

29th August, 2019

The Secretary National Stock Exchange of India Limited Exchange Plaza, Plot C/1, G-Block, Bandra - Kurla Complex, Bandra (E), Mumbai - 400 051. Scrip Code: GOLDTECH	The Secretary, BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 Scrip Code: 531439
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Dear Sir/Madam,

Sub: Submission of Notice of 25th Annual General Meeting and Annual Report for the Financial Year 2018-19 under Regulation 30 and 34 of SEBI(LODR) Regulations, 2015:-Reg.

Pursuant to Regulation 30 & 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company along with the Notice of Annual General Meeting for the financial year 2018-19

Further the following details for the purpose of ensuing Annual General Meeting:

S.No	Particulars	Date & Timings
1.	25 th Annual General Meeting	26 th September, 2019 at 03.30 PM at Plot No.1 & 9, IDA Phase II, Cherlapally, Hyderabad- 500 051
2.	Remote E-Voting	Will commence on Monday 23 rd September, 2019 at 09.00 A.M and ends on Wednesday 25 th September, 2019 at 05.00 P.M
3.	Cut-off Date	19 th September, 2019
4.	Book Closure	20 th September, 2019 to 26 th September, 2019 (both days inclusive)

The Annual Report for the financial year 2018-19 is also be made available on the website of the Company i.e., www.goldstonetech.com.

This is for your information and records.

Thanking you

Yours faithfully

For Goldstone Technologies Limited




Thirumalesh T
Company Secretary

Encl: a/a



GOLDSTONE
TECHNOLOGIES

Analytics and Business
Intelligence

IT Consulting, Off Shore
Support & Staffing

Technical Support

Twenty Fifth Annual Report 2018-2019

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CORPORATE INFORMATION

Board of Directors :

Mr. K.S.Sarma, IAS (Retd.)
Mr. V.Venkata Ramana
Ms. Sukhjinder Kaur
Mr. L.P.Sashikumar
Mr. Clinton Travis Caddell
Mr. Pavan Chavali[§]
Mr. Ch.Sudhakar Reddy*

Board Committees

Audit Committee :

Mr. K.S.Sarma, IAS (Retd.)
Mr. V.Venkata Ramana
Ms. Sukhjinder Kaur

Nomination and Remuneration Committee:

Ms. Sukhjinder Kaur
Mr. K.S.Sarma, IAS (Retd.)
Mr. V.Venkata Ramana
Mr. L.P.Sashikumar

Stakeholders Relationship Committee:

Mr. K.S.Sarma, IAS (Retd.)
Mr. V.Venkata Ramana
Mr. L.P.Sashikumar

Key Managerial Personnel:

Mr. Pavan Chavali[§] : Whole-time Director
Mr.Ch.Sudhakar Reddy* : Managing Director
Mr. Vithal V S S N K Popuri : Chief Financial Officer
Mr. Thirumalesh T : Company Secretary
& Compliance Officer

Statutory Auditors:

M/s. PCN & Associates,
Chartered Accountants
(Formerly Chandra Babu Naidu and Co.,)
Plot No.12, "N Heights", Ground Floor,
Software Layout Unit, Cyberabad,
Hyderabad-500 081.

Principal Bankers:

Central Bank of India
CITI Bank

Registrars & Share Transfer Agents:

M/s. Aarthi Consultants Private Limited,
1-2-285, Domalguda, Hyderabad - 500 029
Ph : 040-27638111, 4445
E-Mail : info@aarthiconsultants.com

Stock Exchanges where Company's Securities are listed:

BSE Limited
National Stock Exchange of India Limited

Registered Office:

9-1-83 & 84,
Amarchand Sharma Complex,
S.D. Road, Secunderabad – 500 003
Telangana, India.
Tel. 91-40-27807640, 0742, 1910.
Fax No. 040-3912 0023.
www.goldstonetech.com,
E-Mail; corporate@goldstonetech.com
CIN; L72200TG1994PLC017211

§Appointed as Additional Director and as Whole-time Director w.e.f 23.05.2019.

*Resigned from the position of Managing Director and Director w.e.f. 22.05.2019.

NOTICE

Notice is hereby given that the Twenty Fifth Annual General Meeting of Goldstone Technologies Limited will be held on Thursday the 26th day of September, 2019 at 3.30 P.M. at Plot No. 1 & 9, IDA, Phase II, Cherlapally, Hyderabad - 500 051 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Standalone and Consolidated Audited Financial Statements of the company for the year ended 31st March, 2019 together with the Directors' and Auditors' Report thereon.
2. To appoint a Director in place of Mr.L.P.Sashikumar (DIN:00016679) who retires by rotation and being eligible, offers him-self for re-appointment.

SPECIAL BUSINESS :

3. Re-appointment of Mr.K.S.Sarma (DIN: 01505787), as an Independent Director:

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 Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”), the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act (including any statutory modification(s) or re- enactment(s) thereof, for the time being in force) and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as amended from time to time, Mr.K.S.Sarma (DIN:01505787), Aged 76 years, who holds office of Independent Director up to 26th September, 2019 and who is eligible for re-

appointment and who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five consecutive years commencing from 27th September, 2019 upto 26th September, 2024.”

“RESOLVED FURTHER THAT any of the Directors or the Company Secretary of the Company be and is hereby severally authorised to perform all such acts and deeds as may be necessary, proper or expedient to give effect to this resolution.”

4. Re-appointment of Mr.V.Venkata Ramana (DIN:02660082), as an Independent Director:

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 Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”), the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act (including any statutory modification(s) or re- enactment(s) thereof, for the time being in force) and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as amended from time to time, Mr.V.Venkata Ramana (DIN: 02660082), who holds office of

Independent Director up to 26th September, 2019 and who is eligible for re-appointment and who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five consecutive years commencing from 27th September, 2019 upto 26th September, 2024.”

“RESOLVED FURTHER THAT any of the Directors or the Company Secretary of the Company be and is hereby severally authorised to perform all such acts and deeds as may be necessary, proper or expedient to give effect to this resolution.”

5. Re-appointment of Ms.Sukhjinder Kaur (DIN:07926721) as an Independent Director:

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 Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”), the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as amended from time to time, Ms.Sukhjinder Kaur (DIN: 07926721), who

holds office of Independent Director up to 26th September, 2019 and who is eligible for re-appointment and who attaining the age of 75 years on 29th September, 2022, who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five consecutive years commencing from 27th September, 2019 upto 26th September, 2024.”

“RESOLVED FURTHER THAT any of the Directors or the Company Secretary of the Company be and is hereby severally authorised to perform all such acts and deeds as may be necessary, proper or expedient to give effect to this resolution.”

6. Appointment of Mr.Pavan Chavali (DIN:08432078) a Director:

To consider 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 Sections 152 and 161 and all other applicable provisions, if any, of The Companies Act, 2013 (“Act”) read with The Companies (Appointment and Qualification of Directors) Rules, 2014, including any statutory modification or re-enactment thereof for the time being in force, Mr. Pavan Chavali (DIN. 08432078), who was appointed as Additional Director by the Board of Directors of the Company effective from 23rd May, 2019 and who holds office as such up to the date of the

ensuing Annual General Meeting in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company.”

“RESOLVED FURTHER THAT any of the Directors or the Company Secretary of the Company be and is hereby severally authorised to perform all such acts and deeds as may be necessary, proper or expedient to give effect to this resolution.”

7. Appointment of Mr.Pavan Chavali (DIN:08432078) as Whole-time Director:

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 2(94), 196, 197, 198, and 203 read with Schedule-V and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) (including any statutory modifications or re-enactment(s) thereof, for the time being in force) and the Companies (Appointment and Remuneration) Rules, 2014, the articles of association and subject to approval of the members and such other consents and permissions as may be necessary and on the recommendation of the Nomination and Remuneration Committee of the Board of directors, Mr. Pavan Chavali (DIN. 08432078), be and is hereby appointed as the Whole-time Director of the Company for a period of 2 (Two) years with effect from 23rd May, 2019 on the following terms and conditions and he shall continue to draw the existing remuneration which he was drawing in the capacity of Vice President Operations:

1. Salary

Salary of Rs. 1,90,000/- (Rupees One Lakh Ninety Thousand only) per month.

2. Perquisites

The following perquisites will be provided in addition to salary:

Category A

1. Housing: House Rent Allowance at Rs. 76,000/- (Rupees Seventy Six Thousand only) per month.
2. Other allowances for Maintenance, Leave travel, Conveyance, Subscription to Professional Journals and Medical costs not exceeding Rs. 65,534/- (Rupees Sixty Five Thousand Five Hundred and Thirty Four only) per month.

Category B

Company's contribution towards Provident Fund and payment of Gratuity as per applicable laws. Company's contribution towards Medical Insurance Policy for self and family subject to a ceiling of Rs. 51,800/- (Rupees Fifty One Thousand Eight Hundred only) per annum.

Up to an amount of Rs.5, 00,000/- (Rupees Five Lakhs Only) per annum as variable pay depending on individual and company performance parameters as per the rules framed by the Company in this regard.

“RESOLVED FURTHER THAT the aggregate sum of remuneration and perquisites in any financial year shall be governed by the limits prescribed from time to time under Section 197 and 198 of the Companies Act, 2013 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and if in any financial year during the tenure of office of Mr.Pavan Chavali, the Company has no profits or its profits are inadequate, he will be paid remuneration by way of salary and

perquisites subject to applicable provisions of Schedule V to the Companies Act, 2013 read with Rule 7 of the Companies (Appointment and Remuneration) Rules, 2014.”

“RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to alter or vary the terms and conditions of the said appointment so as not to exceed the limits specified in Section 197 read with Schedule V or other applicable provisions, if any, of the Companies Act, 2013 or any other amendments thereto, as may be agreed between the Board and Mr. Pavan Chavali.”

“RESOLVED FURTHER THAT any of the Directors or the Company Secretary of the Company be and is hereby severally authorised to perform all such acts and deeds as may be necessary, proper or expedient to give effect to this resolution.”

BY ORDER OF THE BOARD
For GOLDSTONE TECHNOLOGIES LIMITED

Sd/-
Thirumalesh T
Company Secretary

Place: Secunderabad
Date : 14.08.2019

NOTES:-

1. The relative Explanatory Statement pursuant to section 102 of the Companies Act, 2013 (Act) in respect of the business under Item No. 3, 4, 5, 6 & 7 of the Notice, is annexed hereto. The relevant details as required under regulation 36 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 of persons seeking appointment/ re-appointment as Directors under Item No. 2, 3, 4, 5, 6 & 7 of the Notice, are also annexed.
2. **A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote instead of himself / herself and the proxy need not be a Member of the Company.** The instrument appointing the proxy, in order to be effective, must be deposited at the Company's registered office, duly completed and signed, not less than FORTY-EIGHT HOURS before the meeting. Proxies submitted on behalf of Limited Companies, Societies, etc., must be supported by appropriate resolutions / authority, as applicable. A person can act as proxy on behalf of Members not exceeding Fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder. A Proxy form for the AGM is enclosed.
3. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
5. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID Numbers and those who hold shares in physical form are requested to write their Folio Numbers in the attendance slip for attending the Meeting.
6. The Securities and Exchange Board of India has instructed all the Listed Companies to collect copy of PAN and bank account details of all shareholders holding shares in physical form. Please provide a copy of PAN card and original cancelled cheque leaf / attested bank passbook showing name of account holder either to the Company or the RTA.
7. SEBI has decided that securities of listed companies can be transferred only in dematerialized form with effect from 1st April, 2019. In view of the above and to avail the benefits of dematerialisation and ease portfolio management, Members are requested to consider dematerialize shares held by them in physical form.
8. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
9. The Register of Members and Transfer Books of the Company shall remain closed from 20th September, 2019 to 26th September, 2019 (both days inclusive) for the purpose of ensuing Annual General Meeting.
10. Queries on accounts and operations of the Company, if any, may please be sent to the Company at least seven days in advance of the Meeting so that the answers may be made readily available at the meeting
11. The Annual Report of the Company for the year 2018-19 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted

mode. The Annual Report of the Company for the year 2018-19 circulated to the Members of the Company is available on the Company's website, viz. www.goldstonetech.com.

12. The company has declared dividend in the FY 2007-08, Pursuant to Section 124 of the Companies Act, 2013, the unclaimed dividend amount pertaining to that has already transferred to the Investor Education and Protection Fund (IEPF). However 2,00,635 equity shares pertaining to the same will be transferred to IEPF in the due course.

13. INSTRUCTIONS FOR E-VOTING

The business as set out in the Notice may be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Pursuant to the provisions of Section 108 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer e-voting facility as an alternate to its members to cast their votes electronically on all resolutions set forth in the Notice convening the 25th Annual General Meeting. The Company has engaged the services of Central Depository Services India Limited (CDSL) to provide the e-voting facility

The Members whose names appear in the Register of Members / List of Beneficial Owners as on 19th September, 2019 (cut-off date), are entitled to vote on the resolutions set forth in this Notice.

The e-voting period will commence on Monday, 23rd September, 2019 (09:00 hrs) and will end on Wednesday, 25th September, 2019 (17:00 hrs). During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date may cast their vote electronically. The e-voting module shall be disabled by CDSL

for voting thereafter. Members will not be able to cast their votes electronically beyond the date & time mentioned above.

Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

The Company has appointed Mr. Prathap Satla, Practicing Company Secretary, CP No. 11879, to act as Scrutinizer to conduct and scrutinize the electronic voting process and poll at the Annual General Meeting in a fair and transparent manner. The members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereunder.

14. The e-voting facility will be available at the link www.evotingindia.com during the voting period.
15. The procedure and instructions for e-voting are as follows:

A. In case of members receiving e-mail (for members whose e-mail address are registered with the Company / Registrars)

- i. The shareholders should log on to the e-voting website www.evotingindia.com.
- ii. Click on Shareholders.
- 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. Members 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.evotingindia.com and voted on an earlier 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:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
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 (iii).

- vii. After entering these details appropriately, click on "SUBMIT" tab.
- viii. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e- voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- ix. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- x. Click on the EVSN for the relevant "GOLDSTONE TECHNOLOGIES LIMITED" on which you choose to vote.
- 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 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.
- 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. Note for Non - Individual Share holders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to 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 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.
- xviii. Shareholders can also cast their vote using CDSL'S mobile app “m-Voting” available for android based mobiles. The m-voting app can be downloaded from Google Play Store. iPhone and

windows phone users can download the app from the App Store and the Windows Phone Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com

B. In case of members receiving the physical copy of notice of 25th Annual General Meeting (for members whose e-mail ids are not registered with the Company / Depositories):

- i. Please follow all the steps from Sl.No. A(i) to Sl.No. A (xviii) to cast vote

C. General Instructions:

- i. The voting rights of Members shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on 19th September, 2019 (cut off date).
- ii. Members can opt for only one mode of voting, i.e., either by physical poll or e-voting. In case Members cast their votes through both the modes, then voting done by such member will be treated as invalid.
- iii. Members who do not have access to e-voting facility have been additionally provided the facility through Ballot Form. They may send duly completed Ballot Form to the Scrutinizer, Mr. Prathap Satla, Practicing Company Secretary having his office at H.No.6-3-1238/15/1, Flat No.301, 3rd Floor, Elite Heights, Somajiguda, Hyderabad-500082 so as to reach on or before the conclusion of the 25th Annual General Meeting or can carry the same to the AGM and deposit in the Ballot Box during the Meeting.

Members have the option to request for physical copy of Ballot Form by sending an e-mail to cs@goldstone.tech.com by mentioning their Folio No. / DP ID and Client ID.

- iv. The facility for voting through polling paper shall also be made available at the meeting and the members attending the meeting who have not already cast their vote by e-voting shall be able to exercise their right at the meeting.
- v. The member who cast their vote by e-voting prior to the meeting may also attend the meeting, but shall not be entitled to cast their vote again.
- vi. The Scrutinizer, after scrutinizing the votes cast at the meeting through poll and through 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 www.goldstonetech.com and on the website of www.cdslindia.com the results shall simultaneously be communicated to the Stock Exchanges.
- vii. The result of the voting on the Resolutions at the Meeting will be announced by the Chairman or any other person authorized by him within 48 hours of conclusion of AGM.

STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

ITEM NO. 3

Based on recommendations of Nomination and Remuneration Committee, the Board of Directors proposes the re-appointment of Mr.K.S.Sarma(DIN:01505787), as Non-Executive Independent Director, for a second term of five years from 27th September, 2019 upto 26th September, 2024, not liable to retire by rotation. Mr.K.S.Sarma was appointed as

Independent Director at the Twentieth Annual General Meeting ("AGM") of the Company and holds office up to 26th September, 2019. The Company has, in terms of Section 160(1) of the Act received in writing a notices from a Member, proposing his candidature for the office of Director.

Further Regulation 17(1A) of the SEBI (LODR) Regulations, 2018 as amended, which is effective from 1st April, 2019, requires the Company to obtain approval of members by way of a special resolution for appointing or continuing the directorship of a person as a Non-Executive Director who has attained seventy five years of age.

Mr.K.S.Sarma has a distinguished academic career with two post graduate degrees, in Arts & Science and an M.Phil from Manchester University, UK. He worked in the education sector teaching Economics and Statistics for a period of 10 years before joining the Indian Administrative Service. During his career he worked in various levels such as Joint Secretary, Special Secretary and Principal Secretary with Government of Andhra Pradesh. He has also worked in the Ministry of Information and Broadcasting and held additional duties for the Post of Director General, Doordarshan. He has functioned as Chief Executive Officer, Prasar Bharati (Broadcasting Corporation of India) and was instrumental in launching free-to-air Direct-to-Home service (Popularly known as DD Direct +) for the benefit of Indian viewers. He had also been unanimously elected as Vice President of Asia-Pacific Broadcasting Union (ABU).

The Board of Directors at its meeting held on 14th August, 2019, on the recommendation of the Nomination and Remuneration Committee and based on the performance evaluation, considering his background and experience and contributions made by him during his tenure, the continued association of Mr.K.S.Sarma, would be immense benefit to the Company and it is desirable to continue to avail his services as Independent Director.

The Board's recommendation as above was notwithstanding the fact that Mr.K.S.Sarma, aged 76 years (Date of Birth: 01.07.1944). The

justification for recommending the reappointment of Mr.K.S.Sarma for the second term as an independent director is that the Board had immensely benefited from his experience and contributions made during his first term and is of the view that at the stage that the company is poised for growth, the contributions from Mr.K.S.Sarma especially in the area of corporate governance would hold the Company in good stead in steering the Company in the years to come.

The Company has received declaration from him to the effect that he meets the criteria of independence as provided in Section 149(6) of the Act and Rules framed thereunder and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that he is 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.

In the opinion of the Board, he fulfills the conditions specified in the Act and SEBI Listing Regulations for appointment as an Independent Directors and is independent of the management of the Company. The terms and conditions of their appointment shall be open for inspection by the Members at the Registered Office of the Company during the normal business hours on any working day (except Saturday) upto the date of the AGM.

In compliance with the provisions of Section 149 read with Schedule IV to the Act and Regulation 17 of SEBI Listing Regulations and other applicable Regulations, the re-appointment of Mr.K.S.Sarma as Independent Director is now being placed before the Members for their approval by way of Special Resolution.

The Board recommends the Special Resolution at Item No.3 of this Notice for approval of the Members.

Except Mr.K.S.Sarma, none of the other Directors, Key Managerial Personnel or their relatives is concerned or interested, financially or otherwise, in the said resolution.

ITEM NO. 4:

Based on recommendations of Nomination and Remuneration Committee, the Board of Directors proposes the re-appointment of Mr.V.Venkata Ramana (DIN:02660082), as Non-Executive Independent Director, for a second term of five years from 27th September, 2019 upto 26th September, 2024, not liable to retire by rotation. Mr.V.Venkata Ramana, was appointed as Independent Directors at the Twentieth Annual General Meeting ("AGM") of the Company and holds office up to 26th September, 2019. The Company has, in terms of Section 160(1) of the Act received in writing a notice from Members, proposing his candidature for the office of Director.

Mr.V.Venkata Ramana is a Law Graduate having more than 25 years of experience in wide spectrum of Industries in management liaison, legal. He is a senior advocate in the High Court of Telangana and standing council for various State/ Central Govt. Department.

The Board of Directors at its meeting held on 14th August, 2019, on the recommendation of the Nomination and Remuneration Committee and based on the performance evaluation, considering his background and experience and contributions made by him during his tenure, the continued association of Mr.V.Venkata Ramana, would be immense benefit to the Company and it is desirable to continue to avail his services as Independent Director.

The Company has received declaration from him to the effect that he meets the criteria of independence as provided in Section 149(6) of the Act and Rules framed thereunder and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). In terms of Regulation 25(8) of SEBI Listing Regulations, he has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge his duties.

In the opinion of the Board, he fulfills the conditions specified in the Act and SEBI Listing

Regulations for appointment as an Independent Directors and is independent of the management of the Company. The terms and conditions of his appointment shall be open for inspection by the Members at the Registered Office of the Company during the normal business hours on any working day (except Saturday) upto the date of the AGM.

In compliance with the provisions of Section 149 read with Schedule IV to the Act and Regulation 17 of SEBI Listing Regulations and other applicable Regulations, the re-appointment of Mr.V.Venkata Ramana as Independent Director is now being placed before the Members for their approval by way of Special Resolution.

The Board recommends the Special Resolution at Item No. 4 of this Notice for approval of the Members.

Except Mr. V.Venkata Ramana, none of the other Directors, Key Managerial Personnel or their relatives is concerned or interested, financially or otherwise, in the said resolution.

ITEM NO. 5:

Based on recommendations of Nomination and Remuneration Committee, the Board of Directors proposes the re-appointment of Ms.Sukhjinder Kaur (DIN: 07926721) as Non-Executive Independent Director, for a second term of five years from 27th September, 2019 upto 26th September, 2024, not liable to retire by rotation. Ms.Sukhjinder Kaur, was appointed as Independent Directors at the Twentieth fourth Annual General Meeting ("AGM") of the Company with effect from 02nd September, 2017 to 26th September, 2019 (casual vacancy caused due to the resignation of Ms.Janaki Kondapi). The Company has, in terms of Section 160(1) of the Act received in writing a notices from a Member, proposing her candidature for the office of Director.

Further Regulation 17(1A) of the SEBI (LODR) Regulations, 2018 as amended, which is effective from 1st April, 2019, requires the Company to obtain approval of members by way of a special resolution for appointing or continuing the directorship of a person as a Non-Executive Director who has attained seventy five years of age. During the proposed

term of re-appointment, Ms.Sukhjinder Kaur, will attain the age of seventy five years on 29.09.2022(Date of Birth: 29.09.1947). This Special Resolution, once passed, shall also be deemed as your approval under the aforesaid Regulations, for continuation of Ms.Sukhjinder Kaur as an Independent Director beyond the age of seventy five years.

She is a graduate, completed diploma in journalism, she has an experience of more than 40 years in the field of media and broadcasting she was a retired Director of Indian Broadcasting Services (Commercial and Marketing). She has a vast experience in Broadcasting, Administration, Management, Marketing and she has conducted media orientation programs for mother and child care for UNICEF. She was a member of the Committee for reviewing programs and advertising codes under the Cable & TV Networks (Regulation) Act, 1995.

The Board of Directors at its meeting held on 14th August, 2019, on the recommendation of the Nomination and Remuneration Committee and based on the performance evaluation, considering her background and experience and contributions made by her during her tenure, the continued association of Ms.Sukhjinder Kaur, would be immense benefit to the Company and it is desirable to continue to avail her services as Independent Director.

The Company has received declaration from her to the effect that she meets the criteria of independence as provided in Section 149(6) of the Act and Rules framed thereunder and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). In terms of Regulation 25(8) of SEBI Listing Regulations, she has confirmed that she is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge her duties.

In the opinion of the Board, she fulfills the conditions specified in the Act and SEBI Listing Regulations for appointment as an Independent Directors and is independent of the management of the Company. The terms and

conditions of her appointment shall be open for inspection by the Members at the Registered Office of the Company during the normal business hours on any working day (except Saturday) upto the date of the AGM.

In compliance with the provisions of Section 149 read with Schedule IV to the Act and Regulation 17 of SEBI Listing Regulations and other applicable Regulations, the re-appointment of Ms.Sukhjinder Kaur as Independent Director is now being placed before the Members for their approval by way of Special Resolution.

The Board recommends the Special Resolution at Item No.5 of this Notice for approval of the Members.

Except Ms.Sukhjinder Kaur, none of the other Directors, Key Managerial Personnel or their relatives is concerned or interested, financially or otherwise, in the said resolution.

ITEM NO: 6 & 7:

The Board of Directors (based on the recommendations of Nomination and Remuneration Committee) was appointed Mr.Pavan Chavali (DIN:08432078) as an Additional Director of the company with effect from 23rd May, 2019 to hold office up to the date of the Annual General Meeting. He was also appointed as Whole-time Director of the Company from the same date, for a period of 2(Two) years subject to the approval of the members.In terms of Section 161(1) of the Act, Mr.Pavan Chavali holds office only upto the date of the Annual General Meeting and is eligible for appointment as a Director. The Company has received a Notice under Section 160(1) of the Act from a Member signifying his intention to propose Mr.Pavan Chavali appointment as a Director.

Mr. Pavan Chavali, holds Degree in Bachelor of Engineering (B.E), Mechanical Engineering. He has been associated with the Company since more than six years in various designations, handling business operations, Programs, Project Management, Partner relationship Management. He has overall more than 17

years IT experience ranging from end user technical support to enterprise software support experience in large ESV's with recognized strengths in leading P&L responsibilities, support operations, delivery management and customer account management. Considering his vast experience and extensive knowledge, he is recommended for the office of Director of the Company.

Having regard to the financial performance of the Company in any financial year, there may be loss or inadequacy of profits for payment of managerial remuneration beyond the ceiling specified in Section II of Part II of Schedule V to the Companies Act, 2013. Accordingly, approval for payment of remuneration to Mr.Pavan Chavali is being sought from the shareholders by way of Special resolution under Item No. 7 of the Notice for the General Body Meeting for a period not exceeding two years from the date of his appointment to the office of Whole-time Director with effect from 23rd May, 2019 under Section II of Part II of Schedule V to the Companies Act, 2013.

Your Board confirms that the Company has not made any default in repayment of any of its debts as specified in sub-clause (ii) of the second proviso to clause (B) of Section II of Part II of Schedule V to the Companies Act, 2013 and rules made thereunder.

Disclosures as per sub clause (iv) of the second proviso to clause (B) of Section II of Part-II of Schedule V to the Companies Act, 2013.

I. GENERAL INFORMATION: (About Company)

i) Nature of Industry;

The operations of the Company would come under the purview of Information Technology and Software Services.

ii) Date or expected date of commencement of commercial production.

The Company is in operation since 1994.

iii) In case of new companies expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not Applicable.

iv) (a) Standalone Financial performance based on given indicators.

(Amount Rupees in Millions)

S. No.	Particulars	For the Financial Year		Three months - Unaudited
		2017-2018	2018-2019	Q1 FY 2019-20
1.	Revenue from operations	250.86	341.08	62.92
2.	Profit before tax	16.58	26.56	1.82
3.	Profit after tax	24.25	16.61	1.79
4.	Paid-up Capital (including share application money)	187.82	187.82	187.82

(b) Consolidated Financial performance based on given indicators.

(Amount Rupees in Millions)

S. No.	Particulars	For the Financial Year		Three months - Unaudited
		2017-2018	2018-2019	Q1 FY 2019-20
1.	Revenue from operations	356.14	415.52	81.18
2.	Profit before tax	1.74	1.43	(0.93)
3.	Profit after tax	15.21	(8.77)	(0.96)
4.	Paid-up Capital (including share application money)	187.82	187.82	187.82

v) Foreign investments or collaborations if any.

The company do not have any foreign investments or collaborations except has a subsidiary company i.e., M/s.Staytop Systems Inc located at North Carolina, United States.

II. INFORMATION ABOUT THE APPOINTEE:

i) Background details:

Mr.Pavan Chavali, Vice President (Operations) holds Degree in Bachelor of Engineering (B.E), Mechanical Engineering. He has been associated with the Company since more than six years in various designations, handling business operations, Programs, Project Management, Partner relationship Management.

He has overall more than 17 years IT experience ranging from end user technical support to enterprise software support experience in large ESV's with recognized strengths in leading P&L responsibilities.

