The accompanying notes are an integral part of the standalone financial statements.

**Note: 60 Business Combination**

- A. There were no acquisitions of controlling interest during the year ended March 31, 2024. Summary of acquisitions during the year ended March 31, 2023 is as follows:

**Subsidiary / Business acquired during the previous year:** Verso Altima India Private Limited ("verso")

**Date of Acquisition:** 1 April 2022

**Description of Acquiree:** Verso deals in innovative IT Services and Solutions Provider helping clients across the globe achieve consistent results in SAP related BRIM Delivery services.

**% of voting equity instruments acquired: 100%**

**Description of control over the acquiree:** Sole control over the decision making of significant matters of the acquiree.

As per terms of agreement remaining payment for 48% is payable over terms of the agreement ranging between 2 – 3 years. All the additions in the current year include acquisition through business combination.

**B. Quantitative details of shares acquired and purchase consideration**

**Number of Shares Acquired** - 500,000 No. of Shares

**Fair Value per share** – Rs. 250/-per share

**Purchase Consideration** –Rs. 1,250.00 Lakhs

C. The fair value measurements are based on significant inputs that are not observable in the market.

The measurement of observable is done by independent valuer by comparing similar industries/companies being operated in India. The Company believes that the assumptions like assumed discount rate and long term sustainable growth rates are made based on observable inputs.

The goodwill comprises the value of expected synergies arising from this acquisition and a workforce list, which is not separately recognized. It does not meet the criteria for recognition as an intangible asset under Ind AS 38. None of the goodwill recognised is expected to be deductible for income tax purposes.

**D. Details pertaining to identifiable intangible assets as on the date of acquisition** – There are no Identifiable intangible assets which is acquired from Verso and hence disclosure has not been made

**E. Analysis of cash flows on acquisition**

(INR in Lakhs)

| Particulars                              | Verso   |
|--|---------|
| Purchase consideration to be transferred | 1292.37 |
| Net cash acquired with the subsidiary    | 496.10  |
| Net Cashflow on acquisition              | 796.27  |

**F. Disclosure related to combined entity’s revenue and profits as if the acquisition had been done at beginning of the period**  
– Since the acquisition happened on 1 April 2022 there is no revenues and profits attributable to this disclosure

**Note: 61 Other notes-**

- a) The management has represented that, to the best of its knowledge and belief, 31 March 2024, to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities (‘the 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 (‘the Ultimate Beneficiaries’) or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
- b) The management has represented that, to the best of its knowledge and belief, 31 March 2024 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (‘the 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; and.
- c) The company does not require submitting any statements for the Overdraft facility availed. Therefore no disclosure in this regard has been made in the financial statement.

## Note 1: Significant Accounting Policies

### 1.1 Revenue recognition

The Company's contracts with customers include promises to transfer multiple products and services to a customer. Revenues from customer contracts are considered for recognition and measurement when the contract has been approved, in writing, by the parties to the contract, the parties to the contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligations to determine the deliverables and the ability of the customer to benefit independently from such deliverables, and allocation of transaction price to these distinct performance obligations involves significant judgment.

Fixed-price maintenance revenue is recognized ratably on a straight-line basis when services are performed through an indefinite number of repetitive acts over a specified period. Revenue from fixed-price maintenance contract is recognized ratably using a percentage-of-completion method when the pattern of benefits from the services rendered to the customer and the Company's costs to fulfil the contract is not even through the period of the contract because the services are generally discrete in nature and not repetitive. The use of method to recognize the maintenance revenues requires judgment and is based on the promises in the contract and nature of the deliverables.

The Company uses the percentage-of-completion method in accounting for other fixed-price contracts. Use of the percentage-of-completion method requires the Company to determine the actual efforts or costs expended to date as a proportion of the estimated total efforts or costs to be incurred. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. The estimation of total efforts or costs involves significant judgment and is assessed throughout the period of the contract to reflect any changes based on the latest available information.

Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the estimated efforts or costs to complete the contract.

a)

| For the year ended 31 March 2024 |                           |         |        |               |                              |
|----------------------------------|---------------------------|---------|--------|---------------|------------------------------|
| Segment                          | Revenue as per Ind AS 115 |         |        | Other revenue | Total as per statement of PL |
|                                  | Domestic                  | Foreign | Total  |               |                              |
| IT                               | 57.21                     | 529.87  | 587.08 | 97.80         | 684.87                       |

| For the year ended 31 March 2023 |                           |         |        |               |                              |
|----------------------------------|---------------------------|---------|--------|---------------|------------------------------|
| Segment                          | Revenue as per Ind AS 115 |         |        | Other revenue | Total as per statement of PL |
|                                  | Domestic                  | Foreign | Total  |               |                              |
| IT                               | 25.02                     | 525.23  | 550.25 | 9.94          | 560.19                       |

b) Out of the total revenue recognised under Ind AS 115 during the year, Rs. 0.00 Lakhs (previous year: Rs. 0.00 Lakhs) is recognised over a period of time and Rs. 587.08 Lakhs (previous year: 550.25 Lakhs) is recognised at a point in time.

c) Movement in Expected Credit Loss during the year:  
No Expected credit losses during the current and the previous year, hence no disclosure required.

d) Contract balances:  
Movement in contract balances during the year.

| Particular                   | 2023-2024       |                      |                      | 2022-2023       |                      |                      |
|------------------------------|-----------------|----------------------|----------------------|-----------------|----------------------|----------------------|
|                              | Contract Assets | Contract Liabilities | Net Contract Balance | Contract Assets | Contract Liabilities | Net Contract Balance |
| Opening Balance as at Apr 1  | -               | -                    | -                    | 158.07          | -                    | 158.07               |
| Closing balance as at Mar 31 | -               | -                    | -                    | -               | -                    | -                    |
| Net Increase/(Decrease)      | -               | -                    | -                    | (158.07)        | -                    | (158.07)             |

During the Previous year, decrease in net contract balances is primarily due to realization of Un-Billed Revenue raised as compared revenue recognition.

During the previous year, increase in net contract balances is primarily due to un-billed revenue. There were no Contract Assets and Contract Liabilities in the current year.

e) Cost to obtain the contract: There no cost to obtain to the contract during year 2023-2024

f) Outstanding performance and Time for its expected conversion into Revenue: (INR in Lakhs)

| Outstanding Performance | Time for expected conversion to revenue |              |              |              |              |              |               |
|-------------------------|---|--------------|--------------|--------------|--------------|--------------|---------------|
|                         | Total                                   | upto 1 years | 1 to 2 years | 2 to 3 years | 3 to 4 years | 4 to 5 years | beyond 5 year |
| As at March 31, 2024    | 557.94                                  | 436.24       | 121.70       | -            | -            | -            | -             |
| As at March 31, 2023    | 744.31                                  | 236.10       | 247.91       | 260.30       | -            | -            | -             |

g) The following Customers Contributes more than 10% of Total Sales – 3 customers amounting to Rs. 503.06 Lakhs.

**Other Income**

Other income is comprised primarily of interest income, foreign exchange gain / loss. Interest income is recognized using the effective interest method.

**1.2 Leases**

Effective 1 April 2022, the Company adopted Ind AS 116 “Leases” and applied the standard to all lease contracts existing on 1 April 2022 using the modified retrospective method. Comparatives as at and for the year ended 31 March 2024 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies applicable for previous year, The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement. Lessee Policy effective 1 April 2023 the Company’s lease asset classes primarily consist of leases for, buildings and spaces. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset (“ROU”) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Company has not recognized any new Right use Asset and Lease Liability in the year 2023-2024.

**1.3 Business Combination**

Common control business combination is accounted using the pooling of interest method where the Company is transferee. Assets and liabilities of the combining entities are reflected at their carrying amounts and no new asset or liability is recognized. Identity of reserves of the transferor company is preserved by reflecting them in the same form in the Company’s financial statements in which they appeared in the financial statements of the transferor company. The excess between the amount of consideration paid over the share capital of the transferor company is recognized as a negative amount and the same is disclosed as capital reserve on business combination. The financial information in the financial statements in respect of prior periods is restated from the beginning of the preceding period in the financial statements if the business combination date is prior to that date. However, if business combination date is after that date, the financial information in the financial statements is restated from the date of business combination. The gain/loss net of tax on transfer of business within common control entities is recognized in the statement of profit and loss account by the transferor entity.

## 1.4 Foreign currency Transactions. Functional currency

The functional currency of the Company is the Indian rupee. These financial statements are presented in Indian rupees (rounded off wherever required)

### Transactions and translations

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing at the time of the transaction.

Exchange difference on monetary items is recognized in the Statement of Profit and Loss in the period in which it arises except for;

- a) Exchange difference on foreign currency transactions, on which receipt and/ or payments is not planned, initially recognized in Other Income
- b) The results and financial position of foreign operations with functional currency different from the presentation currency are translated into the presentation currency as follows:
- c) Assets and liabilities each transaction are translated at the of the transaction;
- d) Income and expenses for transaction are translated at the of the transaction
- e) All resulting exchange differences are recognized in other income.
- f) The Foreign trade receivables may undergo a change based on the foreign currency fluctuation changes

| Transaction | Foreign Currency Exchange         | Increase by | Decrease by |
|-------------|-----------------------------------|-------------|-------------|
|             | As at 31 <sup>st</sup> March 2024 | 5% ( +)     | 5% (-)      |
| 1           | 83.24                             | 87.40       | 79.07       |
| 2           | 83.42                             | 87.59       | 79.24       |
| 3           | 81.63                             | 85.71       | 77.55       |
| 4           | 81.00                             | 85.05       | 76.95       |
|             | 666.04                            | 655.27      | 592.86      |

## 1.5 Borrowing costs

Borrowing costs are recognized as an expense in the year in which they are incurred. Borrowing cost includes interest incurred in connection with the arrangement of borrowings to the extent they are regarded as an adjustment to the interest cost.

## 1.6 Taxes on Income Tax and Deferred Tax

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior Periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Provision for income tax is made on the basis of taxable income for the year at the current rates Deferred tax represents the effect of temporary difference between carrying amount of assets and liabilities in the consolidated financial statements and the corresponding tax base used in the computation of taxable income. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Deferred tax liabilities are generally accounted for all taxable temporary differences. Deferred tax asset is recognized for all deductible temporary differences, carried forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which such deductible temporary differences can be utilized.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax assets/ liabilities are not recognized for initial recognition of Goodwill or on an asset or liability in a transaction that is not a business combination and at the time of transaction affects neither the accounting profit nor taxable profit or loss. MAT credit is recognized as an asset, only if it is probable that the Company will pay normal income tax during the Specified period.

| Particulars                              | As at         | As at        |
|--|---------------|--------------|
|  | 31-03-2024    | 31-03-2023   |
| Income tax assets / MAT at the beginning | 31.89         | 81.54        |
| Opening Income Tax Liability             | -15.63        | -15.63       |
| <b>Net Opening Tax balance</b>           | <b>16.26</b>  | <b>65.91</b> |
| Current year provision                   | 0.71          | 3.26         |
| Income tax paid/TDS Receivable           | 0             | 37.28        |
| Income tax assets / MAT at the closing   | <b>0.38</b>   | <b>31.89</b> |
| Closing Income Tax Liability             | -20.36        | -15.63       |
| <b>Net Closing Tax balance</b>           | <b>-19.98</b> | <b>16.26</b> |

### 1.7 Earnings per share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company and includes post tax effect of any exceptional item by the weighted average number of equity shares outstanding during the period excluding the shares owned by the Trust, outstanding during the period

Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share. The number of equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

### 1.8 Property, plant and equipment (PPE)

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. The Company identifies and determines separate useful lives for each major component of the property, plant and equipment, if they have useful life that is materially different from that of the asset as a whole.

Cost of an item of PPE comprises of its purchase price including import duties and non-refundable purchase taxes after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and present value of estimated costs of dismantling and removing the item and restoring the site on which it is located.

Expenses on existing property, plant and equipment, including day-to-day repairs, maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the year during which such expenses are incurred. Gains or losses arising from de recognition of assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not ready to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment are capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

### 1.9 Depreciation

Depreciation is the systematic allocation of the depreciable amount of PPE over its useful life as per Ind AS 16 and is provided on a Reduced Balance Method basis over the useful lives as prescribed in Schedule II to the Act or as per technical assessment. Depreciation is charged on a pro-rata basis for assets purchased /sold during the year.

The management's estimates of the useful lives of various assets for computing depreciation are as follows:

| Particulars                     | Useful life (in yrs.) |
|---------------------------------|-----------------------|
| Buildings & Temporary Structure | 03                    |
| Plant and Machinery             | 15                    |
| Furniture & Fixtures            | 10                    |
| Office Equipment – Others       | 05                    |
| Vehicles                        | 08                    |

The useful lives as given above best represent the period over which the management expects to use these assets, based on technical assessment. The estimated useful lives for these assets are therefore different from the useful lives prescribed under Part C of Schedule II of the Companies Act 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

### 1.10 Intangible assets and amortization

- Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Cost includes all direct costs relating to acquisition of Intangible assets and borrowing cost relating to qualifying assets.
- Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.
- 

| Particulars   | Useful life |
|---|-------------|
| Intangible Assets others & Intangible Assets Under Development. | 10 years    |
| Software  | 3 years     |

- Intangible assets are amortized over the useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting year. He estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.
- Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the assets are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss.
- Gains or losses arising from de recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized. Any gain or loss on disposal of an item of Intangible Assets is recognized in statement of profit and loss.

### 1.11 Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at bank and cash in hand and short-term deposits with banks that are readily convertible into cash which are subject to insignificant risk of changes in value and are held for the purpose of meeting short term cash commitments.

### 1.12 Statement of Cash Flows (Cash Flow Statement)

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated.

## 1.13 Employee benefits

**a. Provident Fund:** Employees of the Company receive benefit under the provident fund, a defined benefit plan. The employee and employer each make monthly contributions to the plan. A portion of the contribution is made to the provident fund trust managed by the Company or Government administered provident fund. The contributions are charged to the statement of profit and loss in the year when employee renders the related service. There are no other obligations other than the contribution payable to the respective authorities.

### b. Gratuity:

The Company provides for gratuity, a defined benefit retirement plan (“the Gratuity Plan”) covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee’s salary and the tenure of employment with the Company. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each Balance Sheet date using the projected unit credit method.

### c. Compensated Absences:

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by Estimation Basis.

## 1.14 Investments in Subsidiaries and Associates

The company’s investment in its Subsidiaries and Associates are carried at cost.

## 1.15 Provisions

**a.** A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation.

**b.** If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pretax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting issued, the increase in the provision due to the passage of time is recognized as a finance cost.

## 1.16 Financial instruments

### a. Recognition and Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issues of financial assets and financial liabilities that are not at fair value through profit or loss, are added to the fair value on initial recognition.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

### b. Classification and Subsequent measurement

#### Financial assets

On initial recognition, a financial asset is classified as measured at

- amortized cost;
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the company changes its business model for managing financial assets.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortized cost as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.



| Sr  | Particulars  | As at<br>31-3-2024 | As at<br>31-3-2023 |
|-----|--|--------------------|--------------------|
| I   | Measured at fair value through Profit or Loss (FVTPL)              |                    |                    |
|     | Investment in equity instruments                                   | 1,242.19           | 1,187.97           |
| II  | Measured at amortised cost:  |                    |                    |
|     | Loans  | 108.77             | 305.95             |
|     | Investment   | -                  | -                  |
|     | Trade receivables  | 738.95             | 598.20             |
|     | Cash and cash equivalents and bank balances                        | 145.82             | 20.32              |
|     | Other Deposits   | 998.75             | -                  |
| III | Measured at fair value through Other comprehensive income (FVTOCI) |                    |                    |
|     | Investment in government securities, bonds and debentures          | -                  | -                  |
|     | Derivative financial instruments designated as cash flow hedges    | -                  | -                  |
|     | Embedded Derivatives designated as cash flow hedges                | -                  | -                  |

### Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- The stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management’s strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets;
- How the performance of the portfolio is evaluated and reported to the Company’s management;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- How managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- The frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for de recognition are not considered sales for this purpose, consistent with the Company’s continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment\* whether contractual cash flows are solely payments of principal and interest

\*For the purposes of this assessment, ‘principal’ is defined as the fair value of the financial asset on initial recognition. ‘Interest’ is defined in assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the

contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- Contingent events that would change the amount or timing of cash flows;
- Terms that may adjust the contractual coupon rate, including variable interest rate features;
- Prepayment and extension features; and
- Terms that limit the Company's claim to cash flows from specified assets (e.g. non- recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual paramount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

#### **Financial assets: Subsequent measurement and gains and losses**

Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

Financial assets at amortized cost: These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

#### **Financial liabilities:**

##### **Classification, Subsequent measurement and gains and losses**

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

#### **c. Derecognition**

##### **Financial assets**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

##### **Financial liabilities**

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit or loss.

#### **d. Offsetting**

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

## e. Impairment

The Company recognizes loss allowances for expected credit losses on financial assets measured at amortized cost; at each reporting date, the Company assesses whether financial assets carried at amortized cost and debt securities at fair value through other comprehensive income (FVOCI) are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes the following observable data:

- Significant financial difficulty of the borrower or issuer;
- The restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- It is probable that the borrower will enter bankruptcy or other financial reorganization; or
- The disappearance of an active market for a security because of financial difficulties. The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:
  - Debt securities that are determined to have low credit risk at the reporting date; and
  - Other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

Measurement of expected credit losses Expected credit losses are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

**As per our report of even date.**

**for RAO & SHYAM**

Chartered Accountants

Firm Registration Number: 0061865

Kandarp Kumar Dudhoria

Partner

Membership Number: 228416

UDIN: 24228416BKBZJA9387

**for and on behalf of Adroit Infotech Limited**

Sudhakaran Reddy Sunkerneni

Managing Director

DIN 01436242

Sridhar Pyata Reddy

Director

DIN 07268714

Ravichandra Rao Badanidiyoor

Chief Finance officer

Piyush Prajapati

Company secretary &

Compliance officer

Place: Hyderabad

Date: 14-May-2024

## Note to the Financial Statements

### A. Corporate Information

Adroit Infotech Limited ('the Company') is a Public Limited Company incorporated in India, registered under Companies Act 1956 having registered office at Plot No. 7A, MLA Colony, Road No. 12, Banjara Hills, Hyderabad TG 500034 IN and its securities listed has primary listings on the BSE Ltd. and National Stock Exchange of India Limited.

