

VSL/Sep/21-22

September 06, 2021

The General Manager,
Corporate Services/ Listing Department
BSE Limited, Floor 25, P.J. Towers, Dalal Street,
Mumbai – 400 001
Scrip Code: 531126

Sub: Annual Report for the Financial Year 2020-21

Dear Sir/Madam,

Please find enclosed herewith the Annual Report of Company for the Financial Year 2020-21 along with the Notice of the 29th AGM ('Annual Report'). The Annual Report is also being sent through electronic mode to those Members whose e-mail addresses are registered with the Company/Registrars and Transfer Agent/Depositories.

The Annual Report is available on the website of the Company at www.virtsoft.com

This is submitted pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

This is for your information and record

Thanking You.

Yours truly,

For VirtualSoft Systems Limited


Mukta Ahuja

Company Secretary

ACS-49501



SUBMISSION OF ANNUAL REPORT FOR THE FINANCIAL YEAR -2020-2021 ALONG WITH NOTICE OF TWENTY NINTH ANNUAL GENETRAL MEETING (AGM) OF THE COMPANY UNDER REGULATION 34 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATION, 2015 WILL BE HELD ON 28TH SEPTEMBER-2021

VIRTUALSOFT SYSTEMS LIMITED

(CIN No.: L72200DL1992PLC047931)

Regd. Office: S-101, Panchsheel Park, New Delhi- 110 017 India

Corp. Office: 59, Okhla Industrial Estate, Phase-III, New Delhi - 110 020

T: +91 11 49045050, 42701491 | E: sales@virtsoft.com | W: www.virtsoft.com, www.vreach.net



CONNECT COMMUNICATE & ENGAGE EXPERIENTIALLY

<p>Telecom Division</p> <p>International Roaming & Enhanced Communications</p> <p>ROAM1 Telecom Limited</p>			<p>Virtual Events & Demand Gen. Division</p> <p> vReach™</p>
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VIRTUALSOFT SYSTEMS LIMITED ANNUAL REPORT 2020-2021

Virtualsoft Systems Limited

BOARD OF DIRECTORS	Mr. Gokul Naresh Tandan	Managing Director
	Mr. Rajendra V. Kulkarni	Director
	Mr. Srinivas Chandan	Independent Director
	Ms. Ashima Puri	Woman & Independent Director
COMPANY SECRETARY	Ms. Mukta Ahuja	
CHIEF FINANCIAL OFFICER (CFO)	Mr. Athar Ahmad	
BANKERS	HDFC BANK LIMITED S-355, Panchshila Park. New Delhi-110 017.	
STATUTORY AUDITORS	Krishna Neeraj & Associates, Chartered Accountants, 212, 2nd Floor, Gagandeep Building, 12 Rajendra Place, New Delhi-110008	
REGISTERED OFFICE	S-101, Panchsheel Park, New Delhi-110 017	
SHARE TRANSFER AGENT	Mas Services Ltd. T-34, Okhla Industrial Area, Phase-II, New Delhi-110020	

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NOTICE

Notice is hereby given that the Twenty Ninth Annual General Meeting of the Members of the Company will be held on Tuesday, September 28, 2021 at 9:00 a.m. through video Conferencing ("VC") / Other Audio-Visual Means ("OAVM"), to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2021 and the Profit & Loss Account for the year ended as on that date and the Reports of Auditors and Directors thereon.
2. To re-appoint Mr. Rajendra Virupaksha Kulkarni, Director who retires by rotation and being eligible, has offered himself for reappointment

By Order of the Board of
Directors
Sd/-
Gokul Tandan
Managing Director
Dated: August 27, 2021

NOTES:

1. In view of the continuing Covid-19 pandemic and social distancing norms to be followed, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
2. 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.
3. Corporate members intending to attend the AGM through authorised representatives are requested to send a scanned copy of duly certified copy of the board or governing body resolution authorising the representatives to attend and vote at the Annual General Meeting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to cssanjeevjha@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com.
4. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
5. Explanatory Statement as required under Section 102(1) of the Companies Act, 2013 is annexed.
6. The Register of Members and Share Transfer Books of the Company will remain closed from September 22, 2021 to September 28, 2021 (both days inclusive).
7. Members are requested to kindly notify the change of address, if any to the Company/ the Registrar / Depository Participant.
8. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2020-21 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 2020-21 will also be available on the Company's website www.virtsoft.com, websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com.
9. The Company has appointed Mr. Sanjeev Kumar Jha, Practicing Company Secretary holding CP No: 9870 as the Scrutinizer for conducting the e-voting process in fair and transparent manner.
10. In terms of Section 72 of the Companies Act, 2013 and the applicable provisions, the shareholders of the Company may nominate a person in whose name the shares held by him/them shall vest in the event of his/their death. Shareholders desirous of availing this facility may submit the requisite nomination form.

11. Any member requiring further information on the Accounts at the meeting is requested to send the queries in writing to CFO, at email id athar@virtsoft.com atleast one week before the meeting.
12. The documents referred to in the proposed resolutions are available for inspection at its Registered Office of the Company during normal business hours on any working day except Saturdays, upto the date of meeting.
13. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat account. Members holding shares in physical form can submit their PAN to the Company/Registrar.
14. Members who hold shares in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to the Registrar, for consolidation into a single folio.
15. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, the Annual Report including audited financial statements for the financial year 2021 including notice of 29th AGM is being sent only through electronic mode to those Members who have not registered their e-mail address so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

In case you have not registered your email id with depository or RTA you may registered your email id in following manner.

Physical Holding	Send a signed request to Registrar and Transfer Agents of the Company, MAS Services Limited at info@masserv.com providing Folio number, Name of the 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) for registering email address.
Demat Holding	Please contact your Depository Participant (DP) and register your email address as per the process advised by DP.

16. Voting through electronic means:

- (1) In compliance with the provisions of Regulation 44 of the Listing Regulations and Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 Company is offering e-voting facility to its members.
- (2) The Members whose names appear in the Register of Members/list of Beneficial Owners as received from National Securities Depository (NSDL) on 21st September, 2021 are entitled to vote on the resolutions set forth in this Notice. The Voting period will commence at 9.00 am on 25th September 2021 and will end at 5.00 pm on 27th September, 2021. Detailed procedure is given in the enclosed letter.

INSTRUCTION FOR REMOTE EVOTING, EVOTING AND JOINING OF AGM THROUGH VIDEO CONFERENCING

- (i) The shareholders need to visit the e-voting website of NSDL <http://www.evoting.nsd.com> /.
- (ii) Click on "Shareholders" module.
- (iii) 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.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to www.evoting.nsd.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:



PAN	<p>For Shareholders holding shares in Demat Form and Physical Form</p> <p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> ● Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence/PAN number which is mentioned in email.
Dividend Bank Details OR Date of Birth (DOB)	<p>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.</p> <ul style="list-style-type: none"> ● 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 as mentioned in instruction.

- (vii) After entering these details appropriately, click on “SUBMIT” tab.
- (viii) 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 also to be used by the demat holders for voting on resolutions of any other company for which they are eligible to vote, provided that the 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.
- (ix) For shareholders holding shares in physical form, the details can be used only for remote e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the Virtualsoft Systems Limited.
- (xi) 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.
- (xii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution on which you have decided to vote, 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.
- (xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvi) 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.
- (xvii) Shareholders can also cast their vote using CDSL’s mobile app “m-Voting”. The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

PROCESS FOR THOSE SHAREHOLDERS WHO WISH TO OBTAIN LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE BUT WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES:

1. For Physical shareholders- Kindly send an email with a scanned request letter duly signed by 1st shareholder, scan copy of front and back of one share certificate, copy of PAN card and Aadhar card to info@masserv.com
2. For Demat shareholders - Kindly update your email id with your depository participant and send copy of client master to info@masserv.com

INSTRUCTIONS FOR JOINING MEETING THROUGH VC:

- (i) To join the meeting, the shareholders should log on to the e-voting website <http://www.evoting.nsdl.com/> and login as explained above. After logging-in, kindly click on 'live streaming' tab and you will be redirected to 'cisco' website.