Senior program management experience in handling the service delivery requirements of large and diverse ecosystems working in matrix organizations with a solid track record of turning concepts into reality

ii) Past remuneration:

Mr. Pavan Chavali's past annual remuneration was Rs.40,30,000/- (Rupees Forty Lakhs Thirty Thousand only) and Up to an amount of Rs.5,00,000/- (Rupees Five Lakhs Only) as variable pay, which he was drawing in the capacity of Vice President Operations, same is continuing now.

iii) Recognition or awards:

He has been associated with the company since more than 6 years, when he was in the position of vice president operations, the company's, Analytics Segment has been awarded the No.1 partner for Tableau in India during 2018. We continue the dominance in this segment even in 2019. We continue to retain the 'top tier – GOLD partner' status. GTL Managed to secure the 'Gold Tier' partner status until the end of calendar year 2020, based on achievement of Gold Tier targets (for 2020), by the first quarter of calendar year 2019.

iv) Job profile and suitability:

Considering the experience of Mr.Pavan Chavali in the field IT ranging from end user technical support to enterprise software support experience in large ESV's with recognized strengths in leading P&L responsibilities. The Board of the view that his vast experience in handling business operations, Programs,

Project Management, Partner relationship Management, would help the Company in various aspects.

v) Remuneration proposed;

As set out in the resolution under Item No.7 of the Notice.

vi) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person;

The Nomination & Remuneration Committee of the Board and the Board of Directors considering the size of the Company, the profile of Mr.Pavan Chavali, the responsibilities to be handled by him and the industry benchmark, approved payment of the remuneration (which he was drawing in the capacity of Vice President Operations) as detailed in the resolution set out in Item No.7 of the Notice, against the background of the general trend of managerial remuneration in the Information Technology and Software Services.

vii) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any:

Mr.Pavan Chavali has no other pecuniary relationship with the company other than being an employee of the Company either directly or indirectly or any relationship with the managerial personnel.

III. OTHER INFORMATION:

i) Reasons for loss or inadequate profits:

Compared to the previous FY, the company has seen an increase in revenue both at the standalone and consolidated levels. However, the impact of a major 'vendor consolidation' by a customer in the previous period continues to have an impact on the overall numbers. While

there has been notable growth in the stand alone revenue and profits during this FY, company was unable to record overall profits due to stress on margins at a consolidated level.

ii) Steps taken or proposed to be taken for improvement:

The Company is concentrating to improve its capacity of business operations by considering the market scenario in the recent trends, compete with market the company is decentralizing the operations by recruiting additional staff in technical, operations side as per the requirement and also other initiative steps to improve the performance in Off-shore Technical Support, Tableau License Sale and Data Analytics Consulting with these developments the business is expected to grow significantly and also expecting to increase profits and also the company has put in place measures to reduce cost and improve the bottom-line.

iii) Expected increase in productivity and profits in measurable terms:

In view of the steps initiated in strategic, technical, operations side to improve the performance in Off-shore Technical Support, Tableau License Sale and Data Analytics Consulting. The company has also taken various initiatives to maintain its leadership, improve market share and financial performance. It has been aggressively pursuing and implementing its strategies to improve financial performance

DISCLOSURE:

Subject to approval of the shareholders, the Board has fixed the remuneration/ perquisites/ benefits payable to the aforesaid Mr.Pavan Chavali, Whole-time Director from 23rd May, 2019, as follows:

1. Name of the appointee: Mr.Pavan Chavali,
2. Designation: Whole-time Director

3. Tenure: 2 (Two) years w.e.f. 23rd May, 2019
4. Salary: Rs. 1,90,000/- (Rupees One Lakh Ninety Thousand only) per month.

5. Perquisites;

- i) Housing: House Rent Allowance at Rs. 76,000/- (Rupees Seventy Six Thousand only) per month.
- ii) Other allowances for Maintenance, Leave travel, Conveyance, Subscription to Professional Journals and Medical costs not exceeding Rs. 65,534/- (Rupees Sixty Five Thousand Five Hundred and Thirty Four only) per month.
- iii) Company's contribution towards Provident Fund and payment of Gratuity as per applicable laws. Company's contribution towards Medical Insurance Policy for self and family subject to a ceiling of Rs. 51,800/- (Rupees Fifty One Thousand Eight Hundred only) per annum.
- iv) Up to an amount of Rs.5, 00,000/- (Rupees Five Lakhs Only) per annum as variable pay depending on individual and company performance parameters as per the rules framed by the Company in this regard.

Mr.Pavan Chavali does not hold any equity shares in the Company. The report on corporate governance in the annual report would indicate the remuneration paid to the managerial personnel as well as to all other directors.

The Board recommends the Ordinary Resolution at Item No.6 and Special Resolution at Item No. 7 of this Notice, for approval of the Members.

MEMORANDUM OF INTEREST

Except Mr.Pavan Chavali, none of the other Directors, Key Managerial Personnel or their relatives is concerned or interested, financially or otherwise, in the said resolution.

**BY ORDER OF THE BOARD
For GOLDSTONE TECHNOLOGIES LIMITED**

Sd/-
Thirumalesh T
Company Secretary

Place: Secunderabad
Date : 14.08.2019

Additional information on Directors seeking appointment/re-appointment at the Annual General Meeting as required under Secretarial Standard on General Meeting and Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Name of the Director	Mr.K.S.Sarma	Mr.V.Venkata Ramana	Ms. Sukhjinder Kaur
Date of Birth	01.07.1944	21.05.1957	29.09.1947
Date of Appointment including terms and conditions	On 27.09.2014, appointed as an Independent Director of the Company for a term of five years not liable to retire by rotation	On 27.09.2014, appointed as an Independent Director of the Company for a term of five years not liable to retire by rotation	On 02.09.2017 as an Independent Director of the Company not liable to retire by rotation.
Date of first Appointment on the Board	30.04.2007	30.04.2007	02.09.2017
No. of shares held (As on 31.03.2019)	NIL	NIL	NIL
Expertise in functional areas	Expert in Industrial and Corporate Management. He is a retired IAS officer. During his career he worked in various levels such as Joint Secretary, Special Secretary and Principal Secretary with Govt of Andhra Pradesh before going on deputation to the Government of India. He worked in the Ministry of Information and Broad-casting and held addition charges of the Post of Director General, Door Darshan etc.,	He is a Law Graduate having more than 25 years of experience in wide spectrum of Industries in management liaison, legal, etc. He is a senior advocate in the High Court of Telangana and standing council for various State/ Central Govt. Department.	She is a graduate, diploma holder in journalism. She has an experience of More than 40 years in the field of media and broadcasting she was a retired Director of Indian Broadcasting Services (Commercial and Marketing). She has a vast experience in Broadcasting, Administration, Management, Marketing and she has conducted media orientation programs for mother and child care for UNICEF. She was a member of the Committee for reviewing programs and advertising codes under the Cable & TV Networks (Regulation) Act 1995.
List of Directorships in Companies (other than Goldstone Technologies Limited) on 31.03.2019	<ol style="list-style-type: none"> 1. Mjunction Services Limited. 2. Renascence Asset Reconstruction Company Limited 3. KMK Avenues Private Limited 	NIL	NIL

Chairman / Member of the Committee of the Board of Directors of Companies (other than Goldstone Technologies Limited) on which he is a Director on 31.03.2019	M/s. Mjunction Services Limited. Audit Committee: Member Nomination and Remuneration Committee: Chairperson	NIL	NIL
Relationship between Directors inter-se	No relation with any of the Directors on the Board.	No relation with any of the Directors on the Board.	No relation with any of the Directors on the Board.

Name of the Director	Mr.L.P.Sashikumar	Mr.Pavan Chavali
Date of Birth	28.10.1950	18.06.1980
Date of Appointment	30.10.2007	23.05.2019
No. of shares held (As on 31.03.2019)	757	NIL
Expertise in functional areas	<p>He is a Bachelors in Science and holds a BS (Business Administration) from Union University, USA. He has 38 years of experience in various industries and business sectors handling a wide range of operations.</p>	<p>He holds a Degree in Bachelor of Engineering (B.E), Mechanical Engineering. He has been associated with the Company since more than six years in various designations, handling business operations, Programs, Project Management, Partner relationship Management.</p> <p>He has overall more than 17 years IT experience ranging from end user technical support to enterprise software support experience in large ESV's with recognized strengths in leading P&L responsibilities.</p> <p>Senior program management experience in handling the service delivery requirements of large and diverse ecosystems working in matrix organizations with a solid track record of turning concepts into reality</p>
List of Directorships in Companies (other than Goldstone Technologies Limited) on 31.03.2019	<p>M/s.Sri Satyasai Agricultural Research and Development Private Limited.</p> <p>M/s.Matrix Insulators Private Limited</p> <p>M/s.Goldstone Power Private Limited</p> <p>M/s.TF Solarpower Private Limited</p> <p>M/s.Suvishal Power Gen Limited</p> <p>M/s.Jayasri Agencies Private Limited</p> <p>M/s.Golconda Extrusions Private Limited</p> <p>M/s.Skylark Estateventures Private Limited</p> <p>M/s.Lemon Realpower Private Limited</p> <p>M/s.Glowmask Technologies Private Limited</p> <p>M/s.Staytop Systems And Software Pvt Ltd</p> <p>M/s.Trinity Cleantech Private Limited</p> <p>M/s.Trinity Infracventures Limited</p> <p>M/s.All Languages Company Private Limited</p>	M/s. Abhibus Services (India) Private Limited
Chairman/ Member of the Committee of the Board of Directors of Companies (other than Goldstone Technologies Limited) on which he is a Director on 31.03.2019	<p>M/s.Trinity Cleantech Private Limited</p> <p>Audit Committee: Member</p> <p>Nomination and Remuneration Committee: Member</p>	NIL
Relationship between Directors inter-se	Relative to Mr. Clinton Travis Caddell, Director of the Company	No relation with any of the Directors on the Board.

DIRECTORS' REPORT

To
 The Members
 Goldstone Technologies Limited

Your Directors are pleased to present the Twenty Fifth Annual Report of your Company and the Audited Financial Accounts for the year ended on 31st March, 2019.

FINANCIAL PERFORMANCE

The financial highlights of the Company for the year ended on 31st March, 2019 are summarized as below:

(Rs. In Millions Except Otherwise Stated)

Particulars	Standalone		Consolidated	
	2018-19	2017-18	2018-19	2017-18
Revenue from Operations	341.08	250.86	415.52	356.14
Total Expenses	317.05	237.03	416.62	357.15
Operating Profit (PBIDT)	33.28	23.51	8.23	8.73
Interest	3.05	3.16	3.10	3.20
Depreciation & Amortization expense	3.67	3.77	3.70	3.79
Profit before Tax	26.56	16.58	1.43	1.74
Current Tax	(3.67)	3.67	(3.42)	(2.13)
Deferred Tax	13.62	(11.34)	13.62	(11.34)
Profit for the year	16.61	24.25	(8.77)	15.21
Other Comprehensive Income				
Re-measurement of gains on defined benefit plan	2.18	2.16	12.89	2.17
Income tax effect	(0.60)	(0.60)	(0.60)	(0.60)
Total Comprehensive Income for the Year	18.19	25.81	3.52	17.33
Equity Share Capital (1,87,82,066 Shares of Rs 10/- each; Previous year 1,87,82,066 Shares of Rs 10/- each)	187.82	187.82	187.82	187.82
E.P.S (After Prior Period Items) (Rupees)	0.88	1.29	(0.47)	0.81
Net Worth	284.74	266.55	435.11	431.59
Book Value in Rs. (Face Value of Rs. 10/- each)	15.16	14.19	23.16	22.98

GENERAL REVIEW OF OPERATIONS

During the year under review, your Company has achieved a consolidated turnover of Rs.415.52 Million as compared to Rs.356.14 Million for the previous financial year. The Standalone turnover was Rs.341.08 Million as against a turnover of Rs.250.86 Million during the previous year. The

Consolidated Net Profit/(Loss) for the year 2018-19 (Rs.8.77) Million in comparison with Net Profit / (Loss) Rs. 15.21 Million during the previous year and the Standalone Net Profit/(Loss) is Rs.16.61Million during the year and in comparison with Net Profit / (Loss) Rs.24.25 Million during the previous year.

TRANSFER TO GENERAL RESERVES:

No amount has been transferred to Reserves during the year.

CHANGE IN THE NATURE OF BUSINESS :

During the Financial year 2018-19, there is no change in the nature of the business of the Company.

DIVIDEND :

During the year the Company does not have adequate profits and hence, your Board has not recommended any dividend for the financial year 2018-19.

SHARE CAPITAL :

The Paid up capital as on 31st March, 2019 was Rs.18,78,20,660/- (having 1,87,82,066 Equity Shares @Rs 10/- each). During the year under review the company has not issued any shares either to the public or to the promoters. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

As on 31st March, 2019, except Mr.L.P.Sashikumar having 757 shares none of the other Directors of the Company hold shares or convertible instruments of the Company.

ACCOUNTING TREATMENT

There is no change in Accounting treatment in the year under review, as compared to previous Financial Year.

CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL:

During the year under the review the following changes were made.

Resignations:

- Mr.Ch.Sudhakar Reddy, resigned from the position of Managing Director & Director w.e.f. 22nd May, 2019 to pursue other interests and commitments. The Board places on record its deep appreciation for the services rendered by Mr.Ch.Sudhakar Reddy during his tenure as Managing Director of the company.

Retire by Rotation:

- Mr.L.P.Sashikumar, who retires by rotation at the 25th Annual General Meeting and being eligible, offers himself for re-appointment. Brief profile of Mr.L.P.Sashikumar has been given in the Notice convening the Annual General Meeting.

Appointments:

- Mr.Pavan Chavali, appointed as Additional Director and as Whole-time Director w.e.f 23rd May, 2019. His office as Additional Director is till the date of forthcoming Annual General Meeting is put before you for your approval. He is also designated as Whole-time Director (KMP) and hence, his appointment as Director. Brief profile and other details of Mr. Pavan Chavali has been given in the Notice convening the Annual General Meeting.
- Mr.K.S.Sarma, proposed to be re-appointed as an Independent Director of the Company at the 25th Annual General Meeting for a second term of five consecutive years commencing from 27th September, 2019 upto 26th September, 2024.
- Mr.V.Venkata Ramana, proposed to be re-appointed as an Independent Director of the Company at the 25th Annual General Meeting for a second term of five consecutive years commencing from 27th September, 2019 upto 26th September, 2024.

- Ms.Sukhjinder Kaur, proposed to be re-appointed as an Independent Director of the Company at the 25th Annual General Meeting for a second term of five consecutive years commencing from 27th September, 2019 upto 26th September, 2024.

Mr.K.S.Sarma, Mr.V.Venkata Ramana and Ms.Sukhjinder Kaur were appointed as Independent Directors of the Company pursuant to Section 149 of the Companies Act, 2013 for the first term and will hold office upto 26th September, 2019. Considering their knowledge, expertise and experience in their respective fields and the substantial contribution made by these Directors during their tenure as an Independent Director since their appointment, the Nomination & Remuneration Committee and the Board has recommended the re-appointment of these Directors as Independent Directors on the Board of the Company, to hold office for the second term of five consecutive years commencing from 27th September, 2019 upto 26th September, 2024 and not liable to retire by rotation. The Company has received declaration from all these Directors that they continue to fulfil the criteria of independence as prescribed under the provisions of the Companies Act, 2013 read with the Schedules and Rules issued thereunder and the applicable regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015(including statutory re-enactment thereof for the time being in force).

The brief profiles of these Directors has been given in the notice convening the Annual General Meeting.

BOARD EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 and the applicable regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the

working of its Audit, Nomination & Remuneration Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

The performance evaluation of the Independent Directors was completed during the year under review. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors and Non-Executive Directors. The Board of Directors expressed their satisfaction with the evaluation process.

REMUNERATION POLICY:

The Board has, on the recommendation of the Nomination & Remuneration Committee framed and adopted a policy for selection and appointment of Directors, Key Managerial Personnel and other employees and their remuneration.

The Nomination and Remuneration Policy and other matters provided in Section 178(3) of the Act and Regulation 19 of SEBI Listing Regulations have been disclosed in the Corporate Governance Report, which forms part of this Report.

MEETINGS:

During the year under review, 5 (Five) Board Meetings, 4 (Four) Audit Committee, 1 (One) Nomination and Remuneration Committee Meeting, 4 (Four) Stakeholder Relationship Committee Meetings and 1 (One) Independent Directors meeting were convened and held. The details of which are given in the Corporate Governance Report.

The intervening gap between the Meetings were within the period prescribed under the Companies Act, 2013.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS;

The details on the familiarization programme for Independent Directors is reported in the Corporate Governance Report.

DIRECTOR'S RESPONSIBILITY STATEMENT:

In terms of Section 134 (5) of the Companies Act, 2013, the directors would like to state that:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the 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;
- e) the directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

SUBSIDIARIES AND ASSOCIATES:

As on 31st March 2019, we are having two wholly owned subsidiaries;

- a) **Staytop Systems Inc** having its Registered office situated at 9660 Falls of Neuse Rd., Ste. 138 Unit 161, Raleigh, North Carolina, 27615 and
- b) **Staytop Systems and Software Pvt Ltd*** having its registered office situated at 9-1-

83 & 84, Amarchand Sharma Complex, Sarojini Devi Road, Secunderabad, Telangana - 500003.

Till date Staytop Systems and Software Pvt Ltd have no business operations.

* Submitted requisite forms with Registrar of Companies on 09th May, 2019, for strike off the name of the company.

During the year no further investments were made in the subsidiaries.

Other than the above no other company is Associate or Joint Venture during the year under review.

M/s. Staytop Systems Inc, is a material subsidiary of the Company as per the thresholds laid down under the applicable regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015. The Company has framed a policy on Material Subsidiaries as approved by the Board and the same has been uploaded on the Company's website <http://www.goldstonetech.com/investor-corner.php>

Pursuant to sub-section (3) of section 129 of the Act, the statement containing the salient feature of the financial statement of a company's subsidiary or subsidiaries, associate company or companies and joint venture or ventures is in the prescribed format AOC-1 are appended as **"Annexure - 1"** to the Board`s report.

CONSOLIDATED FINANCIAL STATEMENTS:

During the year the Board of Directors (the Board) reviewed the affairs of the Subsidiaries. In accordance with Section 129 (3) of the Companies Act, 2013 and applicable Accounting Standards we have prepared consolidated financial statements of the Company and its subsidiaries which will form part of the Annual Report.

In accordance with Section 136 of the Companies Act, 2013 the Audited financial statements including the consolidated financial statements and related information of the Company and

audited accounts of each of its subsidiaries are available on website of the Company <http://www.goldstonetech.com/investor-corner.php>. These documents will also be available for inspection during the business hours at the registered office of the Company.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an Internal Audit and Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board.

The Internal Auditor monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal auditors, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

DEPOSITS:

The deposits covered under Chapter V of the Companies Act, 2013 were neither accepted during the year nor remained unpaid or unclaimed as at the end of the financial year 2018- 19. As such, there has been no default in repayment of deposits or payment of interest thereon at the beginning or at the end of the year.

COST RECORDS:

Maintenance of cost records as specified by the Central Government under Section 148(1) of the Companies Act, 2013, is not applicable on the Company. Accordingly, such records are not made and maintained.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

As per the provisions of Sec 135 of Companies

Act, 2013, every company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during immediately preceding financial year shall constitute a Corporate Social Responsibility Committee of the Board. As your company doesn't fall under the provisions of sec 135 of Companies Act, 2013, hence it is not applicable to company.

INSURANCE:

All the properties of your Company including its building, plant & machinery and also the Company has Insurance coverage for Director and Officer and other liability insurance have been adequately insured.

AUDITORS:

Statutory Auditors:

The members at its Annual General meeting held on 28th September, 2017, pursuant to the provisions of the Section 139 and other applicable provisions of the Companies Act, 2013, appointed M/s. P C N & Associates, [Formerly known as M/s.Chandra Babu Naidu &Co.,] (FRN:016016S), Chartered Accountants, as Statutory Auditors of the Company to hold office up to the conclusion of 28th Annual General Meeting to held in the year 2022.

However, pursuant to the amendments made to Section 139 Act, by the Companies (Amendment) Act, 2017, effective from 7th May, 2018, the requirement of seeking ratification of the members for appointment of Statutory Auditors has been withdrawn. In view of the same, the ratification of members for continuance of appointed M/s.P C N & Associates, Chartered Accountants, as the Statutory Auditors of the Company, is not being sought.

The Audit Committee of your Company meets periodically with Statutory Auditors and Internal Auditors to review the performance of the Internal Audit, to discuss the nature and scope of statutory auditors functions, and to discuss

auditing, internal control and financial reporting issues. To ensure complete independence, the statutory auditor and the internal auditor have full access to the Members of the Audit Committee to discuss any matter of substance.

The Report of the Auditors for the year ended 31st March, 2019 forming part of this Annual Report does not contain any qualification, reservation, observation, adverse remark or disclaimer.

Internal Auditors:

M/s.CKS & ASSOCIATES, Chartered Accountants, Hyderabad, appointed as internal Auditors for conducting the internal audit of the company for the financial year 2019-20. The main thrust of internal audit is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry.

Secretarial Auditor:

Pursuant to provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the company has appointed M/s. VCSR & Associates, Practising Company Secretaries, to undertake the Secretarial Audit of the Company. The Secretarial Audit report for the financial year 2018-19 is annexed herewith as **"Annexure - 2"** to the Board Report.

One Observation reported in Secretarial Audit Report:

Secretarial Auditor has reported the following observation in their report:

The company is required to transfer the equityshares to Investor Education and Protection Fund, in respect of which dividend has not been paid or claimed for seven consecutive years or more held with the company relating to the Financial Year 2007-08.

Management Reply to the observation:

As per the Circular No. 11/06/2017-IEPF, dated 16th October, 2017 Government of India, Ministry of Corporate Affairs, states that "pursuant to second proviso to Rule 6 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time wherein the seven years period provided under sub-section (5) of section 124 is completed for unpaid/unclaimed dividends during 7th September, 2016 to 31st May, 2017, the due date of transfer of the shares by Companies is 31st October, 2017."

"Whereby it is clearly indicating, 7 years period, is completed during 7th September, 2016 to 31st May, 2017, for the aforementioned purpose" and accordingly we had followed the same limited to the unclaimed dividends where such seven years is completed during the aforesaid period since the words "is completed" is in presenti and does not in its natural meaning include "was completed".

The Company declared dividend for the financial year 2007-08, on 30th September, 2008 and the due date of transfer of unclaimed dividend to the IEPF A/c was 29th October, 2015, Therefore, as per the interpretation mentioned above, the Company did not transfer the respective Equity Shares to Demat Account of IEPF Authority. Hence, no corresponding form IEPF-4 has been filed. However, we transferred the respective unclaimed dividend amount to IEPF.

Now the company has already initiated the process for transferring the said shares into the IEPF Account and as per the applicable regulations will transfer the above mentioned shares in due course of time.

However the company is adherent to comply all the applicable provisions from time to time.

SECRETARIAL STANDARDS:

The Company complies with all the applicable Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI)

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Details of Loans, Guarantees and Investments covered under the provisions of Sec 186 of The Companies Act, 2013 are given in Note no.29 of standalone Financial Statements and to Note no.28 of consolidated Financial Statements.

RELATED PARTY DISCLOSURES:

There are no related party transactions entered into by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

Also all the related party transactions which were entered into by the Company during the year under review, were on arms' length basis and in the ordinary course of business. The related party transactions are disclosed in the notes to the accounts, as per the relevant accounting standards.

Consequently, disclosures in Form AOC- 2 pursuant to Rule 8 (2) of the Companies (Accounts) Rules, 2014 are not required.

During the year 2018-19, as required under section 177 of the Companies Act, 2013 and regulation 23 of the SEBI Listing Regulations, all related party transactions were placed before the Audit Committee for approval.

The revised Policy on materiality of related party transactions stipulating the threshold limits and also on dealing with, pursuant to SEBI Listing Regulations has been placed on the Company's website <http://www.goldstonetech.com/investor-corner.php>

None of the Directors has any pecuniary relationship or transactions vis-à-vis the Company except remuneration and sitting fees.

RISK MANAGEMENT POLICY:

In terms of the requirement Section 134 (3) (n) and Regulation 21 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 read with relevant provisions of the Companies Act 2013, the Company is implementing all

measures to mitigate and manage the risk including identification therein of elements of risk if any which in the opinion of the Board may threaten the existence of the company.

At present the company has not identified any element of risk which may threaten the existence of the company.

CODE OF CONDUCT:

All the Independent Directors and senior management confirmed the compliance of code of conduct. The Company believes in "Zero Tolerance" against bribery, corruption and unethical dealings / behaviors of any form and the Board has laid down the directives to counter such acts. The Code laid down by the Board is known as "Code of Business Conduct" which forms an Appendix to the Code. The Code has been posted on the Company's website www.goldstonetech.com.

PREVENTION OF INSIDER TRADING:

During the year under review, SEBI has amended SEBI (Prohibition of Insider Trading) Regulations 2015, In view of the amendment to the said Regulations, the Company has adopted the following policies for regulating, monitoring and reporting of trading by designated persons and uploaded in website of the Company, which are effective from 1st April 2019:

- i) Revised Code of Conduct to Regulate, Monitor and Report trading by Designated Persons
- ii) Revised Code of Practices and Procedures for fair disclosure of Unpublished Price Sensitive Information

The Board is responsible for implementation of the Code. The Board of Directors and the designated employees have confirmed compliance with the Code.

POLICIES UNDER SEBI (LODR) REGULATIONS 2015;

The Board has formulated and adopted the following policies as required under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements)

Regulations, 2015

- ❖ Archival Policy
- ❖ Policy on Material Subsidiary
- ❖ Determination of Materiality of Events
- ❖ Preservation of Documents Policy

All the above policies are hosted on the website of the Company <http://www.goldstonetech.com/investor-corner.php>

VIGIL MECHANISM / WHISTLE BLOWER POLICY:

As per the provisions of the Section 177 (9) & (10) of the Companies Act 2013, and SEBI (Listing Obligations and Disclosure Requirements), 2015, the Board adopted a Vigil Mechanism called 'Whistle Blower Policy' for directors and employees to report the management /Audit Committee instances of unethical behavior, actual or suspected, fraud or violation of company's code of conduct or ethics policy.

The Vigil Mechanism also provided adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit committee in exceptional cases further it has also been uploaded in the Company's web site; <http://www.goldstonetech.com/investor-corner.php>

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:

Your Company strongly supports the rights of all its employees to work in an environment free from all forms of harassment. The Company has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at workplace as per the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. The policy aims to provide protection to Employees at the workplace and prevent and redress complaints of sexual harassment and for

matters connected or incidental thereto, with the objective of providing a safe working environment, where Employees feel secure.

The Company has complied with the provisions relating to the constitution of Internal Complaints Committee.

The Company has not received any complaint on sexual harassment during the year.

EXTRACT OF ANNUAL RETURN:

In pursuant to the provisions of Section 134 (3)(a) of the Companies Act, 2013, extract of Annual Return in form MGT-9 is Annexed here with as **"Annexure - 3"** to the Board Report. Pursuant to provisions of section 92(3) of the Act, is placed on the website of the company at www.goldstonetech.com

LISTING ON STOCK EXCHANGES:

Presently, the Company's Shares are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). The Company confirms that it has paid Annual Listing Fees due to all the Stock Exchanges where the Company's securities are listed for the year 2019-20.

CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS REPORTS

As per the Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 the Corporate Governance and Management Discussion & Analysis Report, which form an integral part of this Report, are attached as **"Annexure - 4"** and **"Annexure - 5"** respectively, together with the Certificate from the auditors of the Company regarding compliance with the requirements of Corporate Governance.

MANAGING DIRECTOR AND CFO CERTIFICATION:

As required under the SEBI (LODR) Regulations, 2015, the Managing Director and the CFO Certification is attached to Corporate Governance Report.

STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SUB-SECTION (6) OF SECTION 149:

All Independent Directors have furnished to the Company the requisite declarations that they meet the relevant independence criteria as laid down in Section 149(6) of The Companies Act, 2013, as well as the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR i.e., 31.3.2019, TO WHICH FINANCIAL STATEMENTS RELATE AND THE DATE OF THE BOARD'S REPORT:

There were no material changes and commitments affecting the financial position of the company between the end of the financial year i.e. 31.03.2019 and date of this report.