Adroit together with its subsidiaries are Specialist SAP Consulting Group, with close to two decades of experience in helping organizations significantly reduce costs and improve effectiveness and efficiency through internal process improvements using SAP products and solutions

### B. Basis of preparation of financial statements

#### B.1. Statement of Compliance

These financial statements are prepared in accordance with the generally accepted accounting principles (GAAP) in India and incompliance with the Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act 2013("the Act") read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 , the Companies (Indian Accounting Standards)(Amendment) Rules, 2017 and other provisions to the Act, to the extent notified and applicable as well as applicable guidance notes and pronouncements of the Institute of Chartered Accountants of India (the ICAI)

The financial statements were authorized for issue by the Company's Board of Directors on 14 May 2024.

Details of the accounting policies are included in Note 1.

#### B.2 Basis of preparation and presentation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015(as amended from time to time).

These financial statements have been prepared under the historical cost convention on an accrual and going concern basis except for the following assets and liabilities:

1. Certain financial assets and liabilities are measured at fair value;
2. Employee defined benefit assets/(liability) are recognized as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligation;

The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules,2015 and relevant Amendment rules issued thereafter.

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 the accounting policy hitherto in use.

#### B.3 Functional and presentation currency

The financial statements are presented in Indian rupees, which is the functional currency of the Company.

All amounts are in Indian Rupees except share data, unless otherwise stated.

#### B.4 Operating Cycle

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out under Ind As and in the Schedule III to the Companies Act, 2013.

#### Assets:

An asset is classified as current when it satisfies any of the following criteria:

- a) It is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- b) It is held primarily for the purpose of being traded;
- c) it is expected to be realized within twelve months after the reporting date;
- d) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelvemonths after the reporting date.

#### Liabilities:

- a) A liability is classified as current when it satisfies any of the following criteria:
- b) It is expected to be settled in the Company's normal operating cycle;
- c) It is held primarily for the purpose of being traded;
- d) It is due to be settled within twelve months after the reporting date;
- e) The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

## B.5 Critical accounting judgments and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in Note 1, the management of the Company are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the areas of estimation uncertainty and critical judgments that the management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the financial statements:

### Provision and contingent liability

On an ongoing basis, Company reviews pending cases, claims by third parties and other contingencies. For contingent losses that are considered probable, an estimated loss is recorded as an accrual in financial statements. Loss Contingencies that are considered possible are not provided for but disclosed as Contingent liabilities in the financial statements. Contingencies the likelihood of which is remote are not disclosed in the financial statements. Gain contingencies are not recognized until the contingency has been resolved and amounts are received or receivable.

### Useful lives of depreciable assets

Useful life of Property, Plant and Equipment including intangible asset: Residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial yearend and adjusted prospectively, if appropriate.

### Investment in equity instruments of subsidiary and associate Companies

During the year, the Company assessed the investment in equity instrument of subsidiary companies carried at cost for impairment testing. These companies are expected to generate positive cash flows in the future years. Detailed analysis has been carried out on the future projections and the Company is confident that the investments do not require any impairment.

## B.6. Fair value measurement and valuation process:

The company measured financial assets and liabilities, if any, at fair value for financial reporting purposes.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

As per our report of even date.

for RAO & SHYAM

Chartered Accountants

Firm Registration Number: 0061865

for and on behalf of Adroit Infotech Limited

Kandarp Kumar Dudhoria  
Partner  
Membership Number: 228416  
UDIN: 24228416BKBZJA9387

Sudhakaran Reddy Sunkerneni  
Managing Director  
DIN 01436242

Sridhar Pyata Reddy  
Director  
DIN 07268714

Ravichandra Rao Badanidiyoor  
Chief Finance officer

Piyush Prajapati  
Company secretary &

Place: Hyderabad  
Date: 14-May-2024

**Independent Auditor's Report  
To the Members of Adroit Infotech Limited  
Report on the Audit of the Consolidated Financial Statements**

**Opinion**

1. We have audited the accompanying consolidated financial statements of Adroit Infotech Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as listed in Annexure 1, which comprise the Consolidated Balance Sheet as at 31 March 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us the aforesaid consolidated 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 ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group, as at 31 March 2024, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

**Basis for Opinion**

3. We conducted our audit in accordance with the Standards on Auditing 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 Consolidated Financial Statements section of our report. We are independent of the Group, 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 consolidated 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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matter**

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
5. we have determined the matters described below to be the key audit matters to be communicated in our report.

| Sr no. | Key Audit Matter  |
|--------|---|
| 1.     | <p><b>Revenue recognition</b></p> <p>The Group's contracts with customers include contracts with multiple products and services. The group derives revenues from IT services comprising consulting and package implementation and related services, maintenance, licensing of software products and platforms across the Group's core business. The Group assesses the services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligations to determine the deliverables and the ability of the customer to benefit independently from such deliverables involves significant judgement.</p> <p>In certain integrated services arrangements, contracts with customers include subcontractor services or third-party vendor equipment or software. In these types of arrangements, revenue from sales of third-party vendor products or services is recorded net of costs when the Group is acting as an agent between the customer and the vendor and gross when the Group is the principal for the transaction. In doing so, the Group first evaluates whether it controls the products or service before it is transferred to the customer. The Group considers whether it has the primary obligation to fulfil the contract, inventory risk, pricing discretion and other factors to determine whether it controls the products or service and therefore, is acting as a principal or an agent.</p> <p>Fixed price maintenance revenue is recognized ratably either on (1) a straight-line basis when services are</p> |

|          |  |
|----------|--|
|          | <p>performed through an indefinite number of repetitive acts over a specified period or (2) using a percentage of completion method when the pattern of benefits from the services rendered to the customer and the Group’s costs to fulfil the contract is not even through the period of contract because the services are generally discrete in nature and not repetitive. The use of method to recognize the maintenance revenues requires judgment and is based on the promises in the contract and nature of the deliverables.</p> <p>As certain contracts with customers involve management’s judgment in (1) identifying distinct performance obligations, (2) determining whether the Group is acting as a principal or an agent and (3) whether fixed price maintenance revenue is recognized on a straight-line basis or using the percentage of completion method, revenue recognition from these judgments were identified as a key audit matter and required a higher extent of audit effort. Refer relevant notes to the consolidated financial statements</p>  |
|          | <p><b>Auditor’s Response</b></p>   |
|          | <p><b>Principal Audit Procedures Performed</b></p> <p>Our audit procedures related to the (1) identification of distinct performance obligations, (2) determination of whether the Group is acting as a principal or agent and (3) whether fixed price maintenance revenue is recognized on a straight-line basis or using the percentage of completion method included the following, among others:</p> <ul style="list-style-type: none"> <li>• We tested the effectiveness of controls relating to the (a) identification of distinct performance obligations, (b) determination of whether the Group is acting as a principal or an agent and (c) determination of whether fixed price maintenance revenue for certain contracts is recognized on a straight-line basis or using the percentage of completion method.</li> <li>• We selected a sample of contracts with customers and performed the following procedures:             <ul style="list-style-type: none"> <li>– Obtained and read contract documents for each selection, including master service agreements, and other documents that were part of the agreement.</li> <li>– Identified significant terms and deliverables in the contract to assess management’s conclusions regarding the (i) identification of distinct performance obligations (ii) whether the Group is acting as a principal or an agent and (iii) whether fixed price maintenance revenue is recognized on a straight-line basis or using the percentage of completion method.</li> </ul> </li> </ul>   |
| <p>2</p> | <p><b>Revenue recognition - Fixed price contracts using the percentage of completion method</b></p> <p>Fixed price maintenance revenue is recognized rateably either (1) on a straight-line basis when services are performed through an indefinite number of repetitive acts over a specified period or (2) using a percentage of completion method when the pattern of benefits from services rendered to the customer and the Group’s costs to fulfil the contract is not even through the period of contract because the services are generally discrete in nature and not repetitive. Revenue from other fixed-price, fixed-timeframe contracts, where the performance obligations are satisfied over time is recognized using the percentage-of-completion method.</p> <p>Use of the percentage-of-completion method requires the Group to determine the actual efforts or costs expended to date as a proportion of the estimated total efforts or costs to be incurred. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. The estimation of total efforts or costs involves significant judgement and is assessed throughout the period of the contract to reflect any changes based on the latest available information. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the estimated efforts or costs to complete the contract.</p> <p>We identified the estimate of total efforts or costs to complete fixed price contracts measured using the percentage of completion method as a key audit matter as the estimation of total efforts or costs involves significant judgement and is assessed throughout the period of the contract to reflect any changes based on the latest available information. This estimate has a high inherent uncertainty and requires consideration of progress of the contract, efforts or costs incurred to-date and estimates of efforts or costs required to complete the remaining contract performance obligations over the term of the contracts.</p> <p>This required a high degree of auditor judgment in evaluating the audit evidence and a higher extent of audit</p> |

|  |  |
|--|--|
|  | <p>effort to evaluate the reasonableness of the total estimated amount of revenue recognized on fixed-price contracts.</p> <p>Refer relevant Notes to the consolidated financial statements.</p>   |
|  | <p><b>Auditor’s response</b></p>   |
|  | <p><b>Principal Audit Procedures Performed</b></p> <p>Our audit procedures related to estimates of total expected costs or efforts to complete for fixed-price contracts included the following, among others:</p> <ul style="list-style-type: none"> <li>• We tested the effectiveness of controls relating to (1) recording of efforts or costs incurred and estimation of efforts or costs required to complete the remaining contract performance obligations and (2) access and application controls pertaining to time recording, allocation and budgeting systems which prevents unauthorised changes to recording of efforts incurred.</li> <li>• We selected a sample of fixed price contracts with customers measured the using percentage-of-completion method and performed the following: <ul style="list-style-type: none"> <li>– Evaluated management’s ability to reasonably estimate the progress towards satisfying the performance obligation by comparing actual efforts or costs incurred to prior year estimates of efforts or costs budgeted for performance obligations that have been fulfilled.</li> <li>– Compared efforts or costs incurred with Group’s estimate of efforts or costs incurred to date to identify significant variations and evaluate whether those variations have been considered appropriately in estimating the remaining costs or efforts to complete the contract.</li> <li>– Tested the estimate for consistency with the status of delivery of milestones and customer acceptances and sign off from customers to identify possible delays in achieving milestones, which require changes in estimated costs or efforts to complete the remaining performance obligations.</li> </ul> </li> </ul> |

**Information other than the Consolidated Financial Statements and Auditor’s Report thereon**

6. The Holding Company’s Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor’s report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

7. The accompanying consolidated financial statements have been approved by the Holding Company’s Board of Directors. The Holding Company’s Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The Holding Company’s Board of Directors are also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act the respective Board of Directors of the companies included in the Group, covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate



accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

8. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
9. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

10. Our objectives are to obtain reasonable assurance about whether the consolidated 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 Standards on Auditing 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 consolidated financial statements.
11. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the consolidated 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 Act we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements 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 Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern; and
  - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
  - Obtain sufficient appropriate audit evidence regarding the financial information/ financial statements of the entities or business activities within the Group, , to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the financial statements, of which we are the independent auditors.

12. 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.
13. 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.
14. 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.

#### **Other Matter**

15. The Statement includes the annual financial statements/ financial information of one subsidiary and the separate annual financial statements/ financial information of the entities included in the Group, include the annual financial statements/ financial information of one branch, which have not been reviewed/audited, whose annual financial statements/ financial information reflect total assets of ₹ 643.55 Lakhs as at 31 March 2024, total revenues of ₹ 26.81 Lakhs, total net profit after tax of ₹ 2.77 Lakhs, total comprehensive income of ₹ 2.77 Lakhs for the year ended 31 March 2024, as considered in the Statement/ as considered in the respective audited separate annual financial statements/financial information of the entities included in the Group. These financial statements/ financial information have been furnished to us by the Holding Company's management. Our opinion, in so far as it relates to the amounts and disclosures included in respect of aforesaid subsidiary and branch, is based solely on such unreviewed /unaudited financial statements.

Further, of these subsidiaries, one subsidiary, are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries, located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of such subsidiaries located outside India, is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

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

16. As required by section 197(16) of the Act based on our audit, we report that the Holding Company, its subsidiary companies, incorporated in India whose financial statements have been audited under the Act have paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
17. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order reports issued by us, of companies included in the consolidated financial statements and covered under the Act we report that there are no qualifications or adverse remarks reported in the respective Order reports of such companies.
18. As required by section 143(3) of the Act, based on our audit and, we report, to the extent applicable, 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 purpose of our audit of the aforesaid consolidated financial statements;

- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and reports of the other auditors, including the manner prescribed in Rule 3(1) of Companies (Accounts) Rules, 2014, except that the audit trail feature was not enabled at the database level on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended) in case of Holding Company and its subsidiaries;
- c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- d) In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;
- e) On the basis of the written representations received from the directors of the Holding Company, its subsidiary companies and taken on record by the Board of Directors of the Holding Company, none of the directors of the Group companies, are disqualified as on 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act.
- f) With respect to the maintenance of accounts and other matters connected therewith refer to our comments in paragraph 18(b) above on reporting under Section 143(3)(b) of the Act and paragraph 18(h)(vi) below on reporting under rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
- g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, and its subsidiary companies, covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure A' wherein we have expressed an unmodified opinion; and
- h) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
  - i. There were no pending litigations as at 31 March 2024 which would impact the consolidated financial position of the Group;
  - ii. The Holding Company, its subsidiary companies did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2024;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies, covered under the Act, during the year ended 31 March 2024;
  - iv.
    - a. The respective managements of the Holding Company and its subsidiary companies, incorporated in India whose financial statements have been audited under the Act have represented to us, to the best of their knowledge and belief, as disclosed in note to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies, to or in any person(s) or entity(ies), including foreign entities ('the 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 Holding Company, or any such subsidiary companies, ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
    - b. The respective managements of the Holding Company and its subsidiary companies, incorporated in India whose financial statements have been audited under the Act have represented to us, to the best of their knowledge and belief, as disclosed in the note to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiary companies, from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiary companies, 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; and

- c. {Based on such audit procedures performed by us, as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The Holding Company have not declared or paid any dividend during the year ended 31 March 2024
- vi. Based on our examination which included test checks, the Group, in respect of financial year commencing on or after 1 April 2023, has used an accounting software Tally *software* which is operated by a third party software service provider for maintaining its books of account and in absence of an 'Independent Service Auditor's Assurance Report on the Description of Controls, their Design and Operating Effectiveness' ('Type 2 report' issued in accordance with SAE 3402, Assurance Reports on Controls at a Service Organisation), we are unable to comment on whether audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of audit trail feature being tampered with.

For **Rao and Shyam**  
Chartered Accountants  
Firm's Registration No.: 0061865

SD/-  
**Kandarp Kumar Dudhuria**  
Partner  
Membership No.: 228416  
UDIN: 24228416BKBZJB6972

**Place:** Hyderabad  
**Date:** 14 May 2024

## Annexure 1

### List of entities included in the Statement

Verso Altima India Private Limited - Subsidiary  
Adriot Inofotech Limited – USA Branch  
Adroit Infotech Inc – USA - Subsidiary  
Adroit Infotech LLC - Subsidiary

## Annexure A

### Independent Auditor’s 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’)

1. In conjunction with our audit of the consolidated financial statements of Adroit infotech Limited (‘the Holding Company’) and its subsidiaries (the Holding Company and its subsidiaries together referred to as ‘the Group’), as at and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, which are companies covered under the Act, as at that date.

### Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiary companies, , which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on internal financial controls based on internal control financial reporting criteria established by the Company considering the essential component of internal control stated in the guidance note on audit of Internal Financial Control over Financial Reporting (“the guidance note”) 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 the Company’s 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 information, as required under the Act.

### Auditor’s Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India (‘ICAI’) prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (‘the Guidance Note’) issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company, {its subsidiary companies, its associate companies and joint venture companies} as aforesaid.

## Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls 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 controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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

7. 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 controls 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

8. In our opinion and based on the consideration of the reports of the other auditors on internal financial controls with reference to financial statements of the subsidiary companies and associate companies, the Holding Company, its subsidiary companies and its associate companies, which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2024, based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Rao and Shyam**