In the "Name" field - Put your USERID as informed in e-mail..

In the "last name" field - Enter your Name

In the "Email ID" field - Put your email ID

In the "Event password" field - Put the password

Click join now button.

Now screen will be displayed for downloading CISCO driver for VC. Please click on run temporary file download

Downloading of driver will be start open driver and click on run.

Event will start and you will be in the AGM through Video conferencing.

You can join meeting through laptop, tablet, and desktop. In case you want to join through mobile, you need to download the webex meet app from the respective play store .

PRE-REQUISITE FOR JOINING OF MEETING THROUGH DESKTOP OR LAPTOP:

1. System requirement:
 - Windows 7, 8 or 10
 - I3
 - Microphone, speaker
 - Internet speed minimum 700 kbps
 - Date and time of computer should be current date and time

PRE-REQUISITE FOR JOINING OF MEETING THROUGH MOBILE:

- Please download webex application from play store
NOTE:IT IS ADVISABLE TO LOGIN BEFOREHAND AT E-VOTING SYSTEM AS EXPLAINED IN E-VOTING INSTRUCTIONS ABOVE,TO BE FAMILIAR WITH THE PROCEDURE, SO THAT YOU DO NOT FACE ANY TROUBLE WHILE LOGGING-IN DURING THE AGM.

By Order of the Board of Directors

Sd/-
Gokul Tandan
Managing Director
Dated: August 27, 2021

DIRECTORS' REPORT

Dear Shareholders,

Your Directors take pleasure in presenting for your consideration and approval the Twenty Ninth Annual Report of Your Company for the financial year ended March 31, 2021.

1 Financial Result

PARTICULARS	(Rupees in Lacs)	
	Year Ended 31.03.2021	Year Ended 31.03.2020
1. Income from Operations		
a) Net Sales/Income From Operations	131.35	90.67
b) Other Operating Income	23.85	34.00
Total Income(a+b)	155.21	124.67
2. Expenses		
a. Cost of Materials Consumed		
b. Purchase of Stock in Trade	116.08	83.16
c. Change in the inventories of Finished Goods, Work in Progress and Stock in Trade		
d. Depreciation & Amortizations expenses	15.94	20.67
e. Employee Benefit Expenses	45.30	51.26
f) Finance cost	4.13	6.37
g). Other expenditure	28.36	23.87
Total Expenses	209.82	185.33
3. Profit (Loss)before Exceptional items and Extraordinary items and TAX (1•2)	(54.61)	(60.66)
4. Exceptional Items	.89	
5. Profit(Loss)before Extraordinary Items and tax(3-4)	(55.50)	(60.66)
6. Extraordinary items		
7. Profit(Loss)before Tax(5-6)	(55.50)	(60.66)
8. TAX Expenses		
Current Tax		
Deferred Tax		
Total Tax Expenses		
9. Net Profit! (Loss)for the period (7-8) (123.67)	(55.50)	(60.66)
10. Other Comprehensive income/(Loss) for of the period (Net Tax Expense)	(1.32)	(1.12)
(a) Total Comprehensive income for the period (9+10)		
11. Total Comprehensive income for the period(9+10)	(56.82)	(61.78)
12. Paid-up equity share capital (Face Value Rs. 10 each)	1029.76	1029.7
13. Earning Per equity share (EPS) (of Rs.10/- each) Not Annualized		
(a) Basic(Rs.)	(0.54)	(0.59)
(b) Diluted(Rs.)	(0.54)	(0.59)