PARTICULARS OF CONSERVATION OF ENERGY / TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGOINGS:

Information on conservation of energy, technology absorption, foreign exchange and outgo as required under sec 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of the companies (Account) Rules, 2014 is annexed herewith as **"Annexure - 6"**.

PARTICULARS OF EMPLOYEES:

In terms of the first proviso to Section 136 of the Act, the Reports and Accounts are being sent to the Shareholders excluding the information required under Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Members who are interested in obtaining the same may write to the Company Secretary at the Registered Office of the Company. The said

information is available for inspection by the Members at the Registered Office of the Company on any working days of the Company upto the date of the 25th Annual General Meeting.

The information required pursuant to Section 197 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, is enclosed as **"Annexure - 7"** to the Board's report.

PERSONNEL:

Personnel relations have remained very cordial during the period.

GOING CONCERN STATUS:

There were no significant and material orders passed by Regulators or Courts or Tribunal impacting the Company's going concern status and / or its future operations.

ACKNOWLEDGEMENTS

Your Directors convey their sincere thanks to CITI Bank, and Central Bank of India for their support, guidance and assistance.

Your Directors wish to place on record their appreciation, for the contribution made by the employees at all levels but for whose hard work, and support, your Company's achievements would not have been possible. Your Directors also wish to thank its customers, dealers, agents, suppliers, consultants, investors for their continued support and faith reposed in the Company.

For and on behalf of the board

sd/-
L.P.Sashikumar
Director
(DIN: 00016679)

sd/-
Pavan Chavali
Whole-time Director
(DIN: 08432078)

Place: Secunderabad
Date: 14.08.2019

Form 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/associate companies/joint ventures

Part "A": Subsidiaries

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

Sl.No	Particulars	1	2
1.	Name of the Subsidiary	STAYTOP SYSTEMS, INC.	STAYTOP SYSTEMS AND SOFTWARE PVT LTD.,
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	April 2018 to March 2019	April 2018 to March 2019
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries :	For Profit & Loss each US\$ is Rs.69.29 & For Balance sheet Each US\$ is Rs.69.44	INR
4.	Share capital	INR 83,332	INR 100,000
5.	Reserves & Surplus	INR 15,04,54,825	NIL
6.	Total Assets	INR 18,36,11,419	INR 100,000
7.	Total Liabilities	INR 18,36,11,419	INR 100,000
8.	Investments	NIL	NIL
9.	Turnover	INR 11,07,70,056	NIL
10.	Profit/(Loss) before taxation	INR (2,51,27,229)	NIL
11.	Provision for taxation	INR 2,40,714	NIL
12.	Profit/(Loss) after taxation	INR (2,53,67,943)	NIL
13.	Proposed Dividend	NIL	NIL
14.	% of Shareholding	100%	100%

Names of Subsidiaries which are yet to commence operations: Staytop Systems and Software Pvt. Ltd.

Names of subsidiaries which have been liquidated or sold during the year: Nil. However the company M/s.Staytop Systems and Software Private Limited, submitted requisite forms with Registrar of Companies on 09th May, 2019, for strike off the name of the company.

Part "B": Associates and Joint Ventures-NIL

Statement Pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures - **Not Applicable**

MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019

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

To
The Members
GOLDSTONE TECHNOLOGIES LIMITED
Hyderabad.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions of the Acts, Rules and Regulations as mentioned below and the adherence to good corporate practices by M/s.GOLDSTONE TECHNOLOGIES LIMITED (herein called 'the Company').Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 ("Audit Period") according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made there-under;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there-under;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there-under;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the Extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act,1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client;
 - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and 2018;(Not applicable to the Company during the

audit period)

- (e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and The Company has complied with the Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.
- (f) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not applicable to the Company During the audit period);
- (g) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the audit period);
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the audit period);
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2009 (Not applicable to the Company during the audit period);

Other Laws applicable specifically to the Company namely:

1. Information Technology Act, 2005 and the Rules made there under,
2. Software Technology Parks of India Rules made there under,
3. The Trade Marks Act, 1999.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.
- (ii) The Company has complied with the clauses of Equity Listing Agreements entered into with Stock Exchanges.

We report that during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above subject to the following observations:

The company is required to transfer the equity shares to Investor Education and Protection Fund, in respect of which dividend has not been paid or claimed for seven consecutive years or more held with the company relating to the Financial Year 2007-08.

The Management has explained to us that the Company has already initiated and is in the process of transferring the said shares in the name of Investor Education and Protection Fund.

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 notices are 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 decisions are carried through and as informed by the Company, there were no dissenting views of members of the Board at any Board / Committee meeting held during the financial year.

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

We further report that during the audit period there were no specific events /actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For VCSR & Associates

Company Secretaries

sd/-

Ch. Veeranjanyulu

Partner

CP No. 6392

Place: Hyderabad

Date: 14.08.2019

Note: This report is to be read with our letter of even date which is annexed as and forms an integral part of this report.

(Annexure)

To
The Members
GOLDSTONE TECHNOLOGIES LIMITED
Hyderabad.

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

For VCSR & Associates
Company Secretaries

sd/-
Ch. Veeranjanyulu
Partner
CP No. 6392

Place: Hyderabad
Date: 14.08.2019

**Form No. MGT-9
EXTRACT OF ANNUAL RETURN**

As on the financial year ended on 31st March, 2019
of

GOLDSTONE TECHNOLOGIES LIMITED

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014

I. REGISTRATION AND OTHER DETAILS

CIN	L72200TG1994PLC017211
Registration Date	18th March 1994
Name of the Company	Goldstone Technologies Limited
Category / Sub-Category of the Company	Public Limited / Limited by Shares
Address of the Registered Office and contact details	9-1-83 & 84, Amarchand Sharma Complex, S.D Road, Secunderabad-500003 Phone No : 040 27807640/0742 Fax No: 040 39120023 Email Id : corporate@goldstonetech.com Website : www.goldstonetech.com
Whether listed company	Yes BSE Limited National Stock Exchange of India Limited
Name, Address and contact details of Registrar & Transfer Agents (RTA)	Aarathi Consultants Private Limited 1-2-285, Domalaguda, Hyderabad 500 029 Phone No: 040-27638111/4445 Fax: 040-27632184 E-mail id : info@aarthiconsultants.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the Company shall be stated:

Sl. No.	Name and Description of main products / Services	NIC Code of the Product/ service	% to total turnover of the company
A.	Standalone Turnover		
1.	Information Technologies and enabled services	62099	60.49%
2.	Software License Resale	62091	39.51%
B.	Consolidated Turnover		
1.	Information Technologies and enabled services	62099	66.16%
2.	Software License Resale	62091	33.84%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. NO	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1.	Staytop Systems Inc. Address; 9660 Falls of Neuse Rd., Ste. 138 Unit 161, Raleigh, North Carolina, 27615	EIN 77-0472088	Subsidiary	100%	2 (87)(ii)
2.	Staytop Systems and Software Pvt Ltd* Address; 9-1- 83 & 84, Amarchand Sharma Complex, S D Road, Secunderabad 500003	U72200TG 2008PTC060684	Subsidiary	100%	2 (87)(ii)

*submitted requisite forms with Registrar of Companies on 09th May, 2019, for strike off the name of the company.

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of shareholders	No of shares held at the beginning of the year i.e. as on 01-04-2018				No of shares held at the end of the year i.e. as on 31-03-2019				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(A) Promoter									
(1) Indian									
a. Individual/HUF	1,14,281	0	1,14,281	0.61	1,14,281	0	1,14,281	0.61	0
b. Central Government	0	0	0	0	0	0	0	0	0
c. State Government	0	0	0	0	0	0	0	0	0
d. Bodies Corp.	34,19,872	0	34,19,872	18.21	34,19,872	0	34,19,872	18.21	0
e. Banks /FI	0	0	0	0	0	0	0	0	0
f. Any others	0	0	0	0	0	0	0	0	0
Sub-Totals (A)	35,34,153	0	35,34,153	18.82	35,34,153	0	35,34,153	18.82	0
2. Foreign									
a. NRIs Individuals	0	0	0	0	0	0	0	0	0
b. Other individuals	0	0	0	0	0	0	0	0	0
c. Bodies Corporate	0	0	0	0	0	0	0	0	0
d. Banks/Fiis	0	0	0	0	0	0	0	0	0
e. Any Others	0	0	0	0	0	0	0	0	0
Sub Totals (A) (2)	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter (A) =(A) (1) + (A) (2)	35,34,153	0	35,34,153	18.82	35,34,153	0	35,34,153	18.82	0
(B) Public Shareholding									
(1) Institutions									
a. Mutual Funds/UTI	0	1,700	1,700	0.01	0	1,700	1,700	0.01	0

Category of shareholders	No of shares held at the beginning of the year i.e. as on 01-04-2018				No of shares held at the end of the year i.e. as on 31-03-2019				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
b. Banks/Financial Institutions	2,900	0	2,900	0.02	2,900	0	2,900	0.02	0
c. Central Govt	0	0	0	0	0	0	0	0	0
d. State Govt	0	0	0	0	0	0	0	0	0
e. Venture Capital Funds	0	0	0	0	0	0	0	0	0
h. Foreign institutional investors	0	0	0	0	0	0	0	0	0
g. Insurance Companies	0	0	0	0	0	0	0	0	0
h. Foreign Ventures Capital Investors	0	0	0	0	0	0	0	0	0
i. Other (Specify)	0	0	0	0	0	0	0	0	0
Subtotal B (1)	2,900	1,700	4,600	0.03	2,900	1,700	4,600	0.03	0
(2) Non-Institutions									
a. Bodies Corporates									
i. Indian	27,20,862	9500	27,30,362	14.54	21,40,719	9,400	21,50,119	11.45	(3.09)
ii. Overseas	0	0	0	0	0	0	0	0	0
b. Individuals									
i. Individual shareholding nominal share Capital upto Rs 1 lakh	55,44,969	1,64,959	57,09,928	30.40	53,02,525	1,56,148	54,58,673	29.06	(1.34)
ii. Individual shareholding nominal share Capital excess of Rs 1 lakh	56,18,736	0	58,18,736	29.92	69,50,296	12,500	69,62,716	37.07	7.15
c. others (NBFC registered with RBI)	27,500	0	27,500	0.15	25,000	0	25,000	0.13	(0.02)
Foreign Bodies									
Non-resident Indian	6,57,481	1,20,800	7,78,281	4.15	4,42,925	1,14,400	5,57,325	2.97	(1.18)
Clearing members	3,78,406	0	3,78,406	2.01	3,78,406	0	3,78,406	0.48	(1.53)
Trusts	100	0	100		100	0	100	0	0
SUB totals B(2)	1,49,48,054	2,95,259	1,52,43,313	81.16	1,49,48,054	2,95,259	1,52,43,313	81.16	0
Total Public shareholding									
(B)=B(1)+B(2)	1,49,50,954	2,96,959	1,52,47,913	81.18	1,49,50,954	2,96,959	1,52,47,913	81.18	0
C. Share held by Custodian For GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	1,84,85,107	2,96,959	1,87,82,066	100.00	1,84,85,107	2,96,959	1,87,82,066	100.00	0

ii) Shareholding of Promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year 01.04.2018			Shareholding at the end of the year 31.03.2019			% change in share during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / enumerated to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / enumerated to total shares	
1.	M/s Trinity Infraventures Limited	34,19,872	18.21	0	34,19,872	18.21	0	0
2.	Mrs. L Preetha Priya darshini	1,13,524	0.60	0	1,13,524	0.60	0	0
3.	Mr. L.P.Sashikumar	757	0	0	757	0	0	0

iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl.No	Name of the Promoter	Change in %
1.	Trinity Infraventures Limited	Nil
2.	Mrs. L Preetha Priyadarshini	Nil
3.	Mr. L.P. Sashikumar	Nil

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

S. No.	Shareholder's Name	Shareholding at the beginning of the year 01.04.2018		Shareholding at the end of the year 31.03.2019		Change in Shareholding during the Year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1.	Newtech Stewing Precision Engineering Pvt. Ltd.	9,20,762	4.90	9,20,762	4.90	0	0.00
2.	Moturu Chandra Sekhar	4,17,974	2.23	4,17,974	2.23	0	0.00
3.	M V S Anantha Krishnan	2,95,400	1.57	2,95,400	1.57	0	0.00
4.	Bull Investments Madras Pvt. Ltd.	2,32,970	1.24	2,32,970	1.24	0	0.00
5.	Kunal M Dalal	5,07,000	2.70	2,30,200	1.23	(2,76,800)	(1.47)
6.	Naresh Bhavanji Chheda [®]	0	0.00	2,18,885	1.17	2,18,885	1.17
7.	Khande PITCHAIAH	2,02,518	1.08	2,02,518	1.08	0	0.00
8.	Ankush Tandon *	0	0.00	1,97,098	1.05	1,97,098	1.05
9.	Mahalakshmi Khande	1,72,963	0.92	1,72,963	0.92	0	0.00
10.	Sarmentouse Solutions Private Limited	168000	0.89	168000	0.89	0	0.00
11.	Santosh Vijay Vargiya	2,25,000	1.20	85,000	0.45	(1,40,000)	(0.75)
12.	Arcadia Share & Stock Brokers Pvt. Ltd.	3,02,514	1.61	1,940	0.01	(3,00,574)	(1.60)
13.	Velvet Infratech Private Limited ^s	5,60,000	2.98	0	0	(5,60,000)	(2.98)

@ Not in the List of Top 10 Shareholders as on 01.04.2018. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31.03.2019.

* Not in the List of Top 10 Shareholders as on 01.04.2018. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31.03.2019.

\$ Ceased to be in the List of Top 10 Shareholders as on 31.03.2019. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 01.04.2018.

v) Shareholding of Directors and Key Managerial Personnel:

The details of the shareholding of Directors and Key Managerial Persons of the Company are as under:

S. No.		Shareholding at the beginning of the year		Date	Increase/Decrease	Reason	Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company				No. of Shares	% of total Shares of the company
A. DIRECTORS								
1.	Mr. K.S. Sarma	Nil	NA	01.04.2018 31.03.2019	Nil	NA	Nil	NA
2.	Mr.V.Venkata Ramana	Nil	NA	01.04.2018 31.03.2019	Nil	NA	Nil	NA
3.	Mr. Clinton Travis Caddell	Nil	NA	01.04.2018 31.03.2019	Nil	NA	Nil	NA
4.	Mr. L.P. Sashikumar	757	0	01.04.2018 31.03.2019	Nil	NA	757	0
5.	Ms. Sukhjinder Kaur	Nil	NA	01.04.2018 31.03.2019	Nil	NA	Nil	NA
B. KEY MANAGERIAL PERSONNEL								
1.	Mr. Pavan Chavali ^s	Nil	NA	01.04.2018 31.03.2019	Nil	NA	Nil	NA
2.	Mr. Ch.Sudhakar Reddy*	Nil	NA	01.04.2018 31.03.2019	Nil	NA	Nil	NA
3.	Mr. Thirumalesh T	Nil	NA	01.04.2018 31.03.2019	Nil	NA	Nil	NA
4.	Mr. Vithal VSSNK Popuri (CFO)	Nil	NA	01.04.2018 31.03.2019	Nil	NA	Nil	NA

\$ Appointed as Additional Director and Whole-time Director w.e.f 23.05.2019.

* Resigned from the office of Managing Director and Director w.e.f 22.05.2019.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Rs.In Millions

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	20.86	41.93	0.00	62.79
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	20.86	41.93	0.00	62.79
Change in Indebtedness during the financial year				
- Addition	4.70	0.00	0.00	4.70
- Reduction	2.53	4.92	0.00	7.45
Net Increase/(Decrease)	2.17	(4.92)	0.00	(2.75)
Indebtedness at the end of the financial year				
Principal Amount	23.03	37.01	0.00	60.04
Interest due but not paid	0.00	0.00	0.00	0.00
Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	23.03	37.01	0.00	60.04

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A Remuneration to Managing Director, Whole-time Directors and/or Manager:

Rs.In Millions

S. No.	Particulars of Remuneration	Name of MD	Total Amount
		Mr. Ch. Sudhakar Reddy From 01.04.2018 to 31.03.2019	
1.	Gross salary (PA) (a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under	Nil	Nil
2.	Stock Option	Nil	Nil
3.	Sweat Equity	Nil	Nil
4.	Commission - as % of profit - others, specify...	Nil	Nil

5.	Others, please specify – Employer's PF Contributions	Nil	Nil
	Total	Nil	Nil
	Ceiling as per the Act		

B Remuneration to other directors

Rs.In Millions

S. No.	Particulars of Remuneration	Name of the Independent Director			Name of Non Executive & Non Independent Director		Total Amount
		Mr.K.S. Sarma	Mr.V.V. Ramana	Ms. Sukhjinder Kaur	Mr.L.P. Sashikumar	Mr.Clinton Travis Caddell	
1.	Directors	Mr.K.S. Sarma	Mr.V.V. Ramana	Ms. Sukhjinder Kaur	Mr.L.P. Sashikumar	Mr.Clinton Travis Caddell	
	• Fee for attending board / Committee meetings • Commission • Others, please specify	0.165	0.165	0.15	0.09	0.00	0.57
	Total	0.165	0.165	0.15	0.09	0.00	0.57
	Overall Ceiling as per the Act	A company may pay a sitting fee to a director that shall not exceed Rs. 1.00 Lakh per meeting for the Board or committee meeting					

C Remuneration to Key Managerial Personnel other than Managing Director / Manager/ Whole-time Director

Rs.In Millions

S. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1.	Gross salary a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 b) Value of perquisites u/s 17(2) Income-tax Act, 1961 c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	---	0.73	3.20	3.93
2.	Stock Option	---	0.00	0.00	0.00
3.	Sweat Equity	---	0.00	0.00	0.00
4.	Commission - as % of profit - Others, specify...	---	0.00	0.00	0.00
5.	Others, please specify (Contribution to EPF)	---	0.02	0.02	0.04
	Total	---	0.75	3.22	3.97

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD/NCLT/COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty			NIL		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NIL		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			NIL		
Punishment					
Compounding					

CORPORATE GOVERNANCE

1. Company's Philosophy:

Goldstone Technologies Limited ("The Company") governance philosophy is based on trusteeship, professionalism, transparency and accountability. As a good corporate citizen, our business fosters a culture of ethical behavior and disclosures aimed at building trust and confidence of our stakeholders.

Your Company aims to achieve the objective of enhancing the shareholders' value by ensuring effective relationship with stakeholders and protecting their interests. The Company believes that the Company's business strategy and plans should be consistent with the welfare of all its stakeholders which will bring sustained corporate growth and long term benefit to all.

The Company's Code of Ethics and Business Conduct serves as a guide to the employees on the values, ethics and business principles expected of them. This ensures effective control and management of business.

The company's objective is to adopt the best emerging practices, adhering to not just the regulatory requirements but also to be committed to the sound corporate governance principles and practices.

2. Board of Directors:

a) Composition and category of Directors

The Board of Goldstone Technologies Limited comprises of Six (6) Directors as on the date of this report To ensure transparent and professional conduct of board procedures in all aspects and related thereto 3 out of 6 Directors are Independent Directors. Accordingly, the composition of the Board is in conformity with Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015.

The Constitution of the Board is as follows:

Sl.No.	Name of the Director	Category & Designation
1.	Mr.K.S.Sarma	Non-Executive Independent Director
2.	Mr.V.Venkata Ramana	Non-Executive Independent Director
3.	Ms.Sukhjinder Kaur	Non-Executive Independent Director
4.	Mr.L.P.Sashikumar	Promoter & Non-Executive Director
5.	Mr.Clinton Travis Caddell	Promoter & Non-Executive Director
6.	Mr.Pavan Chavali#	Executive & Whole-time Director
7.	Mr.Ch.Sudhakar Reddy*	Executive & Managing Director

Appointed as Additional Director and as Whole-time Director w.e.f 23.05.2019.

* Resigned from the position of Managing Director and Director w.e.f. 22.05.2019.

The Directors bring with them rich and varied experience in different fields of corporate functioning. The Board meets at regular intervals for planning, assessing and evaluating all important business activities

b) Attendance of each Director at the Board Meetings and the last AGM

The table hereunder gives the attendance record of the Directors at the Five (5) Board Meetings held during the year 2018-19 and the last Annual General Meeting (AGM) held on 28th September 2018:

Name of the Director	Number of Board Meetings held	Number of Board Meetings attended	Attendance at the last AGM
Mr.K.S.Sarma	5	5	Yes
Mr.V.Venkata Ramana	5	5	No
Ms.Sukhjinder Kaur	5	4	No
Mr.L.P.Sashikumar	5	5	Yes
Mr.Clinton Travis Caddell	5	1	No
Mr.Pavan Chavali#	0	0	NA
Mr.Ch.Sudhakar Reddy*	5	4	Yes

Appointed as Additional Director and as Whole-time Director w.e.f 23.05.2019.

* Resigned from the position of Managing Director and Director w.e.f. 22.05.2019.

c) Number of other Boards or Board Committees in which he/she is a member or Chairperson

Name of the Director	Number of Other Directorships in other companies[@]	Number of Other Board, Committees \$		List of Directorship held in other Listed Companies & Category of Directorship
		Chairman ship	Member ship	
Mr.K.S. Sarma	2	Nil	1	Nil
Mr.V.Venkata Ramana	Nil	Nil	Nil	Nil
Ms.Sukhjinder Kaur	Nil	Nil	Nil	Nil
Mr.L.P.Sashikumar	2	Nil	1	Nil
Mr.Clinton Travis Caddell	Nil	Nil	Nil	Nil
Mr.Pavan Chavali#	Nil	Nil	Nil	Nil
Mr.Ch.Sudhakar Reddy*	Nil	Nil	Nil	Nil

@ Excluding Goldstone Technologies Limited, Private Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013.

\$ Only Audit Committee and Stakeholders' Relationship Committee are considered as per Regulation 26 of SEBI (LODR) Regulations, 2015.

Appointed as Additional Director and as Whole-time Director w.e.f 23.05.2019.

* Resigned from the position of Managing Director and Director w.e.f. 22.05.2019.

None of the Directors on the Board is a member of more than 10 committees or Chairman of more than 5 committees as specified in Regulation 26 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 across all the Companies in which he/she is a Director. Necessary disclosures regarding Committee positions have been made by the Directors.

d) Number of Board Meetings held, dates on which held

During the Financial Year 2018-19, the Board of Directors met 5 (Five) times on the following dates:

30th May, 2018, 13th August, 2018, 27th September, 2018, 12th November, 2018 and 12th February, 2019.

The maximum gap between any of two consecutive meetings did not exceed 120 days.

e) There are no Inter-Se relationships between the Board Members except Mr.L.P.Sashikumar and Mr. Clinton Travis Caddell who hold relationship.

f) Shares held by Non- Executive Directors

Sl.No.	Name of the Director	Number of Equity Shares
1.	Mr.K.S.Sarma	Nil
2.	Mr.V.Venkata Ramana	Nil
3.	Mr.Clinton Travis Caddell	Nil
4.	Mr.L.P.Sashikumar	757
5.	Ms.Sukhjinder Kaur	Nil

g) The letter(s) of appointment(s) to the above Independent Directors and the details of the familiarization programmes imparted to the Independent Directors are disclosed on the website of the company i.e. www.goldstonetech.com

3. Audit Committee:

a) Brief description of terms of reference:

The terms of reference stipulated by the Board of Directors to the Audit Committee as contained in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 and Section 177 of the Companies Act, 2013, are as follows:

- i) Recommend appointment, remuneration and terms of appointment of auditors of the company;
- ii) Approve payment to statutory auditors for any other services rendered by them;
- iii) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- iv) Examine the financial statement(s) and the auditors' report thereon;
- v) Approve or any subsequent modification of transactions of the company with related parties;
- vi) Oversight the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

- vii) Review, with the management, the quarterly financial statements before submission to the Board for approval;
- viii) Review, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of Section 134(3(c) of the Companies Act, 2013;
 - b) changes, if any, in accounting policies and practices and reasons for the same;
 - c) major accounting entries involving estimates based on the exercise of judgment by management;
 - d) significant adjustments made in the financial statements arising out of audit findings;
 - e) compliance with listing and other legal requirements relating to financial statements;
 - f) disclosure of any related party transactions;
 - g) modified opinion(s) in the draft audit report;
- ix) Review, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- x) Scrutinize inter-corporate loans and investments;
- xi) Valuation of undertakings or assets of the company, wherever it is necessary;
- xii) Evaluate internal financial controls and risk management systems;
- xiii) Review, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- xiv) Review the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- xv) Discuss with internal auditors of any significant findings and follow up there on;
- xvi) Review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- xvii) Discuss with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- xviii) Look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- xix) Review the functioning of the whistle blower mechanism;
- xx) Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;

- xxi) Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification / amendment or modification as may be applicable;
- xxii) reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;
- xxiii) Review management discussion and analysis of financial condition and results of operations;
- xxiv) Review statement of significant related party transactions, submitted by management;
- xxv) Review management letters / letters of internal control weaknesses issued by the statutory auditors;
- xxvi) Review internal audit reports relating to internal control weaknesses;
- xxvii) Review the appointment, removal and terms of remuneration of the chief internal auditor;
- xxviii) Review statement of deviations:
 - a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI (LODR) Regulations, 2015;
 - b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of SEBI (LODR) Regulations, 2015.

b) The composition of the Audit Committee and particulars of meetings attended by the members are as follows:

The Audit Committee of the Board consists of Three Directors (as on 31.03.2019), all of them are Independent Directors. Accordingly, the Composition of the Audit Committee is in conformity with Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Name of the Director	Designation	No. of meetings held	No. of meetings attended
Mr.K.S.Sarma	Chairperson	4	4
Mr.V.Venkata Ramana	Member	4	4
Ms.Sukhjinder Kaur	Member	4	4

- c) Four (4) Committee meetings were held during the year ended 30th May, 2018, 13th August, 2018, 12th November, 2018 and 12th February, 2019. The necessary quorum was present at all meetings

4. Nomination and Remuneration Committee;

a) Brief description of terms of reference

The terms of reference stipulated by the Board of Directors to the Nomination and Remuneration Committee as contained in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 and Sub Section (1) of Section 178 of the Companies Act 2013, are as follows;

- ❖ Formulate the criteria for determining qualifications, attributes, and Independence of a director.
- ❖ Identify the persons who are qualified to become directors and who may be appointed in senior management in accordance with criteria laid down, recommend to the Board their appointment and removal.
- ❖ Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors
- ❖ Devising a policy on diversity of Board of Directors
- ❖ Recommend to the Board appointment and removal of directors and senior management and carryout evaluation of every director`s performance.
- ❖ Review the remuneration policy of the company, relating to the remuneration for the directors, Key Managerial Persons and other employees from time to time.
- ❖ whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- ❖ Recommend to the board, all remuneration, in whatever form, payable to senior management.

b) The composition of the Nomination and Remuneration Committee and particulars of meetings attended by the members are as follows:

The Nomination and Remuneration Committee of the Board consists of Four (4) Directors (as on 31.03.2019) of which Three (3) are Independent Directors.

Name of the Director	Designation	No. of meetings held	No. of meetings attended
Ms.Sukhjinder Kaur	Chairperson	1	1
Mr.K.S.Sarma	Member	1	1
Mr.V.Venkata Ramana	Member	1	1
Mr.L.P.Sashikumar	Member	1	1

- c)** The Nomination and Remuneration Committee was reconstituted on 12th November, 2018 changed the designation of Ms.Sukhjinder Kaur as a Chairperson and Mr.K.S.Sarma ceased to be the Chairperson of the Committee and Continue as member of the Committee.
- d)** One (1) meeting of the Committee was held during the year ended 31st March, 2019 i.e. on 12th November, 2019. The necessary quorum was present at the meeting.
- e) Evaluation:**

Pursuant to the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration Committees.