Chartered Accountants

Firm's Registration No.: 006186S

Sd/-

**Kandarp Kumar Dudhoria**

Partner

Membership No.: 228416

UDIN: 24228416BKBZJB6972

Hyderabad

14 May 2024

| <b>ADROIT INFOTECH LIMITED</b>   |                              |   |                             |
|--|------------------------------|---|-----------------------------|
| <b>(CIN: L72300TG1990PLC011129)</b>  |                              |   |                             |
| <b>Plot No 7A, MLA Colony, Road No: 12, Banjara Hills. Hyderabad -500034</b> |                              |   |                             |
| <b>Consolidated Balance Sheet as at March 31, 2024</b>                       |                              |   |                             |
| <b>(INR in Lakhs)</b>  |                              |   |                             |
| <b>Particulars</b>   | <b>Note No</b>               | <b>As at March 31, 2024</b>                         | <b>As at March 31, 2023</b> |
| <b>ASSETS</b>  |                              |   |                             |
| <b>Non-Current Assets</b>  |                              |   |                             |
| (a) Property, Plant and Equipment  | 2                            | 119.26  | 169.06                      |
| (b) Right of Use of Asset (RoU)  | 15                           | 40.33   | 17.04                       |
| (c) Goodwill on Consolidation  | 3                            | 1,180.34  | 1,137.97                    |
| (d) Other Intangible assets  | 2                            | 602.51  | 669.52                      |
| (e) Intangible Assets under development                                      | 2                            | 97.04   | 107.81                      |
| (f) Financial Assets   |                              |   |                             |
| (i) Other Deposits   | 4                            | 998.75  | -                           |
| (g) Deferred tax Assets (net)  | 5                            | 95.49   | 37.34                       |
| (h) Income tax assets (net)  | 6                            | 35.89   | 32.86                       |
| <b>Total Non-Current Assets</b>  |                              | <b>3,169.61</b>                                     | <b>2,171.61</b>             |
| <b>Current Assets</b>  |                              |   |                             |
| (a) Financial Assets   |                              |   |                             |
| (i) Trade Receivables  | 7                            | 1,410.91  | 889.37                      |
| (ii) Cash & Cash Equivalents   | 8                            | 1.20  | 0.40                        |
| (iii) Bank Balances other than (ii) above                                    |                              | 165.10  | 116.24                      |
| (iv) Loans and advances  | 9                            | 27.90   | 225.99                      |
| (b) Current Tax Assets (Net)   | 10                           | 11.13   | 6.42                        |
| (c) Other Current Assets   | 11                           | 6.57  | 10.82                       |
| <b>Total Current Assets</b>  |                              | <b>1,622.82</b>                                     | <b>1,249.24</b>             |
| <b>TOTAL ASSETS</b>  |                              | <b>4,792.43</b>                                     | <b>3,420.85</b>             |
| <b>EQUITY AND LIABILITIES</b>  |                              |   |                             |
| <b>Equity</b>  |                              |   |                             |
| (a) Equity Share Capital   | 12                           | 2,979.26  | 2,026.74                    |
| (b) Other Equity   | 13                           | 361.58  | (585.47)                    |
| <b>Total Equity</b>  |                              | <b>3,340.84</b>                                     | <b>1,441.27</b>             |
| <b>Share Application Money Pending for Allotment</b>                         | 13a                          | <b>193.75</b>                                       | <b>543.75</b>               |
| <b>Liabilities</b>   |                              |   |                             |
| <b>Non-Current Liabilities</b>   |                              |   |                             |
| (a) Financial Liabilities  |                              |   |                             |
| (i) Borrowings   | 14                           | 67.68   | 93.71                       |
| (ia) Lease liabilities   | 15                           | 43.81   | 5.01                        |
| (ii) Trade Payables  | 16                           | -   | 18.33                       |
| (iii) Other Financial Liabilities  |                              | -   | -                           |
| (b) Provisions   | 17                           | 5.02  | 7.86                        |
| (c) Deferred Tax Liabilities   | 5                            | 66.39   | 14.58                       |
| (c) Other non-current liabilities  | 18                           | 434.33  | 537.97                      |
| <b>Total Non-Current Liabilities</b>   |                              | <b>617.23</b>                                       | <b>677.45</b>               |
| <b>Current Liabilities</b>   |                              |   |                             |
| (a) Financial Liabilities  |                              |   |                             |
| (i) Borrowings   | 19                           | 233.52  | 233.28                      |
| (ia) Lease liabilities   | 15                           | -   | 13.62                       |
| (ii) Trade payables  | 20                           | 72.80   | 173.77                      |
| (b) Provisions   | 21                           | 123.41  | 40.02                       |
| (c) Current Tax Liabilities (net)  | 22                           | 9.28  | 34.59                       |
| (d) Other current liabilities  | 23                           | 201.60  | 263.10                      |
| <b>Total Current Liabilities</b>   |                              | <b>640.61</b>                                       | <b>758.39</b>               |
| <b>TOTAL EQUITY AND LIABILITIES</b>  |                              | <b>4,792.43</b>                                     | <b>3,420.85</b>             |
| <b>Significant Accounting Policies</b>                                       | 1                            |   |                             |
| <b>Corporate Information and Basis of Preparation-Refer Page No.</b>         |                              |   |                             |
| <b>for RAO &amp; SHYAM</b>   |                              | <b>for and on behalf of Adroit Infotech Limited</b> |                             |
| <b>Chartered Accountants</b>   |                              |   |                             |
| <b>Firm Registration Number : 0061865</b>                                    |                              |   |                             |
| Sd./-  | Sd./-                        | Sd./-   |                             |
| Kandarp Kumar Dudhoria   | Sudhakaran Reddy Sunkerneni  | Sridhar Pyata Reddy                                 |                             |
| Partner  | Managing Director            | Director  |                             |
| Membership Number : 228416   | DIN 01436242                 | DIN 07268714  |                             |
| UDIN: 24228416BKBZJB6972   |                              |   |                             |
|  | Sd./-                        | Sd./-   |                             |
|  | Ravichandra Rao Badanidiyoor | Piyush Prajapati                                    |                             |
|  | Chief Finance officer        | Company Secretary &                                 |                             |
|  |                              | Compliance officer                                  |                             |
| Place: Hyderabad   |                              |   |                             |
| Date: 14-May-2024  |                              |   |                             |

| ADROIT INFOTECH LIMITED<br>(CIN: L72300TG1990PLC011129)<br>Plot No 7A, MLA Colony, Road No: 12, Banjara Hills. Hyderabad -500034<br>Consolidated Statement of Profit and Loss for the year ended March 31, 2024<br>(INR in Lakhs) |          |   |   |
|---|----------|---|---|
| Particulars   | Note No. | For the Year Ended<br>March 31, 2024                | For the Year Ended<br>March 31, 2023      |
| <b>Income</b>   |          |   |   |
| i) Revenue From Operations  | 24       | 2,485.60  | 2,244.73                                  |
| ii) Other Income  | 25       | 98.10   | 27.20                                     |
| <b>Total Income</b>   |          | <b>2,583.70</b>                                     | <b>2,271.94</b>                           |
| <b>Expenses</b>   |          |   |   |
| i) Employee benefits expense  | 26       | 1,646.59  | 1,279.54                                  |
| ii) Finance Cost  | 27       | 24.16   | 29.57                                     |
| iii) Depreciation and amortisation expense  | 28       | 159.61  | 150.99                                    |
| iv) Other Expenses  | 29       | 372.00  | 423.32                                    |
| <b>Total expenses</b>   |          | <b>2,202.37</b>                                     | <b>1,883.42</b>                           |
| <b>Profit/(loss) before exceptional items and tax</b>   |          | <b>381.33</b>                                       | <b>388.52</b>                             |
| Exceptional Items   |          | -   | -   |
| <b>Profit Before Tax</b>  |          | <b>381.33</b>                                       | <b>388.52</b>                             |
| Tax Expenses  |          |   |   |
| -Current Tax  |          | 40.47   | 51.20                                     |
| -Deferred Tax   |          | 41.30   | (41.01)                                   |
| <b>Profit/(loss) for the period from continuing operations</b>  |          | <b>299.56</b>                                       | <b>378.33</b>                             |
| Profit/(loss) from discontinued operations  |          | -   | -   |
| Tax expense of discontinued operations  |          | -   | -   |
| <b>Profit/(loss) from discontinued operations after tax</b>   |          | -   | -   |
| <b>I Profit/(loss) for the Year</b>   |          | <b>299.56</b>                                       | <b>378.33</b>                             |
| <b>II Other Comprehensive Income</b>  |          |   |   |
| <b>i) Items that will not be reclassified to profit or loss:</b>  |          |   |   |
| -Impairment of allowances in doubtful debt  |          | -   | -   |
| -Remeasurements of the defined benefit plans  |          | -   | -   |
| -Equity Instruments through other comprehensive income  |          | -   | -   |
| -Income Tax relating to these items   |          | -   | -   |
| <b>ii) Items that will be reclassified to profit or loss:</b>   |          |   |   |
| -Debt Instruments through Other Comprehensive Income  |          | -   | -   |
| -The effective portion of gains and loss on hedging instruments in a cash flow hedge  |          | -   | -   |
| -Income Tax relating to these items   |          | (4.18)  | (0.08)                                    |
| Other Comprehensive Income  |          | <b>(4.18)</b>                                       | <b>(0.08)</b>                             |
| <b>Total Comprehensive Income for the year</b>  |          | <b>303.74</b>                                       | <b>378.41</b>                             |
| Earnings per equity share :   |          |   |   |
| (1) Basic   |          | <b>1.43</b>   | <b>1.99</b>                               |
| (2) Diluted   |          | <b>1.43</b>   | <b>1.99</b>                               |
| <b>for RAO &amp; SHYAM</b>  |          | <b>for and on behalf of Adroit Infotech Limited</b> |   |
| <b>Chartered Accountants</b>  |          |   |   |
| <b>Firm Registration Number : 0061865</b>   |          |   |   |
| Sd./-   |          | Sd./-   | Sd./-                                     |
| Kandarp Kumar Dudhoria  |          | Sudhakiran Reddy Sunkerneni                         | Sridhar Pyata Reddy                       |
| Partner   |          | Managing Director                                   | Director                                  |
| Membership Number : 228416  |          | DIN 01436242  | DIN 07268714                              |
| UDIN: 24228416BKBZJB6972  |          |   |   |
| Place: Hyderabad  |          | Sd./-   | Sd./-                                     |
| Date: 14-May-2024   |          | Ravichandra Rao Badanidiyoor                        | Piyush Prajapati                          |
|   |          | Chief Finance officer                               | Company Secretary &<br>Compliance officer |



| ADROIT INFOTECH LIMITED<br>(CIN: L72300TG1990PLC011129)<br>Consolidated Cash Flow Statement For The Year Ended March 31, 2024<br>(INR in Lakhs)  |  |  |
|--|--|--|
| Particulars  | For the year ended<br>March 31, 2024   | For the year ended<br>March 31, 2023   |
| <b>Cash flow from operating activities</b>   |  |  |
| Profit before income tax from<br>Continuing operations   | 381.33   | 388.52   |
| <b>Profit before income tax including discontinued operations</b>  |  |  |
| Adjustments for  |  |  |
| Depreciation and amortisation expense  | 24.16  | 150.99   |
| Interest and other Income  | 98.10  | 27.20  |
| Finance costs(net)   | 159.61   | 29.57  |
|  | <b>663.21</b>  | <b>596.29</b>  |
| <b>Change in operating assets and liabilities, net of effects from purchase of controlled entities and sale of subsidiary:</b>   |  |  |
| Increase/ (Decrease) in Short Term Borrowings  | <b>(25.79)</b>   | (332.49)   |
| Increase/(Decrease) in Trade payables  | <b>(119.30)</b>  | 93.94  |
| Increase/ (Decrease) in Other Current Liabilities  | <b>(75.12)</b>   | 18.37  |
| Increase/ (Decrease) in Current Tax Liabilities  | <b>(25.31)</b>   | 18.96  |
| Increase/ (Decrease) in Non-Current Liabilities  | <b>(64.84)</b>   | 542.98   |
| Increase/ (Decrease) in Short Tem Provisions   | <b>80.56</b>   | 21.01  |
| (Increase)/ Decrease in Trade receivables  | <b>(521.54)</b>  | (436.35)   |
| (Increase)/ Decrease in Inventories  | -  | (0.11)   |
| (Increase)/ Decrease in Other Non-Current Assets   | <b>(9.36)</b>  | 55.42  |
| (Increase)/ Decrease in Short Term Loans and advances  | <b>198.09</b>  | 58.36  |
| (Increase)/ Decrease in Current Tax Assets   | <b>(4.71)</b>  | (5.12)   |
| (Increase)/ Decrease in Other Current Assets   | <b>4.25</b>  | (9.04)   |
| <b>Cash generated from operations</b>  | <b>100.11</b>  | <b>622.23</b>  |
| Interest Paid  | (159.61)   | (29.57)  |
| <b>Net cash inflow from operating activities</b>   | <b>(59.50)</b>   | <b>592.66</b>  |
| <b>Cash flows from investing activities</b>  |  |  |
| Purchase of Fixed Assets   | 37.77  | (1,359.27)   |
| Interest Received  | (98.10)  | (27.20)  |
| Investment made in Fixed Deposits  | (998.75)   | -  |
| <b>Net cash outflow from investing activities</b>  | <b>(1,059.09)</b>  | <b>(1,386.48)</b>  |
| <b>Cash flows from financing activities</b>  |  |  |
| Proceeds from Issue of share capital<br>(net of Share Issue Expenses)  | 952.53   | 200.00   |
| Share Application Money Pending Allotment  | (350.00)   | 543.75   |
| Increase/(Decrease) in Reserves  | 565.72   | 160.21   |
| <b>Net cash inflow from financing activities</b>   | <b>1,168.25</b>  | <b>903.96</b>  |
| <b>Net increase in cash and cash equivalents</b>   | <b>49.66</b>   | <b>110.15</b>  |
| Cash and cash equivalents at the beginning of the financial year   | 116.64   | 6.50   |
| Effects of exchange rate changes on cash and cash equivalents  | -  | -  |
| <b>Cash and cash equivalents at end of the year</b>  | <b>166.30</b>  | <b>116.64</b>  |
| <b>for RAO &amp; SHYAM</b><br><b>Chartered Accountants</b><br><b>Firm Registration Number : 0061865</b><br>Sd./-<br>Kandarp Kumar Dudhoria<br>Partner<br>Membership Number : 228416<br>UDIN: 24228416BKBZJB6972<br><br>Place: Hyderabad<br>Date: 14-May-2024 | <b>for and on behalf of Adroit Infotech Limited</b><br><br>Sd./-<br>Sudhakaran Reddy Sunkerneni<br>Managing Director<br>DIN 01436242<br><br>Sd./-<br>- Ravichandra Rao Badanidiyoor<br>Chief Finance officer | Sd./-<br>Sridhar Pyata Reddy<br>Director<br>DIN 07268714<br><br>Sd./-<br>Piyush Prajapati<br>Company Secretary &<br>Compliance officer |

## Equity Shares

| Particulars   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------------------------|-------------------------|
| <b>Authorized</b>                                       |                         |                         |
| Ordinary shares of par value of Rs. 10/- each           |                         |                         |
| Number  | 650.00                  | 650.00                  |
| <b>Amount</b>   | 6,500.00                | 6500.00                 |
| <b>Issued, subscribed and fully paid</b>                |                         |                         |
| Ordinary shares of par value of Rs.10/- each fully paid |                         |                         |
| Number  | 216.67                  | 202.67                  |
| Issued, subscribed and partly paid @2.50 per share      | 81.25                   | -                       |
| <b>Amount</b>   | <b>2,979.26</b>         | <b>2,026.74</b>         |

### A. Reconciliation of number of shares:

| Particulars   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------------------------|-------------------------|
| Opening Equity Shares   | 202.67                  | 182.67                  |
| Add: -No. of Shares, Share Capital issued/ subscribed during the year | 14.00                   | 20.00                   |
| Add: -No. of Shares Partly paid Rights Issue @2.50                    | 325.01                  | -                       |
| Less: Deduction   | -                       | -                       |
| <b>Closing balance</b>  | <b>541.68</b>           | <b>202.67</b>           |

1) The Company has converted 14,00,000 Share Warrants into Equity shares pertaining to the promoter during the year. (Previous year : Nil)

2) During the year, the Company has successfully completed the Rights Issue. The shares were offered @2:1. Totally 3,25,01,058 Rights Equity was raised. The issue was priced at Rs.15/- per share (including premium of Rs.5/-). The amount payable on application was fixed at Rs.3.75/- per share (including Rs.1.25 premium).

3) The aggregate number of equity shares allotted as fully paid up by way of bonus shares in immediately preceding five years ended March 31, 2024 is Nil (previous period of five years ended March 31, 2023: Nil shares) (g) The aggregate number of equity shares issued pursuant to contract, without payment being received in cash in immediately preceding last five years ended on March 31, 2024 –10,00,000 shares)

| Statement of Changes in equity for the current Year 23-24 |                      |                   |                    |                 |
|---|----------------------|-------------------|--------------------|-----------------|
|   | Reserves and surplus |                   |                    | Total           |
|   | Capital reserve      | Retained earnings | Securities premium |                 |
| <b>Balance as at 31 March 2023</b>                        | <b>290.00</b>        | <b>(1,775.47)</b> | <b>300.00</b>      | <b>(585.47)</b> |
| Total comprehensive income                                | -                    | -                 | -                  | -               |
| Dividends   | -                    | -                 | -                  | -               |
| Premium on shares issued during the year                  | -                    | -                 | 554.89             | 554.89          |
| shares issued to promoters                                | -                    | -                 | -                  | -               |
| Transfer to retained earnings                             | -                    | 303.74            | -                  | 303.74          |
| Any other changes   | -                    | 88.43             | -                  | 88.43           |
| <b>Balance as at 31 March 2024</b>                        | <b>290.00</b>        | <b>(783.30)</b>   | <b>854.89</b>      | <b>361.58</b>   |

| Statement of Changes in equity for the previous Year 22-23 |                      |                   |                    |            |
|--|----------------------|-------------------|--------------------|------------|
|  | Reserves and surplus |                   |                    | Total      |
|  | Capital reserve      | Retained earnings | Securities premium |            |
| Balance as at 31 March 2022                                | 290.00               | (1,424.21)        | -                  | (1,134.21) |
| Total comprehensive income                                 | -                    | -                 | -                  | -          |
| Dividends  | -                    | -                 | -                  | -          |
| Premium on shares issued during the year                   | -                    | -                 | 300.00             | 300.00     |
| Actuarial loss/(gain) on defined benefit obligation        | -                    | 233.19            | -                  | 233.19     |
| Transfer to retained earnings                              | -                    | 16.02             | -                  | 16.02      |
| Any other changes  | -                    | (0.47)            | -                  | -          |
| Balance as at 31 March 2023                                | 290.00               | (1,175.47)        | 300.00             | (585.47)   |

**for RAO & SHYAM**

**Chartered Accountants**

**Firm Registration Number : 0061865**

Sd./-

Kandrap Kumar Dudhoria

Partner

Membership Number : 228416

UDIN: 24228416BKBZJB6972

Place: Hyderabad

Date: 14-May-2024

**for and on behalf of Adroit Infotech Limited**

Sd./-

Sudhakiran Reddy Sunkerneni

Managing Director

DIN 01436242

Sd./-

Sridhar Pyata Reddy

Director

DIN 07268714

Sd./-

Ravichandra Rao Badanidiyoor

Chief Finance officer

Sd./-

Piyush Prajapati

Company Secretary &

Compliance officer

## ADROIT INFOTECH LIMITED

Accounts for the year ended March 31, 2024

Consolidated

NOTE: 2 Property, Plant and Equipment

(INR in Lakhs)

| Particulars                      | Rate of Dep. | Gross carrying value as at April 1, 2023 | Additions   | Disposal/adjustments | Gross carrying value as at March 31, 2024 | Accumulated depreciation as at April 1, 2023 | Depreciation for the year | Disposal/adjustments | Accumulated depreciation as at March 31, 2024 | Net wdv as at March 31, 2024 | Net wdv as at March 31, 2023 |
|----------------------------------|--------------|--|-------------|----------------------|---|--|---------------------------|----------------------|---|------------------------------|------------------------------|
| Computers                        | 63.16%       | 208.64                                   | 2.48        | -                    | 211.11                                    | 195.16                                       | 8.35                      | -                    | 203.52  | 7.60                         | 13.48                        |
| Servers & Networks               | 39.30%       | 18.20                                    | -           | -                    | 18.20                                     | 17.66  | 0.22                      | -                    | 17.87   | 0.33                         | 0.55                         |
| Furniture and Fixtures           | 25.89%       | 30.73                                    | 2.59        | -                    | 33.33                                     | 26.99  | 1.02                      | -                    | 28.01   | 5.32                         | 3.75                         |
| Electrical Equipments            | 25.89%       | 4.24                                     | -           | -                    | 4.24                                      | 3.03   | 0.31                      | -                    | 3.34  | 0.90                         | 1.21                         |
| Office Equipments                | 45.07%       | 10.56                                    | 0.63        | -                    | 11.19                                     | 10.27  | 0.20                      | -                    | 10.48   | 0.71                         | 0.28                         |
| Motor Vehicles                   | 31.23%       | 229.28                                   | -           | -                    | 229.28                                    | 80.81  | 44.67                     | -                    | 125.48  | 103.80                       | 148.48                       |
| Genset                           | 18.10%       | 3.50                                     | -           | -                    | 3.50                                      | 3.25   | 0.05                      | -                    | 3.30  | 0.20                         | 0.25                         |
| Buildings (Temporary Structures) | 63.16%       | 4.85                                     | -           | -                    | 4.85                                      | 3.78   | 0.67                      | -                    | 4.46  | 0.39                         | 1.07                         |
| <b>Total</b>                     |              | <b>510.01</b>                            | <b>5.70</b> | <b>-</b>             | <b>515.71</b>                             | <b>340.95</b>                                | <b>55.50</b>              | <b>-</b>             | <b>396.45</b>                                 | <b>119.26</b>                | <b>169.06</b>                |