3. BUSINESS AND OPERATIONS OF THE COMPANY

VirtualSoft -Co-creating, Integrating &Optimising World's best & most innovative roaming, mobile first communications & collaboration platforms, Apps and IT solutions to provide small and large enterprises an unbeatable communication &business productivity experience in this age hybrid work-places and phy-gital commerce

Video Rich Broadband and 4G mobile networks – with 5G coming in the next few years- are revolutionizing the way we do business and run our lives.Virtual Soft through its vReach division offer outstanding digital broadband solutions. vReach uses technology developed inhouse and by our best-of–breed global partners to the advantage of large enterprises, associations and media companies as well as their customers and consumers. Broadband network& application solutions offer a convergence of voice, data and video that can be used for your enterprise – by creating and leveraging business function specific virtual events – both live & on-demand, and also by embedding contextual communication & video functionality into key enterprise processes , greatly enhancing the user experience and their productivity impact. This is ideally done through an annual engagement contract with VirtualSoft.

A proprietary system called v Code guarantees clarity and seamless delivery of audio, video and multimedia files across both narrowband and broadband networks.

VirtualSoft has developed a world-class Enterprise Communication Platform called vReach that utilizes existing corporate computing and communications infrastructure to make real-time business meeting and events more cost-effective and convenient by reducing travel and extending reach to globally dispersed customers, partners, and co-workers over low and high bandwidth connections through a simple browser interface.

VirtualSoft'svReach division also offers Rich Media content creation and migration services using proprietary technology and business methods. Over the last many years VirtualSoft has created near video on-demand content synchronized with Power point slides and other interactive mechanisms for leading conference organizers like CII, FICCI,Nasscom,India Federation of Neuro Rehabilitation (IFNR) India Today, Exhibitions India, Invest India and Sugar Technologists' Association of Indiafor leading enterprises such as SAP,IBM, India Today, Gangaram Hospital, Jamia Millia Islamia University, Max Publicity Communication, Delhi Technological University, ESRI<CILT and GEZ.

We has created over 15,000 hours of such content for

over 7000 different conferences and training events. This content is available in CD/DVD form as well as on knowledge on-demand servers accessible over the intranet and/or internet.

vReach has also created a Demand Generation Practice where it uses its own and third party platforms & Databases in-house multi-media content development, social media – web and telemarketing to create customized lead generation, demand gen ,channel training & development, sales enablement and customer engagement programs mainly for Business to Business brands & specially in the Technology space.

In the year under Review, we continued making progress on both the Digital Demand Generation and Telecom initiatives that were launched in the past few years.

In Demand Generation, we continued to explore in-house technology development and partnership options for next generation Virtual Events and Trade Fair platforms aimed at Trade Associations, Independent Conference and Trade Fair Organizers, and Large Technology brands whom we have served for a number of years. We believe that such Platforms supported by our domain competence, creative and solutioning processes developed &nurtured over the past decade will stand us in great stead as we commenceoffering a range of next generation Virtual Experience based events for demand generation, customer engagement, collaboration, learning and knowledge management. This will build on the work done in the past few years for brands like CNBC/ Web 18, Cisco, Oracle, and Intel – both at the India & APAC level. These upgraded and new solutions are expected to hit the market in early to mid 2022.

The Telecom Division launched for global roaming solutions and services under "Roam1" brand (www.roam1.com), in FY 2010-11. The global roaming business portfolio was hived off into a subsidiary Roam 1 Telecom Ltd during FY 13-14, we continue to make significant progress in terms of innovative and unique product introductions and plans as well as gaining market share and acceptance – both from end –customers and channel partners.