A structured questionnaire was prepared after taking into consideration various parameters such as attendance and participation in meetings, monitoring corporate

governance practices, independence of judgment, culture, execution and performance of specific duties, obligations and safeguarding the interests of the company etc.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

i) Separate Meeting of Independent Directors:

A separate meeting of Independent Directors of the Company, without the attendance of Non-Independent Directors and members of management, held on 12th February, 2019 all the Independent Directors attended the meeting. As required under Schedule IV to the Companies Act, 2013 (Code for Independent Directors) and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

At the Meeting, the Independent Directors:

- Reviewed the performance of Non-Independent Directors and the Board as a whole;
- Reviewed the performance of the Chairman of the Company, taking into account the views of Executive Director and Non-Executive Directors; and
- Assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

A structured questionnaire was prepared after taking into consideration various parameters such as attendance and participation in meetings, monitoring corporate governance practices, independence of judgment, safeguarding the interests of the company etc., and the evaluation was made. The Members of the Committee evaluated all the directors. The Independent Directors decided that since the performance of the Non-Independent Directors (including Managing Director) is good, the term of their appointment be continued.

The Independent Directors after reviewing the performance of the Chairman decided that the Chairman has good experience, knowledge and understanding of the Board's functioning and his performance is excellent. The Independent Directors decided that the information flow between the Company's Management and the Board is excellent.

ii) Evaluation by Board:

The Board has carried out the annual performance evaluation of its own performance, the Directors individually (excluding the director being evaluated) as well as the evaluation of the working of its Committees. A structured questionnaire was prepared after taking into consideration various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, effectiveness in developing Corporate Governance structure to fulfill its responsibilities, execution and performance of specific duties etc. The Board decided

that the performance of individual directors, its own performance and working of the committees is good.

All Independent Directors have furnished a declaration that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015

iii) Familiarization Programme for Independent Directors:

The Independent Directors of Company are eminent personalities having wide experience in the field of business, finance, education, industry, commerce and administration. Their presence on the Board has been advantageous and fruitful in taking business decisions.

Independent Directors have been appointed as per the applicable provisions of the Companies Act, 2013 and the applicable regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, and also recommended for re appoint in this Annual General Meeting for second term. All Independent Directors have given induction and orientation with respect to the Company's vision, strategic direction, core values, including ethics, corporate governance practices, financial matters, business operations, their roles, rights, responsibilities in the company, Code for the Independent Directors and the Board Members, updates on business model, nature of industry, operations and financial performance of the Company along with the significant developments in the Company, policies of the Company on Remuneration Criteria, Vigil Mechanism, Related Party Transactions, Risk Management etc, updates on significant amendments in corporate and other laws and its impact on the Company. All Independent Directors were also requested to access the necessary documents / brochures, Code of Conducts, Letter of Appointments, Annual Reports and internal policies available at our website www.goldstonetech.com to enable them to familiarize with the Company's procedures and practices.

Periodic presentations are made by Senior Management and Internal Auditors, invitees at the Board/Committee meetings on business and performance updates of the Company, global business environment, business risks and its mitigation strategy, impact of regulatory changes on strategy etc. Updates on relevant statutory changes encompassing important laws are regularly intimated to the Independent directors such as:

- Various amendments on Companies Act, 2013
- SEBI(Listing Obligations & Disclosure Requirements)Regulations 2015, SEBI(Prohibition Of Insider Trading)Regulations, 2015

iv) List of Core Skills/Expertise/Competencies identified by the Board of Directors:

The Board of Directors of your Company comprises of qualified and proficient Members who bring appropriate expertise and competence enabling them to make effective contribution to the Board and its committees.

As stipulated under Schedule V of the SEBI Listing Regulations, core skills/expertise/competencies, as required in the context of the business and sector for it to function effectively and those actually available with the Board have been identified by the Board of Directors

- ❖ Information Technology, software services, video conference technology and Computers
- ❖ Regulatory, Government and Security matters
- ❖ Corporate Governance and Ethics
- ❖ Management and Strategy
- ❖ Global Business Leadership
- ❖ Economics and Statistics
- ❖ Human Resources and Industrial Relations
- ❖ Digital perspective
- ❖ Science and technology

v) Board Diversity:

Pursuant to the relevant provisions of the Companies Act, 2013 and regulation 19(4) read with Part D of Schedule II of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company has framed a policy which is available on the Company's website at <http://www.goldstonetech.com/investor-corner.php> on Board diversity pursuant to that devised policy of the company is having optimum combination of Directors from the different areas / fields like Broadcasting, Productions, Management, Quality Assurance, Finance, Sales and Marketing, Supply chain, Research and Development, Human Resources etc. Further Board consists of three independent directors having vast experience in different areas including finance including a woman director,

5 Remuneration of Directors:

- a) There are no pecuniary transactions with any non-executive director of the Company**
- b) Policy for selection and appointment of Directors/KMPs and their Remuneration**

The Nomination and Remuneration Committee has adopted a policy namely Nomination and Remuneration Policy which, inter alia, deals with the manner of selection of Board of Directors, Managing Director & KMP's, evaluation of their performance, and their remuneration. The policy is hosted on the website of the Company www.goldstonetech.com

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 Nomination and Remuneration Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.

The Nomination and Remuneration 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 Nomination and Remuneration Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director.

- i. Qualification, expertise and experience of the Directors in their respective fields;
- ii. Personal, Professional or business standing;
- iii. 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.

c) Remuneration

The Non Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board meetings. Commission may be paid within monitoring limit approved by the shareholders subject to the limit not exceeding 1% of the profits of the Company computed as per applicable provisions of the Act.

A Non Executive Director shall be entitled to receive sitting fees for each meeting of the Board attended by him, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014;

Non-Executive Directors are paid sitting fee for attending the Board and Committee meetings.

Apart from receiving the Sitting Fees from the Company the Non-Executive Directors do not have any pecuniary relationship or transactions with the Company.

CEO & Managing Director(MD)/Whole-time Director(WTD) - Criteria for selection / appointment

For the purpose of selection of the CEO & MD/WTD, the Nomination and Remuneration 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 & Managing Director (MD)

At the time of appointment or re-appointment, the Managing Director shall be paid as may be recommended by the Nomination and Remuneration Committee and such remuneration as may be mutually agreed between the Company and the Managing Director within the overall limits prescribed under the Companies Act, 2013.

The remuneration shall be subject to the approval of the Members of the Company (if necessary) in General Meeting.

The remuneration of the Managing Director comprises only of fixed component. The fixed component comprises salary, allowances, perquisites, amenities and retiral benefits.

Remuneration Policy for the Senior Management Employees

In determining the remuneration of the Senior Management Employees (i.e. KMPs and Executive Committee Members) the Nomination and Remuneration Committee shall ensure the relationship of remuneration and performance benchmark is clear.

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 herein-above, whilst recommending the annual increment and performance incentive to the Nomination and Remuneration Committee for its review and approval.

Remuneration Policy

The remuneration policy is to pay compensation and benefits adequately, so as to attract, motivate and retain talent. The Company follows a compensation of fixed pay. Performance of the individuals measured through the annual appraisal process. There was no Employee Stock Option Scheme during the financial year ended March 31, 2019.

Details of Remuneration and other terms of appointment of Directors

All the Non-Executive Directors (NEDs), they are paid sitting fees for attending either Board or its Committee meetings except Shareholders/Investors' Grievance Committee Meeting. The Company reimburses the out of pocket expenses incurred by the Directors for attending meetings.

Shareholdings of the Directors in the Company as on March 31, 2019:

Name	Category	No. of Shares of Rs.10/- each
Mr.L.P.Sashikumar	Promoter & Non-Executive Director	757

Remuneration of Directors

Details of remuneration paid to Directors during the financial year 2018-19:

Amount in Rs.

Name of the Director	Category	Sitting Fee	Salary	Benefits	Total
Mr.K.S.Sarma	Independent Director	1,65,000	-	-	1,65,000
Mr.V.Venkata Ramana	Independent Director	1,65,000	-	-	1,65,000
Ms.Sukhjinder Kaur	Independent Director	1,50,000	-	-	1,50,000
Mr.L.P.Sashikumar	Promoter & Non-Executive Director	90,000	-	-	90,000
Mr.Clinton Travis Caddell	Promoter & Non-Executive Director	0	-	-	-
Mr.Ch.Sudhakar Reddy*	Managing Director	0	-	-	-

* Mr.Ch.Sudhakar Reddy Resigned from the position of Managing Director and Director w.e.f. 22.05.2019 and Mr.Pavan Chavali appointed as Additional Director and as Whole-time Director w.e.f.23.05.2019.

Benefits include contribution to Provident Fund, Gratuity Fund, payment of Perquisites and Commission.

There was no Employee Stock Option Scheme during the financial year ended 31st March, 2019.

6. Stakeholders Relationship Committee:

The Stakeholders Relationship Committee is to perform all the functions relating to handling of all sorts of shareholders' grievances like non-transfer of shares, loss of share certificates, non-receipt of notices/annual reports etc., and to look after share transfers/transmissions periodically. The Committee inter-alia also approves issue of duplicate share certificates and oversees and reviews all matters connected with the securities transfers.

- i. The Stakeholders Relationship Committee of the Company consists of three directors, two of which are Independent Directors.
- ii. The Composition of the Stakeholders Relationship Committee and the number of meetings attended by its members is given below.

Name	Designation	No. of meetings held	No. of meetings attended
Mr.K.S.Sarma	Chairperson	4	4
Mr.V.Venkata Ramana	Member	4	4
Mr.L.P.Sashikumar	Member	4	4

- iii. Four (4) Stakeholders Relationship Committee Meetings were held during the year ended: 30th May, 2018, 13th August, 2018, 12th November, 2018 and 12th February, 2019. The necessary quorum was present at all meetings.
- iv. Details of investor complaints received and redressed during the year 2018- 19 are as follows

Opening Balance	Received during the Year	Resolved during the Year	Closing Balance
Nil	1	1	Nil

- v. Name and Designation of Compliance Officer: Mr. Thirumalesh T, Company Secretary & Compliance Officer

7. General Body Meetings

General Body Meetings : The last three Annual General Meetings were held at Plot No. 1 & 9, IDA, Phase II, Cherlapally, Hyderabad – 500 051 as detailed below:

- i) Location, date and time of last three Annual General Meetings

Year	No. of Meeting	Day, Date and Time of the Meeting
2017-18	24th AGM	Friday, September 28 2018 at 4:30 P.M.
2016-17	23rd AGM	Thursday, September 28 2017 at 4:30 P.M.
2015-16	22nd AGM	Friday, September 30, 2016 at 3.00 P.M

- ii. During the previous three Annual General Meetings of the Company, Special Resolutions were passed as specified below.

No. of AGM	Item on which special resolution was passed
24th AGM(2017-18)	Yes- Approval to continue Mr.K.S.Sarma, as Non-Executive Independent Director.
23rd AGM (2016-17)	NIL
22nd AGM (2015-16)	NIL

- iii. Resolutions passed during the year through Postal Ballot: NIL

8. Means of Communication

a) Quarterly results:

The quarterly Unaudited and the Annual Audited Financial Results as approved and taken on record are immediately intimated to the stock exchanges, where the equity shares of the Company are listed.

b) Newspapers wherein results normally published:

These financial results are normally published in the Financial Express (National Newspaper) and Nava Telangana (Regional Newspaper).

c) Any website, where displayed:

Quarterly/Half Yearly / Annual Audited Results, Annual Reports, Investor information, Policies etc are displayed on the Company's website www.goldstonetech.com under the Investors section.

d) Whether it also displays official news releases: No

e) Presentations made to institutional investors or to the analysts : Nil

9. General Information for Shareholders

- a) Annual General Meeting will be held on Thursday, the 26th day of September, 2019 at 3.30 p.m. at Plot No. 1 & 9 IDA, Phase II, Cherlapally, Hyderabad – 500 051.
- b) Financial Year (F.Y): 1st April to 31st March.
- c) Dividend Payment date: Not Applicable
- d) Dates of Book Closure will be from 20th September 2019 to 26th September, 2019(both days inclusive).
- e) Listing on Stock Exchanges:

Stock Exchange	Address	Security Id / Symbol	Scrip Code	ISIN
BSE Limited (BSE)	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001	GOLDTECH	531439	INE805A01014
National Stock Exchange of India Limited (NSE)	Exchange Plaza, Bandra - Kurla Complex, Bandra (E), Mumbai-400 051	GOLDTECH	NA	

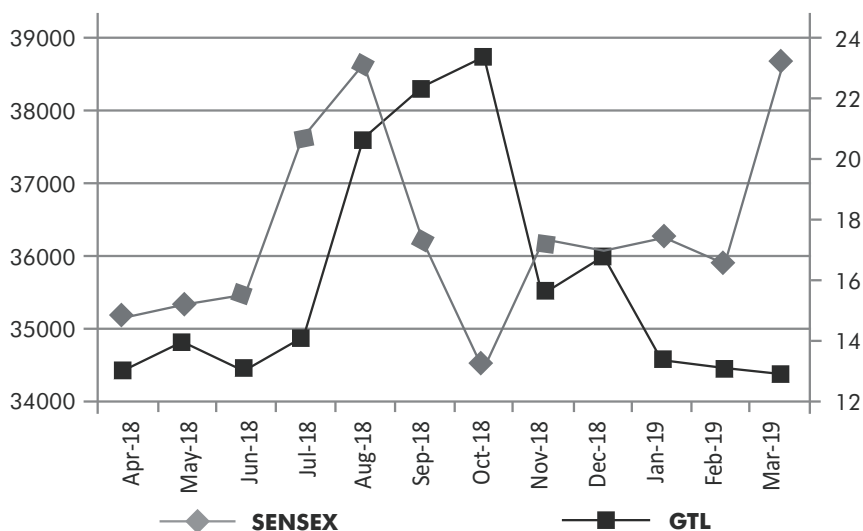
The Annual Listing Fee for the FY 2019-20 were paid to both the Stock Exchanges.

- f) **Market Price Data :** High, Low (Based on the closing prices)and number of shares traded during each month in the last financial year on the BSE Limited and National Stock Exchange of India Limited

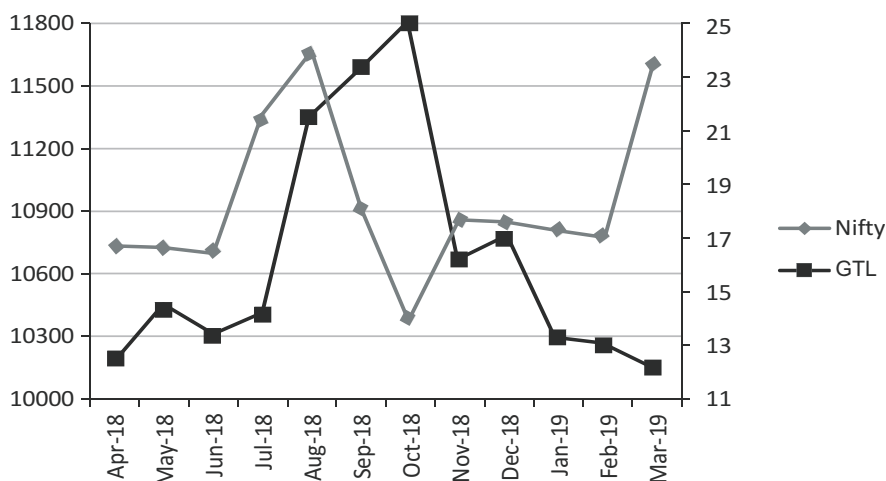
2018-19	BSE			NSE		
Month	High (Rs.)	Low (Rs.)	Volume (No.s)	High (Rs.)	Low (Rs.)	Volume (No.s)
Apr, 18	14.97	12.05	1,07,279	14.55	12.20	2,55,401
May, 18	13.83	10.00	1,11,064	14.20	9.65	2,72,128
June, 18	17.49	13.00	2,65,324	17.70	13.15	8,49,465
July, 18	14.02	11.10	1,30,320	13.95	11.00	8,16,614
Aug, 18	25.99	14.72	15,73,500	25.85	14.60	19,29,139
Sep, 18	29.95	18.95	4,61,532	29.65	18.95	17,38,816
Oct, 18	28.20	20.10	2,94,101	28.10	19.65	12,28,431
Nov, 18	24.80	15.55	1,40,525	24.70	15.60	5,68,171
Dec, 18	21.10	15.10	3,38,822	21.15	15.05	8,74,800
Jan, 19	17.00	11.90	2,30,189	17.30	11.90	4,82,919
Feb, 19	14.85	11.56	37,733	14.55	11.70	1,91,880
Mar, 19	15.00	11.72	35,154	15.30	11.80	3,62,610

- g) **Performance of the Share Price of the Company in comparison to the BSE Sensex and NSE Nifty;**

GTL Share price performance against Sensex



GTL Share price performance against Nifty



h) Registrar and Transfer Agents:

Name & Address:

Aarathi Consultants Private Limited,
 1-2-285, Domalguda,
 Hyderabad – 500 029,
 Tel: 91 - 40-27638111/ 4445;
 Fax: 91 - 40-27632184
 E-mail: info@aarathiconsultants.com

Contract Person:

Mr. Bhaskara Murthy

i) Share Transfer System:

Trading of equity shares on BSE and NSE is permitted only in dematerialized form. The Company's Registrar and Transfer Agent is the common agency to look after physical and Demat share work. The shares lodged for transfer at the registrar are processed and returned to shareholders within the stipulated time.

j) Distribution of Shareholding as on March 31, 2019:

i) According to Category of Shareholders

Category	No. of Shareholders		No. of Shares	
	Total	%	Total	%
1 – 5000	7,759	75.96	12,50,661	6.66
5001 – 10000	1,042	10.20	8,91,882	4.75
10001 – 20000	575	5.63	8,99,055	4.79
20001 – 30000	243	2.38	6,35,737	3.38
30001 – 40000	119	1.17	4,28,246	2.28
40001 – 50000	101	0.99	4,80,566	2.56
50001 – 100000	178	1.74	13,40,936	7.14
100001 and above	197	1.93	1,28,54,983	68.44
Total	10,214	100.00	1,87,82,066	100.00

ii) According to number of equity shares held

Category	No. of shares	% to share capital
Promoters	35,34,153	18.82
Mutual Funds and UTI	1,700	0.01
Insurance Companies	0.00	0.00
Financial Institutions/Banks	2,900	0.02
FII's	0.00	0.00
Private Corporate Bodies	21,50,119	11.45
Indian Public	1,24,21,469	66.13
NRIs / OCBs	5,57,325	2.97
Trust	100	0.00
Clearing Members	89,300	0.48
NBFC	25,000	0.13
Grand Total	1,87,82,066	100.00

k) Dematerialization of shares and liquidity:

1,84,87,918 Equity Shares representing 98.43 % of the company's share capital are dematerialized as on March 31, 2019.

The Securities and Exchange Board of India has mandated that shares which are lodged for transfer are mandatorily be in dematerialized form with effect from 01st April, 2019.

The particulars of dematerialization are as follows

Sl. No.	Category	Total No. of Shares	% of Equity
1	PHYSICAL	2,94,148	1.56
2	NSDL	1,19,84,551	63.81
3	CDSL	65,03,367	34.63
	Total	1,87,82,066	100.00

The Company's shares are regularly traded on BSE Limited & The National Stock Exchange of India Limited.

l) As on March 31, 2019, the company did not have any outstanding GDRs / ADRs / Warrants or any convertible instruments

m) **Compliance Officer**

: Thirumalesh T

Company Secretary & Compliance Officer

Tel: 91 - 40-27807640;

Fax: 91 - 40-39120023/39100012

E-mail:cs@goldstonetech.com

n) Location of Software Divisions/ facilities :

- Registered Office : 9-1-83 & 84, Amarchand Sharma Complex,
S D Road, Secunderabad, Telangana- 500 003
- Corporate Office : 2nd Floor, GNR's Insignia Building, Image Garden
Road, Madhapur, Hyderabad-500081
- 9660 Falls of Neuse Rd, Ste. 138 Unit 161, Raleigh,
North Carolina, 27615, United States of America.

- o) Address for Correspondence :** Goldstone Technologies Limited
9-1-83 & 84, Amarchand Sharma Complex
S D Road, Secunderabad - 500 003.

- p) Investor Relations :** All the queries received from shareholders during the
financial year 2018-19 have been responded to. The
Company generally replies to the queries within a week
of their receipt.

- q) Credit Ratings :** There are no debt instruments, or any fixed deposit
programme or any scheme or proposal of the
Company involving mobilization of funds, whether in
India or abroad and therefore no credit ratings was
required to be obtained by the Company during the
financial year under review.

- r) Nomination Facility :** Shareholders holding shares in physical form and
desirous of making a nomination in respect of their
shareholding in the Company, as permitted under
Section 72 of the Companies Act, 2013, are requested
to contact the Company's Share Transfer Agents
M/s.Aarthi Consultants Private Limited, 1-2-285,
Domalguda, Hyderabad – 500 029.

10. Other Disclosures
a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of company at large

Disclosures of transactions of the listed entity with any person or entity belonging to the promoter/promotor group which holds 10% or more shareholding in the listed entity are disclosed in Note 30 of Standalone Financial Statements and Note 29 of Consolidated Financial Statements of the company for the financial year ended March 31, 2019. None of the transactions with Related Parties were in conflict with the interest of Company. All the transactions are on arm's length basis and have no potential conflict with the interest of the Company at large and are carried out on an arm's length or fair value basis.

b) Details of non-compliance by the company, penalties, strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years

The Company has complied with all requirements specified under the Listing Regulations as well as other regulations and guidelines of SEBI. Consequently, there were no strictures or penalties imposed by either SEBI or Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital markets during the last three Financial years.

At every Board meeting, a statement of Compliance with all laws and regulations as certified by the designated Director is placed before the Board for its review. The Board reviews the compliance of all the applicable laws and gives appropriate directions wherever necessary.

However during the year the company received a notice from the Investor Education Protection Fund Authority, Ministry of Corporate Affairs for not transferring of unclaimed dividend shares and not filing of form IEPF-4 relating the financial year 2007-08. The company has submitted necessary clarifications with the authority stating that the unclaimed dividend has already been transferred with respect to the said shares and also took necessary steps for transferring the said shares during the course of time.

c) Vigil Mechanism/ Whistle Blower policy and affirmation that no personnel has been denied access to the Audit Committee

As per the provisions of the Section 177 (9) & (10) of the Companies Act 2013, read with the Regulation 22 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company has formulated 'Whistle Blower Policy' for directors and employees to report the management /Audit Committee instances of unethical behavior, actual or suspected, fraud or violation of company`s code of conduct or ethics policy. The Vigil Mechanism also provided adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit committee in exceptional cases further it has also been uploaded on the Company`s web site; www.goldstonetech.com.

d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements

Company has complied with all mandatory requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015. The Board has taken cognizance of the non-mandatory requirements of Regulation 27 of the Listing Regulations and shall consider adopting the same at an appropriate time.

e) Policy for determining 'material subsidiaries':

The policy on determination of material subsidiaries is displayed on the website of the Company i.e. www.goldstonetech.com

f) Policy on dealing with related party transactions:

The policy on dealing with related party transactions is displayed on the website of the Company i.e. www.goldstonetech.com

g) During the financial year 2018-19, the Board has accepted all the recommendations of its Committees.

h) Management Discussion and Analysis Report:

The Report on Management Discussion and Analysis is annexed to the Directors' Report and forms part of this Annual Report

i) Share Capital Audit:

A firm of qualified Company Secretaries is conducting the Secretarial Audit on quarterly basis to reconcile the total admitted equity capital with National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity capital. The Secretarial Audit Report confirms that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

j) Code of conduct:

The Code of Ethics and Business Conduct as adopted by the Board of Directors is applicable to all

directors, senior management and employees in above officers' level. The prime purpose of the code is to create an environment wherein all the Board Members and Senior Management of the Company maintain ethical standards and to ensure compliance to the laid down ethical standards. The code is available on the Company's website: www.goldstonetech.com. In addition to the above as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule IV of the Companies Act, 2013 duties of the Independent Directors and code of Independent Directors have been placed on the website of the Company www.goldstonetech.com.

k) Risk Management:

Business risk evaluation and management is an ongoing process within the organization. The Board of Directors reviews the reports of compliance to all applicable laws and regulations on a quarterly basis. Any non-compliance is seriously taken up by the Board and the action taken for rectification of non-compliance is reported to the Board.

l) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):

Not Applicable. Since the Company did not raise any funds during the year under preferential issue mode.

m) A certificate from a Company Secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority:

The Certificate of Company Secretary in practice is annexed herewith as a part of the report.

n) Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part:

Details relating to fees paid to the Statutory Auditors are given in Note 27 & 32 to the Standalone Financial Statements and Note 27 & 31 to the Consolidated Financial Statements.

o) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

In order to comply with provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder, An Internal Complaint Committee (ICC) has been set up in compliance with the said Act. The details of are provided in the directors' report which forms an integral part of this Report.

p) Remuneration Policy:

The remuneration policy is to pay compensation and benefits adequately, so as to attract, motivate and retain talent. The Company follows a compensation of fixed pay. Performance of the individuals is measured through the annual appraisal process. There was no Employee Stock Option Scheme during the financial year ended March 31, 2019.

11. The status of compliance with discretionary requirements as specified in Part E of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided below:

- a. Non-Executive Chairman's Office: The Company did not appoint any Non-Executive Chairman but the Board elects a Chairman for each of its meeting.
- b. Shareholders' Rights: The quarterly and half-yearly financial performance are submitted to the Stock Exchange(s), published in newspapers and hosted on the website of the Company. Even the significant events are promptly and immediately informed to the Stock Exchange(s). Hence, none of these are sent to the shareholders separately.

- c. Modified opinion(s) in audit report: The Company's financial statements for the year 2018-19 do not contain any audit qualification.
- d. Separate posts of Chairperson and Chief Executive Officer: The Company has appointed neither a Chairperson nor Chief Executive Officer. But, the Company has appointed a Managing Director and the Board elects a Chairman for each of its meeting.
- e. Reporting of Internal Auditor: The Internal Auditors report directly to the Audit Committee.

12. Compliance with Corporate Governance:

The Company has complied with the Corporate Governance requirements specified in Regulations 17 to 27 and Regulation 46 (2) (b) to (i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

13. Certificate from Chief Executive Officer and Chief Financial Officer of the Company:

The Compliance Certificate, as specified in Part B of Schedule II under Regulation 17(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, from the Whole-time Director and Chief Financial Officer was placed before the Board of Directors of the Company in its meeting held on 23rd May, 2019 is annexed to the Corporate Governance Report.

14. Declaration signed by Whole-time Director:

The Declaration, in terms of Part D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 from the Whole-time Director is annexed to the Corporate Governance Report.

15. Compliance Certificate from a Practicing Chartered Accountant:

The Company has obtained, in terms of Part E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Compliance Certificate from a Practicing Chartered Accountant is annexed to the Corporate Governance Report.

The Company has complied with corporate governance requirements specified in regulation 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

16. Disclosure with respect to demat suspense account / unclaimed suspense account: Nil

17. Disclosure with respect to funds transferred to IEPF Account:

Section 124 of The Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 any dividend remaining unpaid or unclaimed for a period of 7 years from the date of transfer to the unpaid dividend account is to be credited to Investor Education and Protection Fund (IEPF). Further, the shares on which the dividend has not been paid or claimed for seven consecutive years shall be transferred to IEPF.

Company has not issued any dividend in Financial Years 2010-11, 2011-12 and 2012-13 therefore no such amount was due which should be transferred to IEPF Account.

The company has declared dividend for the financial year 2007-08, the related unclaimed dividend amount was transferred to IEPF Account in the year 2015. However with respect to the unclaimed shares 2,00,635 (on 31st March, 2019) has not been transferred IEPF. The company has taken initiation for transfer the same in due course of time.

For and on behalf of the Board

sd/-
L.P.Sashikumar
Director
(DIN: 00016679)

sd/-
Pavan Chavali
Whole-time Director
(DIN: 08432078)

Place: Secunderabad
Date: 14.08.2019

CERTIFICATE FROM THE WHOLE-TIME DIRECTOR & CHIEF FINANCIAL OFFICER

We, Mr. Pavan Chavali, Whole-time Director and Mr. Vithal VSSNK Popuri, Chief Financial Officer certify that

we have reviewed financial statements and the cash flow statement for year ended 31st March, 2019 and to best of our knowledge and belief:

- The results do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- The results together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- To the best of our knowledge and belief, no transactions entered into by the Company during the period which are fraudulent, illegal or violative of the Company's code of conduct.

We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.