### Other Intangible Assets

| Particulars  | Rate of Dep. | Gross carrying value as at April 1, 2023 | Additions | Disposal/adjustments | Gross carrying value as at March 31, 2024 | Accumulated depreciation as at April 1, 2023 | Depreciation for the year | Disposal/adjustments | Accumulated depreciation as at March 31, 2024 | Net wdv as at March 31, 2024 | Net wdv as at March 31, 2023 |
|--|--------------|--|-----------|----------------------|---|--|---------------------------|----------------------|---|------------------------------|------------------------------|
| Computer Software  | 63.16%       | 13.29                                    | -         | -                    | 13.29                                     | 13.20  | 0.06                      | -                    | 13.26   | 0.03                         | 0.09                         |
| Intangible Assets others & Intangible Assets Under Development | 10.00%       | 1,046.58                                 | -         | -                    | 1,046.58                                  | 269.34                                       | 77.72                     | -                    | 347.06  | 699.52                       | 777.25                       |
| <b>Total</b>   |              | <b>13.29</b>                             | <b>-</b>  | <b>-</b>             | <b>1,059.88</b>                           | <b>282.54</b>                                | <b>77.78</b>              | <b>-</b>             | <b>360.32</b>                                 | <b>699.55</b>                | <b>777.34</b>                |

|              |  |               |             |          |                 |               |               |          |               |               |               |
|--------------|--|---------------|-------------|----------|-----------------|---------------|---------------|----------|---------------|---------------|---------------|
| <b>Total</b> |  | <b>523.30</b> | <b>5.70</b> | <b>-</b> | <b>1,575.59</b> | <b>623.49</b> | <b>133.28</b> | <b>-</b> | <b>756.77</b> | <b>818.81</b> | <b>946.40</b> |
|--------------|--|---------------|-------------|----------|-----------------|---------------|---------------|----------|---------------|---------------|---------------|

\*others & Intangible Assets Under Development is less than 3 years

### FY 2022-2023

| Particulars                      | Rate of Dep. | Gross carrying value as at April 1, 2022 | Additions    | Disposal/adjustments | Gross carrying value as at March 31, 2023 | Accumulated depreciation as at April 1, 2022 | Depreciation for the year | Disposal/adjustments | Accumulated depreciation as at March 31, 2023 | Net wdv as at March 31, 2023 | Net wdv as at March 31, 2022 |
|----------------------------------|--------------|--|--------------|----------------------|---|--|---------------------------|----------------------|---|------------------------------|------------------------------|
| Computers                        | 63.16%       | 192.26                                   | 15.66        | -                    | 207.92                                    | 187.00                                       | 7.44                      | -                    | 194.45  | 13.48                        | 5.26                         |
| Servers & Networks               | 39.30%       | 18.20                                    | -            | -                    | 18.20                                     | 17.30  | 0.36                      | -                    | 17.66   | 0.55                         | 0.90                         |
| Furniture and Fixtures           | 25.89%       | 30.73                                    | -            | -                    | 30.73                                     | 25.68  | 1.31                      | -                    | 26.99   | 3.75                         | 5.06                         |
| Electrical Equipments            | 25.89%       | 4.24                                     | -            | -                    | 4.24                                      | 2.60   | 0.42                      | -                    | 3.03  | 1.21                         | 1.63                         |
| Office Equipments                | 45.07%       | 10.56                                    | -            | -                    | 10.56                                     | 10.04  | 0.23                      | -                    | 10.27   | 0.28                         | 0.52                         |
| Motor Vehicles                   | 31.23%       | 158.45                                   | 70.83        | -                    | 229.28                                    | 43.61  | 37.20                     | -                    | 80.81   | 148.48                       | 114.84                       |
| Genset                           | 18.10%       | 3.50                                     | -            | -                    | 3.50                                      | 3.20   | 0.06                      | -                    | 3.25  | 0.25                         | 0.30                         |
| Buildings (Temporary Structures) | 63.16%       | 2.67                                     | 2.18         | -                    | 4.85                                      | 2.66   | 1.12                      | -                    | 3.78  | 1.07                         | 0.01                         |
| <b>Total</b>                     |              | <b>420.62</b>                            | <b>88.68</b> | <b>-</b>             | <b>509.29</b>                             | <b>292.09</b>                                | <b>48.14</b>              | <b>-</b>             | <b>340.23</b>                                 | <b>169.06</b>                | <b>128.53</b>                |

### Other Intangible Assets

| Particulars  | Rate of Dep. | Gross carrying value as at April 1, 2022 | Additions    | Disposal/adjustments | Gross carrying value as at March 31, 2023 | Accumulated depreciation as at April 1, 2022 | Depreciation for the year | Disposal/adjustments | Accumulated depreciation as at March 31, 2023 | Net wdv as at March 31, 2023 | Net wdv as at March 31, 2022 |
|--|--------------|--|--------------|----------------------|---|--|---------------------------|----------------------|---|------------------------------|------------------------------|
| Computer Software  | 63.16%       | 13.29                                    | -            | -                    | 13.29                                     | 13.05  | 0.15                      | -                    | 13.20   | 0.09                         | 0.24                         |
| Intangible Assets others & Intangible Assets Under Development | 10.00%       | 961.83                                   | 84.75        | -                    | 1,046.58                                  | 192.37                                       | 76.97                     | -                    | 269.34  | 777.25                       | 769.47                       |
| <b>Total</b>   |              | <b>13.29</b>                             | <b>84.75</b> | <b>-</b>             | <b>1,059.88</b>                           | <b>205.42</b>                                | <b>77.12</b>              | <b>-</b>             | <b>282.54</b>                                 | <b>777.34</b>                | <b>769.71</b>                |

|              |  |               |               |          |                 |               |               |          |               |               |               |
|--------------|--|---------------|---------------|----------|-----------------|---------------|---------------|----------|---------------|---------------|---------------|
| <b>Total</b> |  | <b>433.91</b> | <b>173.43</b> | <b>-</b> | <b>1,569.17</b> | <b>497.51</b> | <b>125.26</b> | <b>-</b> | <b>622.77</b> | <b>946.40</b> | <b>898.24</b> |
|--------------|--|---------------|---------------|----------|-----------------|---------------|---------------|----------|---------------|---------------|---------------|

## ADROIT INFOTECH LIMITED

Notes to accounts for the year ended March 31, 2024, All amounts are in Rs. Lakhs

### Note: 3 Goodwill on Consolidation

| Particulars               | As at March 31, 2024 | As at March 31, 2023 |
|---------------------------|----------------------|----------------------|
| Goodwill on Consolidation | 1,180.34             | 1,137.97             |
| <b>Total</b>              | <b>1,180.34</b>      | <b>1,137.97</b>      |

### Note: 4 Trade Receivables

| Particulars               | As at March 31, 2024 | As at March 31, 2023 |
|---------------------------|----------------------|----------------------|
| <b>(i) Other Deposits</b> |                      |                      |
| Deposits                  | 48.75                | -                    |
| Bank Fixed Deposit        | 950.00               | -                    |
| <b>Total</b>              | <b>998.75</b>        | <b>-</b>             |

### Note: 5 Deferred tax assets and liabilities

Movement in Deferred Tax Assets and Liabilities

| Particulars                       | As at March 31, 2024 | As at March 31, 2023 |
|-----------------------------------|----------------------|----------------------|
| a) Deferred Tax Liability         |                      |                      |
| Opening balance                   | 19.78                | 5.32                 |
| Adjustment to Profit loss account | 46.62                | 14.46                |
| Closing balance as on             | <b>66.39</b>         | <b>19.78</b>         |
| b) Deferred tax Assets            |                      |                      |
| Opening balance                   | 90.18                | 34.71                |
| Adjustment to Profit loss account | 5.31                 | 55.47                |
| <b>Closing balance as on</b>      | <b>95.49</b>         | <b>90.18</b>         |
| <b>Net Deferred Tax Assets</b>    | <b>29.10</b>         | <b>70.40</b>         |

### Note: 6 Income Tax Assets

| Particulars                               | As at March 31, 2024 | As at March 31, 2023 |
|---|----------------------|----------------------|
| TDS deducted/Balance with Tax Authorities | 35.89                | 23.04                |
| MAT Credit Entitlement Acct               | -                    | 9.82                 |
| <b>Total</b>                              | <b>35.89</b>         | <b>32.86</b>         |

### Note: 7 Trade Receivables Current

| Particulars                        | As at March 31, 2024 | As at March 31, 2023 |
|------------------------------------|----------------------|----------------------|
| <b>(i) Other Trade Receivables</b> |                      |                      |
| Secured, considered Good           | -                    | -                    |
| Unsecured, considered good         | 1,410.91             | 889.37               |
| Doubtful                           | -                    | -                    |
| Allowances for doubtful debts      | -                    | -                    |
| <b>Total</b>                       | <b>1,410.91</b>      | <b>889.37</b>        |

Trade receivables ageing schedule for the years ended as on March 31, 2024 & 2023 (Refer Note No. 37)

### Note: 8 Cash & Cash Equivalents

| Particulars         | As at March 31, 2024 | As at March 31, 2023 |
|---------------------|----------------------|----------------------|
| Cash on hand        | 1.20                 | 0.40                 |
| Balances with Banks |                      |                      |
| -in Current Account | 165.10               | 116.24               |
| <b>Total</b>        | <b>166.30</b>        | <b>116.64</b>        |

## Note: 9 Loans

| Particulars                 | As at March 31, 2024 | As at March 31, 2023 |
|-----------------------------|----------------------|----------------------|
| Unsecured (considered good) |                      |                      |
| *Other Advances             | 27.90                | 225.99               |
| <b>Total</b>                | <b>27.90</b>         | <b>225.99</b>        |

\*This represent advances paid for purchase of Capital Assets and to subsidiary

## Note: 10 Current Tax Assets

| Particulars                         | As at March 31, 2024 | As at March 31, 2023 |
|-------------------------------------|----------------------|----------------------|
| Balance with Government Authorities | 11.13                | 6.42                 |
| <b>Total</b>                        | <b>11.13</b>         | <b>6.42</b>          |

## Note: 11 Other Current Assets

| Particulars      | As at March 31, 2024 | As at March 31, 2023 |
|------------------|----------------------|----------------------|
| Prepaid Expenses | 6.57                 | 10.82                |
| <b>Total</b>     | <b>6.57</b>          | <b>10.82</b>         |

## Note: 12 Equity Shares

| Particulars   | As at March 31, 2024 | As at March 31, 2023 |
|---|----------------------|----------------------|
| <b>Authorized</b>   |                      |                      |
| Ordinary shares of par value of Rs. 10/- each                     |                      |                      |
| Number  | 650.00               | 650.00               |
| <b>Amount</b>   | <b>6,500.00</b>      | <b>6,500.00</b>      |
| <b>Issued, subscribed and fully paid</b>                          |                      |                      |
| Ordinary shares of par value of Rs.10/- each fully Paid           |                      |                      |
| Number  | 216.67               | 202.67               |
| Issued, subscribed and partly paid value of Rs 2.50/- each number | 81.25                | -                    |
| <b>Amount</b>   | <b>2,979.26</b>      | <b>2026.74</b>       |

## A Reconciliation of number of shares:

| Particulars   | As at March 31, 2024 | As at March 31, 2023 |
|---|----------------------|----------------------|
| Opening Equity Shares   | 182.67               | 182.67               |
| Add: -No. of Shares, Share Capital issued/ subscribed during the year | 20.00                | 20.00                |
| Add: -No. of Partly paid Shares issued through Rights @2.50           | 325.01               | -                    |
| Less: Deduction   | -                    | -                    |
| <b>Closing balance</b>  | <b>541.68</b>        | <b>202.67</b>        |

1) The Company has converted 14,00,000 Share Warrants into Equity shares pertaining to the promoter during the year. (Previous year : Nil).

2) During the year, the Company has successfully completed the Rights Issue. The shares were offered @2:1. Totally 3,25,01,058 Rights Equity was raised. The issue was priced at Rs.15/- per share (including premium of Rs.5/-). The amount payable on application was fixed at Rs.3.75/- per share (including Rs.1.25 premium).

3) The aggregate number of equity shares allotted as fully paid up by way of bonus shares in immediately preceding five years ended March 31, 2024 is Nil (previous period of five years ended March 31, 2023: Nil shares) (g) The aggregate number of equity shares issued pursuant to contract, without payment being received in cash in immediately preceding last five years ended on March 31, 2024 –10,00,000 shares)

### B Numbers of Shares in the company held by shareholder holding more than 5 percent

| Name of the Shareholder                | As at March 31, 2024 | As at March 31, 2023 |
|--|----------------------|----------------------|
| SoftPoint Technologies Private Limited | 6,585,745            | 8,085,795            |
| - Percentage of Holdings               | 21.39%               | 39.90%               |
| S Sudhakaran Reddy                     | 3,449,419            | 2,049,469            |
| - Percentage of Holdings               | 17.06%               | 10.11%               |

The Company has one class of share capital, comprising ordinary shares of Rs. 10/- each. Subject to the Company's Articles of Association and applicable law, the Company's ordinary shares confer on the holder the right to receive notice of and vote at general meetings of the Company, the right to receive any surplus assets on a winding-up of the Company, and an entitlement to receive any dividend declared on ordinary shares.

\* Does not include partly paid shares.

### C Share application money pending for Allotment

The Share application amount of Rs.5,43,75,000 represents the total amount of Rs.25/- per warrant received on 14,00,000 warrants from Mr. Sudhakaran Reddy (Rs.350 lakhs) and Rs.6.25 being 25% of the money received on 31,00,000 warrants from M/s Knowledge Roots Education Pvt Ltd.(Rs.193.75 lakhs).

These warrants are convertible into Equity shares. In the current year the 14 lakh Warrants of Mr. Sudhakaran Reddy were converted into Equity Shares. The balance of Rs. 193.75 Lakhs is the remaining balance pending for allotment.

### Note: 13 Other Equity

| Particulars   | As at March 31, 2024 | As at March 31, 2023 |
|---|----------------------|----------------------|
| <b>Capital reserve</b><br><i>Any profit or loss on purchase, sale, issue or cancellation of the company's own equity instruments is transferred to capital reserve.</i>                               | 290.00               | 290.00               |
| <b>Securities premium</b><br><i>This reserve represents the premium on issue of shares and can be utilized in accordance with the provisions of the Companies Act, 2013.</i>                          | 854.89               | 300.00               |
| <b>Retained earnings</b><br><i>Retained earnings represents the cumulative undistributed profits of the Company and can be utilized in accordance with the provisions of the Companies Act, 2013.</i> | (783.31)             | (1,175.47)           |
| <b>Total Other Equity</b>   | <b>361.58</b>        | <b>(585.47)</b>      |

### NON-CURRENT LIABILITIES

#### Note: 14 Non-Current - Borrowings

| Particulars                                   | As at March 31, 2024 | As at March 31, 2023 |
|---|----------------------|----------------------|
| <b>(i)Term Loans</b>                          |                      |                      |
| (a) From others                               |                      |                      |
| -Secured*                                     | 92.28                | 112.11               |
| Less: Current Maturities from long term debts | (24.59)              | (18.40)              |
| <b>Total</b>                                  | <b>67.68</b>         | <b>93.71</b>         |

\* Represents Vehicles loan, Hypothecation of Vehicles Loan from HDFC Bank Limited is payable on 46 balance installments at the rate of interest @7.1% p.a. AND Guarantee Emergency Credit Line (GECL) provided by HDFC Bank at the rate of interest @ 9.25% p.a balance 16 Instalment payable

\* Vehicle loan aggregating to Rs.58.00 Lakhs (previous year Nil) carries interest @ 8.75% per annum. The above loan has final maturity date as on 10 March 2028. The loan is secured by exclusive charge on the vehicle purchased by the Company.

## Note -15 Leases

### Company as a lessee

Set out below are the carrying amounts of right-of-use assets recognized and the movements during the year:

| Particulars                       | Total Right of Use Asset |
|-----------------------------------|--------------------------|
| <b>As at 01 April 2022</b>        | -                        |
| Additions                         | 42.77                    |
| Deletions                         | -                        |
| Depreciation expense for the year | (25.73)                  |
| <b>As at 31 March 2023</b>        | <b>17.04</b>             |
| Additions                         | 49.61                    |
| Deletions                         | -                        |
| Depreciation expense for the year | (26.33)                  |
| <b>As at 31 March 2024</b>        | <b>40.33</b>             |

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Statement of Profit and Loss.

Set out below are the carrying amounts of lease liabilities and the movements during the year:

Lease liabilities included in the Ind AS Financial Statements:

| Particulars                                | As at         |               |
|--|---------------|---------------|
|  | 31 March 2024 | 31 March 2023 |
| <b>Opening Balance</b>                     | 18.63         | -             |
| Additions                                  | 49.61         | 42.77         |
| Deletions                                  | -             | -             |
| Accretion of interest                      | 4.38          | 3.16          |
| Payment of lease liabilities               | (28.82)       | (27.30)       |
| <b>Closing Balance</b>                     | <b>43.81</b>  | <b>18.63</b>  |
| <b>Classification of lease liabilities</b> |               |               |
| Current                                    | -             | 13.62         |
| Non-current                                | 43.81         | 5.01          |

The following are the amounts recognized in the Statement of Profit and Loss:

|   | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|---|-------------------------------------|-------------------------------------|
| Depreciation expense on right-of-use assets                     | 26.33                               | 25.73                               |
| Interest expense on lease liabilities                           | 4.38                                | 3.16                                |
| <b>Total amount recognized in Statement of Profit and Loss:</b> | <b>30.71</b>                        | <b>28.89</b>                        |

The Company had total cash outflows for leases of Rs.28.82 in 31 March 2024 (31 March 2023: Rs. 27.30).