Our key offerings in Roam 1 Telecom Ltd, are based on Global or Regional (e.g Europe) Single Sim Product or Platform , that contains multiple IMSI Profiles or local country specific numbers – typically from 3 to 4 in ONE SIM that provides low cost Voice and data services when the subscriber travels overseas. This SIM provides Free Incoming in over 60 countries and provides low cost Call Back to India. This is offered through both prepaid and post-paid plans. The billing is in real time and is visible instantly on the web which ensures that there is no room for over billing. The customer gets to retain the card and can publish the number as his permanent International

Number on his business card and stationary etc. This way every time the customer goes abroad, he adds talk time on his card which makes repeat business very easy for us. The Global Single SIM Product is supported by a wide array of country and continent specific products and plans for voice and data.

Roam1 launched the Konnect VOIP Dialling App on a pilot basis for International Roamers, in 2017-18, which has met with success, with hundreds of paid users successfully using this App every month. This App was enhanced in the year under review with the goal of launching this to a wider section of users in India, and overseas post getting certain regulatory approvals.

VirtualSoft thus develops, integrates, optimizes and deploys the technologies of the day to provide the infrastructure, application platforms and Apps needed for rich and enhanced communications & international roaming services for enterprises and consumers – as well as for creating collaborative virtual and blended business solutions – unified communication and video based - for sales, customer engagement, training ,knowledge management,productivity management of hybrid and mobile work force and for increasing customer delight and yield of mobile first phy-gital commerce.

In the year under Review, with an intent to synergise the two divisions at a corporate level, the C2E3 Initiative was strengthened. C2E3 stands for Connect Communicate Engage Experientially and Cost – Effectively and provides a bridge for the Telecom & Roam 1 Division, and preferred/ strategic partners, to collaborate with the Virtual Events and Demand Gen Division in technology & product development, marketing and large partner and account development. This will create unique cross developed product offerings, solutions and services in the enhanced communications and collaboration space – including for and based on web and video conferencing, cloud telephony& unified communications, Rich Communication Services (RCS) , connected device life-cycle management solutions, tele & hybrid working excellence, and phy-gitalcommerce.

These new solutions and services will facilitate more sales yield from our sales teams & goto market partners. VirtualSoft now intends strengthening its Systems and Solutions Integration capability in this area , including the capability to offer Mobile First, On -Premises and and integrated/blended C2E3 and digital transformation solutions to both Large Enterprises and SMEs – directly and through Business Partners.The company is also examining setting up an incubator / accelerator in the above domains of expertise, interest and future growth drivers.

Given the pandemic & the New Normal, VirtualSoft

is also working to create a network of Large, Mini & Micro Teleworking Center of Excellence (TCEs) that allow business, educational, hospitality & residential complexes & facilities to leverage this technology and related business process including intrinsic reskilling, motivation and productivity management of remote teleworkers for maximum personal, professional and enterprise productivity.

With the foundation in Enterprise Broadband solutions, Telecom and Roaming Solutions and the newer the C2E2, digital Transformation & TCE Initiatives – all of which are being enhanced for major scale up, the Company now expects significant growth in both revenues and profitability in the years to come.

4. DIVIDEND

Your Directors do not recommend a dividend due to loss incurred for the current financial year.

5. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The provisions of Section 125(2) of the Companies Act, 2013 do not apply pertaining to this financial year.

6. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes and commitments affecting the financial position of the Company occurred between the ends of the financial year to which this financial statement relate on the date of this report.

7. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

The Company has devised and implemented a mechanism for risk management and has developed a Risk Management Policy. The provisions of Risk Management Committee are not applicable on the Company.

8. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

9. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

There were no loans, guarantees or investments made

by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

10. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

No fresh Contracts or Arrangements was made with related parties pursuant to Section 188 except those continuing which were approved earlier by shareholders. Notes to Accounts on the transactions with related parties are self explanatory.

11. STATUTORY AUDITORS

M/s. Krishna Neeraj & Associates, Chartered Accountants, Auditors of the Company has been appointed for a period of 5 years. His appointment is to be ratified at the ensuing at the ensuing Annual General Meeting. The Board proposes ratification of their appointment.

12. SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors has appointed Mr Sanjeev Kumar Jha from SJK & Co., practicing Company Secretary for conducting Secretarial Audit of the Company for the financial year 2020-21. The Secretarial Audit Report is annexed herewith as Annexure A.

The Secretarial Audit report does not contain any qualification, reservation or adverse remark.

13. INTERNAL AUDIT

Pursuant to the provisions of the Companies Act, 2013, the Board of Directors has appointed CA Dinesh Bajaj, Chartered Accountant for conducting Internal audit of the Company for the financial year 2020-2021.

14. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS

There was no qualifications, reservations or adverse remarks made by the either by the Auditors or by the Practicing Company Secretary in their respective reports.

15. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The company has a policy in place which will be provided upon request. In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the policy which is available for inspection by the Members at the Registered Office of the Company during business hours on working

days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

16. ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in Annexure B and is attached to this Report.

17. NUMBER OF BOARD MEETINGS & THEIR COMMITTEES CONDUCTED DURING THE YEAR UNDER REVIEW

The Company had FOUR (4) Board meetings during the financial year under review. The details are mentioned elsewhere in the Corporate Governance Report.

18. DIRECTORS

Mr. Rajendra V Kulkarni retires by rotation at the ensuing Annual General Meeting of the Company and being eligible offer himself for reappointment. The Board of Directors is duly constituted during the year under review.

19. DECLARATION OF INDEPENDENT DIRECTORS

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

20. DEPOSITS

The Company has not accepted deposits from the public for the year under consideration.

21. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The details of financial performance of Subsidiary/ Joint Venture/Associate Company is furnished in Annexure C. and attached to this report.

22. CAPITAL MARKET DEVELOPMENTS

As on date, 94.88% of Shares are in Demat form and are listed on various stock exchanges. The Company has, from time to time, reminded the shareholders/ investor, holding the Shares in Physical form to convert their Shareholding to dematerialized form.

23. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO

(a) Details of Conservation of Energy

The Company uses electric energy for its equipment such as air-conditioners, computer terminals, lighting and utilities in the work premises.

Steps taken or impact on conservation of energy: All possible measures have been taken to conserve energy

By identifying potential areas for saving;

By incorporating energy efficient equipment;

By automation.

Steps taken by the company for utilizing alternate sources of energy: Nil

Capital Investment on energy conservation equipments: Nil

(b) Technology Absorption

1. Efforts in brief made towards technology absorption, adaptation and innovation:

These are adapted, wherever necessary, to local conditions.

2. Benefits derived as a result of the above efforts:

New product development, productivity and quality improvements, enhanced safety and environmental protection measures and conservation of energy.

3. Technology Imported: NIL

4. Expenditure on R&D: NIL

C. Foreign Exchange earnings and outgo

The information in this regard is provided in Note no. 31 of the Accounts. There had been no foreign exchanges earnings, during the year.

24. DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submit its responsibility Statement:—

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors had laid down internal financial controls to be

followed by the company and that such internal financial controls are adequate and were operating effectively.

Internal financial control means the policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of its business including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

25. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM

The composition of committees has been detailed in Corporate Governance Report part of this Report.

The Company has established a vigil mechanism and overseas through the committee, the genuine concerns expressed by the employees and other Directors. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided direct access to the chairman of the Audit Committee on reporting issues concerning the interests of co employees and the Company.

26. SHARES

a. BUY BACK OF SECURITIES:

The Company has not bought back any of its securities during the year under review.

b. SWEAT EQUITY

The Company has not issued any Sweat Equity Shares during the year under review.

c. BONUS SHARES

No Bonus Shares were issued during the year under review.

d. EMPLOYEES STOCK OPTION PLAN

The Company has not provided any Stock Option Scheme to the employees.

27. CORPORATE GOVERNANCE

A Separate statement on Corporate Governance along with the Certificate on its compliance is given as part of the Annual Reports.