We have indicated to the auditors and the Audit committee

- (1) significant changes in internal control over financial reporting during the period;
- (2) significant changes in accounting policies during the period and that the same have been disclosed in the notes to the financial results; and
- (3) there were no instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

sd/-
Vithal VSSNK Popuri
Chief Financial Officer

sd/-
Pavan Chavali
Whole-time Director
(DIN: 08432078)

Place: Secunderabad
Date: 23.05.2019

Declaration as required Pursuant To Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015

I hereby declare that all the Directors and Senior Management of the Company have affirmed compliance with the Company's Code of Conduct for the Financial Year ended March 31, 2019

For and on behalf of the Board

sd/-
Pavan Chavali
Whole-time Director
(DIN: 08432078)

Place: Secunderabad
Date: 23.05.2019

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
 (Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
 (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
 The Members of
 Goldstone Technologies Limited

We, M/s. VCSR & Associates, Company Secretaries have examined the relevant registers, records, forms, returns and disclosures received from the Directors of M/s. Goldstone Technologies Limited having CIN: L72200TG1994PLC017211 and having registered office at 9-1-83 & 84 Amarchand Sharma Complex Sarojini Devi Road Secunderabad - 500003 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me / us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S. No.	Name of the Director	DIN	Designation
1.	Mr.Paul Sashikumar Lam	00016679	Director
2.	Mr.Clinton Travis Caddell	01416681	Director
3.	Mr.Kambhampati Subramanya Sarma	01505787	Independent Director
4.	Mr.Venkata Ramana Vedula	02660082	Independent Director
5.	Ms.Sukhjinder Kaur	07926721	Independent Director
6.	Mr.Ch.Sudhakar Reddy**	02191226	Managing Director
7.	Mr.Pavan Chavali**	08432078	Whole-time Director

** Resigned on 22nd May 2019

Appointed on 23rd May 2019

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

For VCSR & Associates
 Company Secretaries

sd/-

Ch Veeranjanyulu
 Partner

CP NO. 6392, FCS No. 6121

Place: Hyderabad
 Date: 14.08.2019

CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE

To
The Members of
Goldstone Technologies Limited

1. We have examined the compliance of conditions of Corporate Governance by M/s. Goldstone Technologies Limited ("the Company"), for the year ended on March 31, 2019, as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.
3. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant, and as per the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India.
5. In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Regulations.
6. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

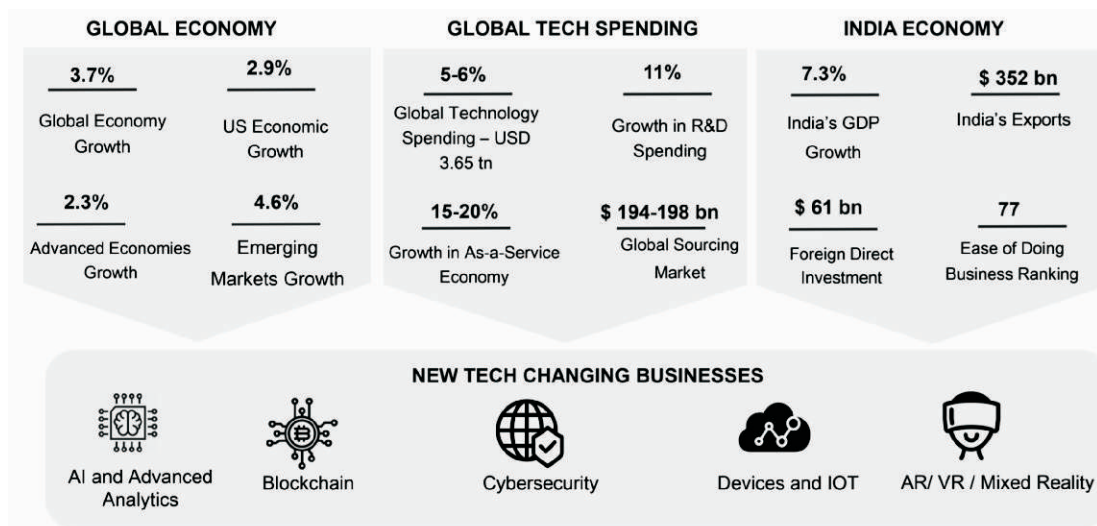
P C N & Associates
Chartered Accountants
FRN: 016016S

sd/-
Chandra Babu M
Partner
Membership No. 227849

Place: Hyderabad
Date: 14.08.2019

MANAGEMENT DISCUSSION ANALYSIS AND BUSINESS OUTLOOK

(This review contains Management’s discussion of the Company’s operational results and financial condition, and should be read in conjunction with the accompanying audited financial statements and associated notes).

Industry Structure, Development and Outlook
2018: A year of growth

Outlook for India in 2019

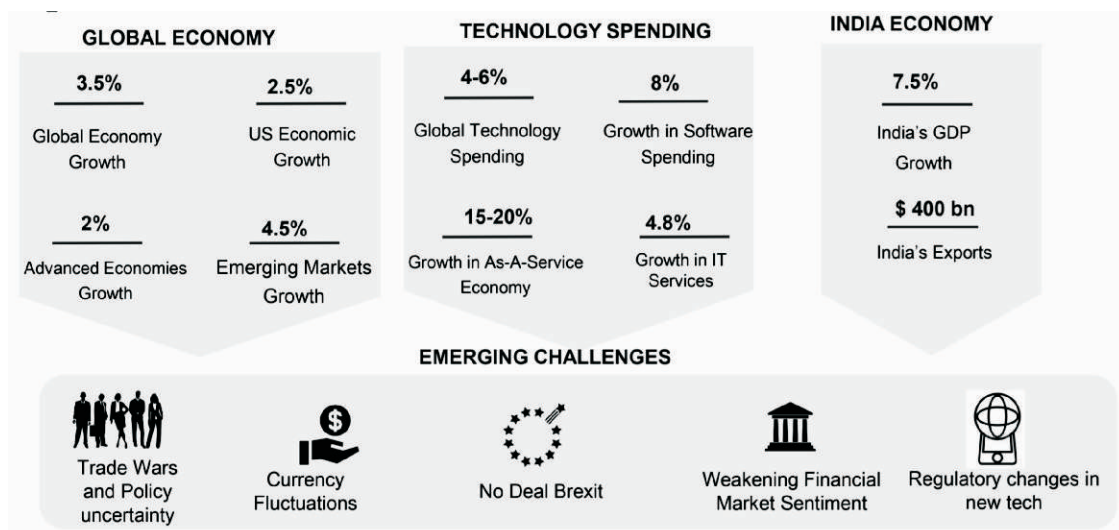
Global growth is projected at 3.3 percent for 2019 and 3.6 percent for 2020: 0.2 percentage point lower for 2019 than the forecast in January, as a result of US-China trade tensions and financial tightening coupled with normalization of monetary policy in advanced economies. A pickup is expected in the second half of 2019

IMF projects India GDP to grow at 7.3% in 2019 & 7.5% in 2020, 0.2 percentage point lower for both 2019 and 2020 than the forecast in January, because of the revision to the national account statistics that indicated a softer underlying momentum that could be attributed to risks to global economic growth as well as weakening domestic investment activity

According to Gartner Inc., global technology spend to grow at over 8.5% in 2018, revised up from their previous projection of 6.7% - adoption of digital and new technologies expected to drive growth

Source: <https://www.nasscom.in/system/files/secure-pdf/NASSCOM-IT-BPM-quarterly-review-march-2019.pdf>

Cautious Global outlook for 2019



Business Intelligence (BI) and Analytics;

Over the next few years, data and analytics programs will become even more mission-critical throughout the business and across industries. This research rounds up Gartner's top 100 predictions that are relevant to CIOs,

CDOs, and data and analytics leaders to enhance their strategic plans.

With remarkable advancements, business intelligence software solutions continue to gain momentum in the marketplace.

Gartner identified the following three business intelligence trends, to help make sound buying decisions when it comes to BI software.

Augmented Analytics driven by AI becoming fashionable and functional : Gartner's February 2018 Magic Quadrant on Analytics and BI Platforms cites the newest disruption in the market is augmented analytics (AA) driven by artificial intelligence (AI). By adding machine learning on ever greater amounts of aggregated data, companies are mining ever selective actionable insights.

Augmented Analytics-backed BI will yield stronger return on investment : As BI software evolves toward all-out machine-driven data diving, augmented analytics will place a cost premium on solutions that can deliver it. Pundits predict that the analytics delivered and their corresponding insights will be worth the cost. Or said another way, the ROI will be more valuable than the added expense.

Machine Learning :

Popular culture is fueling a dystopian view of what artificial intelligence can do. But while research and technology continue to improve, machine learning is rapidly becoming a valuable supplement for the analyst, providing assistance and driving efficiency.

By automating simple, yet, labor intensive tasks like basic math, analysts gain time to think strategically about the business implications of their analysis and plan for next steps. Secondly, it helps the analyst stay in the flow of their data. Without stopping to crunch numbers, analysts can ask the next questions to drill deeper.

Machine learning's potential to aid an analyst is undeniable, but it's critical to recognise that it should be

embraced when there are clearly defined outcomes. While there might be concern over being replaced, machine learning will supercharge analysts and make them more precise and impactful to the business.

The promise of Natural Language Processing (NLP):

Gartner predicts that by 2020, 50 percent of analytical queries will be generated via search, natural language processing (NLP), or voice. NLP will empower people to ask more nuanced questions of data and receive relevant answers that lead to better insights and decisions.

Simultaneously, developers and engineers will make greater strides in exploring how people use NLP by examining how people ask questions – from instant gratification to exploration. The biggest analytic gains will come from tackling this ambiguity and understanding the diverse work flows that NLP can augment.

The opportunity will arise not from placing NLP in every situation, but making it available in the right work flows so it becomes second nature to those using it.

Location of Things will drive IoT innovation:

As a subcategory of IoT, the “location of things,” covers devices that sense and communicate their geographic position. Capturing this data allows users to consider the added context of a device's location when assessing activity and usage patterns.

This technology can be used to track assets, people and even interact with mobile devices like smart watches or badges to provide more personalized experiences. As it relates to data analysis, location-based figures can be viewed as an input versus an output of results.

If the data is available, analysts can incorporate this information to better understand what is happening, where it is happening, and what they should expect to happen.

Opportunities, Threats, Risks and Concerns:

Goldstone Technologies continues to focus on rapid growth opportunities in the technology sector. The business and analytics domain remains our core priority area for the next few years. We are keen on transitioning to the next level of BI solutions by integrating our services and offering a complete package of analytics. During the FY 2018-19 we increased our customer base to almost 300+ customer over the years and are further investing on developing internal capabilities towards providing Machine Learning, Predictive Analysis and AI solutions to customers covering a larger base of analytics support beyond the current visual analytics domain.

With the digital boom, it is predicted that 80 per cent of incremental expenditures over the next decade may be driven by digital technologies. Goldstone Technologies excited to dive into the digital revolution and be a part of this enormous digital change. We are exploiting opportunities within the digital domain that add value to our existing portfolio of services.

We have forged meaningful partnerships with our peers and customers to provide effective solutions to businesses. Our relentless focus on superior customer engagement has helped us become the partner of choice.

Our association and experience with business intelligence has given us an added advantage in becoming a successful implementation partner for Tableau. We achieved the status of No.1 partner for Tableau Software reselling in India, rated as the top visualization tool by Gartner in their latest release. We continue to maintain the dominance even in 2019.

Few challenges that we will need to overcome during this growth phase

- Availability of right talent in market – hiring and retention
- Many competing products and solutions in the market –more choices for customers
- Retention of customers by providing continuing value additions

- Reinvent and optimize traditional offerings along with integrating new services

Internal Control Systems and their adequacy:

The Company has proper and adequate system of internal controls commensurate with its size and nature of operations to provide reasonable assurance that all assets are safeguarded, transactions are authorized, recorded and reported properly and applicable statutes & corporate policies are duly complied with, the internal audit function has been structured to continuously review adequacy and efficacy of the internal controls. The audit committee reviews the internal audit reports at regular intervals.

The company has an audit committee constituted as per Section 177 of the Companies Act, 2013 and as per the requirements of Corporate Governance specified under Regulation 18 read with Part C of Schedule II of SEBI (LODR) Regulations, 2015.

Material Developments in Human Resource/Industry Relations front, including number of people employed:

The Company's Corporate HRD policy emphasizes on continuous, increased quality and commitment of its employees in order to succeed in the achievement of the corporate goals. The company provides employee development opportunities by conducting training programs to equip the employees with upgraded skills enabling them to adapt to the contemporary technological advancements.

The HRD Team strives for the enhancement of Human Resource Organization, Systems, Processes and procedures, using the principles of continuous quality improvement that incorporate quality service and excellent performance standards, increased accountability and maximizes cost effectiveness.

Industrial relations are harmonious. The company recognized the importance and contribution of the human resources for its growth and development. As on March 31, 2019, the Company has total strength of 148 employees.

Analysis of financial performance of the company:

The Consolidated revenues for the year were Rs.415.52 Million as against the previous year revenues of Rs.356.14 Millions. The Standalone revenues for the year were Rs.341.08 Million as against of Rs.250.86 Millions of previous year. The Consolidated Net Profit / (Loss) for the period was (Rs.8.77) Millions against Consolidated Net Profit / (Loss) is Rs.15.21 Millions during the previous year and the Standalone Net Profit / (Loss) was Rs.16.61 Millions against the previous year's Net Profit / (Loss) of Rs.24.25 Millions. However the consolidated cash profit / (loss) for the FY 2018-19 has been reported at Rs.8.55 Million as compared to Cash profit / (loss) of Rs.7.66 Million in the previous year and Standalone cash profit / (loss) has been reported at Rs.33.90 Million as compared to cash profit / (loss) of Rs.16.68 Million during the previous year.

Segment wise Performance

In GTL Standalone, there is an increase of 7.49% in the revenue segment - Information Technology / Software Services in the current FY 2018-19 Rs.206.31 Millions in comparison to Rs.191.93 Millions in the previous FY 2017-18. Also in the revenue segment - Software License Resale the increase in revenue is 128.70% i.e. in current FY 2018-19 Rs.134.77 Millions in comparison to Rs.58.93 Millions in previous FY 2017-18. Whereas in GTL Consolidated, there is a negative trend in revenue segment - Information Technology / Software Services i.e. decrease of (5.99%) i.e. Rs.274.89 Millions in current FY 2018-19 in comparison to Rs.292.42 Millions in previous FY 2017-18 due to decrease in Sales in Subsidiary, Staytop Systems, Inc. Regarding segment profitability, in GTL Standalone segment profit for Information Technology / Software Services has been increased by 32.98% i.e. in current FY 2018-19 Rs.30.52 Million in comparison to Rs.22.95 Millions in previous FY 2017-18. The profit in Software Licenses Resale segment increased by 392.86% i.e. in current FY 2018-19 Rs.2.76 Million in comparison to Rs.0.56 Millions in previous FY 2017-18. In GTL Consolidated, the USA Information Technology / Software

Services, the segment loss increased by 23.55% to (Rs.18.31 Millions) in current FY 2018-19 from (Rs.14.82 Million) in the previous FY 2017-18. However the India Information Technology / Software Services segment profit has increased by 3.53% i.e. in current FY 2018-19 Rs.23.77 Millions in comparison to Rs.22.96 Millions in previous FY 2017-18. Further, the Software License Resale segment profit has increased by 369.49% i.e. Rs.2.77 Millions in current FY 2018-19 in comparison to Rs.0.59 Millions in previous FY 2017-18.

Liquidity and capital resources:

There is no change in Shareholders' funds during the financial year 2018-19.

The secured loans as at March 31, 2019 stood at Rs.23.03 Million as against Rs.20.86 Million in Previous year.

The Company's ability to generate funds from operating activities, including product and service sales, equity funds and debt financing from its banks and others are expected to provide sufficient liquidity to meet current and future fund requirements.

Details of significant changes in key financial ratios:

Interest Coverage Ratio: In GTL Standalone - Interest coverage improved to 10.66 in current FY 2018-19 as compared to 7.33 in the previous FY 2017-18. This is due to increase operating profit margins in current FY 2018-19 at standalone level. However, this trend could not be observed in GTL Consolidated level because of the effect of increase in operating margin in GTL Standalone has been subsided by decrease in operating profit margins in Subsidiary – Staytop Systems, Inc.

Net Profit Margin : In GTL Standalone, although there is an increase in Profit Before Tax in current FY 2018-19 as compared to previous FY 2017-18, there is decrease in Net Profit Ratio to 4.87% in current FY 2018-19 in comparison to 9.67% in previous FY 2017-18 due to the fact that, in previous FY 2017-18, the Deferred Tax Credit was Rs.11.34 Million as against Deferred Tax Expense of Rs.13.62 Millions in current FY 2018-19. Similarly, in GTL Consolidated, the variation in Net Profit Ratio (2.11%) in current FY 2018-19 in comparison to 4.27% in previous FY 2017-18 is on account of decrease in operating profit margins in subsidiary, Staytop Systems, Inc., coupled with Deferred Expenses in current FY 2018-19 against Deferred Tax Credit in previous FY 2017-18. However the change in Deferred Tax Credit or Deferred Tax Expenses have no cash inflow / outflow impact in the current FY 2018-19.

Details of any change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation thereof:

In GTL Standalone the Return on Net Worth has decreased from 9.10% in FY 2017-18 to 5.83% current FY 2018-19. Although there is an increase in operating profit margins but the Deferred Tax Credit in FY 2017-18 was Rs.11.34 Million as against Deferred Tax Expense of Rs.13.62 Millions in current FY 2018-19, hence there is a decreasing trend in the Return on Net Worth. In GTL Consolidated, the Return on Net Worth turned into negative in current FY 2018-19 i.e. (2.02%) as against positive 3.52% in FY 2017-18 due to the reason that, operating loss in Subsidiary, Staytop Systems, Inc. and Deferred Tax Expense of Rs.13.62 Millions in current FY 2018-19. However the change in Deferred Tax Credit or Deferred Tax Expenses have no cash inflow / outflow impact in the current FY 2018-19

Cautionary Statement:

Statements in the Management Discussion and Analysis describing the Company's Objectives, projections, estimates, expectations may be forward looking statements within the meaning of applicable securities laws and regulations. Actual results would differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand, supply and price conditions in the domestic/overseas markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and other incidental factors.

**PARTICULARS OF CONSERVATION OF ENERGY / TECHNOLOGY ABSORPTION,
FOREIGN EXCHANGE EARNINGS AND OUTGO**

Particulars in respect of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo required as per Section 134 (3) (m) of the Companies Act, 2013 and Rule 8(3) of the Companies (Accounts) Rules, 2014 are as follows:

A. Conservation of Energy:

The company strives to conserve the energy and use energy efficient computers. The company also deploys sophisticated office automation and management equipment's which optimize the energy consumption. The company has taken such other adequate measures to conserve and reduce the energy consumption.

B. Technology Absorption:

Your company regularly strives to utilize newer technologies with the view to conserve the energy and create an environmentally friendly work environment. The company continues to use state-of-the-art technology for improving the productivity and quality of its products and services. To create adequate infrastructure, your company continues to invest in the latest hardware and software.

C. Foreign Exchange Earnings and Outgo:

Rs. In Millions

Particulars	2018-19	2017-18
Foreign Exchange Earnings	90.96	127.34
Foreign Exchange Outgo	87.88	38.25

STATEMENT OF DISCLOSURE OF REMUNERATION

Information as required under Section 197 of the Act read with Rule 5(1) of Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.

a) the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;

Non Executive Director*	Ratio to Median Remuneration
Mr.K.S.Sarma	Not Applicable
Mr.V.Venkata Ramana	Not Applicable
Ms.Sukhjinder Kaur	Not Applicable
Mr.L.P.Sashikumar	Not Applicable
Mr.Clinton Travis Caddell	Not Applicable
Executive Director	Not Applicable
#Mr.Pavan Chavali	Not Applicable
@Mr.Ch.Sudhakar Reddy	Not Applicable

* Non-Executive directors are not having any specific remuneration other than receiving sitting fees for attending the Board Meetings.

Appointed as an Additional Director and Whole-time Director w.e.f 23rd May, 2019 (after the financial year 2018-19).Hence ratio of the remuneration to the median remuneration of the employees is not mentioned.

@ Not draw remuneration during the financial year and resigned from the position of Managing Director and Director w.e.f 22nd May, 2019.

b) the percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year;

Name of the person	Designation	Percentage increase in remuneration
#Mr.Pavan Chavali	Whole-time Director	Not Applicable
@Mr. Ch. Sudhakar Reddy	Managing Director	Not Applicable
Mr.Vithal VSSNK Popuri	Chief Financial Officer	10%
Mr. Thirumalesh T	Company Secretary	Not Applicable

Appointed as an Additional Director and Whole-time Director w.e.f 23rd May, 2019 (after the financial year 2018-19).

@ Not draw remuneration during the financial year and resigned from the position of Managing Director and Director w.e.f 22nd May, 2019.

- c) **The percentage increase in the median remuneration of employees in the financial year : 15.38%**
- d) **The number of permanent employees on the rolls of company : 148 on 31st March, 2019**
- e) **average percentile increase 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 increase in salaries of employees other than managerial personnel in 2018-19 was 13.00% and Percentage increase in the managerial remuneration for the year was Nil.

- f) **affirmation that the remuneration is as per the remuneration policy of the Company**

The Company's remuneration policy is driven by the success and performance of the individual employees and the Company. Through its compensation package, the Company endeavors to attract, retain, develop and motivate a high performance staff Individual performance pay is determined by business performance and the performance of the individuals measured through the annual appraisal process. The Company affirms remuneration is as per the remuneration policy of the Company.

INDEPENDENT AUDITOR'S REPORT

"TO THE MEMBERS OF GOLDSTONE TECHNOLOGIES LIMITED

Report on the Audit of the Standalone Financial Statements Opinion

We have audited the accompanying standalone financial statements of Goldstone Technologies Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). 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 independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made

thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, 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 during the course of our audit or otherwise appears to be materially misstated.

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

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in

accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 pending litigations which would impact on its financial position in its standalone financial statements.
- ii. The Company has made provision, as required under the applicable law or accounting

standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For P C N & Associates.,
Chartered Accountants
FRN:016016S

sd/-
Chandra Babu M
Partner
M.No:227849

Place:Hyderabad
Date: 23 May, 2019

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of GOLDSTONE TECHNOLOGIES LIMITED of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause

(i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of GOLDSTONE TECHNOLOGIES LIMITED ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the

"Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2)

provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; 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.

Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **P C N & Associates.,**
Chartered Accountants
FRN:016016S

sd/-
Chandra Babu M
Partner
M.No:227849

Place: Hyderabad
Date : 23 May, 2019

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of GOLDSTONE TECHNOLOGIES LIMITED of even date)

- i. In respect of the Company's fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and on the basis of our examination of records of the company, the title deeds of immovable properties are held in the name of the company.
- ii. The Company is in the business of providing software services and does not have any physical inventories. Accordingly, reporting under clause 3 (ii) of the Order is not applicable to the Company.
- iii. The company has not granted any loans, secured or unsecured, to companies, firms, and Limited Liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, reporting under clause 3 (iii) of the Order is not applicable to the Company.
- iv. The company has not granted any loans or provided any guarantee or security to the parties covered under section 185 and 186 of the Companies Act, 2013. The Company has complied with the provisions of Section 185 and 186 of the Act in respect of Investments made by the Company.
- v. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2019 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.
- vii. According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company is regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.
 - (c) According to the information and explanations given to us and based on the records of the company examined by us, there are no dues of Sales Tax, Service Tax, Excise Duty, Income Tax and Value Added Tax which have not been deposited as at March 31, 2019 on account of disputes.
- viii. In our opinion, and according to the information and explanations given to us,

the company has not defaulted in repayment of dues to financial institution or banks or Government as at the balance sheet date.

- ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. The Company is not a Nidhi Company and hence 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, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with

the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

- xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors and persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 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.

For **P C N & Associates.,**
Chartered Accountants
FRN:016016S

sd/-
Chandra Babu M
Partner
M.No:227849

Place: Hyderabad
Date : 23 May, 2019

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2019

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

Particulars	Note	As at 31 March 2019	As at 31 March 2018
Assets			
Non-current Assets			
Property, Plant and Equipment	4	103.26	100.33
Financial Assets			
Investments	5	92.76	92.76
Loans	6	1.41	1.41
Deferred Tax Assets, net	7	11.57	25.79
		209.00	220.29
Current Assets			
Financial Assets			
Trade Receivables	8	77.54	68.60
Cash and Cash Equivalents	9	25.36	10.43
Other Bank Balances	10	2.05	3.16
Loans	6	2.93	2.62
Others Financial Assets	11	1.54	2.42
Current Tax Assets, net	12	87.57	66.91
Other Current Assets	13	4.00	7.21
		200.99	161.35
Total Assets		409.99	381.64
Equity and Liabilities			
Equity			
Equity Share Capital	14	187.82	187.82
Other Equity	15	96.92	78.73
Total Equity		284.74	266.55
Non-current Liabilities			
Financial Liabilities			
Borrowings	16	2.82	0.78
Provisions	17	13.75	15.03
Other Non-current Liabilities	20	37.43	41.93
		54.00	57.74
Current Liabilities			
Financial Liabilities			
Borrowings	16	18.55	19.23
Trade Payables	18	40.61	28.69
Other Financial Liabilities	19	-	0.85
Other Current Liabilities	20	9.85	5.94
Provisions	17	2.24	2.64
		71.25	57.35
Total Liabilities		125.24	115.09
Total Equity and Liabilities		409.99	381.64

Summary of significant Accounting Policies 3

The accompanying notes are an integral part of the Standalone Financial Statements.

As per our report of even date
for **P C N & Associates**
(formerly known as Chandra Babu Naidu & Co.)
Chartered Accountants
ICAI Firm Registration Number: 016016S

for and on behalf of the Board of Directors of
Goldstone Technologies Limited
CIN: L72200TG1994PLC017211

Sd/-
Chandra Babu M
Partner
Membership No.: 227849

Sd/-
Pavan Chavali
Whole Time Director
DIN: 08432078

Sd/-
L.P.Shashi Kumar
Director
DIN: 00016679

Place: Hyderabad
Date: 23 May 2019

Sd/-
Vithal V S S N K Popuri
Chief Financial Officer

Sd/-
Thirumalesh T
Company Secretary

STANDALONE STATEMENT OF PROFIT AND LOSS AS AT 31ST MARCH, 2019

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

Particulars	Note	For the year ended 31st March 2019	For the year ended 31st March 2018
Income			
Revenue from Operations	21	341.08	250.86
Other Income	22	2.53	2.75
Total Income		343.61	253.61
Expenses			
Cost of Materials Consumed	23	114.47	48.02
Employee Benefits Expense	24	158.68	160.95
Depreciation and Amortization Expense	25	3.67	3.77
Finance Costs	26	3.05	3.16
Other Expenses	27	37.18	21.13
Total Expense		317.05	237.03
Profit Before Tax		26.56	16.58
Tax Expenses			
Current Tax	28	(3.67)	3.67
Deferred Tax	28	13.62	(11.34)
Total Tax Expense		9.95	(7.67)
Profit for the year		16.61	24.25
Other Comprehensive Income			
Items that will not be reclassified to Profit or Loss:			
Re-measurement gains on Defined Benefit Plan		2.18	2.16
Income-tax effect	28	(0.60)	(0.60)
Other Comprehensive Income for the year, net of Tax		1.58	1.56
Total Comprehensive Income for the year		18.19	25.81
Earnings Per equity Share (nominal value of INR 10) in INR	36		
Basic		0.88	1.29
Diluted		0.88	1.29

Summary of significant Accounting Policies 3

The accompanying notes are an integral part of the Standalone Financial Statements.