The table below provides details regarding the undiscounted contractual maturities of lease liabilities:

|                            | As at         |               |
|----------------------------|---------------|---------------|
|                            | 31 March 2024 | 31 March 2023 |
| Within less than one year  | 25.56         | 14.69         |
| Between one and five years | 22.62         | 5.15          |
| After more than five years | -             | -             |
| <b>Total</b>               | <b>19.84</b>  | <b>-</b>      |



## Note: 16 Non Current - Trade Payables

| Particulars           | As at March 31, 2024 | As at March 31, 2023 |
|-----------------------|----------------------|----------------------|
| Other than MSMEs      |                      |                      |
| -Trade Payables       | -                    | 18.33                |
| -Other Trade Payables | -                    | -                    |
| <b>Total</b>          | <b>-</b>             | <b>18.33</b>         |

\*Trade payables ageing schedule for the years ended as on March 31, 2024 & 2023 (Refer Note No. 38)

## Note: 17 Non Current - Provisions

| Particulars      | As at March 31, 2024 | As at March 31, 2023 |
|------------------|----------------------|----------------------|
| Gratuity Payable | 5.02                 | 7.86                 |
| Others Provision |                      |                      |
| <b>Total</b>     | <b>5.02</b>          | <b>7.86</b>          |

\* Gratuity Calculation for the years ended as on March 31, 2024 & 2023 (Refer Note No. 33)

\*\* Includes an Assets of LIC Gratuity Fund Amounting to Rs. 1.41 Lakhs Leading to decrease in the balance of Gratuity Payable

## Note: 18 Other Non - Current Liabilities

| Particulars                   | As at March 31, 2024 | As at March 31, 2023 |
|-------------------------------|----------------------|----------------------|
| Cost of Acquisition _ Payable | 434.33               | 537.97               |
| <b>Total</b>                  | <b>434.33</b>        | <b>537.97</b>        |

## CURRENT LIABILITIES

### Note: 19 Borrowings Current

| Particulars                             | As at March 31, 2024 | As at March 31, 2023 |
|---|----------------------|----------------------|
| <b>(i) Cash Credits</b>                 |                      |                      |
| (a) From Banks                          |                      |                      |
| -Secured                                | 208.92               | 138.42               |
| -Unsecured                              |                      |                      |
| Current Maturities from long term debts | 24.59                | 18.40                |
| <b>(ii) Loans Unsecured</b>             |                      |                      |
| (a)From Others- Related parties**       | -                    | 76.47                |
| <b>Total</b>                            | <b>233.52</b>        | <b>233.28</b>        |

\*Cash Credit the cash credit is secured by way of hypothecation of all chargeable current assets of the company including receivables both present and future and first charge on moveable fixed assets of the company both present and future as collateral security, Interest charged at 12.5% p.a

\*\*'- Loan from related party includes loan taken from director which is repayable on demand.

### Note: 20 Current - Trade Payable

| Particulars                         | As at March 31, 2024 | As at March 31, 2023 |
|-------------------------------------|----------------------|----------------------|
| <b>CURRENT</b>                      |                      |                      |
| Other than MSMEs                    |                      |                      |
| -Trade Payables                     | 72.80                | 173.77               |
| -Other Trade Payables (Consultants) |                      |                      |
| <b>Total</b>                        | <b>72.80</b>         | <b>173.77</b>        |

Trade payables ageing schedule for the years ended as on March 31, 2024 (Refer Note No. 38)

## Note: 21 Current - Provisions

| Particulars                     | As at March 31, 2024 | As at March 31, 2023 |
|---------------------------------|----------------------|----------------------|
| Provision for Employees benefit | 113.86               | 28.36                |
| Other Provisions                | 8.10                 | 11.66                |
| Gratuity Payables               | 1.46                 | -                    |
| <b>Total</b>                    | <b>123.41</b>        | <b>40.02</b>         |

## Note: 22 Current Tax Liabilities (Net)

| Particulars                             | As at March 31, 2024 | As at March 31, 2023 |
|---|----------------------|----------------------|
| Opening Balance                         | -                    | 15.63                |
| Current Tax payable                     | 9.28                 | 18.96                |
| Adjustments                             | -                    | -                    |
| <b>Closing balance as at 31st March</b> | <b>9.28</b>          | <b>34.59</b>         |

## Note: 23 Other Liabilities Current

| Particulars             | As at March 31, 2024 | As at March 31, 2023 |
|-------------------------|----------------------|----------------------|
| -Statutory dues Payable | 188.81               | 257.30               |
| -Other payables         | 12.79                | 5.80                 |
| <b>Total</b>            | <b>201.60</b>        | <b>263.10</b>        |

## Note: 24 Revenue From Operations

| Particulars                    | For the Year Ended<br>March 31, 2024 | For the Year Ended<br>March 31, 2023 |
|--------------------------------|--------------------------------------|--------------------------------------|
| Revenue from sale of Services* | 2,485.60                             | 2,244.73                             |
| <b>Total</b>                   | <b>2,485.60</b>                      | <b>2,244.73</b>                      |

\*Note: Revenue includes both domestic and overseas net of taxes if any.

## Note : 25 Other Income

| Particulars                  | For the Year Ended<br>March 31, 2024 | For the Year Ended<br>March 31, 2023 |
|------------------------------|--------------------------------------|--------------------------------------|
| Interest Income              | 4.88                                 | 1.96                                 |
| Other Income                 | 57.35                                | 17.28                                |
| Foreign Currency Gain & Loss | 35.88                                | -                                    |
| Prior Period Exp/Income      | -                                    | 7.96                                 |
| <b>Total</b>                 | <b>98.10</b>                         | <b>27.20</b>                         |

## Note: 26 Employees' Benefit Expenses

| Particulars                                 | For the Year Ended<br>March 31, 2024 | For the Year Ended<br>March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| Salaries and wages                          | 1,538.64                             | 1,252.88                             |
| Directors Remuneration                      | 42.00                                | 24.00                                |
| Staff welfare Expenses                      | 1.12                                 | 0.89                                 |
| Employee Benefits & Provident Fund Expenses | 60.78                                | 1.76                                 |
| Sub Contract Cost Expenses                  | 4.05                                 | -                                    |
| <b>Total</b>                                | <b>1,646.59</b>                      | <b>1,279.54</b>                      |

## Note: 27 Finance Cost

| Particulars                                    | For the Year Ended<br>March 31, 2024 | For the Year Ended<br>March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| Interest on cash credit and Term loan Expenses | 21.34                                | 22.10                                |
| Bank Charges                                   | 2.82                                 | 7.47                                 |
| <b>Total</b>                                   | <b>24.16</b>                         | <b>29.57</b>                         |

## Note: 28 Depreciation And Amortization Expenses

| Particulars                                     | For the Year Ended<br>March 31, 2024 | For the Year Ended<br>March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| <b>Depreciation / Amortization for the year</b> |                                      |                                      |
| Depreciation on PPE                             | 133.28                               | 125.26                               |
| Right of Use of Assets                          | 26.33                                | 25.73                                |
| <b>Total</b>                                    | <b>159.61</b>                        | <b>150.99</b>                        |

## Note: 29 Other Expenses

| Particulars                                     | For the Year Ended<br>March 31, 2024 | For the Year Ended<br>March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| Advertisement Expenditure                       | 1.19                                 | 1.03                                 |
| Annual Listing Fee, Custody Fee & Demat Charges | 7.50                                 | 13.60                                |
| Audit Fee                                       | 2.50                                 | 2.50                                 |
| Books and Periodicals                           | 0.08                                 | 0.06                                 |
| Electricity charges                             | 3.69                                 | 3.46                                 |
| E voting charges                                | 0.11                                 | 0.21                                 |
| Fines & Penalties                               | 2.53                                 | -                                    |
| Fuel and Diesel                                 | 0.57                                 | 1.70                                 |
| Insurance Expenses                              | 9.99                                 | 5.16                                 |
| Late payments                                   | 1.74                                 | 0.36                                 |
| Interest on Late payments                       | 7.79                                 | 9.64                                 |
| Internet Expenses / Telephone Expenses          | 5.47                                 | 6.38                                 |
| Legal, License & Renewal fee                    | 18.45                                | 10.32                                |
| Miscellaneous Expenses                          | 3.06                                 | 0.51                                 |
| Office Maintenance                              | 0.72                                 | 5.80                                 |
| Office Rent                                     | 2.01                                 | -                                    |
| Placement and Training Charges                  | 58.00                                | 1.67                                 |
| Postage & Courier Expense                       | 0.16                                 | 0.31                                 |
| Printing and Stationery                         | 0.63                                 | 0.65                                 |
| Professional Consultancy Fee                    | 133.78                               | 242.39                               |
| Rates and Taxes                                 | 0.26                                 | 23.53                                |
| Repairs and Maintenance                         | 0.88                                 | 1.74                                 |
| ROC Compliance and Filing Fee                   | 0.67                                 | 0.92                                 |
| Foreign Exchange Fluctuations                   | 5.14                                 | 1.56                                 |
| Travelling and Conveyance Expenses              | 43.14                                | 27.91                                |
| Vehicle Maintenance                             | 0.08                                 | -                                    |
| Visa Expenses                                   | (0.11)                               | -                                    |
| Other Admin Expenses                            | 61.96                                | 61.89                                |
| <b>Total</b>                                    | <b>372.00</b>                        | <b>423.32</b>                        |

**Note: 30**

**Auditors Remuneration:**

| Particulars                             | For the Year 2023-2024<br>Rs. In Lakhs | For the Year 2022-2023<br>Rs. In Lakhs |
|---|--|--|
| a) Statutory Auditor                    |  |  |
| Audit Fee                               | 2.00                                   | 2.00                                   |
| Certification & Fees for other Services | 0.50                                   | 0.50                                   |
| <b>Total</b>                            | <b>2.50</b>                            | <b>2.50</b>                            |

**Note: 31**

**Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006.**

Under the Micro, Small and Medium Enterprises Development act, 2006(MSMED) which came into force from Oct 2, 2006, certain disclosures are required to be made relating to MSMED. On the basis of information and records available with the Group, the following disclosures are made for the amounts due to the micro and small enterprises.

| S. No. | Particulars  | As at March 31, 2024 | As at March 31, 2023 |
|--------|--|----------------------|----------------------|
| 1      | Principal amount due to any supplier as at the year end.   | -                    | -                    |
| 2      | Interest due on the principal amount unpaid at the year end to any supplier.   | -                    | -                    |
| 3      | Amount of interest paid by the Group in terms of Sec-16 of the MSMED, along with the amount of the payment made to the suppliers beyond the appointed day during the accounting year.  | -                    | -                    |
| 4      | Payment made to the enterprises beyond appointed date under section 16 of MSMED  | -                    | -                    |
| 5      | Amount of interest due and payable for the period of delay in making payment, which has been paid but beyond the appointed day during the year, but without adding the interest specified under MSMED.   | -                    | -                    |
| 6      | Amount of interest accrued and remaining unpaid at the end of each accounting year and   | -                    | -                    |
| 7      | Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above or actually paid to the small enterprises, for the purpose of disallowance as deductible expenditure U/S 23 of MSMED. | -                    | -                    |

**Note: 32**

**Related Party disclosures under IND AS – 24.**

**The List of Related Parties as identified by the management is as under:**

|  |
|--|
| <b>1) Subsidiaries of the Company having significant Influence</b>           |
| a) Verso Altima India Pvt Ltd. (holds 100% voting power as at 31 March 2024) |
| b) Adroit Infotech US Inc (holds 100% voting power as at 31 March 2024)      |
| c) Adroit Infotech LLC FZ (holds 100% voting power as at 31 March 2024)      |
| <b>2) Branch of the Company having significant Influence</b>                 |
| Adroit Infotech Limited USA (holds 100% voting power as at 31 March 2024)    |
| <b>3) Companies in which directors are interested</b>                        |
| a) Soft Point Technologies Private Limited                                   |
| <b>4) Key Management Personnel (KMP) of the Company</b>                      |
| a) Sudhakaran Reddy Sunkerneni Managing Director                             |
| b) Arvind Diwedi – Director – Verso Altima India Pvt Ltd.                    |
| c) B Ravichandra Rao - Chief Financial Officer                               |
| d) Piyush Prajapati – Company Secretary & Compliance Officer                 |
| <b>5) Relative of KMP, having transactions with the Company -NIL</b>         |
| a) Kanthi Reddy  |

Following transactions were carried out with related parties in the ordinary course of business during the year\_2023-24

(INR in Lakhs)

| S. No | Description                   | Subsidiaries | Parties having Significant Influence | KMP    | Total          |
|-------|-------------------------------|--------------|--------------------------------------|--------|----------------|
| 1     | Managerial Remuneration       | -            | -                                    | 320.67 | <b>320.67</b>  |
| 2     | Other Expenses (Rent Paid)    | -            | -                                    | 9.96   | <b>9.96</b>    |
| 3     | Service Sales                 | 1898.52      | -                                    | -      | <b>1898.52</b> |
| 4     | Loans (Repaid to parties)     | -            | 863.82                               | -      | <b>863.82</b>  |
| 5     | Loans (Received from parties) | -            | 847.96                               | -      | <b>847.96</b>  |

Following are the transactions carried out with related parties during the previous year 2022-2023

(INR. in Lakhs)

| S. No | Description                   | Subsidiaries | Parties having Significant Influence | KMP    | Total         |
|-------|-------------------------------|--------------|--------------------------------------|--------|---------------|
| 1     | Managerial Remuneration       | -            | -                                    | 224.16 | <b>224.16</b> |
| 2     | Other Expenses (Rent Paid)    | -            | -                                    | 9.00   | <b>9.00</b>   |
| 3     | Service Sales                 | 105.30       | -                                    | -      | <b>105.30</b> |
| 4     | Loans (Repaid to parties)     | -            | 769.99                               | -      | <b>769.99</b> |
| 5     | Loans (Received from parties) | -            | 408.47                               | -      | <b>408.47</b> |

#### Balances Outstanding with related parties are as follows:

Further there is an amount payable to subsidiary (6<sup>th</sup> Sense vision India Pvt Ltd) amounting to Rs 99.64 Lakhs (31<sup>st</sup> March 2023 Rs.39.04 Lakhs) and payable for managerial remuneration amount to Rs. 10.60 Lakhs.

Based on the recommendation of the Nomination, Remuneration and Compensation Committee, all decisions relating to the remuneration of the Directories of the Group, in accordance with shareholder's approval, wherever necessary

#### Terms and Conditions of transactions with Related Parties:

The sale to related parties is made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free.

For the year ended March 31, 2024, the Group has not recorded any impairment of receivables relating to amounts owed by related parties.

This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

#### Note: 33

##### Defined Benefit Plan

The Group provides its employees with benefits under a defined benefit plan, referred to as the "Gratuity Plan". The Gratuity Plan entitles an employee, who has rendered at least five years of continuous service, to receive 15 days salary for each year of completed service (service of six months and above is rounded off as one year) at the time of retirement / exit.

The following tables summarize the components of net benefit expense recognized in the statement of profit or loss and the amounts recognized in the balance sheet for the plan:

|   | As at 31 March 2024 | As at 31 March 2023 |
|---|---------------------|---------------------|
| Benefits obligation, beginning of the year      | 7.96                | 6.72                |
| Changes/ Difference due to business combination | -0.07               | 1.24                |
| Benefits obligation, end of the year            | 7.89                | 7.96                |

Reconciliation of opening and closing balances of the present value of the defined benefit obligations: Adroit Infotech Ltd.

(INR in Lakhs)

| S. No.   | Parties   | Gratuity (Funded Plan) as on |             |
|----------|---|------------------------------|-------------|
|          |   | 31-Mar-24                    | 31-Mar-2023 |
| <b>1</b> | <b>Changes in Present Value of Obligation</b>   |                              |             |
| 1.1      | Present Value of Obligation at start:   | 7.96                         | 6.72        |
| 1.2      | Acquisition adjustment  | -                            | -           |
| 1.3      | Interest Cost   | 0.59                         | 0.48        |
| 1.4      | Past Service Cost   | -                            | -           |
| 1.5      | Current Service Cost  | 0.97                         | 0.84        |
| 1.6      | Curtailment Cost / (Credit)   | -                            | -           |
| 1.7      | Settlement Cost / (Credit)  | -                            | -           |
| 1.8      | Benefits paid   | -                            | -           |
| 1.9      | Actuarial (gain)/ loss on obligations   | (1.62)                       | (0.08)      |
|          | Present Value of Obligation at end  | 7.89                         | 7.86        |
| <b>2</b> | <b>Bifurcation of Accrued Liability</b>   |                              |             |
| 2.1      | Current Liability (Short term)  | 0.47                         | 0.37        |
| 2.2      | Non-Current Liability (Long term)   | 7.42                         | 7.58        |
| 2.3      | Total Accrued Total Liability   | 7.89                         | 7.96        |
| <b>3</b> | <b>Changes in the Fair Value of Plan Assets</b>   |                              |             |
| 3.1      | Fair Value of Plan Assets at the start:   | -                            | -           |
| 3.2      | Acquisition Adjustments   | -                            | -           |
| 3.3      | Expected Return on Plan Assets  | -                            | -           |
| 3.4      | Contributions   | -                            | -           |
| 3.5      | Benefits paid   | -                            | -           |
| 3.6      | Actuarial Gain /(loss)  | -                            | -           |
| 3.7      | Fair Value of Plan Assets at the end  | -                            | -           |
| <b>4</b> | <b>Change in the effect of Asset Ceiling</b>  |                              |             |
| 4.1      | Effect of Asset Ceiling at the beginning  |                              |             |
| 4.2      | Interest Expense or Cost (to the extent not recognized in net interest expense)                     |                              |             |
| 4.3      | Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling      |                              |             |
| 4.4      | Effect of Asset Ceiling at the end  |                              |             |
| <b>5</b> | <b>Expenses to be Recognized in P&amp;L A/c</b>   |                              |             |
| 5.1      | Current Service Cost  | 0.97                         | 0.84        |
| 5.2      | Past Service Cost   | -                            | -           |
| 5.3      | Interest Cost   | 0.59                         | 0.48        |
| 5.4      | Expected Return on Plan Assets  | -                            | -           |
| 5.5      | Expenses to be recognized in P&L A/c  | 1.56                         | 1.32        |
| <b>6</b> | <b>Other Comprehensive Income</b>   |                              |             |
| 6.1      | Actuarial (gain)/ loss on obligations - change in financial assumptions                             | -                            | -           |
| 6.2      | Actuarial (gain)/ loss on obligations - change in demographic assumptions                           | -                            | -           |
| 6.3      | Actuarial (gain)/ loss on obligations - experience variance (i.e. Actual experience vs assumptions) | (1.62)                       | (0.08)      |
| 6.4      | Total Actuarial (gain)/ loss on obligations   | (1.62)                       | (0.08)      |
| 6.5      | Actuarial Gain /( loss) on Plan Assets  | -                            | -           |
| 6.6      | Total OCI   | (1.62)                       | (0.08)      |

|     |   |       |       |
|-----|---|-------|-------|
| 7.1 | Return on plan assets, excluding amount recognized in net interest expense  | -     | -     |
| 7.2 | Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling  | -     | -     |
| 7.3 | Components of defined benefit costs recognized in other comprehensive income  | -     | -     |
| 8   | <b>Major categories of Plan Assets (as % of Total Plan Assets)</b>  |       |       |
| 8.1 | Government of India securities  | -     | -     |
| 8.2 | State Government securities   | -     | -     |
| 8.3 | High quality corporate bonds  | -     | -     |
| 8.4 | Equity shares of listed companies   | -     | -     |
| 8.5 | Property  | -     | -     |
| 8.6 | Special Deposit Scheme  | -     | -     |
| 8.7 | Funds managed by Insurer  | -     | -     |
| 8.8 | Bank balance  | -     | -     |
| 8.9 | Other Investments   | -     | -     |
|     | Total   | -     | -     |
| 9   |   |       |       |
|     | <b>Actuarial Assumptions</b>  |       |       |
| 9.1 | I have used actuarial assumptions selected by the Company. The Company has been advised that the assumptions need to be set up based on Para 144 of Ind AS19. |       |       |
|     | <b>principal financial assumptions</b>  |       |       |
| 9.2 | Discount rate (per annum)   | 7.09% | 7.36% |
| 9.3 | Salary Growth rate (per annum)  | 6.00% | 6.00% |
|     | Demographic Assumptions:  |       |       |