As per our report of even date
for **P C N & Associates**
(formerly known as Chandra Babu Naidu & Co.)
Chartered Accountants
ICAI Firm Registration Number: 016016S

for and on behalf of the Board of Directors of
Goldstone Technologies Limited
CIN: L72200TG1994PLC017211

Sd/-
Chandra Babu M
Partner
Membership No.: 227849

Sd/-
Pavan Chavali
Whole Time Director
DIN: 08432078

Sd/-
L.P.Shashi Kumar
Director
DIN: 00016679

Place: Hyderabad
Date: 23 May 2019

Sd/-
Vithal V S S N K Popuri
Chief Financial Officer

Sd/-
Thirumalesh T
Company Secretary

STANDALONE STATEMENT OF CASH FLOWS AS AT 31ST MARCH, 2019

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
I. Cash flows from Operating Activities		
Profit Before Tax	26.56	16.58
<i>Adjustments to reconcile Profit before Tax to net Cash Flows:</i>		
Depreciation of Tangible Assets	3.67	3.77
Finance Income (including fair value change in financial instruments)	(1.22)	(0.46)
Finance Costs (including fair value change in financial instruments)	3.05	3.16
Re-measurement losses on Defined Benefit Plans	2.18	2.17
Operating Profit before Working Capital changes	34.24	25.22
<i>Changes in Working Capital:</i>		
Adjustment for (increase)/decrease in operating assets		
Trade Receivables	(8.95)	(12.91)
Loans - Current	(0.31)	67.60
Other Financial Assets - Current	0.87	(0.38)
Other Assets - Current	3.21	(1.24)
Adjustment for (increase)/decrease in Operating Liabilities		
Trade Payables	11.92	11.40
Other Financial Liabilities - Current	(0.85)	(0.02)
Other Non-current Liabilities	(4.50)	(75.46)
Other Current Liabilities	3.93	2.79
Provisions	(1.68)	1.06
Cash generated from Operations	37.88	18.06
Income Taxes paid	(16.99)	(17.22)
Net Cash generated from/(used in) operating activities	20.89	0.84
II. Cash Flows from Investing Activities		
Purchase of Property, Plant and Equipment and Intangibles (including Capital Work in Progress)	(8.53)	(0.88)
Sale of Property, Plant and Equipment	1.93	0.18
(Investments in)/ redemption of Bank Deposits (having original maturity of more than three months) - net	1.11	(0.01)
Interest received (Finance Income)	1.22	0.46
Net Cash used in Investing Activities	(4.27)	(0.25)

STANDALONE STATEMENT OF CASH FLOWS AS AT 31ST MARCH, 2019

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
III. Cash Flows from Financing Activities		
Proceeds from/(repayment of) Long-term Borrowings, net	2.04	(0.85)
Proceeds from/(repayment of) Short-term Borrowings, net	(0.68)	7.56
Interest paid	(3.05)	(3.16)
Net Cash provided by Financing Activities	(1.69)	3.55
Net increase in Cash and Cash Equivalents (I+II+III)	14.93	4.13
Cash and Cash Equivalents at the beginning of the year	10.43	6.30
Cash and Cash Equivalents at the end of the year (refer note below)	25.36	10.43
Note:		
Cash and Cash Equivalents comprise:		
Cash on Hand	0.05	0.03
Balances with Banks:		
- in current accounts	25.31	10.40
	25.36	10.43

Summary of significant Accounting Policies

3

The accompanying notes are an integral part of the Standalone Financial Statements.

As per our report of even date
for **P C N & Associates**
(formerly known as Chandra Babu Naidu & Co.)
Chartered Accountants
ICAI Firm Registration Number: 016016S

for and on behalf of the Board of Directors of
Goldstone Technologies Limited
CIN: L72200TG1994PLC017211

Sd/-
Chandra Babu M
Partner
Membership No.: 227849

Sd/-
Pavan Chavali
Whole Time Director
DIN: 08432078

Sd/-
L.P.Shashi Kumar
Director
DIN: 00016679

Place: Hyderabad
Date: 23 May 2019

Sd/-
Vithal V S S N K Popuri
Chief Financial Officer

Sd/-
Thirumalesh T
Company Secretary

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

a. Equity Share Capital

	No. of shares	Amount
Balance as at March 31, 2018	18,782,066	187.82
Balance as at March 31, 2019	18,782,066	187.82

b. Other Equity

Particulars	Reserves and Surplus			Total
	Capital Reserve	Securities Premium	General Reserve	
At April 1, 2017	59.78	218.38	18.30	
Profit for the year				(243.54)
Other Comprehensive Income				24.25
Re-measurement Gains/ (Losses) on Defined Income-tax effect				2.16
At March 31, 2018	59.78	218.38	18.30	(0.60)
Profit for the year				16.61
Other Comprehensive Income				2.18
Re-measurement Gains / (Losses) on Defined Benefit Plans, net of Tax				(0.60)
Income-tax effect				(199.54)
Balance as of 31 March 2019	59.78	218.38	18.30	96.92

Summary of significant Accounting Policies

The accompanying notes are an integral part of the Standalone Financial Statements.

As per our report of even date

for **P C N & Associates**
(formerly known as Chandra Babu Naidu & Co.)

Chartered Accountants

ICAI Firm Registration Number: 016016S

Sd/-

Chandra Babu M

Partner

Membership No.: 227849

Place: Hyderabad

Date: 23 May 2019

for and on behalf of the Board of Directors of

Goldstone Technologies Limited

CIN: L72200TG1994PLC017211

Sd/-

Pavan Chavali

Whole Time Director

DIN: 08432078

Sd/-

L.P.Shashi Kumar

Director

DIN: 00016679

Sd/-

Vithal V S N K Popuri

Chief Financial Officer

Sd/-

Thirumalesh T

Company Secretary

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

1. General Information

Goldstone Technologies Limited ('the Company') is a Public Limited Company incorporated in India, having its registered office at Hyderabad (Secunderabad), India. The Company is primarily engaged in the business of IT and ITES services. The Company is listed in the National Stock Exchange (NSE) and the Bombay Stock Exchange (BSE).

2. Basis of preparation of Financial Statements

2.1 Statement of Compliance

The Financial Statements have been prepared in accordance of Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules 2015 notified under Section 133 of Companies Act 2013 (the 'Act') and other relevant provisions of the Act.

The Financial Statements were authorized for issue by the Company's Board of Directors on 23 May 2019.

Details of the Accounting Policies are included in Note 3.

2.2 Basis of measurement

These Financial Statements have been prepared on the historical cost convention and on an 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;
- Long Term Borrowings are measured at amortized cost using the effective interest rate method.

2.3 Functional Currency

The Financial Statements are presented in Indian Rupees Millions, which is the functional currency of the Company. Functional currency of an entity is the currency of the primary economic environment in which the entity operates.

All amounts are in Indian Rupees Millions except share data, unless otherwise stated.

2.4 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 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; or
- d) it is Cash or Cash equivalent unless it is restricted from being exchanged or used to settle a Liability for at least twelve months 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 Company'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 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.

Current Assets / Liabilities include the current portion of Non-current Assets / Liabilities respectively. All other Assets/ Liabilities are classified as Non-current.

2.5 Critical accounting judgements and key sources of estimation uncertainty Operating Cycle

In the application of the Company's Accounting Policies, which are described in note 3, the management of the Company 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 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 judgements 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

Management reviews the useful lives of Depreciable Assets at each reporting. As at March 31, 2019 management assessed that the useful lives represent the expected utility of the assets to the Company. Further, there is no significant change in the useful lives as compared to previous year.

2.6 Measurement of Fair Values

A number of the Company's Accounting Policies and disclosures require the measurement of fair values, for both Financial and Non-financial Assets and Liabilities.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: Quoted Prices (unadjusted) in active markets for identical Assets or Liabilities.
- Level 2: inputs other than Quoted Prices included in Level 1 that are observable for the Asset or Liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the Asset or Liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an Asset or a Liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an Asset or a Liability fall into different levels of the

fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

3 Significant Accounting Policies

3.1 Revenue recognition

Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Company has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information in standalone statement of profit and loss is not restated – i.e. the comparative information continues to be reported under Ind AS 18 and Ind AS 11. The impact of adoption of the standard on the financial statements of the Company is insignificant.

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

The Company's revenues are derived from sale of goods and services.

- Revenue from sale of goods is recognized where control is transferred to the Company's customers at the time of shipment to or receipt of goods by the customers. There was no change in the point of recognition of revenue upon adoption of Ind AS 115.

- Service income, is recognized as and when the underlying services are performed. There was no change in the point of recognition of revenue upon adoption of Ind AS 115. Upfront non-refundable payments received under these arrangements continue to be deferred and are recognized over the expected period that related services are to be performed.
- Dividend income is accounted for when the right to receive the income is established.
- Difference between the sale price and carrying value of investment is recognised as profit or loss on sale / redemption on investment on trade date of transaction.
- Interest income is accrued on, time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

3.2 Leases

Leases are classified as Finance Leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as Operating Leases.

Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalized at fair value of the Asset or present value of the minimum lease payments at the inception of the lease, whichever is lower. Assets held under leases that do not transfer substantially all the risks and reward of ownership are not recognized in the Balance Sheet.

Lease payments under Operating Lease are generally recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the term of lease

unless such payments are structured to increase in line with the expected general inflation to compensate for the lessor's expected inflationary cost increases.

Further, at the inception of above arrangement, the Company determines whether the above arrangement is or contains a lease. At inception or on reassessment of an arrangement that contains a lease, the Company separates a payments and other consideration required by the arrangement into those for the lease and those for other elements on the basis of their relative fair values.

If the Company concludes for a Finance Lease that it is impracticable to separate the payments reliably, then an Asset and a Liability are recognized at an amount equal to the fair value of the underlying Asset; subsequently, the Liability is reduced as payments are made and an imputed finance cost on the Liability is recognized using the Company's incremental borrowing rate.

Minimum Lease payments made under Finance Leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the Liability.

3.3 Foreign Currencies

In preparing the Financial Statements of the Company, transactions in currencies other than the Company's functional currency (Foreign Currencies) are recognized 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 retranslated. Exchange differences on monetary items are recognized in Profit or Loss in the period in which they arise.

3.4 Borrowing Costs

Specific Borrowing Costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of such asset till such time the asset is ready for its intended use and borrowing costs are being incurred. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred.

Borrowing Cost includes Interest Expense, Amortization of Discounts, Ancillary Costs incurred in connection with borrowing of funds and exchange difference arising from Foreign Currency Borrowings to the extent they are regarded as an adjustment to the Interest Cost.

3.5 Taxation

Income Tax expense consists of Current and Deferred Tax. Income Tax expense is recognized in the Income Statement except to the extent that it relates to items recognized directly in Equity, in which case it is recognized in Equity.

Current tax

Current Tax is the expected tax payable on the Taxable Income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax

Deferred Tax is recognized using the Balance Sheet method, providing for temporary differences between the carrying amounts of Assets and Liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred Tax is not recognized for the following temporary differences: the initial recognition of Assets or Liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit; differences

relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future; and taxable temporary differences arising upon the initial recognition of goodwill. Deferred Tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred Tax Assets and Liabilities are offset if there is a legally enforceable right to offset Current Tax Liabilities and Assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax Liabilities and Assets on a net basis or their Tax Assets and Liabilities will be realized simultaneously.

A Deferred Tax Asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. 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.

3.6 Earnings Per Share

The Company presents Basic and Diluted Earnings Per Share (“EPS”) data for its ordinary Shares. The Basic Earnings Per Share is computed by dividing the Net Profit attributable to Equity Shareholders for the period by the weighted average number of Equity Shares outstanding during the year.

Diluted earnings per share is computed by dividing the Net Profit attributable to Equity Shareholders for the year relating to the dilutive potential Equity Shares, by the weighted average number of Equity Shares considered for deriving basic Earnings Per Share and the weighted average number of Equity Shares which could have been issued on the conversion of all dilutive potential Equity Shares. Potential Equity Shares are deemed to be dilutive only if their conversion to Equity Shares would decrease the Net Profit Per Share.

3.7 Property, Plant and Equipment (PPE)

The initial cost of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use, including relevant borrowing costs and any expected costs of decommissioning, less accumulated depreciation and accumulated impairment losses, if any. Expenditure incurred after the PPE have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred.

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

Material items such as spare parts, stand-by equipment and service equipment are classified as PPE when they meet the definition of PPE as specified in Ind AS 16 – Property, Plant and Equipment.

3.8 Expenditure during construction period

Expenditure during construction period (including financing cost related to borrowed funds for construction or acquisition of qualifying PPE) is included under Capital Work-in-Progress, and the same is allocated to the respective PPE on the completion of their construction. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under “Other Non-current Assets”.

3.9 Depreciation

Depreciation is the systematic allocation of the depreciable amount of PPE over its useful life and is provided on a straight-line 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 Company, or the number of production or similar units expected to be obtained from the asset by the Company.

The Company has componentized its PPE and has separately assessed the life of major components. In case of certain classes of PPE, the Company uses different useful lives than those prescribed in Schedule II to the Act. The useful lives have been assessed based on technical advice, taking into account the nature of the PPE and the estimated usage of the asset on the basis of management's best estimation of obtaining economic benefits from those classes of assets.

Such classes of Assets and their estimated useful lives are as under:

Particulars	Useful life
Buildings	30 years
Plant and Machinery	15 years
Electrical Equipment	5 years
Office Equipment	5 years
Computers - Laptops & Desktops	3 years
Computers - Servers	6 Years
Furniture and Fixtures	10 years
Vehicles - Four Wheelers	8 years
Vehicles - Two Wheelers	10 years
Leasehold Improvements	10 years

Depreciation on additions is provided on a pro-rata basis from the month of installation or acquisition and in case of Projects from the date of commencement of commercial production. Depreciation on deductions/disposals is provided on a pro-rata basis up to the date of deduction / disposal.

3.10 Intangible Assets and Amortization

Intangible Assets are stated at cost less accumulated amortization and impairment. Intangible Assets are amortized over their respective estimated

useful lives on a straight-line basis, from the date that they are available for use.

Amortization

The 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.

Software is amortized over a period of three to five years.

3.11 Cash and Cash Equivalents

Cash and Cash Equivalents in the Balance Sheet comprise Cash at Bank and 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.

3.12 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.

3.13 Government Grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

Where the Company receives non-monetary grants, the asset and the grant are accounted at fair value and recognized in the Statement of Profit and Loss over the expected useful life of the Asset.

3.14 Impairment of non Financial Assets

The carrying amounts of the Company's Non-financial Assets, Inventories and

Deferred Tax Assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the Asset's recoverable amount is estimated.

The recoverable amount of an Asset or Cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future Cash Flows are discounted to their present value using a Pre-tax Discount Rate that reflects current market assessments of the time value of money and the risks specific to the asset or the cash-generating unit. For the purpose of impairment testing, Assets are grouped together into the smallest group of Assets that generates Cash Inflows from continuing use that are largely independent of the Cash Inflows of other Assets or groups of Assets (the "cash-generating unit").

An Impairment Loss is recognized in the Income Statement if the estimated recoverable amount of an asset or its Cash-generating unit is lower than its carrying amount. Impairment Losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An Impairment Loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An Impairment Loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of Depreciation or Amortization, if no Impairment Loss had been recognized. Goodwill that forms part of the carrying amount of an Investment in an Associate is not recognized separately, and therefore is not tested for impairment separately. Instead, the entire amount of the investment in an associate is tested for impairment as a single Asset when there is objective evidence that the investment in an associate may be impaired.

An Impairment Loss in respect of Equity accounted investee is measured by

comparing the recoverable amount of investment with its carrying amount. An Impairment Loss is recognized in the Income Statement, and reversed if there has been a favorable change in the estimates used to determine the recoverable amount.

3.15 Employee Benefits

Short-term Employee Benefits

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

Defined Contribution Plans

The Company's contributions to Defined Contribution Plans are charged to the Income Statement as and when the services are received from the employees.

Defined Benefit Plans

The liability in respect of Defined Benefit Plans and other Post-employment Benefits is calculated using the projected unit credit method consistent with the advice of qualified actuaries. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality Corporate Bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related defined benefit obligation. In countries where there is no deep market in such bonds, the market rates on Government Bonds are used. The current service cost of the Defined Benefit Plan, recognized in the Income Statement in Employee Benefit expense, reflects the increase in the Defined Benefit Obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognized immediately in income. The net

interest cost is calculated by applying the discount rate to the net balance of the Defined Benefit Obligation and the fair value of Plan Assets. This cost is included in employee benefit expense in the Income Statement. Actuarial Gains and Losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to Equity in Other Comprehensive Income in the period in which they arise.

Termination Benefits

Termination Benefits are recognized as an expense when the Company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognized as an expense if the Company has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

Other Long Term Employee Benefits

The Company's net obligation in respect of other Long Term Employee Benefits is the amount of future benefit that employees have earned in return for their service in the current and previous periods. That benefit is discounted to determine its present value. Re-measurements are recognized in the Statement of Profit and Loss in the period in which they arise.

3.16 Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. 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 is used, the increase in the provision due to the passage of time is recognized as a finance cost.

3.17 Contingent Liabilities & Contingent Assets

A disclosure for a contingent Liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent Assets are not recognized in the Financial Statements. However, Contingent Assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the Asset and related Income are recognized in the period in which the change occurs.

3.18 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.

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 derecognition 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 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 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 par 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.

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

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).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for Financial Assets measured at amortized cost are deducted from the gross carrying amount of the Assets.

Write-off

The gross carrying amount of a Financial Asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the trade receivable does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, Financial Assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

4. Property, Plant and Equipment

Particulars	Land	Buildings	Plant and Machinery	Electrical Equipment	Office Equipment	Computers	Furniture and Fixtures	Vehicles	Leasehold Improvements	Total
Deemed Cost										
At April 1, 2018	76.67	13.35	1.27	0.71	0.74	3.28	2.54	7.83	0.53	106.92
Additions	2.00	-	-	-	0.29	0.50	0.03	5.70	-	8.52
Deletions	-	-	-	-	-	-	-	5.31	-	5.31
At March 31, 2019	78.67	13.35	1.27	0.71	1.03	3.78	2.57	8.22	0.53	110.13
Accumulated depreciation										
At April 1, 2018	-	1.66	0.18	0.10	0.17	1.39	1.37	1.58	0.14	6.59
Charge for the year	-	0.83	0.09	-	0.11	0.55	0.62	1.39	0.07	3.66
Less: Adjustments	-	-	-	-	-	-	-	3.38	-	3.38
At March 31, 2019	-	2.49	0.27	0.10	0.28	1.94	1.99	(0.41)	0.21	6.87
Carrying amount										
At April 1, 2018	76.67	11.69	1.09	0.61	0.57	1.89	1.17	6.25	0.39	100.33
At March 31, 2019	78.67	10.86	1.00	0.61	0.75	1.84	0.58	8.63	0.32	103.26

Note :

- a) Charge on Property, Plant and Equipment:
 Out of Property, Plant and Equipment, Land and Buildings with a carrying amount of INR 85,030,722 (31-March-2018 - INR 88,361,025) are offered as collateral to secure the Bank Loans of Olectra Greentech Limited (formerly known as Goldstone Infratech Limited).

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

Particulars	31 March 2019	31 March 2018
5 Investments		
Non-current Investments		
<i>Investments carried at Cost</i>		
<i>Unquoted Equity Shares</i>		
<i>Investments in Subsidiaries</i>		
10,000 (March 31, 2018: 10,000) equity shares in Staytop Systems Inc, USA	92.66	92.66
9,900 (March 31, 2018: 9,900) equity shares of ₹ 10 each in Staytop Systems and Software Private Limited	0.10	0.10
Total Investments	92.76	92.76
6 Loans (Unsecured, considered good unless otherwise stated)		
Non-current		
Security Deposits	1.41	1.41
	1.41	1.41
Current		
Security Deposits	2.93	2.62
	2.93	2.62
7 Deferred Tax Asset, net		
Deferred Tax Asset		
- Tangible and Intangible Assets	8.30	10.92
- Provision allowed under tax on payment	(0.47)	4.87
- Unabsorbed Depreciation	3.74	10.00
Total	11.57	25.79
Deferred Tax liability		
- Tangible and Intangible assets	-	-
Deferred Tax Asset, net	11.57	25.79

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

Particulars	31 March 2019	31 March 2018
8 Trade Receivables		
Unsecured, considered good	77.54	68.60
	77.54	68.60
Less: Allowance for doubtful receivables	-	-
Total Trade Receivables	77.54	68.60
9 Cash and Cash Equivalents		
Balances with Banks:		
- On Current Accounts	25.31	10.40
Cash on Hand	0.05	0.03
Total Cash and Cash Equivalents	25.36	10.43
10 Other Bank Balances		
Term deposits with Banks with original maturities of more than 3 months and less	2.05	3.16
Total other Bank balances	2.05	3.16
*Represents Margin Money Deposits against Bank Guarantees		
11 Others Financial Assets (Unsecured, considered good unless otherwise stated)		
Current		
Interest accrued on Deposits	1.54	2.42
	1.54	2.42
12 Current Tax Assets, net		
Advance Taxes and TDS	120.96	103.97
Less: Provision for Taxes	33.39	37.06
	87.57	66.91

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

Particulars	31 March 2019	31 March 2018
13 Other Assets		
Current Assets		
<i>Unsecured, considered good</i>		
Advances other than Capital Advances	0.01	0.05
Supplier Advances	1.64	1.80
Prepaid Expenses	2.35	5.36
Balances with Government Departments	4.00	7.21
14 Share Capital		
Authorized Share Capital		
50,000,000 (March 31, 2018 50,000,000) equity shares of Rs.10 each	500.00	500.00
Issued, Subscribed and Fully Paid-up		
18,782,066 (March 31, 2018: 18,782,066) equity shares of Rs.10/-	187.82	187.82
	187.82	187.82

(a) Reconciliation of Shares outstanding at the beginning and end of the reporting year

Particulars	31 March 2019		31 March 2018	
	No. of Equity Shares	Amount	No. of Equity Shares	Amount
Outstanding at the beginning of the year	18,782,066	187.82	18,782,066	187.82
Issued during the year	-	-	-	-
Outstanding at the end of the year	18,782,066	187.82	18,782,066	187.82

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

(b) Terms / rights attached to the Equity Shares

Equity Shares of the Company have a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining Assets of the Company, after distribution of all Preferential Amounts. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.

(c) Details of Shareholders holding more than 5% shares in the Company

Particulars	31 March 2019		31 March 2018	
	No. of Equity Shares held	% holding in the class	No. of Equity Shares held	% holding in the class
Trinity Infraventure Limited	3,419,872	18.21%	3,419,872	18.21%

Particulars	31 March 2019	31 March 2019
15 Other Equity		
Capital Reserve		
Opening Balance	59.78	59.78
Add: Premium on fresh issue	-	-
Closing Balance	59.78	59.78
Securities Premium		
Opening Balance	218.38	218.38
Additions during the year	-	-
Closing Balance	218.38	218.38
Securities Premium consists of the difference between the face value of the Equity Shares and the consideration received in respect of shares issued		
General Reserve		
Opening Balance	18.30	18.30
Add: Transfers during the year	-	-
Closing Balance	18.30	18.30
The General Reserve is used from time to time to transfer Profits from Retained Earnings for appropriation purposes. As the General Reserve is created by a transfer from one component of Equity to another and is not an item of Other Comprehensive Income, items included in the General Reserve will not be reclassified subsequently to Profit or Loss.		
Retained Earnings		
Opening Balance	(217.73)	(243.54)
Profit /(Loss) for the year	16.61	24.25
Other Comprehensive Income	1.58	1.56
Less: Transfers to General Reserve	-	-
Closing Balance	(199.54)	(217.73)
Total Other Equity	96.92	78.73

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

Retained Earnings reflect Surplus / Deficit after Taxes in the Profit or Loss. The amount that can be distributed by the Company as Dividends to its Equity Shareholders is determined based on the balance in this reserve and also considering the requirements of the Companies Act, 2013.

Particulars	31 March 2019	31 March 2018
16 Borrowings		
Non-current Borrowings		
Secured loans		
Vehicle loans		
- From Banks (refer note A below)	2.82	0.78
Total non-current borrowings	2.82	0.78
Current Borrowings		
Secured loans repayable on demand		
- Working capital loans from banks (refer note B below)	18.55	19.23
Total current borrowings	18.55	19.23

A. Vehicle loans from Banks:

The Company has the following two vehicle loans:

- 1) Loan of Rs.18,59,000 from Axis Bank for purchase of Toyota Innova secured by the Vehicle Purchased out of the Loan funds. It is repayable in 36 EMI's of INR 59,897/- from 15-August-2016 to 15-July-2019. Current maturities repayable within one year is INR 228,129/-. The loan carries an interest rate of 9.90% per annum.
- 2) Loan of Rs.4,700,000 from Axis Bank for purchase of Mercedes Benz secured by the Vehicle Purchased out of the Loan funds. It is repayable in 37 EMI's of INR 1,45,414/- from 01-December-2018 to 01-December-2021. Current maturities repayable within one year is INR 14,29,615/-. The loan carries an interest rate of 8.76% per annum.

B. Working capital loan from Central Bank of India:

The loan is repayable on demand (Sanctioned Limited INR 20.00 Millions) and carries an interest rate of Central Bank MCLR+3.50% per annum. The company also availed non-fund based BG Limits for INR25.00 Millions. These Credit Limits are secured by hypothecation of the Book Debts of the Company. Also the Company offered Land owned by it to the extent of Acres 5-00 situated at Survey No.4 of Ghansimiyaguda Village, Shamshabad Mandal, Ranga Reddy Dist. Also, Olectra Greentech Ltd., (formerly known as Goldstone Infratech Ltd.,) provided Corporate Guarantee to these credit limits and further offered Open Land for 1,936 Sq. Yds owned by it in Survey No.78, Hafeezpet Village, Serilingampally Mandal, Rangareddy District. Also the promoter company M/s Trinity Infraventure Ltd., has given Corporate Guarantee to these credit limits.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

Particulars	31 March 2019	31 March 2018
17 Provisions		
Non-Current		
Provision for employee benefits		
- Gratuity (refer note 33)	10.07	10.34
- Compensated absences	3.68	4.69
	13.75	15.03
Current		
Provision for employee benefits		
- Gratuity (refer note 33)	0.49	0.50
- Compensated absences	1.75	2.14
	2.24	2.64
18 Trade payables		
Trade payables		
- Total outstanding dues of micro enterprises and small enterprises (refer note 34)	-	-
	40.61	28.69
- Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	40.61	28.69
19 Other financial liabilities		
Current Maturities of Long-term Debts	-	0.85
	-	0.85
20 Other liabilities		
Non-current		
Advance received against Sale of Asset from	37.01	41.93
Advance received from customers (beyond	0.42	-
	37.43	41.93
Current		
Statutory and Other Liabilities	9.43	5.94
Advance received from Customers	0.42	-
	9.85	5.94

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

Particulars	31 March 2019	31 March 2018
21 Revenue from Operations		
Revenue from Information Technology / Software Services and Sale of Software Licenses		
Export	100.85	59.80
Domestic	240.23	191.06
	341.08	250.86
22 Other Income		
Interest on Deposits	1.22	0.46
Miscellaneous Income	1.31	2.29
	2.53	2.75
23 Cost of Materials Consumed		
Purchase cost of Software License	114.47	48.02
	114.47	48.02
24 Employee Benefits Expense		
Salaries, Wages and Bonus	153.82	156.31
Contribution to Provident and other Funds	3.90	4.05
Staff Welfare Expenses	0.96	0.59
	158.68	160.95
25 Depreciation and Amortization Expense		
Depreciation of Tangible Assets	3.67	3.77
	3.67	3.77
26 Finance Costs		
Interest on Loans	2.75	2.62
Bank Charges	0.30	0.54
	3.05	3.16
27 Other Expenses		
Power/Electricity & Fuel	2.66	2.62
Rent	4.16	3.92
Repairs to Office Equipment	0.54	0.98
Insurance	0.66	0.81
Car Hire Charges & Transportation	2.75	0.80
Telephone, Postage and Others	1.26	1.84
Business Promotion Expenses	0.36	0.22
Conveyance & Travelling Expenses	5.04	4.72

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

Particulars	31 March 2019	31 March 2018
Office Maintenance	3.22	1.98
Printing & Stationery Expenses	0.63	0.18
Security Charges	0.41	0.41
Rates & Taxes	0.52	0.44
Seminar Fee/Training/Legal Fee/Listing Fee	0.79	0.92
Professional Consultancy Fee	3.09	3.38
Audit Fee	0.48	0.48
Reimbursement of expenses Auditors	0.02	0.04
Director Sitting Fee	0.57	0.89
Vehicle Maintenance Charges	0.27	0.23
Secretarial Expenses	0.08	0.10
Bad Debts Written-off	4.62	-
Foreign Exchange Loss	3.78	(4.83)
Other Expenses	1.27	1.00
	37.18	21.13
28 Tax Expenses		
Current Income Tax:		
Current year	-	-
Previous year	(3.67)	3.67
Deferred tax:		
Relating to originating and reversal of temporary differences	13.62	(11.34)
Income Tax Expense recognized in the Statement of Profit or Loss	9.95	(7.67)
Deferred Tax related to items considered in OCI during the year		
Re-measurement Gains / (Losses) on Defined Benefit Plan	(0.60)	(0.60)
Income Tax charge to OCI	(0.60)	(0.60)
Reconciliation of Tax Expense with the Accounting Profit multiplied by Domestic Tax Rate:		
Accounting Profit before Income Tax	26.56	16.58
Tax on accounting profit at statutory income tax rate 27.82% (March 31, 2018: 20.389%)	7.39	3.38

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

Particulars	31 March 2019	31 March 2018
Adjustments in respect of items taken to Opening Equity	(7.39)	(16.20)
Adjustments on account of Unabsorbed Depreciation and Carried Forward Losses	6.26	-
Adjustments in respect of deferred tax at higher rates 27.82% (March 31, 2018: 27.55%)	7.96	4.86
Others	(4.27)	0.29
Tax Expense reported in the Statement of Profit and Loss	(9.95)	(7.67)
29 Contingent Liabilities and Commitments		
Particulars	As at 31-Mar-19	As at 31-Mar-18
i) Contingent Liabilities:		
- Corporate Guarantees given on behalf of Related Parties (Refer Note (a) & (b) below	1,254.60	1,082.50
- Bank Guarantees	1.00	1.06
ii) Commitments:		
- Estimated amount of contracts remaining to be executed on Capital Account and not provided for, net of Advances	Nil	Nil
<p>(a) The Company offered the Land owned by it to the extent of 26,092 Sq. Yds. situated at Survey No. 249 (Part), 250 (Part) and 251 (part) and Building there on as collateral security to State Bank of India, Commercial Branch, Hyderabad against the credit facilities availed by M/s Olectra Greentech Limited (formerly known as Goldstone Infratech Ltd.) and also given corporate guarantee for Indian Rupees 1 164.60 Millions. However the Company's liability is restricted to the value of the property offered as collateral security.</p> <p>(b) Corporate Guarantee given for the credit facilities of Indian Rupees 90 Millions availed by M/s Trinity Infraventures Limited with Allahabad Bank, Himayatnagar, Hyderabad Branch .</p>		

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

30 Related Party disclosures

- a) The following table provides the Name of the Related Party and the nature of its relationship with the Company:

Name of the Parties	Relationship
Subsidiary Companies:	
Staytop Systems, Inc.	Wholly Owned Subsidiary
Staytop Systems and Software Private Limited	Subsidiary
Key Management Personnel (KMP):	
Ch.Sudhakar Reddy	Managing Director - till 22nd May 2019
Pavan Chavali	Whole Time Director - from 23rd May 2019
Vithal V S S N K Popuri	Chief Financial Officer
Thirumalesh T	Company Secretary

- b) Details of all transactions with Related Parties during the year:

Particulars	31-Mar-19	31-Mar-18
i) Revenue from Subsidiary: Staytop Systems, Inc.	36.56	4.04
ii) Expenses incurred by the Company on behalf of Subsidiary Company: Staytop Systems, Inc.	-	5.19
iii) Managerial Remuneration / Consultancy Fee to Key Managerial Personnel *	3.97	3.66

- * Does not include Insurance, which is paid for the Company as a whole and Gratuity and Compensated Absences as this is provided in the books of accounts on the basis of Actuarial Valuation for the Company as a whole and hence individual amount cannot be determined.

- c) Details of balances receivable from and payable to Related Parties are as follows:

Particulars	31-Mar-19	31-Mar-18
i) Trade Receivables: Staytop Systems, Inc.	21.35	3.28
ii) Financial Liabilities - Others: Trinity Infraventures Ltd.	37.01	41.93

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

d) Terms and conditions of transactions with Related Parties:

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

31 Segment information

Ind AS 108 "Operating Segment" ("Ind AS 108") establishes standards for the way that public business enterprises report information about Operating and Geographical Segments and related disclosures about products and services, geographic areas, and major customers. Based on the "management approach" as defined in Ind AS 108, Operating Segments and Geographical Segments are to be reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM evaluates the Company's performance and allocates resources on overall basis.

During the year, the Company has two reportable segments i.e. Information Technology / Software Services and Software License

The Segment Revenue, Profitability, Assets and Liabilities are as under:

Revenue by Segment	For the year ended 31 March 2019	For the year ended 31 March 2018
a) Information Technology / Software Services	206.31	191.93
b) Software Licenses Resale	134.77	58.93
Total revenue	341.08	250.86
Segment Results	For the year ended 31 March 2019	For the year ended 31 March 2018
(Profit before Tax & Interest)		
a) Information Technology / Software Services	30.52	22.95
b) Software Licenses Resale	2.76	0.56
Total:	33.28	23.51
Less: (i) Interest	3.05	3.16
(ii) Unallocable Expenditure (Net of Un-allocable Income)	3.67	3.77
Total Profit before tax	26.56	16.58

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

Segment Assets, Segment Liabilities & Segment Capital Employed:

Segment Capital Employed: Segregation of Assets, Liabilities, Depreciation and other Non-cash expenses into various Primary Segments has not been done, as the Assets are used interchangeably between Segments. Accordingly no disclosure relating to Segmental Assets and Liabilities has been made.

32 Auditors' Remuneration include:

Particulars	31-Mar-19	31-Mar-18
	Indian Rupees	
Statutory Audit Fee (including Limited Review)	450,000	450,000
Tax Audit Fee	25,000	25,000
Total	475,000	475,000

33 Gratuity

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, restricted to a sum of ₹2,000,000.

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:

Particulars	31-Mar-19	31-Mar-18
Opening Balance	10.84	9.35
Current Service Cost	3.35	3.00
Past Service Cost	-	1.15
Interest Cost	0.82	0.66
Benefits Paid	(2.26)	(1.15)
Actuarial Gain	(2.19)	(2.17)
Closing Balance	10.56	10.84
Present value of Projected Benefit Obligation at the end of the year	10.56	10.84
Fair value of Plan Assets at the end of the year	-	-
Net Liability recognized in the Balance Sheet	10.56	10.84
Current Provision	0.50	0.50
Non Current Provision	10.06	10.34

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

Expenses recognized in Statement of Profit and Loss	31-Mar-19	31-Mar-18
Service Cost	3.35	4.15
Interest Cost	0.82	0.66
Gratuity Cost	4.17	4.81
Re-measurement Gains/ (Losses) in OCI		
Actuarial Loss / (Gain) due to demographic assumption changes	-	-
Actuarial Loss / (Gain) due to financial assumption changes	-	(0.81)
Actuarial Loss / (Gain) due to experience adjustments	(2.18)	(1.36)
Return on Plan Assets greater (less) than discount rate	-	-
Total expenses routed through OCI	(2.18)	(2.17)
Key Actuarial Assumptions:		
Discount Rate (per annum)	7.75%	7.75%
Future Salary increases	7.00%	7.00%
A quantitative sensitivity analysis for significant assumption and its impact in percentage terms on projected benefit obligation are as follows:		
	31-Mar-19	
	Discount Rate	Salary Escalation Rate
Impact of increase in 50 bps on projected benefit	-5.98%	5.13%
Impact of decrease in 50 bps on projected benefit	6.55%	-5.02%
<p>These sensitivities have been calculated to show the movement in projected benefit obligation in isolation and assuming there are no other changes in market conditions.</p>		
34 Dues to Micro, Small and Medium Enterprises		
<p>The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2019 has been made in the Financial Statements based on information received and available with the Company. Further in view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Micro, Small and Medium Enterprises Development Act, 2006 ('The MSMED Act') is not expected to be material. The Company has not received any claim for interest from any supplier.</p>		

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

Particulars	31-Mar-19	31-Mar-18
a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year.	Nil	Nil
b) the amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil
c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this MSMED Act	Nil	Nil
d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	Nil	Nil

35 Leases

Where the Company is a Lessee:

The Company has taken office premises under Operating Leases. The lease typically run for a term ranging from eleven months to three years, with an option to renew the Lease after the term completion. The escalation clause in these arrangement ranges from 5% to 10%.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

i) Amounts recognized in Statement of Profit and Loss:

Particulars	31-Mar-19	31-Mar-18
Cancellable Lease Expense	3.09	1.37
Non - cancellable Lease Expense	1.07	2.55
Total	4.16	3.92

36 Earnings Per Share

Basic EPS amounts are calculated by dividing the Profit for the year attributable to Equity Holders by the weighted average number of Equity Shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the Profit attributable to Equity Holders by the weighted average number of Equity Shares outstanding during the year plus the weighted average number of Equity Shares that would be issued on conversion of all the dilutive potential Equity Shares into Equity Shares.

Earnings Per Share (Continued)

The following table sets out the computation of Basic and Diluted Earnings Per Share:

Particulars	31-Mar-19	31-Mar-18
Profit for the year attributable to Equity Share	16.61	24.25
Shares		
Weighted average number of Equity Shares	18,782,066	18,782,066
Weighted average number of Equity Shares	18,782,066	18,782,066
Earnings Per Share		
Earnings Per Share of par value ₹ 10-basic (₹)	0.88	1.29
Earnings Per Share of par value ₹ 10-diluted (₹)	0.88	1.29

37 Financial Risk Management Objectives and Policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support Company's operations. The Company's principal financial assets include inventory, trade and other receivables, cash and cash equivalents and refundable deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below.

a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and other price risk, such as commodity risk. Financial instruments

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

affected by market risk include loans and borrowings and refundable deposits. The sensitivity analysis in the following sections relate to the position as at March 31, 2019 and March 31, 2018. The sensitivity analyses have been prepared on the basis that the amount of net debt and the ratio of fixed to floating interest rates of the debt.

The analysis excludes the impact of movements in market variables on: the carrying values of gratuity and other post retirement obligations; provisions.

The below assumption has been made in calculating the sensitivity analysis:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2019 and March 31, 2018.

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 Company's exposure to the risk of changes in Market Interest Rates relates primarily to the Company's Short-term Debt Obligations with floating Interest Rates.

The Company manages its Interest rate risk by having a balanced Portfolio of Variable Rate Borrowings. The Company does not enter into any interest rate swaps.

Interest Rate Sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in Interest Rates on that portion of Loans and Borrowings affected. With all other variables held constant, the Company's Profit Before Tax is affected through the impact on Floating Rate Borrowings, as follows:

	Increase / decrease in Interest Rate	Effect on Profit Before Tax
March 31, 2019		
INR	+1%	(0.21)
INR	-1%	0.21
March 31, 2018		
INR	+1%	(0.21)
INR	-1%	0.21

b) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The credit risk arises principally from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks and financial institutions and other financial instruments.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

Credit risk is controlled by analyzing credit limits and creditworthiness of customers on a continuous basis to whom credit has been granted after obtaining necessary approvals for credit. The collection from the trade receivables are monitored on a continuous basis by the receivables team.

The Company establishes an allowance for credit loss that represents its estimate of expected losses in respect of trade and other receivables based on the past and the recent collection trend. The maximum exposure to credit risk as at reporting date is primarily from trade receivables amounting to RS. 77,541,712 (March 31, 2018 Rs.68,591,978). Basis the estimate, there is no allowance for expected credit loss provided by the Company.

The top 3 to 5 customers account for more than 50% of the revenue as of March 31, 2019 and March 31, 2018. However, since the Company has diversified business in the areas of IT Consulting, IT Staffing, Off-shore Technical Support and Big Data Analytics Software License Sales the concentration risk of revenue would come down in the future.

Credit risk on cash and cash equivalent is limited as the Company generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

c) Liquidity Risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of Bank Deposits and Loans.

The table below summarizes the maturity profile of the Company's Financial Liabilities based on contractual undiscounted payments:

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	>5 years	Total
Year ended March 31, 2019						
Borrowings	18.55	0.52	1.14	2.82		23.03
Trade Payables		40.61				40.61
Year ended March 31, 2018						
Borrowings	19.23	0.20	0.64	0.78		20.85
Trade Payables		28.69				28.69

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

38 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 on the basis of 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 comprise of issued Share Capital and all other Equity Reserves.

The capital structure as of March 31, 2019 and March 31, 2018 was as follows:

Particulars	31-Mar-19	31-Mar-18
Total Equity attributable to the Equity Shareholders of the Company	284.75	266.56
As a percentage of Total Capital	92.52%	92.74%
Long Term Borrowings including Current Maturities	4.48	1.63
Short Term Borrowings	18.55	19.23
Total Borrowings	23.03	20.86
As a percentage of total Capital	7.48%	7.26%
Total Capital (Equity and Borrowings)	307.78	287.41

39 Standards issued but not effective

The standards issued, but not effective up to the date of issuance of the financial statements is disclosed below:

Ind AS 116 - Leases

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition: • Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors • Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application. Under modified retrospective approach, the lessee records the lease liability as the present value of there maining lease payments, discounted at the incremental borrowing rate and the right of use asset either as: • Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or • An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the d a t e of initial application. Certain practical expedients are available under both the methods.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

Other amendments to Indian Accounting Standards

The Ministry of Corporate Affairs (MCA), on 30 March 2019, issued certain amendments to Ind AS. The amendments relate to the following standards:

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

Amendment to Ind AS 19 – plan amendment, curtailment or settlement: On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, ‘Employee Benefits’, in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity: • to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and • to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. Effective date for application of this amendment is annual period beginning on or after April 1, 2019.

The amendments are effective 1 April 2019. The Group believes that the aforementioned amendments will not materially impact the financial position, performance or the cash flows of the Group.

40. Prior year comparatives

The figures of the previous year have been regrouped/reclassified, where necessary, to conform with the current year’s classification.

Summary of significant Accounting Policies 3

The accompanying notes are an integral part of the Standalone Financial Statements.

As per our report of even date
for **P C N & Associates**
(formerly known as Chandra Babu Naidu & Co.)
Chartered Accountants
ICAI Firm Registration Number: 016016S

for and on behalf of the Board of Directors of
Goldstone Technologies Limited
CIN: L72200TG1994PLC017211

Sd/-
Chandra Babu M
Partner
Membership No.: 227849

Sd/-
Pavan Chavali
Whole Time Director
DIN: 08432078

Sd/-
L.P.Shashi Kumar
Director
DIN: 00016679

Place: Hyderabad
Date: 23 May 2019

Sd/-
Vithal V S N K Popuri
Chief Financial Officer

Sd/-
Thirumalesh T
Company Secretary

Independent Auditor's Report

To The Members of GOLDSTONE TECHNOLOGIES LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of GOLDSTONE TECHNOLOGIES LIMITED ("the Company") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "the consolidated financial statements").

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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("IndAS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2019, the consolidated loss, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act (SAs). 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 independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon:

- The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, 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 during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the IndAS 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 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The respective Board of Directors of the companies included in the Group is also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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 SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the 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 financial controls 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 and its subsidiary companies which are companies incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or

conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained upto the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities 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 the financial statements of such entities included in the consolidated financial statements.

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

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

We also provide those charged with governance with a statement that we have complied with

relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated 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:

We did not audit the financial statements of one subsidiary Company whose financial statements reflect total assets before elimination of Rs. 18,36,11,419/- as at 31.03.2019 and the total revenue of Rs. 11,07,70,056/- for the year then ended which are considered in preparation of the Consolidated Financial Statement. This Subsidiary financial statements and other financial information have been audited by other auditor whose reports have been furnished to us by the management, and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of subsection (3) of section 143 of the Act, in so far as it relates to aforesaid subsidiary is based solely on the report of such other Auditor.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors of the company and its subsidiaries, none of the directors of the group companies is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the Auditor's reports of the Company and its subsidiary companies. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of those companies, for reasons stated therein.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of

section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statement does not have pending litigations which would have impact on its consolidated financial position of the group.
 - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its subsidiary companies.

For **P C N & Associates.,**
Chartered Accountants
FRN:016016S

sd/-
Chandra Babu M
Partner
M.No:227849

Place: Hyderabad
Date : 23 May, 2019

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of GOLDSTONE TECHNOLOGIES LIMITED of even date

Report on the Internal Financial Controls Over Financial Reporting under Clause

(i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of **GOLDSTONE TECHNOLOGIES LIMITED** (herein after referred to as "Company") and its subsidiary company, which is incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting:

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company and its subsidiary companies, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **P C N & Associates.,**
Chartered Accountants
FRN:016016S

sd/-
Chandra Babu M
Partner
M.No:227849

Place: Hyderabad
Date : 23 May, 2019

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2019

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

Particulars	Note	As at 31-Mar-19	As at 31-Mar-18
Assets			
Non-current Assets			
Property, Plant and Equipment	4	103.40	100.44
Goodwill		92.58	92.58
Financial Assets			
Loans	5	1.41	1.41
Deferred Tax Assets, net	6	11.57	25.79
Current Assets		208.96	220.22
Financial Assets			
Trade Receivables			
Cash and Cash Equivalents	7	88.05	78.93
Other Bank Balances	8	49.41	59.18
Loans	9	2.05	3.16
Other Financial Assets	5	130.51	122.18
Current Tax Assets, net	10	1.55	2.42
Other Current Assets	11	87.63	66.91
	12	4.02	7.21
Total Assets		363.22	339.99
		572.18	560.21
Equity and Liabilities			
Equity			
Equity Share Capital			
Other Equity	13	187.82	187.82
Equity attributable to the owners of the Company	14	247.29	243.77
Non-controlling interest		435.11	431.59
Non-current liabilities			
Financial Liabilities			
Borrowings			
Provisions	15	2.82	0.78
Other Non-current liabilities	16	13.75	15.03
	19	37.43	41.93
Current Liabilities		54.00	57.74
Financial Liabilities			
Borrowings			
Trade Payables	15	18.55	19.23
Other Financial Liabilities	17	51.82	40.99
Other Current Liabilities	18	0.43	1.94
Provisions	19	10.04	6.09
	16	2.23	2.63
Total Liabilities		83.07	70.88
Total Equity and Liabilities		137.07	128.62
		572.18	560.21

Summary of significant Accounting Policies

3

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

As per our report of even date

for **P C N & Associates**

(formerly known as Chandra Babu Naidu & Co.)

Chartered Accountants

ICAI Firm Registration Number: 016016S

for and on behalf of the Board of Directors of

Goldstone Technologies Limited

CIN: L72200TG1994PLC017211

Sd/-

Chandra Babu M

Partner

Membership No.: 227849

Sd/-

Pavan Chavali

Whole Time Director

DIN: 08432078

Sd/-

L.P.Shashi Kumar

Director

DIN: 00016679

Sd/-

Vithal V S N K Popuri

Chief Financial Officer

Sd/-

Thirumalesh T

Company Secretary

Place: Hyderabad

Date: 23 May 2019

CONSOLIDATED STATEMENT OF PROFIT AND LOSS AS AT 31ST MARCH, 2019

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

Particulars	Note	For the Year ended 31st March 2019	For the Year ended 31st March 2018
Income			
Revenue from Operations	20	415.52	356.14
Other Income	21	2.53	2.75
Total Income		418.05	358.89
Expenses			
Cost of Materials Consumed	22	120.11	48.02
Employee Benefits Expense	23	246.88	273.86
Depreciation and Amortization Expense	24	3.70	3.79
Finance Costs	25	3.10	3.20
Other Expenses	26	42.83	28.28
Total Expense		416.62	357.15
Profit Before Tax		1.43	1.74
Tax Expenses			
Current Tax	27	(3.42)	(2.13)
Deferred Tax	27	13.62	(11.34)
Total Tax Expense		10.20	(13.47)
Profit/(Loss) for the year before non-controlling interest		(8.77)	15.21
Profit/(Loss) attributable to non controlling interest		-	-
Profit/(Loss) attributable to owners of the Parent		(8.77)	15.21
Other Comprehensive Income			
Items that will not be reclassified to Profit or Loss:			
Re-measurement gains on defined benefit plan		2.18	2.17
Income-tax effect	27	(0.60)	(0.60)
Other Comprehensive Income for the year, net of Tax		1.58	1.57
Items that will be reclassified to Profit or Loss:			
Foreign Currency Translation Adjustments		10.71	0.56
Income-tax Effect		-	-
Total items that will not be reclassified to Profit or Loss		10.71	0.56
Other Comprehensive Income before Non-controlling Interest		12.29	2.12
Other Comprehensive Income attributable to Non Controlling Interest		-	-
Other Comprehensive Income attributable to Owners of the Parent		12.29	2.12
Total Comprehensive Income for the year before Non Controlling Interest		3.52	17.33
Total Comprehensive Income attributable to Non controlling Interest		-	-
Total Comprehensive Income attributable to Owners of the Parent		3.52	17.33
Earnings Per equity Share (nominal value of INR 10) in INR	35		
Basic		(0.47)	0.81
Diluted		(0.47)	0.81

Summary of significant Accounting Policies 3

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

As per our report of even date
for **P C N & Associates**
(formerly known as Chandra Babu Naidu & Co.)
Chartered Accountants
ICAI Firm Registration Number: 016016S

for and on behalf of the Board of Directors of
Goldstone Technologies Limited
CIN: L72200TG1994PLC017211

Sd/-
Chandra Babu M
Partner
Membership No.: 227849

Sd/-
Pavan Chavali
Whole Time Director
DIN: 08432078

Sd/-
L.P.Shashi Kumar
Director
DIN: 00016679

Place: Hyderabad
Date: 23 May 2019

Sd/-
Vithal V S S N K Popuri
Chief Financial Officer

Sd/-
Thirumalesh T
Company Secretary

CONSOLIDATED STATEMENT OF CASH FLOWS AS AT 31ST MARCH, 2019

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

Particulars	For the year ended 31-Mar-19	For the year ended 31-Mar-18
I. Cash Flows from Operating activities		
Profit Before Tax	1.43	1.74
Adjustments to reconcile Profit Before Tax to Net Cash Flows:		
Depreciation of Tangible Assets	3.70	3.79
Finance Income (including fair value change in Financial Instruments)	(1.22)	(0.46)
Finance Costs (including fair value change in Financial Instruments)	3.10	3.20
Re-measurement Losses on Defined Benefit Plans	2.18	2.17
Foreign Currency Translation Reserve	10.71	0.56
Operating Profit before Working Capital changes	19.90	11.00
<i>Changes in Working Capital:</i>		
Adjustment for (increase)/decrease in Operating Assets		
Trade Receivables	(9.12)	(16.83)
Loans - current	(8.33)	1.69
Other Financial Assets - Current	0.87	(0.38)
Other Assets - Current	3.19	(1.24)
Adjustment for (increase)/decrease in Operating Liabilities		
Trade Payables	10.83	5.89
Other Financial Liabilities - Current	(1.51)	(8.39)
Other Non-current Liabilities	(4.50)	(75.46)
Other Current Liabilities	3.95	2.77
Provisions	(1.68)	1.06
Cash generated from Operations	13.60	(79.89)
Income Taxes paid	(17.30)	(11.43)
Net Cash generated from/(used in) Operating Activities	(3.70)	(91.32)
II. Cash Flows from Investing Activities		
Purchase of Property, Plant and Equipment and Intangibles (including Capital Work in progress)	(8.58)	(0.90)
Sale of Property, Plant and Equipment	1.93	0.18
(Investments in)/ redemption of Bank Deposits (having original	1.11	(0.01)
maturity of more than three months) - net	1.22	0.46
Interest received (Finance income)		
Net Cash used in Investing Activities	(4.32)	(0.27)

CONSOLIDATED STATEMENT OF CASH FLOWS AS AT 31ST MARCH, 2019

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

Particulars	For the year ended 31-Mar-19	For the year ended 31-Mar-18
III. Cash Flows from Financing Activities		
Proceeds from/(repayment of) Long-term Borrowings, net	2.03	(0.85)
Proceeds from/(repayment of) Short-term Borrowings, net	(0.68)	7.56
Interest paid	(3.10)	(3.20)
Net Cash provided by Financing Activities	(1.75)	3.51
Net increase in Cash and Cash Equivalents (I+II+III)	(9.77)	(88.09)
Cash and Cash Equivalents at the beginning of the year	59.18	147.27
Cash and Cash Equivalents at the end of the year (refer note below)	49.41	59.18
Note:		
Cash and Cash Equivalents comprise:		
Cash on Hand	0.05	0.03
Balances with Banks:		
- in Current Accounts	49.36	59.15
	49.41	59.18

Summary of significant Accounting Policies

3

As per our report of even date
for **P C N & Associates**
(formerly known as Chandra Babu Naidu & Co.)
Chartered Accountants
ICAI Firm Registration Number: 016016S

for and on behalf of the Board of Directors of
Goldstone Technologies Limited
CIN: L72200TG1994PLC017211

Sd/-
Chandra Babu M
Partner
Membership No.: 227849

Sd/-
Pavan Chavali
Whole Time Director
DIN: 08432078

Sd/-
L.P.Shashi Kumar
Director
DIN: 00016679

Place: Hyderabad
Date: 23 May 2019

Sd/-
Vithal V S N K Popuri
Chief Financial Officer

Sd/-
Thirumalesh T
Company Secretary

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2019

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

a. Equity Share Capital

	No. of shares	Amount
Balance as at 31 March 2018	18,782,066	187.82
Balance as at 31 March 2019	18,782,066	187.82

b. Other equity

Particulars	Reserves and Surplus				Total			
	Items of Other Comprehensive Income							
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings		Foreign Currency Translation Reserve	Total Other Equity	Non-controlling Interest
At 1 April 2017	59.78	218.38	18.30	(116.79)	46.77	226.44	-	226.44
Profit/(Loss) for the year				15.21		15.21	-	15.21
Other Comprehensive Income				2.16		2.16	-	2.16
Re-measurement Gains/(Losses) on Defined Benefit Plans				(0.60)	0.56	0.56	-	0.56
Foreign Currency Translation adjustments					(0.60)	(0.60)	-	(0.60)
Income-tax effect							-	
At 31 March 2018	59.78	218.38	18.30	(100.02)	47.33	243.77	-	243.77
Profit/(Loss) for the year				(8.77)		(8.77)	-	(8.77)
Other Comprehensive Income				2.18		2.18	-	2.18
Re-measurement Gains/(Losses) on Defined Benefit Plans, net of Tax							-	
Foreign Currency Translation Adjustments				(0.60)	10.71	10.71	-	10.71
Income-tax effect					(0.60)	(0.60)	-	(0.60)
Balance as of 31 March 2019	59.78	218.38	18.30	(107.21)	58.04	247.29	-	247.29

Summary of significant Accounting Policies

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our report of even date for **P C N & Associates** (formerly known as Chandra Babu Naidu & Co.) Chartered Accountants
ICAI Firm Registration Number: 0160165

Sd/-
Chandra Babu M
Partner
Membership No.: 227849

Place: Hyderabad
Date: 23 May 2019

for and on behalf of the Board of Directors of
Goldstone Technologies Limited
CIN: L72200TG1994PLC017211

Sd/-
Pavan Chavali
Whole Time Director
DIN: 08432078

Sd/-
Vithal V S N K Popuri
Chief Financial Officer

Sd/-
L.P.Shashi Kumar
Director
DIN: 00016679

Sd/-
Thirumalesh T
Company Secretary

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

1. General Information

Goldstone Technologies Limited ('the Company') is a Public Limited Company incorporated in India, having its registered office at Hyderabad, India. The Company along with its subsidiaries (hereinafter referred to as "the Group") is primarily engaged in the business of IT and ITES services. The Company is listed in the National Stock Exchange (NSE) and the Bombay Stock Exchange (BSE).

2. Basis of preparation of Financial Statements

2.1 Statement of Compliance

The financial statements have been prepared in accordance of Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules 2015 notified under Section 133 of

Companies Act 2013 (the 'Act') and other relevant provisions of the Act.

The Group's financial statements up to and for the year ended March 31, 2016 were prepared in accordance with the Companies (Accounting Standards) Rules 2006, notified under Section 133 of Companies Act 2013 (the 'Act') and other relevant provisions of the Act.

The financial statements were authorized for issue by the Group's Board of Directors on 23 May 2019.

Details of the accounting policies are included in Note 3.