Reconciliation of opening and closing balances of the present value of the defined benefit obligations: Verso Altima India Pvt Ltd.  
(INR in Lakhs)

| S.No. | Parties                                      | Gratuity (Funded Plan) as on |           |
|-------|--|------------------------------|-----------|
|       |  | 31-Mar-24                    | 31-Mar-23 |
| 1     | Changes in Present Value of Obligations      |                              |           |
| 1.1   | Present Value of Obligation as at the start: | 12.31                        | -         |
| 1.2   | Acquisition adjustment                       | -                            | -         |
| 1.3   | Interest Cost                                | 0.91                         | -         |
| 1.4   | Past Service Cost                            | -                            | 5.12      |
| 1.5   | Current Service Cost                         | 8.24                         | 7.20      |
| 1.6   | Curtailment Cost / (Credit)                  | -                            | -         |
| 1.7   | Settlement Cost / (Credit)                   | -                            | -         |
| 1.8   | Benefits paid                                | -                            | -         |
| 1.9   | Actuarial (gain)/ loss on obligations        | (2.55)                       | -         |
|       | Present Value of Obligation as at the end    | 18.91                        | 12.31     |
| 2     | Changes in the Fair value of Plan Assets     | -                            | -         |
| 2.1   | Fair Value of Plan Assets at the start:      | -                            | -         |
| 2.2   | Acquisition Adjustments                      | -                            | -         |
| 2.3   | Expected Return on Plan Assets               | -                            | -         |
| 2.4   | Contributions                                | -                            | -         |
| 2.5   | Benefits paid                                | -                            | -         |
| 2.6   | Actuarial Gain /( loss)                      | -                            | -         |
| 2.7   | Fair Value of Plan Assets at the end         | -                            | -         |
| 3     | Fair Value of Plan Assets                    |                              |           |
| 3.1   | Fair value of plan asset at the start        | -                            | -         |
| 3.2   | Acquisition Adjustments                      | -                            | -         |
| 3.3   | Actual return on plan assets                 | -                            | -         |

|     |  |       |         |
|-----|--|-------|---------|
| 3.4 | Contributions                                      | -     | -       |
| 3.5 | Benefits Paid                                      | -     | -       |
| 3.6 | Present Value of Assets as at the end              | -     | -       |
| 3.7 | Funded Status                                      | -     | (12.31) |
| 4   | ACTUARIAL GAIN / LOSS RECOGNIZED                   |       |         |
| 4.1 | Actuarial gain/(loss) for the period - Obligation  | -     | -       |
| 4.2 | Actuarial gain/(loss) for the period - Plan Assets | -     | -       |
| 4.3 | Total (gain) / loss for the period                 | -     | -       |
| 4.4 | Actuarial (gain) / loss recognized                 | -     | -       |
| 4.5 | Unrecognized actuarial (gains) / loss end          | -     | -       |
| 5   | AMOUNTS TO BE RECOGNIZED IN B/SHEET                |       |         |
| 5.1 | Present Value of Obligation at the end             | -     | 12.31   |
| 5.2 | Fair Value of Plan Assets as at the end            | -     | -       |
| 5.3 | Funded Status                                      | -     | (12.31) |
| 5.4 | Unrecognized Actuarial (gains) / losses            | -     | -       |
| 5.5 | Net Asset / (Liability)                            | -     | (12.31) |
| 6   | EXPENSE RECOGNIZED IN P&L A/c                      |       |         |
| 6.1 | Current Service Cost                               | -     | 7.20    |
| 6.2 | Past Service Cost                                  | -     | 5.12    |
| 6.3 | Interest Cost                                      | -     | -       |
| 6.4 | Expected Return on Plan Assets                     | -     | -       |
| 6.5 | Curtailment Cost / (Credit)                        | -     | -       |
| 6.6 | Settlement Cost / (Credit)                         | -     | -       |
| 6.7 | Net actuarial (gain)/loss recognized               | -     | -       |
| 7   | Expenses Recognized in P&L A/c                     | 0     | 12.31   |
| 8   | Bifurcation of Accrued Liability                   |       |         |
| 8.1 | Current Liability                                  | 0.99  | 0.85    |
| 8.2 | Non-Current Liability                              | 17.91 | 11.46   |
| 8.3 | Total Accrued Liability                            | 18.91 | 12.31   |

**Note: 34**
**Earnings per Share (EPS)**
**(INR in Lakhs)**

| S.No. | Particulars  | Year Ended<br>31-03-2024 | Year Ended<br>31-03-2023 |
|-------|--|--------------------------|--------------------------|
| 1     | Profit attributable to the Equity Share Holders (Rs in Lakhs)- A | 299.56                   | 378.33                   |
| 2     | No. of Equity Shares   | 2,16,67,372              | 2,02,67,372              |
|       | No. of Equity Shares Partly Paid B                               | 3,25,01,058              |                          |
| 3     | Nominal Value of the Share (Rs.)                                 | 10                       | 10                       |
| 4     | Basic / Weighted average number of Equity Shares – B             | 2,12,33,990              | 1,90,18,057              |
| 5     | Earnings per Share (Rs.) – A/B*                                  | 1.43                     | 1.99                     |
| 6     | Diluted Earnings Per Share (Rs)- A/(B+E)                         | 1.43                     | 1.99                     |

**Note: 35**

As stipulated in Ind AS –36, the Company has assessed its potential of economic benefits of its business units and is of the view of that the assets employed in continuing business can generate adequate returns over their useful life in the usual course of its business. Refer Note no.3 of the financial statements relating to impairment of the PPE.

**Note: 36**
**Financial risk factors**

The Group's activities expose it to a variety of financial risks—market risk, credit risk and liquidity risk. The Group's primary 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 Group is foreign exchange risk. The Group has major exposure in US Dollars which is not hedge. The Group's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. The gross carrying amount of a financial asset is written off (either partially or in full) when there is no realistic prospect of recovery.



## i) Market risk

The Group operates internationally and a major portion of the business is transacted in several currencies and consequently the Group is exposed to foreign exchange risk through its sales and services in the United States and elsewhere. The exchange rate between the Indian Rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the results of the Group's operations are adversely affected as the Rupee appreciates / depreciates against these currencies.

The analysis of the foreign currency risk from financial assets and liabilities as at March 31, 2024 is as follows: (INR in Lakhs)

| Particulars           | Amount          |
|-----------------------|-----------------|
| Financial Assets      | 1084.94         |
| Financial Liabilities | 0               |
| <b>Total</b>          | <b>1,084.94</b> |

The analysis of the foreign currency risk from financial assets and liabilities as at March 31, 2023 is as follows: (INR in Lakhs)

| Particulars           | Amount        |
|-----------------------|---------------|
| Financial Assets      | 133.56        |
| Financial Liabilities | 0             |
| <b>Total</b>          | <b>133.56</b> |

Sensitivity analysis between Indian Rupee and US Dollar

| Particulars   | Year ended March 31, |       |
|---|----------------------|-------|
|   | 2024                 | 2023  |
| Impact on the Group's incremental operating margins | 0.04 to 0.10%        | 0.44% |

Sensitivity analysis is computed based on the changes in the income and expenses in foreign currency upon conversion into functional currency. This is due to exchange rate fluctuations between the previous reporting period and the current reporting period

## ii.) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Group does not enter any interest rate swaps.

## iii.) Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to ₹1,410.91 Lacs and ₹889.37 Lacs as at March 31, 2024 and March 31, 2023, respectively. Trade receivables are typically unsecured and are derived from revenue from customers majorly located in the US and India. Credit risk has always been managed by the Group through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of the customers to which the Group grants credit terms in the normal course of business. The Group uses simplified approach for determining to assess any required allowances. The Group's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. Management on regular basis keep track of receivables and provide board with reason for increase in trade receivables.

## iv.) Credit risk exposure

The Group's credit period generally ranges from 30-90 days. The allowance for lifetime expected credit loss on customer balances recognized for the years ended March 31, 2024 and March 31, 2023 is Nil.

Credit risk on cash and cash equivalents is limited as the Group generally invests in deposits with banks and financial institutions with high ratings, assigned by international and domestic credit rating agencies. Ratings are monitored periodically and the Group has considered the latest available credit ratings as at the date of approval of these financial statements.

**v.) Liquidity risk**

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time.

The Group’s principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Group has no major outstanding borrowings. The Group believes that the working capital is sufficient to meet its current requirements. Further, on need basis Group raises from its shareholder for expanding business and acquisition purposes.

As at March 31, 2024, the Group had a working capital of ₹975.37 Lacs including cash and cash equivalents of ₹166.30 Lacs. Further, the Group has very limited loans in its portfolio which shows that the Group has ability to meet its liability from the funds generated from the Cash Flow activities of Business.

**Note: 37**

**Trade Receivables-**

The Company’s exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country, in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits, and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business

The Company’s credit period for customers generally ranges from 60-90 days. The aging of trade receivables that are past due but not impaired is given below:

| Ageing for Trade Receivables – outstanding as at March 31, 2024 is as follows   |   |                 |           |           |                   |         |
|---|---|-----------------|-----------|-----------|-------------------|---------|
| Trade Receivables Ageing  |   |                 |           |           |                   |         |
| Particulars   | Outstanding for following periods from the due date of payments |                 |           |           |                   | Total   |
|   | Less than 6 months  | 6 months-1 year | 1-2 years | 2-3 years | more than 3 years |         |
| 1. undisputed trade receivables considered good                                 | 866.54  | 544.37          | -         | -         | -                 | 1410.91 |
| 2. undisputed trade receivables- which have significant increase in credit risk | -   | -               | -         | -         | -                 | -       |
| 3. undisputed trade receivables- Credit impaired                                | -   | -               | -         | -         | -                 | -       |
| 4. Disputed trade receivables - considered good                                 | -   | -               | -         | -         | -                 | -       |
| 5. Disputed trade receivables- which have significant increase in credit risk   | -   | -               | -         | -         | -                 | -       |
| 6. Disputed trade receivables- Credit impaired                                  | -   | -               | -         | -         | -                 | -       |
| Ageing for Trade Receivables – outstanding as at March 31, 2023 is as follows   |   |                 |           |           |                   |         |
| Particulars   | Outstanding for following periods from the due date of payments |                 |           |           |                   | Total   |
|   | Less than 6 months  | 6 months-1 year | 1-2 years | 2-3 years | more than 3 years |         |
| 1. undisputed trade receivables considered good                                 | 663.95  | 225.41          | -         | -         | -                 | 889.37  |
| 2. undisputed trade receivables- which have significant increase in credit risk | -   | -               | -         | -         | -                 | -       |
| 3. undisputed trade receivables- Credit impaired                                | -   | -               | -         | -         | -                 | -       |
| 4. Disputed trade receivables - considered good                                 | -   | -               | -         | -         | -                 | -       |
| 5. Disputed trade receivables- which have significant increase in credit risk   | -   | -               | -         | -         | -                 | -       |
| 6. Disputed trade receivables- Credit impaired                                  | -   | -               | -         | -         | -                 | -       |

**Note: 38****Trade Payables**

Ageing for trade payable outstanding as at March 31, 2024 is as follows:

Outstanding for following periods from due date of payments.

| Trade payables ageing as at March 31, 2024 |   |              |           |           |                   |              |
|--|---|--------------|-----------|-----------|-------------------|--------------|
| Particulars                                | Outstanding for following periods from the due date of payments |              |           |           |                   | Total        |
|  | Less than 6 months  | 6 mnts-1year | 1-2 years | 2-3 years | more than 3 years |              |
| 1. MSME                                    | -   | --           | -         | -         | -                 | -            |
| 2. Others                                  | 54.07   | 14.27        | 3.49      | 0.97      | -                 | <b>72.80</b> |
| 3. Disputed dues – MSME                    | -   | -            | -         | -         | -                 | -            |
| 4. Disputed dues- Others                   | -   | -            | -         | -         | -                 | -            |

There is no interest due or outstanding on the dues to Micro, Small and Medium Enterprises (MSME). During the years ended March 31, 2024. This information has been determined to the extent such parties have been identified based on information available with the Company.

Ageing for trade payable outstanding as at March 31, 2023 is as follows:

Outstanding for following periods from due date of payments.

| Trade payables ageing as at March 31, 2023 |   |              |           |           |                   |               |
|--|---|--------------|-----------|-----------|-------------------|---------------|
| Particulars                                | Outstanding for following periods from the due date of payments |              |           |           |                   | Total         |
|  | Less than 6 months  | 6 mnts-1year | 1-2 years | 2-3 years | more than 3 years |               |
| 1. MSME                                    | -   | --           | -         | -         | -                 | -             |
| 2. Others                                  | 866.  | 3.90         | 2.44      | 18.33     | -                 | <b>192.11</b> |
| 3. Disputed dues – MSME                    | -   | -            | -         | -         | -                 | -             |
| 4. Disputed dues- Others                   | -   | -            | -         | -         | -                 | -             |

There is no interest due or outstanding on the dues to Micro, Small and Medium Enterprises (MSME). During the years ended March 31, 2023. This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

**Note: 39****Capital management**

The Group's policy is to maintain a stable capital base to maintain investor, creditor, and market confidence and to sustain future development of the business. Management monitors capital based on return on capital employed as well as the debt to total equity ratio.

For the purpose of debt to total equity ratio, debt considered is long-term and short-term borrowings. Total equity comprises of issued share capital and all other equity reserves excluding Debenture Redemption Reserve.

**Note 40****Principles of consolidation:**

These Consolidated Financial Statements (CFS) are prepared on the following basis in accordance with Ind AS on "Consolidated Financial Statements" (Ind AS – 110), "Investments in Associates and Joint Ventures" (Ind AS – 28) and "Disclosure of interest in other entities" (Ind AS – 112), specified under Section 133 of the Companies Act, 2013.

**(i) Subsidiaries:**

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

**(ii) Non-controlling interest (NCI):**

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

**(iii) Loss of control:**

When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognized in profit or loss.

**(iv) Equity accounted investees:**

The Group's interests in equity accounted investees comprise interest in associates. An associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

Interest in associates is accounted for using equity method. They are initially recognized at cost which includes transaction costs. Subsequent to initial recognition, consolidated financial statements include the Group's share of profit or loss and OCI of equity accounted investees until the date on which significant influence or joint control ceases.

**(v). Transactions eliminated on consolidation:**

The financial statements of the Holding Company, its Subsidiaries and Associates used in the consolidation procedure are drawn up to the same reporting date i.e., March 31, 2024.

The financial statements of the Holding Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses. Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

The Consolidated Financial Statements are comprised of the financial statements of the members of the Group as under:

| Name of the Company                   | % of Shareholding and voting power |                                   |
|---------------------------------------|------------------------------------|-----------------------------------|
|                                       | As at 31 <sup>st</sup> March 2024  | As at 31 <sup>st</sup> March 2023 |
| Subsidiaries:                         |                                    |                                   |
| 1. Verso Altima India Private Limited | 100%                               | 100%                              |
| 2 Adroit Infotech US Inc.             | 100%                               | 100%                              |
| 3. Adroit Infotech LLC FZ             | 100%                               | 100%                              |
| 4. Adroit Infotech DMCC               | 0                                  | 100%                              |

The operations of Adroit Infotech DMCC were closed during the year 2023-24.

**Note 41**

**Corporate Social Responsibility:**

The Group is not required to spend towards Corporate Social Responsibility (CSR) as per Section 135 of the Companies Act, 2013, since the Group is within the threshold limit given as per the provisions of the Act.

**Note 42**

**Details of foreign exchange Inflow or Out flow during the year:**

**Earnings in Foreign currency:**

| Particulars        | For the year ended<br>31st March 2024 | For the year ended<br>31st March 2023 |
|--------------------|---------------------------------------|---------------------------------------|
| Sales and Services | 1189.87                               | 1575.86                               |
| <b>Total</b>       | <b>1189.87</b>                        | <b>1575.86</b>                        |

### Note 43

The Company is in the process of obtaining confirmations for the Balances of Trade Payables, Trade receivables, Advances from the Customers and other balances.

### Note: 44

| Particulars         | 31-Mar-24 | 31-Mar-23 |
|---------------------|-----------|-----------|
| Applicable tax rate | 27.82     | 27.82     |

### Note: 45

#### Contingent Liabilities (IndAS-37)

Contingent liabilities/claims not provided for:

The Company has not received any notice nor there is any pending cases against the company, hence no contingent liabilities during the financial year 2023-2024

The Adroit Infotech Ltd Has Received the Good and Service Tax (GST) audit intimation notice for the financial year 2018-2019, and the management the believes that they shall be no material cash out flow except for the provision which is created in the books

### NOTE: 46

#### Financial Ratios

| No | Particulars   | Year Ended 31-03-2024 | Year Ended 31-03-2023 | Variance |
|----|---|-----------------------|-----------------------|----------|
| a  | Current Ratio<br>(Current Assets / Current Liabilities)   | 2.53                  | 1.65                  | 54%      |
| b  | Debt-Equity Ratio,<br>(Non- Current Borrowings+ Current Borrowings)/Total Equity  | 0.09                  | 0.23                  | -60%     |
| c  | Return on Equity Ratio<br>ROE = (Net Earnings / Shareholders' Equity) x 100   | 8.97                  | 26.25                 | -66%     |
| d  | Trade Receivables turnover ratio<br>(Sales (net of discounts) / Average Trade Receivables)  | 2.16                  | 2.52                  | -14%     |
| e  | Net capital turnover ratio<br>(Net annual sales / Working capital) the working capital is calculated by subtracting a company's current liabilities from its current assets | 2.53                  | 4.57                  | -45%     |
| f  | Net profit ratio<br>Net profit after Tax / Net sales) x 100   | 12.05                 | 16.85                 | -28%     |
| g  | Return on Capital employed, (Earnings before interest and taxes (EBIT), by capital employed)<br>" Capital Employed = Total Assets - Current Liabilities                     | 9.77%                 | 15.70%                | -38%     |

#### Reason for Variance more than 25%:

- Increase in current ratio is majorly due to increase in current assets when compare to Previous Year.
- Decrease in Debt-Equity Ratio is majorly due to decrease in loans when compare to Previous Year.
- Decrease in Return on Equity Ratio is majorly due to increase in Equity Share capital in the Current Year when compare to Previous Year.
- Decrease in Net Capital turnover ratio is majorly due to increase in current assets when compare to Previous Year.
- Decrease in Net Profit Ratio is majorly due to decrease in profit when compare to Previous Year.
- Decrease in Return on Capital Employed due to Increase in Equity Share capital when compare to Previous Year.

### Note 47 Title deeds of immovable properties

The title deeds of all the immovable properties, as disclosed in the financial statements, are held in the name of the company.

### Note 48 Valuation of Property Plant & Equipment, intangible asset

The Company has not revalued its property, plant and equipment or intangible assets or both during the current or previous year.

**Note 49 Loans or advances to specified persons**

The company has advanced a Loan to wholly own subsidiary amounting to Rs. 85.91 Lakhs. Further, the company has also granted loan to the promoter amounting to Rs. 829.13 Lakhs which was repaid during the year. No other loans or advances in the nature of loans are granted to promoters, directors, KMPS and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment.

**Note 50 Details of benami property held**

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder

**Note 51 Borrowing secured against current assets**

The Company has borrowings from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts.

**Note 52 Willful defaulter**

The Company has not been declared willful defaulter by any bank or financial institution or other lender.

**Note 53 Relationship with struck off companies**

The Company has no transactions with the companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.

**Note 54 Registration of charges or satisfaction with Registrar of Companies (ROC)**

There are no charges or satisfaction yet to be registered with Registrar of Companies (ROC) beyond the statutory period.

**Note 55 Compliance with number of layers of companies**

The Company has complied with the number of layers prescribed under the Section 2(87) of the Companies Act, 2013 read with Companies (Restriction on number of layers) Rules, 2017.

**Note 56 Compliance with approved scheme(s) of arrangements**

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

**Note 57 Utilization of borrowed funds and share premium**

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

**Note 58 Undisclosed income**

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded previously in the books of account.

**Note 59 Details of crypto currency or virtual currency**

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

**Note 60 Utilization of borrowings availed from banks and financial institutions**

The borrowings obtained by the company from banks and financial institutions have been applied for the purposes for which such loans were taken.

## Note 61

Additional information pursuant to Schedule III to the Companies Act, 2013 for the year ended 31-3-2024 and for the year ended 31-3-2023:

For the year ended 31 March 2024

| Name of the entity             | Net Assets, i.e., Total Assets minus Total Liabilities |                       | Share in Profit or (Loss)/ Total Comprehensive Income |                       | Share in other comprehensive Income             |                       |
|--------------------------------|--|-----------------------|---|-----------------------|---|-----------------------|
|                                | As % of consolidated net Assets                        | Amount (INR in Lakhs) | As % of consolidated net profit & Loss                | Amount (INR in Lakhs) | As % of consolidated Other Comprehensive Income | Amount (INR in Lakhs) |
| <b>Parent Company</b>          |  |                       |   |                       |   |                       |
| Adriot Infotech Limited        | 91.37%   | 3052.63               | 55.88%  | 169.74                | 38.76%  | (1.62)                |
| <b>Indian Subsidiaries</b>     |  |                       |   |                       |   |                       |
| Verso Altima Private Limited   | 9.61%  | 321.09                | 44.12%  | 134.00                | 61.24%  | (2.56)                |
| <b>Foreign Subsidiaries:</b>   |  |                       |   |                       |   |                       |
| Adroit Infotech US, INC        | 0.51%  | 17.12                 | 0%  | 0.00                  | 0%  | 0                     |
| <b>Total Subsidiaries</b>      |  | <b>338.21</b>         |   | <b>134.00</b>         |   | -                     |
| CFS adjustment and elimination | -1.50%   | -50.00                | 0%  | 0                     | 0%  | 0                     |
| <b>Total</b>                   |  | <b>3,340.84</b>       |   | <b>303.74</b>         |   | <b>(4.18)</b>         |

For the year ended 31 March 2023

| Name of the entity             | Net Assets, i.e., Total Assets minus Total Liabilities |                       | Share in Profit or (Loss)/ Total Comprehensive Income |                       | Share in other comprehensive Income             |                       |
|--------------------------------|--|-----------------------|---|-----------------------|---|-----------------------|
|                                | As % of consolidated net Assets                        | Amount (INR in Lakhs) | As % of consolidated net profit & Loss                | Amount (INR in Lakhs) | As % of consolidated Other Comprehensive Income | Amount (INR in Lakhs) |
| <b>Parent Company</b>          |  |                       |   |                       |   |                       |
| Adriot Infotech Limited        | 89.28%   | 1,286.80              | 34.88%  | 782.95                | 100%  | (0.08)                |
| <b>Indian Subsidiaries</b>     |  |                       |   |                       |   |                       |
| Verso Altima Private Limited   | 13.02%   | 187.67                | 74.57%  | 1,673.87              | 0%  | 0                     |
| <b>Foreign Subsidiaries:</b>   |  |                       |   |                       |   |                       |
| Adroit Infotech US, INC        | 1.16%  | 16.79                 | 5.51%   | 123.65                | 0%  | 0                     |
| <b>Total Subsidiaries</b>      |  | <b>204.46</b>         |   | <b>1,797.51</b>       |   | -                     |
| CFS adjustment and elimination | -3.47%   | -50.01                | -14.96%   | -335.73               | 0%  | 0                     |
| <b>Total</b>                   |  | <b>1,441.26</b>       |   | <b>2,244.73</b>       |   | <b>(0.08)</b>         |

## Note 62

### Business Combinations and intangible assets:

- A. There were no acquisitions of controlling interest during the year ended March 31, 2024. Summary of acquisitions during the year ended March 31, 2023 is as follows:

**Subsidiary / Business acquired during the year:** Verso Altima India Private Limited (“verso”)

**Date of Acquisition:** 1 April 2022

**Description of Acquiree:** Verso deals in innovative IT Services and Solutions Provider helping clients across the globe achieve consistent results in SAP related BRIM Delivery services.

**% of voting equity instruments acquired:** 100%

**Description of control over the acquiree:** Sole control over the decision making of significant matters of the acquiree.

As per terms of agreement remaining payment for 48% is payable over terms of the agreement ranging between 2 – 3 years. All the additions in the current year includes acquisition through business combination.

- B. **Quantitative details of shares acquired and purchase consideration**

**Number of Shares Acquired** - 500,000 No. of Shares

**Fair Value per share** – Rs. 25

**Purchase Consideration** -Rs. 125.00

- C. **The fair value measurements are based on significant inputs that are not observable in the market.**

The measurement of observable is done by independent valuer by comparing similar industries/companies being operated in India. The Company believes that the assumptions like assumed discount rate and long term sustainable growth rates are made based on observable inputs.

The goodwill comprises the value of expected synergies arising from this acquisition and a workforce list, which is not separately recognised. It does not meet the criteria for recognition as an intangible asset under Ind AS 38. None of the goodwill recognised is expected to be deductible for income tax purposes.

- D. **Details pertaining to identifiable intangible assets as on the date of acquisition** – There are no Identifiable intangible assets which is acquired from Verso and hence disclosure has not been made

- E. **Analysis of cash flows on acquisition**

| Particulars                              | Verso   |
|--|---------|
| Purchase consideration to be transferred | 1292.37 |
| Net cash acquired with the subsidiary    | 496.10  |
| Net Cashflow on acquisition              | 796.27  |

- F. **Disclosure related to combined entity’s revenue and profits as if the acquisition had been done at beginning of the period** – Since the acquisition happened on 1 April 2022 there is no revenues and profits attributable to this disclosure

### Note: 63 Other notes-

- The management has represented that, to the best of its knowledge and belief, 31 March 2024, to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities (‘the 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 (‘the Ultimate Beneficiaries’) or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
- The management has represented that, to the best of its knowledge and belief, 31 March 2024 to the consolidated financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (‘the 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; and.
- The company does not require submitting any statements for the Overdraft facility availed. Therefore no disclosure in this regard has been made in the financial statement.



## 1. Significant accounting Policies

### 1.1 Revenue recognition

The Group offers a complete range of network solutions like Internet, Network Management Services, Data Centre and Co-Location Services and Enterprise Mailing Solutions etc., and derives revenues primarily from business IT services comprising of software development and related services, consulting, and package implementation.

Revenue is recognized 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.

Revenue from Online information and database access or retrieval recognized as the service is performed based on actual usage of the company network in accordance with contractual obligation and is recorded net of Goods & service tax

Company provided specialised features to the subscribers which entitles them to access the network of the company, in such case the revenue is recognised when such features are activated and used by the subscriber.

#### a) Segment wise revenue details

| For the year ended 31 March 2024 |                           |         |          |               |                              |
|----------------------------------|---------------------------|---------|----------|---------------|------------------------------|
| Segment                          | Revenue as per Ind AS 115 |         |          | Other revenue | Total as per statement of PL |
|                                  | Domestic                  | Foreign | Total    |               |                              |
| IT                               | 765.86                    | 1719.74 | 2,485.60 | 98.10         | 2,583.70                     |

| For the year ended 31 March 2023 |                           |          |          |               |                              |
|----------------------------------|---------------------------|----------|----------|---------------|------------------------------|
| Segment                          | Revenue as per Ind AS 115 |          |          | Other revenue | Total as per statement of PL |
|                                  | Domestic                  | Foreign  | Total    |               |                              |
| IT                               | 25.02                     | 2,219.70 | 2,244.72 | 27.20         | 2,271.92                     |

#### b) Outstanding performance and Time for its expected conversion into Revenue:

(INR in Lakhs)

| Outstanding Performance | Time for expected conversion to revenue |              |              |              |              |              |               |
|-------------------------|---|--------------|--------------|--------------|--------------|--------------|---------------|
|                         | Total                                   | upto 1 years | 1 to 2 years | 2 to 3 years | 3 to 4 years | 4 to 5 years | beyond 5 year |
| As at March 31, 2024    | 2563.90                                 | 2302.14      | 261.76       | -            | -            | -            | -             |
| As at March 31, 2023    | 744.31                                  | 236.10       | 247.91       | 260.30       | -            | -            | -             |

#### c) The following Customers Contributes more than 10% of Total Sales – 5 customers amounting to Rs. 1253.65 Lakhs.

### Products and platforms:

The Group offers a complete range of network solutions like Internet, Network Management Services, Data Centre and Colocation Services and Enterprise Mailing Solutions etc., and derives revenues in the way of sale of products, sale of VOIP Telephones and by way of provision of Bandwidth Services, Web Solutions & ITES (Exports).

Revenue includes only the gross inflows of economic benefits received a receivable by the entity on its own account. Amounts collected on behalf of third parties such as sales taxes, goods and services taxes and value added taxes are not economic benefits which flow to the entity and do not result in increases in equity. The group presents revenues net of taxes in its statement of Profit and Loss.

### Other Income

Other income is comprised primarily of interest income, Rental income and exchange gain / loss on translation of other assets and liabilities. Interest income is recognized using the effective interest method.

## 1.2 Leases

Effective 1 April 2019, the group adopted Ind AS 116 “Leases” and applied the standard to all lease contracts existing on 1 April 2019 using the modified retrospective method. Comparatives as at and for the year ended 31 March 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies applicable for previous year. The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement. Lessee Policy effective 1 April 2019 the Group’s lease asset classes primarily consist of leases for Land, buildings and colocations spaces. The group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:(i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset (“ROU”) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Group recognized Right use Asset and Lease Liability value of Rs 49.61 Lakhs in the year 2023-2024

## 1.3 Business Combination

Common control business combination is accounted using the pooling of interest method where the Company is transferee. Assets and liabilities of the combining entities are reflected at their carrying amounts and no new asset or liability is recognized. Identity of reserves of the transferor company is preserved by reflecting them in the same form in the Company’s financial statements in which they appeared in the financial statements of the transferor company. The excess between the amount of consideration paid over the share capital of the transferor company is recognized as a negative amount and the same is disclosed as capital reserve on business combination. The financial information in the financial statements in respect of prior periods is restated from the beginning of the preceding period in the financial statements if the business combination date is prior to that date. However, if business combination date is after that date, the financial information in the financial statements is restated from the date of business combination. The gain/loss net of tax on transfer of business within common control entities is recognized in the statement of profit and loss account by the transferor entity.

## 1.4 Foreign currency Transactions. Functional currency

In preparing the financial statements of the Group, transactions in currencies other than the Group’s functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not re-translated. Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

## Transactions and translations

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing at the time of the transaction. Foreign-currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from such translations are included in net profit in the Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction.

Exchange difference on monetary items is recognised in the Statement of Profit and Loss in the period in which it arises except for

- a) Exchange difference on foreign currency borrowings relating to depreciable capital asset is included in cost of assets.
- b) Exchange difference on foreign currency transactions, on which receipt and/ or payments is not planned, initially recognised in Other Income, and reclassified from Equity to profit and loss on repayment of the monetary items.

The results and financial position of foreign operations with functional currency different from the presentation currency, are translated into the presentation currency as follows:

- a) Assets and liabilities for each consolidated statement of financial position presented are translated at the closing rate at the date of that consolidated statement of financial position;
- b) Income and expenses for each consolidated statement of comprehensive income are translated at average exchange rates (unless average rate is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- c) All resulting exchange differences are recognised in other income.

## **1.5 Borrowing costs**

Borrowing costs are recognized as an expense in the year in which they are incurred. Borrowing cost includes interest incurred in connection with the arrangement of borrowings to the extent they are regarded as an adjustment to the interest cost.

## **1.6 Taxes on Income Tax and Deferred Tax**

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Provision for income tax is made based on taxable income for the year at the current rates.

Deferred tax represents the effect of temporary difference between carrying amount of assets and liabilities in the consolidated financial statements and the corresponding tax base used in the computation of taxable income. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Deferred tax liabilities are generally accounted for all taxable temporary differences. Deferred tax asset is recognised for all deductible temporary differences, carried forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which such deductible temporary differences can be utilised.

The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax assets/ liabilities are not recognised for initial recognition of Goodwill or on an asset or liability in a transaction that is not a business combination and at the time of transaction affects neither the accounting profit nor taxable profit or loss. MAT credit is recognised as an asset, only if it is probable that the Group will pay normal income tax during the Specified period.

## **1.7 Earnings per share**

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the group and includes post tax effect of any exceptional item by the weighted average number of equity shares outstanding during the period excluding the shares owned by the Trust, outstanding during the period.

Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the group by the weighted average number of equity shares considered for deriving basic earnings per equity share and the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e., the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as at the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

## **1.8 Property, plant, and equipment (PPE)**

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. The Group identifies and determines separate useful lives for each

major component of the property, plant and equipment, if they have a useful life that is materially different from that of the asset as a whole.

Cost of an item of PPE comprises of its purchase price including import duties and non-refundable purchase taxes after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and present value of estimated costs of dismantling and removing the item and restoring the site on which it is located.

Expenses on existing property, plant and equipment, including day-to-day repairs, maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the year during which such expenses are incurred. Gains or losses arising from de recognition of assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not ready to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment are capitalized only when it is probable that future economic benefits associated with these will flow to the group and the cost of the item can be measured reliably.

### 1.9 Depreciation

Depreciation is the systematic allocation of the depreciable amount of PPE over its useful life as per Ind AS 16 and is provided on a Reduced Balance Method basis over the useful lives as prescribed in Schedule II to the Act or as per technical assessment. Depreciable amount for PPE is the cost of PPE less its estimated residual value. The useful life of PPE is the period over which PPE is expected to be available for use by the Group, or the number of production or similar units expected to be obtained from the asset by the Group. Such classes of assets and their estimated useful lives are as under

| Particulars                | Useful life (in yrs) |
|----------------------------|----------------------|
| Buildings & Temp Structure | 03                   |
| Plant and Machinery        | 15                   |
| Furniture & Fixtures       | 10                   |
| Office Equipment – Others  | 05                   |
| Vehicles                   | 08                   |

### 1.10 Intangible assets and amortization.

1. Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Cost includes all direct costs relating to acquisition of Intangible assets and borrowing cost relating to qualifying assets.

2. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

3. There are no intangible assets assessed with indefinite use full life. The life of amortisation of the intangible assets is as follows.

|  |          |
|--|----------|
| Intangible Assets others & Intangible Assests Under Development. | 10 years |
| Software   | 3 years  |

4. Intangible assets are amortized over the useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting year. The estimated useful life of an identifiable intangible asset is based on several factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

5. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss.

6. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized. Any gain or loss on disposal of an item of Intangible Assets is recognised in statement of profit and loss.

### 1.11 Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at bank and cash in hand and short-term deposits with banks that are readily convertible into cash which are subject to insignificant risk of changes in value and are held for the purpose of meeting short term cash commitments.

### 1.12 Statement of Cash Flows (Cash Flow Statement)

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated.

### 1.13 Employee benefits.

**1. Provident Fund:** Employees of the Group receive benefits under the provident fund, a defined benefit plan. The employee and employer each make monthly contributions to the plan. A portion of the contribution is made to the provident fund trust managed by the Group or Government administered provident fund. The liability is actuarially determined (using the projected unit credit method) at the end of the year. The contributions are charged to the statement of profit and loss in the year when employee renders the related service. There are no other obligations other than the contribution payable to the respective authorities

### 2. Gratuity:

The Group provides for gratuity, a defined benefit retirement plan (“the Gratuity Plan”) covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee’s salary and the tenure of employment with the Group. Liabilities regarding the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each Balance Sheet date using the projected unit credit method.

### 3. Compensated Absences:

The Group has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by Estimation Basis.

4. The actuarial valuation is done at the end of the year. Actuarial gains/losses are immediately taken to statement of profit and loss and are not deferred.

### 1.15 Investments in Subsidiaries and Associates.

The Group’s investment in its Subsidiaries and Associates are carried at cost.

### 1.16 Provisions.

1. A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

2. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting issued, the increase in the provision due to the passage of time is recognized as a finance cost.

## 1.17 Financial instruments.

### a. Recognition and Initial recognition

The Group recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issues of financial assets and financial liabilities that are not at fair value through profit or loss, are added to the fair value on initial recognition.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that is directly attributable to its acquisition or issue.

### b. Classification and Subsequent measurement financial assets.

On initial recognition, a financial asset is classified as measured at

- amortized cost;
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. All financial assets not classified as measured at amortized cost as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

### Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- The stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash out flows or realizing cash flows through the sale of the assets;
- How the performance of the portfolio is evaluated and reported to the Group's management;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- How managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- The frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment\* whether contractual cash flows are solely payments of principal and interest.

\*For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- Contingent events that would change the amount or timing of cash flows;
- Terms that may adjust the contractual coupon rate, including variable interest rate features;
- Prepayment and extension features; and
- Terms that limits the Group's claim to cash flows from specified assets (e.g. non- recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual per amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

### Financial assets: Subsequent measurement and gains and losses.

**Financial assets at FVTPL:** These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

**Financial assets at amortized cost:** These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

### Financial liabilities:

#### Classification, Subsequent measurement and gains and losses.

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

| Sr  | Particulars  | As at<br>31-3-2024 | As at<br>31-3-2023 |
|-----|--|--------------------|--------------------|
| I   | Measured at fair value through Profit or Loss (FVTPL)              |                    |                    |
|     | Investment in equity instruments                                   | -                  | -                  |
| II  | Measured at amortised cost:  |                    |                    |
|     | Loans  | 27.90              | 225.99             |
|     | Investment   | -                  | -                  |
|     | Trade receivables  | 1410.91            | 889.37             |
|     | Cash and cash equivalents and bank balances                        | 166.30             | 116.64             |
|     | Other Deposits   | 998.75             | -                  |
| III | Measured at fair value through Other comprehensive income (FVTOCI) |                    |                    |
|     | Investment in government securities, bonds and debentures          | -                  | -                  |
|     | Derivative financial instruments designated as cash flow hedges    | -                  | -                  |
|     | Embedded Derivatives designated as cash flow hedges                | -                  | -                  |

## **c. Derecognition.**

### **Financial assets**

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

### **Financial liabilities**

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

The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit or loss.

## **d. Offsetting**

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

## **e. Impairment**

The Group recognizes loss allowances for expected credit losses on financial assets measured at amortized cost; At each reporting date, the Group assesses whether financial assets carried at amortized cost and debt securities at fair value through other comprehensive income (FVOCI) are credit impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- Significant financial difficulty of the borrower or issuer;
- The restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- It is probable that the borrower will enter bankruptcy or other financial reorganization; or
- The disappearance of an active market for a security because of financial difficulties.

The Group measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- Debt securities that are determined to have low credit risk at the reporting date; and
- Other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.



## Measurement of expected credit losses

Expected credit losses are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e., the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

### As per our report of even date.

#### for RAO & SHYAM

Chartered Accountants

Firm Registration Number: 0061865

Sd./-

Kandarp Kumar Dudhoria

Partner

Membership Number: 228416

UDIN: 24228416BKBZJB6972

Place: Hyderabad

Date: 14-May-2024

### for and on behalf of Adroit Infotech Limited

Sd./-

Sudhakiran Reddy Sunkerneni

Managing Director

DIN 01436242

Sd./-

Ravichandra Rao Badanidiyoor

Chief Finance officer

Sd./-

Sridhar Pyata Reddy

Director

DIN 07268714

Sd./-

Piyush Prajapati

Company secretary &

## Consolidated Notes to the Financial Statement

### Group overview & significant policy

#### Group overview

Adroit Infotech Limited ('the Company') is a Public Limited Company incorporated in India, registered under Companies Act 1956 having registered office at Plot No. 7A, MLA Colony, Road No. 12, Banjara Hills, Hyderabad TG 500034 IN and its securities listed has primary listings on the BSE Ltd. and National Stock Exchange of India Limited.

Adroit together with its subsidiaries are Specialist SAP Consulting Group, with close to two decades of experience in helping organizations significantly reduce costs and improve effectiveness and efficiency through internal process improvements using SAP products and solutions

#### B. Basis of preparation of financial statements

##### B.1. Statement of Compliance

These consolidated financial statements are prepared in accordance with the generally accepted accounting principles (GAAP) in India and in compliance with the Indian Accounting Standards (Ind AS) Specified under section 133 of the Companies Act 2013 ("the Act") read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, the Companies (Indian Accounting Standards) (Amendment) Rules, 2017 and other provisions to the Act, to the extent notified and applicable as well as applicable guidance notes and pronouncements of the Institute of Chartered Accountants of India (the ICAI).

The Consolidated financial statements were authorized for issue by the Holding Company's Board of Directors on 30 ay, 2023. Details of the accounting policies are included in Note 1.

##### B.2 Basis of preparation and presentation

These consolidated financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis, except for the following material items in the statement of financial position:

- Certain financial assets and liabilities are measured at fair value;
- Employee defined benefit assets/(liability) are recognized as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligation;

The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant Amendment rules issued thereafter.

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 the accounting policy hitherto in use. As the year-end figures are taken from the source and rounded to the nearest digits, the figures reported for the previous quarters might not always add up to the year-end figures reported in this statement.

##### B.3 Basis of Consolidation

Adroit Infotech Limited Consolidates entities which it owns or controls. The consolidated financial statements comprise the financial statements of the company, its controlled entities as disclosed in Note 30. Control exists when the parent has power over the entity, is exposed or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases.

The financial statements of the Group companies are consolidated on a line-by-line basis and intra-group balances and transactions including unrealized gain / loss from such transactions are eliminated upon consolidation. These financial statements are prepared by applying uniform accounting policies in use at the Group. Non-controlling interests which represent part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the Company, are excluded.

## B.4 Functional and presentation currency

The financial statements are presented in Indian rupees, which is the functional currency of the Group. All amounts are in Indian Rupees except share data, unless otherwise stated.

## B.5 Operating Cycle

All the assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out under Ind As and in the Schedule III to the Companies Act, 2013.

### Assets:

An asset is classified as current when it satisfies any of the following criteria:

- a) It is expected to be realized in, or is intended for sale or consumption in, the Group's normal operating cycle;
- b) It is held primarily for the purpose of being traded;
- c) It is expected to be realized within twelve months after the reporting date; or
- d) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelvemonths after the reporting date.

### Liabilities:

A liability is classified as current when it satisfies any of the following criteria:

- a) It is expected to be settled in the Group's normal operating cycle;
- b) It is held primarily for the purpose of being traded;
- c) It is due to be settled within twelve months after the reporting date; or
- d) The Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

## B.6 Critical accounting judgments and key sources of estimation uncertainty.

In the application of the Group's accounting policies, which are described in Note 1, the management of the Group are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the areas of estimation uncertainty and critical judgements that the management has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognized in the financial statements:

### **Provision and contingent liability**

On an on-going basis, Group's reviews pending cases, claims by third parties and other contingencies. For contingent losses that are considered probable, an estimated loss is recorded as an accrual in financial statements. Loss Contingencies that are considered possible are not provided for but disclosed as Contingent liabilities in the financial statements. Contingencies the likelihood of which is remote are not disclosed in the financial statements. Gain contingencies are not recognized until the contingency has been resolved and amounts are received or receivable.

### **Useful lives of depreciable assets**

Useful life of Property, Plant and Equipment including intangible asset: Residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial yearend and adjusted prospectively, if appropriate.

## Investment in equity instruments of subsidiary and associate companies

During the year, the Group assessed the investment in equity instrument of subsidiary and associate companies carried at cost for impairment testing. These companies are expected to generate positive cash flows in the future years. Detailed analysis has been carried out on the future projections and the Group is confident that the investments do not require any impairment.

### **B.7 Fair value measurement and valuation process:**

The Group measured financial assets and liabilities, if any, at fair value for financial reporting purposes.

The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

### **As per our report of even date.**

#### **for RAO & SHYAM**

Chartered Accountants

Firm Registration Number: 0061865

Sd./-

Kandarp Kumar Dudhoria

Partner

Membership Number: 228416

UDIN: 24228416BKBZJB6972

Place: Hyderabad

Date: 14-May-2024

### **for and on behalf of Adroit Infotech Limited**

Sd./-

Sudhakiran Reddy Sunkerneni

Managing Director

DIN 01436242

Sd./-

Ravichandra Rao Badanidiyoor

Chief Finance officer

Sd./-

Sridhar Pyata Reddy

Director

DIN 07268714

Sd./-

Piyush Prajapati

Company secretary &

Dear Member,

You are cordially invited to attend the 34<sup>th</sup> Annual General Meeting of the members of Adroit Infotech Limited ("the Company") to be held Monday, September 30<sup>th</sup>, 2024 at 9:00 AM through video conference and other audio-visual means (VC). The Notice of the meeting, containing the business to be transacted, is enclosed herewith. As per Section 108 of the Companies Act, 2013, ('the Act') read with the related Rules and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide its members the facility to cast their vote by electronic means on all resolutions set forth in the Notice.

Very truly yours,

Sd/-  
**Sudhakaran Reddy S**  
**Managing Director**  
DIN: 01436242

Enclosures:

1. Notice to the 34<sup>th</sup> Annual General Meeting
2. Instructions for participation through VC
3. Instructions for e-voting

Note: Attendees who require technical assistance to access and participate in the meeting through VC are requested to contact the helpline number: +91-40-23552284/+91-40-23552285

**Adroit Infotech Limited**

# Plot No. 7A, MLA Colony, Road # 12,  
Banjara Hills, Hyderabad, Telangana,  
India -500034.

Tel: +91-40 23552284/85

CIN: L72300TG1990PLC01112

E-mail: [cs@adroitinfotech.com](mailto:cs@adroitinfotech.com)

Web: [www.adroitinfotech.com](http://www.adroitinfotech.com)

## **Adroit Safe Harbor Clause**

Certain statements in this release concerning our future prospects are forward-looking statements. Forward looking statements by their nature involve a number of risks and uncertainties that could cause actual results to differ materially from market expectations. These risks and uncertainties include, but are not limited to, our ability to manage growth, intense competition among global IT services companies, various factors which may affect our profitability, such as wage increases or an appreciating Rupee, our ability to attract and retain highly skilled professionals, time and cost overruns on fixed-price, fixed-time frame contracts, client concentration, restrictions on cross-border movement of skilled personnel, our ability to manage our international operations, reduced demand for technology in our key focus areas, disruptions in telecommunication networks, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, the success of the companies in which ADROIT has made strategic investments, withdrawal of governmental fiscal incentives, political instability, legal restrictions on raising capital or acquiring companies outside India, pandemics, natural disasters and general economic conditions affecting our industry. ADROIT may, from time to time, make additional written and oral forward-looking statements, including our reports to shareholders. These forward-looking statements represent only the Company's current intentions, beliefs or expectations, and any forward-looking statement speaks only as of the date on which it was made. The Company assumes no obligation to revise or update any forward-looking statements.

Information Technology Services  
SAP Business Solutions & Consulting Services

### **Adroit Infotech Limited**

# Plot No. 7A, MLA Colony, Road # 12,  
Banjara Hills, Hyderabad, Telangana, India - 500034

## Information at a glance

| Particulars  | Details   |
|--|---|
| Date and time of AGM   | Monday, September 30 <sup>th</sup> , 2024, 9:00 AM IST  |
| Mode   | Video Conference and Other Audio-Visual means   |
| Participation through videoconferencing                            | <a href="https://us02web.zoom.us/meeting/register/tZclc-upqjMsGNxXSEd1p96wFje4mGhJJUnk">https://us02web.zoom.us/meeting/register/tZclc-upqjMsGNxXSEd1p96wFje4mGhJJUnk</a>   |
| Helpline number for VC participation                               | +91-40-23552284<br>+91-40-23552285  |
| Cut-off date of e-voting   | Friday, September 20, 2024, 9:00 AM IST   |
| E-voting start time and date                                       | Friday, September 27, 2024, 9:00 AM IST   |
| E-voting End time and date   | Sunday, September 29, 2024, 5:00 PM IST   |
| E-voting website of CDSL   | <a href="http://www.evotingindia.com">www.evotingindia.com</a>  |
| Name, address and contact details of e-voting service provider.    | <p><b>Contact Name/s:</b><br/>Mr. Nitin Kunder, Mr. Mehboob Lakhani, and Mr. Rakesh Dalvi – Managers<br/><b>Central Depository Services (India) Limited,</b><br/>A Wing, 25th Floor, Marathon Futurex,<br/>Mafatlal Mill Compounds, N M Joshi Marg,<br/>Lower Parel (East), Mumbai - 400013.<br/><b>Email:</b><br/><a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a><br/><b>Contact Nos:</b><br/>+91-022-23058738, +91-022-23058543 and<br/>+91-022-23058542 or call<br/>toll free no. 1800 21 09911</p> |
| Name, address and contact details of Registrar and Transfer Agent. | <p><b>Contact Name/s:</b><br/>Mr. Ram/ Mr. Srinivas<br/><b>Venture Capital and Corporate Investments Private Limited</b><br/>"AURUM", Door No.4-50/P-II/57/4F &amp; 5F, Plot No.57<br/>4th &amp; 5th Floors, Jayabheri Enclave Phase – II<br/>Gachibowli, Hyderabad – 500 032<br/><b>E mail:</b><br/>info@vccilindia.com<br/><b>Contact Nos:</b><br/>+91 040-23818475/23818476 /23868023,<br/>Fax: +91 040-23868024</p>   |

Instructions for participation through VC

Please follow the below steps for registration and participation:

|   |   |  |
|---|---|--|
| Step 1:   | <p>Access the VC portal by clicking this link:<br/> <a href="https://us02web.zoom.us/meeting/register/tZclc-upqjMsGNxXSEd1p96wFje4mGhJJUnk">https://us02web.zoom.us/meeting/register/tZclc-upqjMsGNxXSEd1p96wFje4mGhJJUnk</a> (or)<br/>                 You could also join the AGM by visiting the investor page on our Company's website:<br/> <a href="https://www.adroitinfotech.com/investors.html">https://www.adroitinfotech.com/investors.html</a></p>  | <p><b>System requirements for best VC experience:</b><br/>                 Internet connection - broadband, wired or wireless (3G or 4G/LTE), with a speed of 5 Mbps or more.<br/>                 Microphone and speakers- built-in or USB plug-in or wireless Bluetooth.</p>   |
| Step 2:   | <p>Fill the <b>Meeting Registration</b> details by using your DPID and Client ID / Folio Number together with your PAN Number.</p> <p>a) Members with NSDL account: a-character DP ID followed by 8-digit Client ID<br/>                 (For example, if your DPID is IN300*** and Client ID is 12*****, then your user ID is IN300***12*****).</p> <p>b) Members with CDSL account: 16-digit Beneficiary ID<br/>                 (For example, if your Beneficiary ID is 12***** , then your user ID is 12*****).</p> <p>c) Members with physical folio: ITL + Folio Number registered with the Company<br/>                 (For example, if your folio number is O*****, then your user ID is ITLO*****)</p> <p>Click <b>“Register/Join Meeting in Progress”</b>.</p> | <p><b>Browser:</b><br/>                 Google Chrome: Version 72 or latest<br/>                 Mozilla Firefox: Version 72 or latest<br/>                 Microsoft Edge Chromium: Version 72 or latest<br/>                 Safari: Version 11 or latest<br/>                 Internet Explorer: Not Supported</p> <p><b>Application:</b><br/>                 Download &amp; Install Zoom App (<a href="https://zoom.us/download">https://zoom.us/download</a>)</p> <p><b>Helpline numbers</b><br/>                 +91-40-23552284<br/>                 +91-40-23552285</p> |
| <p>Note: Institutional/corporate shareholders are required to upload the Board Resolution/ Authorization letter authorizing its representatives to attend the AGM through VC.</p> |   |  |
| Step 3:   | <p>Click <b>“Open Zoom Meetings”</b>. Click <b>“Join with video”</b> to join the virtual AGM.</p>   |  |
| Step 4:   | <p>Members can post questions either through chat or video feature available in the VC. Members can exercise these options once the floor is open for shareholder queries.</p>  |  |
| Step 5:   | <p>Members who have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through the e-voting system during the AGM by clicking the link, <a href="https://www.evotingindia.com/">https://www.evotingindia.com/</a></p>   |  |

General guidelines for VC participation

- i. Members may note that the 34<sup>th</sup> AGM of the Company will be convened through VC in compliance with the applicable provisions of the Companies Act, 2013, read with the Circulars. The facility to attend the meeting through VC will be provided by the Company. Members may access the same at <https://us02web.zoom.us/meeting/register/tZclc-upqjMsGNxXSEd1p96wFje4mGhJJUnk>
- ii. The facility of joining the AGM through VC / OAVM will be opened 15 minutes before the scheduled start-time of the AGM and will be available for Members on a first come-first-served-basis.
- iii. The Company reserves the right to limit the number of Members asking questions depending on the availability of time at the AGM.
- iv. Members can participate in the AGM through their desktops / smartphones / laptops etc. However, for better experience and smooth participation, it is advisable to join the meeting through desktops /laptops with high-speed internet connectivity.
- v. Please note that participants connecting from mobile devices or tablets or through laptops via mobile hotspot may experience audio / video loss due to fluctuation in their respective networks. It is therefore recommended to use a stable Wi-Fi or LAN connection to mitigate any of the aforementioned glitches.





Solutions. Simplified...

**Adroit Infotech Limited**

**Registered Office:**

# Plot No. 7A, MLA Colony, Road # 12, Banjara Hills, Hyderabad, 50034 Telangana, India.  
CIN: L72300TG1990PLC01112, Tel: +91-40 23552284/85  
e-mail: [cs@adroitinfotech.com](mailto:cs@adroitinfotech.com), [info@adroitinfotech.com](mailto:info@adroitinfotech.com).  
web: [www.adroitinfotech.com](http://www.adroitinfotech.com)