2.2 Group Information

The consolidated financial statements of the Group includes subsidiaries listed in the table below:

Name of Investee	Principal Activities	Country of Incorporation	Percentage of ownership/ voting rights	
			31/Mar/19	31/Mar/18
Staytop Systems, Inc.	IT and ITES	USA	100%	100%
Staytop Systems and Software Private Limited	IT and ITES	India	99%	99%

2.3 Basis of Consolidation

- (i) The Consolidated Financial Statements incorporate the financial statements of the Parent Company and its Subsidiaries. For this purpose, an entity which is, directly or indirectly, controlled by the Parent Company is treated as Subsidiary. The Parent Company together with its Subsidiaries constitute the Group. Control exists when the Parent Company, directly or indirectly, has power over the investee, is exposed to variable returns from its involvement with the investee and has the ability to use its power to affect its returns.
- (ii) Consolidation of a subsidiaries begins when the Parent Company, directly or

indirectly, obtains control over the Subsidiary and ceases when the Parent Company, directly or indirectly, loses control of the Subsidiary. Income and expenses of a Subsidiary acquired or disposed off during the year are included in the Consolidated Statement of Profit and Loss from the date the Parent Company, directly or indirectly, gains control until the date when the Parent Company, directly or indirectly, ceases to control the Subsidiary.

- (iii) The Consolidated Financial Statements of the Group combines Financial Statements of the Parent Company and its Subsidiary line-by-line by adding together the like items

of Assets, Liabilities, Income and Expenses. All intra-group Assets, Liabilities, Income, Expenses and Unrealized Profits/Losses on intra-group transactions are eliminated on consolidation. The Accounting Policies of Subsidiaries have been harmonized to ensure the consistency with the policies adopted by the Parent Company.

The Consolidated Financial Statements have been presented to the extent possible, in the same manner as Parent Company's Standalone Financial Statements. Profit or Loss and each component of other Comprehensive Income are attributed to the owners of the Parent Company and to the non-controlling interests and have been shown separately in the Financial Statements.

- (iv) Non-controlling interest represents that part of the total Comprehensive Income and net assets of Subsidiaries attributable to interests which are not owned, directly or indirectly, by the Parent Company.
- (v) Goodwill on consolidation as on the date of transition represents the excess of cost of acquisition at each point of time of making the investment in the Subsidiary over the Group's share in the net worth of a Subsidiary. For this purpose, the Group's share of Net Worth is determined on the basis of the latest Financial Statements, prior to the acquisition, after making necessary adjustments for material events between the date of such Financial Statements and the date of respective acquisition. Capital Reserve on consolidation represents excess of the Group's share in the Net Worth of a Subsidiary over the cost of acquisition at each point of time of making the Investment in the Subsidiary. Goodwill arising on consolidation is not amortized, however, it is tested for impairment annually. In the event of cessation of operations of a

Subsidiary, the unimpaired goodwill is written off fully.

Goodwill on consolidation arising on acquisitions on or after the date of transition represents the excess of the cost of acquisition at each point of time of making the investment in the Subsidiary, over the Group's share in the fair value of the Net Assets of a Subsidiary.

Goodwill on consolidation is allocated to cash generating units or group of cash generating units that are expected to benefit from the synergies of the acquisition.

2.4 Basis of measurement

These financial statements have been prepared on the historical cost convention and on an 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;
- Long Term Borrowings are measured at amortized cost using the effective interest rate method.

2.5 Functional Currency

The financial statements are presented in Indian Rupees Millions, which is the functional currency of the Group. Functional currency of an entity is the currency of the primary economic environment in which the entity operates.

All amounts are in Indian Rupees Millions except share data, unless otherwise stated.

2.6 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 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 twelve months 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.

Current Assets / Liabilities include the current portion of Non-current Assets / Liabilities respectively. All other Assets / Liabilities are classified as Non-current.

2.7 Critical accounting judgements and key sources of estimation uncertainty Operating Cycle

In the application of the Group's accounting policies, which are described in note 3, 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 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 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 ongoing basis, Group 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

Management reviews the useful lives of Depreciable Assets at each reporting. As at March 31, 2019 management assessed that the useful lives represent the expected utility of the assets to the Group. Further, there is no significant change in the useful lives as compared to previous year.

2.8 Measurement of Fair Values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both

Financial and Non-financial Assets and Liabilities.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: Quoted Prices (unadjusted) in active markets for identical Assets or Liabilities.
- Level 2: inputs other than Quoted Prices included in Level 1 that are observable for the Asset or Liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the Asset or Liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an Asset or a Liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an Asset or a Liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

3 Significant Accounting Policies

3.1 Revenue recognition

Effective April 1, 2018, the Group has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Group has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The standard is applied retrospectively only to contracts that are not completed as at the

date of initial application and the comparative information in standalone statement of profit and loss is not restated – i.e. the comparative information continues to be reported under Ind AS 18 and Ind AS 11. The impact of adoption of the standard on the financial statements of the Group is insignificant.

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

The Group's revenues are derived from sale of goods and services.

- Revenue from sale of goods is recognized where control is transferred to the Group's customers at the time of shipment to or receipt of goods by the customers. There was no change in the point of recognition of revenue upon adoption of Ind AS 115.
- Service income, is recognized as and when the underlying services are performed. There was no change in the point of recognition of revenue upon adoption of Ind AS 115. Upfront non-refundable payments received under these arrangements continue to be deferred and are recognized over the expected period that related services are to be performed.
- Dividend income is accounted for when the right to receive the income is established.
- Difference between the sale price and carrying value of investment is recognised as profit or loss on sale / redemption on investment on trade date of transaction.
- Interest income is accrued on, time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

3.2 Leases

Leases are classified as Finance Leases whenever the terms of the lease transfer

substantially all the risks and rewards of ownership to the lessee. All other Leases are classified as Operating Leases.

Leases under which the Group assumes substantially all the risks and rewards of ownership are classified as Finance Leases. Such Assets are Capitalized at fair value of the Asset or present value of the minimum Lease Payments at the inception of the Lease, whichever is lower. Assets held under Leases that do not transfer substantially all the risks and reward of ownership are not recognized in the Balance Sheet.

Lease payments under Operating Lease are generally recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the term of Lease unless such payments are structured to increase in line with the expected general inflation to compensate for the lessor's expected inflationary cost increases.

Further, at the inception of above arrangement, the Group determines whether the above arrangement is or contains a lease. At inception or on reassessment of an arrangement that contains a lease, the Group separates a payments and other consideration required by the arrangement into those for the Lease and those for other elements on the basis of their relative fair values.

If the Group concludes for a Finance Lease that it is impracticable to separate the payments reliably, then an Assets and a Liabilities are recognized at an amount equal to the fair value of the underlying Asset; subsequently, the Lis reduced as payments are made and an imputed Finance Cost on the Liability is recognized using the Group's incremental borrowing rate.

Minimum Lease payments made under Finance Leases are apportioned between the Finance Charge and the reduction of the outstanding Liability. The Finance Charge is allocated to each period during the Lease term so as to produce a constant periodic rate of interest on the remaining balance of the Liability.

3.3 Foreign Currencies

In preparing the Financial Statements of the Group, transactions in currencies other than the Group's functional Currency (Foreign Currencies) are recognized 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 retranslated. Exchange differences on monetary items are recognized in Profit or Loss in the period in which they arise.

3.4 Borrowing Costs

Specific Borrowing Costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of such asset till such time the Asset is ready for its intended use and borrowing costs are being incurred. A qualifying Asset is an Asset that necessarily takes a substantial period of time to get ready for its intended use. All other Borrowing Costs are recognized as an expense in the period in which they are incurred.

Borrowing Cost includes Interest Expense, Amortization of Discounts, ancillary costs incurred in connection with borrowing of funds and exchange difference arising from Foreign Currency borrowings to the extent they are regarded as an adjustment to the Interest Cost.

3.5 Taxation

Income Tax expense consists of Current and Deferred tax. Income Tax expense is recognized in the Income Statement except to the extent that it relates to items recognized directly in Equity, in which case it is recognized in Equity.

Current Tax

Current Tax is the expected Tax payable on the Taxable Income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to Tax payable in respect of Previous Years.

Deferred tax

Deferred tax is recognized using the Balance Sheet method, providing for temporary differences between the carrying amounts of Assets and Liabilities for financial reporting purposes and the amounts used for Taxation purposes. Deferred Tax is not recognized for the following temporary differences: the initial recognition of Assets or Liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit; differences relating to Investments in Subsidiaries and jointly controlled Entities to the extent that it is probable that they will not reverse in the foreseeable future; and taxable temporary differences arising upon the initial recognition of goodwill. Deferred Tax is measured at the Tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred Tax Assets and Liabilities are offset if there is a legally enforceable right to offset Current Tax Liabilities and Assets, and they relate to Income Taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle Current Tax Liabilities and Assets on a net basis or their Tax Assets and Liabilities will be realized simultaneously.

A Deferred Tax Asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. 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.

3.6 Earnings Per Share

The Group presents Basic and Diluted Earnings Per Share ("EPS") data for its ordinary shares. The Basic Earnings Per Share is computed by dividing the Net Profit attributable to Equity Shareholders for the period by the weighted average number of Equity Shares outstanding during the year.

Diluted Earnings Per Share is computed by dividing the Net Profit attributable to Equity

Shareholders for the year relating to the dilutive potential Equity Shares, by the weighted average number of Equity Shares considered for deriving Basic Earnings Per Share and the weighted average number of Equity Shares which could have been issued on the conversion of all dilutive potential Equity Shares. Potential Equity Shares are deemed to be dilutive only if their conversion to Equity Shares would decrease the Net Profit per Share.

3.7 Property, Plant and Equipment (PPE)

The initial cost of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an Asset to working condition and location for its intended use, including relevant borrowing costs and any expected costs of decommissioning, less accumulated depreciation and accumulated impairment losses, if any. Expenditure incurred after the PPE have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred.

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

Material items such as spare parts, stand-by equipment and service equipment are classified as PPE when they meet the definition of PPE as specified in Ind AS 16 – Property, Plant and Equipment.

3.8 Expenditure during construction period

Expenditure during construction period (including financing cost related to borrowed funds for construction or acquisition of qualifying PPE) is included under Capital Work-in-Progress, and the same is allocated to the respective PPE on the completion of their construction. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under "Other Non-current Assets".

3.9 Depreciation

Depreciation is the systematic allocation of the depreciable amount of PPE over its useful life and is provided on a straight-line 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

The Group has componentized its PPE and has separately assessed the life of major components. In case of certain classes of PPE, the Group uses different useful lives than those prescribed in Schedule II to the Act. The useful lives have been assessed based on technical advice, taking into account the nature of the PPE and the estimated usage of the asset on the basis of management's best estimation of obtaining economic benefits from those classes of assets.

Such classes of Assets and their estimated useful lives are as under:

Particulars	Useful life
Buildings	30 years
Plant and Machinery	15 years
Electrical Equipment	5 years
Office Equipment	5 years
Computers - Laptops & Desktops	3 years
Computers - Servers	6 Years
Furniture and Fixtures	10 years
Vehicles - Four Wheelers	8 years
Vehicles - Two Wheelers	10 years
Leasehold Improvements	10 years

Depreciation on additions is provided on a pro-rata basis from the month of installation or acquisition and in case of Projects from the date of commencement of commercial production. Depreciation on deductions/disposals is provided on a pro-rata basis up to the date of deduction / disposal.

3.10 Intangible Assets and Amortization

Intangible Assets are stated at Cost less Accumulated Amortization and Impairment. Intangible Assets are amortized over their respective estimated useful lives on a Straight-line basis, from the date that they are available for use.

Amortization

The 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.

Software is amortized over a period of three to five years.

3.11 Cash and Cash Equivalents

Cash and Cash Equivalents in the Balance Sheet comprise Cash at Bank and 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.

3.12 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.

3.13 Government Grants

Government Grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

Where the Group receives non-monetary grants, the asset and the grant are accounted at fair value and recognized in the Statement of Profit and Loss over the expected useful life of the Asset.

3.14 Impairment of Non Financial Assets

The carrying amounts of the Group's Non-financial Assets, Inventories and Deferred Tax Assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the Asset's recoverable amount is estimated.

The recoverable amount of an Asset or Cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future Cash Flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the Asset or the cash-generating unit. For the purpose of impairment testing, Assets are grouped together into the smallest group of Assets that generates cash inflows from continuing use that are largely independent of the cash inflows of Other Assets or Groups of Assets (the "Cash-generating unit").

An Impairment Loss is recognized in the Income Statement if the estimated recoverable amount of an asset or its cash-generating unit is lower than its carrying amount. Impairment Losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An Impairment Loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the Asset's carrying amount does not exceed the carrying amount that would have been determined, net of Depreciation or Amortization, if no Impairment Loss had been recognized. Goodwill that forms part of the carrying amount of an Investment in an Associate is not recognized separately, and therefore is not tested for impairment separately. Instead, the entire amount of the Investment in an Associate is tested for impairment as a Single Asset when there is objective evidence that the investment in an associate may be impaired.

An Impairment Loss in respect of Equity accounted investee is measured by comparing the recoverable amount of investment with its carrying amount. An Impairment Loss is recognized in the Income Statement, and reversed if there has been a favorable change in the estimates used to determine the recoverable amount.

3.15 Employee Benefits

Short-term Employee Benefits

Short-term Employee Benefits are expensed as the related service is provided. A Liability is recognized for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the Employee and the obligation can be estimated reliably.

Defined Contribution Plans

The Group's contributions to Defined Contribution Plans are charged to the Income Statement as and when the services are received from the employees.

Defined Benefit Plans

The Liability in respect of Defined Benefit Plans and other post-employment benefits is calculated using the projected unit credit method consistent with the advice of qualified actuaries. The present value of the Defined Benefit Obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related defined benefit obligation. In countries where there is no deep market in such bonds, the market rates on Government Bonds are used. The current service cost of the Defined Benefit Plan, recognized in the Income Statement in Employee Benefit Expense, reflects the increase in the Defined Benefit Obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognized immediately in income. The net interest cost is calculated by applying the

discount rate to the Net Balance of the Defined Benefit Obligation and the fair value of Plan Assets. This cost is included in Employee Benefit Expense in the Income Statement. Actuarial Gains and Losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Termination benefits

Termination benefits are recognized as an expense when the Group is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognized as an expense if the Group has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

Other Long-term Employee Benefits

The Group's net obligation in respect of other Long Term Employee Benefits is the amount of future benefit that employees have earned in return for their service in the current and previous periods. That benefit is discounted to determine its present value. Re-measurements are recognized in the Statement of Profit and Loss in the period in which they arise.

3.16 Provisions

A Provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. 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 is used, the increase in the provision due to the passage of time is recognized as a finance cost.

3.17 Contingent Liabilities & Contingent Assets

A disclosure for a Contingent Liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent Assets are not recognized in the Financial Statements. However, Contingent Assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

3.18 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 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 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 outflows 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 limit 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 par 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.

c. Derecognition Financial Assets

The Group 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 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 derecognizes a Financial Liability when its contractual obligations are discharged or cancelled, or expire.

The Group 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

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 realize 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).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for Financial Assets measured at amortized cost are deducted from the gross carrying amount of the Assets.

Write-off

The gross carrying amount of a Financial Asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the trade receivable does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, Financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

4. Property, Plant and Equipment

Particulars	Land	Buildings	Plant and Machinery	Electrical Equipment	Office Equipment	Computers	Furniture and Fixtures	Vehicles	Leasehold Improvements	Total
Deemed Cost										
At April 1, 2017 (Refer note)	76.67	13.35	1.27	0.71	0.74	2.70	2.73	7.72	0.53	106.42
Additions	-	-	-	-	0.02	0.49	0.03	0.36	-	0.90
Deletions	-	-	-	-	-	-	-	0.25	-	0.25
At March 31, 2018	76.67	13.35	1.27	0.71	0.76	3.19	2.76	7.83	0.53	107.07
Additions	2.00	-	-	-	0.29	0.56	0.03	5.70	-	8.58
Deletions	-	-	-	-	-	-	-	5.31	-	5.31
At March 31, 2019	78.67	13.35	1.27	0.71	1.05	3.75	2.79	8.22	0.53	110.34
Accumulated Depreciation										
At April 1, 2017	-	0.83	0.09	0.10	0.08	0.83	0.69	0.22	0.07	2.91
Charge for the year	-	0.83	0.09	-	0.08	0.61	0.68	1.43	0.07	3.79
Less: Adjustments	-	-	-	-	-	-	-	0.07	-	0.07
At March 31, 2018	-	1.66	0.18	0.10	0.16	1.44	1.37	1.58	0.14	6.63
Charge for the year	-	0.83	0.09	-	0.11	0.58	0.62	1.39	0.07	3.69
Less: Adjustments	-	-	-	-	-	-	-	3.38	-	3.38
At March 31, 2019	-	2.49	0.27	0.10	0.27	2.02	1.99	(0.41)	0.21	6.94
Carrying Amount										
At March 31, 2018	76.67	11.69	1.09	0.61	0.60	1.75	1.39	6.25	0.39	100.44
At March 31, 2019	78.67	10.86	1.00	0.61	0.78	1.73	0.80	8.63	0.32	103.40

Note :

a) Charge on Property, Plant and Equipment:
Out of Property, Plant and Equipment, Land and Buildings with a carrying amount of INR 85,030,722 (March 31, 2018: INR 88,361,025) are offered as collateral to secure the Bank Loans of Olectra Greentech Limited (formerly Known as Goldstone Infratech Limited).

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

Particulars	31 March 2019	31 March 2018
5 Loans (Unsecured, considered good unless otherwise stated)		
Non-current		
Security Deposits	1.41	1.41
	1.41	1.41
Current		
Security Deposits	2.93	2.62
Other Advances	127.58	119.56
	130.51	122.18
6 Deferred Tax Asset, Net		
Deferred Tax Asset		
- Tangible and Intangible Assets	8.30	10.92
- Provision allowed under tax on payment basis	(0.47)	4.87
- Unabsorbed Depreciation	3.74	10.00
Total	11.57	25.79
Deferred tax liability		
- Fair valuation of financial liabilities	-	-
Deferred Tax Asset, net	11.57	25.79
7 Trade Receivables		
Unsecured, considered good	88.05	78.93
	88.05	78.93
Less: Allowance for Doubtful Receivables	-	-
Total Trade Receivables	88.05	78.93

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

Particulars	31 March 2019	31 March 2018
8 Cash and Cash Equivalents		
Balances with Banks:		
- On Current Accounts	49.36	59.15
Cash on Hand	0.05	0.03
Total cash and cash equivalents	49.41	59.18
9 Other Bank Balances		
Term deposits with Banks with original maturities of more than 3 months and less than 1 year*	2.05	3.16
Total other Bank Balances	2.05	3.16
*Represents Margin Money Deposits against Bank Guarantees		
10 Other Financial Assets (Unsecured, considered good unless otherwise stated)		
Current		
Interest accrued on Deposits	1.55	2.42
	1.55	2.42
11 Current Tax Assets, net		
Advance Taxes and TDS	121.19	103.97
Less: Provision for Taxes	33.56	37.06
	87.63	66.91
12 Other Assets		
Current Assets		
<i>Unsecured, considered good</i>		
Advances other than Capital Advances		
Staff Advances	0.02	0.05
Prepaid Expenses	1.64	1.80
Balances with Government Departments	2.36	5.36
	4.02	7.21

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

Particulars	31 March 2019	31 March 2018
13 Share Capital		
Authorized Share Capital		
50,000,000 (March 31, 2018: 50,000,000) equity shares of Rs.10 each	500.00	500.00
Issued, subscribed and Fully Paid-up		
18,782,066 (March 31, 2018: 18,782,066) equity shares of Rs.10/- each fully paid-up	187.82	187.82
	187.82	187.82

(a) Reconciliation of Shares outstanding at the beginning and end of the reporting year

Particulars	31 March 2019		31 March 2018	
	No. of equity shares	Amount	No. of equity shares	Amount
Outstanding at the beginning of the year	18,782,066	187.82	18,782,066	187.82
Issued during the year	-	-	-	-
Outstanding at the end of the year	18,782,066	187.82	18,782,066	187.82

(b) Terms / rights attached to the Equity Shares

Equity Shares of the Company have a par value of ₹10 per share. Each holder of Equity Shares is entitled to one vote per share. The Company declares and pays Dividend in Indian Rupees. In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.

(c) Details of Shareholders holding more than 5% shares in the Company

Particulars	31 March 2019		31 March 2018	
	No. of Equity Shares held	% holding in the class	No. of Equity Shares held	% holding in the class
Trinity Infraventure Limited	3,419,872	18.21%	3,419,872	18.21%

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

Particulars	31 March 2019	31 March 2018
14 Other equity		
Capital Reserve		
Opening balance	59.78	59.78
Add: Premium on fresh issue	-	-
Closing balance	59.78	59.78
Securities Premium		
Opening balance	218.38	218.38
Additions during the year	-	-
Closing balance	218.38	218.38
Securities Premium consists of the difference between the face value of the Equity Shares and the consideration received in respect of Shares issued.		
General Reserve		
Opening balance	18.30	18.30
Add: Transfers during the year	-	-
Closing balance	18.30	18.30
The General Reserve is used from time to time to transfer profits from Retained Earnings for appropriation purposes. As the General Reserve is created by a transfer from one component of Equity to another and is not an item of Other Comprehensive Income, items included in the General Reserve will not be reclassified subsequently to Profit or Loss.		
Foreign Currency Translation Reserve		
Opening balance	47.33	46.77
Add: Transfers during the year	10.71	0.56
Closing balance	58.04	47.33
Retained Earnings		
Opening balance	(100.02)	(116.78)
Profit/(Loss) for the year	(8.77)	15.21
Other Comprehensive Income	1.58	1.55
Less: Transfers to General Reserve	-	-
Closing balance	(107.21)	(100.02)
Total Other Equity	247.29	243.77

Retained earnings reflect surplus/deficit after taxes in the profit or loss. The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the balance in this reserve and also considering the requirements of the Companies Act, 2013.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

Particulars	31 March 2019	31 March 2018
15 Borrowings		
Non-current Borrowings		
Secured Loans		
Vehicle Loans		
- From Banks (refer note A below)	2.82	0.78
Total Non-current Borrowings	2.82	0.78
Current Borrowings		
Secured Loans repayable on demand		
- Working Capital Loan from Bank (refer note B below)	18.55	19.23
Total Current Borrowings	18.55	19.23

A. Vehicle Loans from Bank:

The Company has the following two Vehicle Loans:

- 1) Loan of Rs.18,59,000 from Axis Bank for purchase of Toyota Innova secured by the Vehicle Purchased out of the Loan funds. It is repayable in 36 EMI's of INR 59,897/- from 15-August-2016 to 15-July-2019. Current maturities repayable within one year is INR 228,129/-. The loan carries an interest rate of 9.90% per annum.
- 2) Loan of Rs.4,700,000 from Axis Bank for purchase of Mercedes Benz secured by the Vehicle Purchased out of the Loan funds. It is repayable in 37 EMI's of INR 1,45,414/- from 01-December-2018 to 01-December-2021. Current maturities repayable within one year is INR 14,29,615/-. The loan carries an interest rate of 8.76% per annum.

B. Working Capital Loan from Central Bank of India:

The loan is repayable on demand (Sanctioned Limited INR 20.00 Millions) and carries an interest rate of Central Bank MCLR+3.50% per annum. The company also availed non-fund based BG Limits for INR25.00 Millions. These Credit Limits are secured by hypothecation of the Book Debts of the Company. Also the Company offered Land owned by it to the extent of Acres 5-00 situated at Survey No.4 of Ghansimiyaguda Village, Shamshabad Mandal, Ranga Reddy Dist. Also, Olectra Greentech Ltd., (formerly known as Goldstone Infratech Ltd.,) provided Corporate Guarantee to these credit limits and further offered Open Land for 1,936 Sq. Yds owned by it in Survey No.78, Hafeezpet Village, Serilingampally Mandal, Rangareddy District. Also the promoter company M/s Trinity Infraventure Ltd., has given Corporate Guarantee to these credit limits.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

Particulars	31 March 2019	31 March 2018
16 Provisions		
Non-Current		
Provision for Employee Benefits		
- Gratuity (refer note 32)	10.07	10.34
- Compensated Absences	3.68	4.69
	13.75	15.03
Current		
Provision for employee benefits		
- Gratuity (refer note 32)	0.50	0.50
- Compensated Absences	1.73	2.13
	2.23	2.63
17 Trade Payables		
Trade Payables		
- Total outstanding dues of Micro Enterprises and Small Enterprises (refer note 33)		
- Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	-	-
	51.82	40.99
	51.82	40.99
18 Other Financial Liabilities		
Current Maturities of Long-term Debts	-	0.85
Employee Salaries payable	-	0.80
Provision for Expenses	0.43	0.29
	0.43	1.94
19 Other Liabilities		
Non-current		
Advance received against Sale of Asset from related party	37.01	41.93
	0.42	-
Advance received from Customers	37.43	41.93
Current		
Advance received from Customers	0.42	-
Others	1.83	-
Statutory Liabilities	7.79	6.09
	10.04	6.09

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

Particulars	31 March 2019	31 March 2018
20 Revenue from Operations		
Revenue from Information Technology / Software Services and Sale of Software Licenses		
Export	100.85	59.80
Domestic	314.67	296.34
	415.52	356.14
21 Other Income		
Interest on Deposits	1.22	0.46
Miscellaneous Income	1.31	2.29
	2.53	2.75
22 Cost of Materials Consumed		
Purchase cost of Software License	120.11	48.02
	120.11	48.02
23 Employee Benefits Expense		
Salaries, Wages and Bonus	242.03	269.22
Contribution to Provident and Other Funds	3.90	4.03
Staff Welfare Expenses	0.95	0.61
	246.88	273.86
24 Depreciation and Amortization Expense		
Depreciation of Tangible Assets	3.70	3.79
	3.70	3.79
25 Finance Costs		
Interest on Loans	2.75	2.66
Bank Charges	0.35	0.54
	3.10	3.20
26 Other Expenses		
Power/Electricity & Fuel	2.66	2.72
Rent	4.32	4.93
Repairs to Office Equipment	0.54	0.98
Insurance	3.39	3.53
Car Hire charges & Transportation	2.75	1.01
Telephone, Postage and Others	1.66	2.10
Business Promotion Expenses	0.36	0.22

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

Particulars	31 March 2019	31 March 2018
Conveyance & Travelling Expenses	5.94	4.72
Office Maintenance	3.22	2.21
Printing & Stationery Expenses	0.63	0.18
Security Charges	0.41	0.41
Rates & taxes	0.52	0.44
Invoice Processing Charges	1.20	1.52
Seminar Fee/Training/Legal Fee/Listing Fee	0.81	1.45
Professional Consultancy Fee	3.09	3.38
Audit Fee	0.48	0.48
Reimbursement of expenses Auditors	0.02	0.04
Director Sitting Fee	0.57	0.89
Vehicle Maintenance Charges	0.27	0.23
Secretarial Expenses	0.08	0.10
Bad Debts written off	4.62	-
Foreign Exchange Loss	3.78	(4.83)
Other Expenses	1.51	1.57
	42.83	28.28
27 Tax expenses		
Current income tax:		
Current year	0.24	(2.13)
Previous year	(3.66)	-
Deferred tax:	-	-
Relating to originating and reversal of temporary differences	13.62	(11.34)
Income Tax expense recognized in the statement of Profit or Loss	10.20	(13.47)
Deferred Tax related to items considered in OCI during the year		
Re-measurement Gains / (Losses) on Defined Benefit Plan	(0.60)	(0.60)
Income tax charge to OCI	(0.60)	(0.60)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

Particulars	31 March 2019	31 March 2018
Reconciliation of Tax Expense with the accounting profit multiplied by domestic Tax Rate:		
Accounting profit before income tax	1.43	1.74
Tax on accounting profit at statutory income tax rate 27.82% (March 31, 2018: 20.389%)	0.40	0.35
Adjustments in respect of items taken to opening equity	(0.40)	(16.20)
Adjustments on account of unabsorbed depreciation and carried forward losses	6.26	-
Adjustments in respect of deferred tax at higher rates 27.82% (March 31, 2018: 27.55%)	7.96	4.86
Others	(4.02)	(2.48)
Tax expense reported in the Statement of Profit and Loss	10.20	(13.47)

28 Contingent Liabilities and Commitments

Particulars	As at 31-Mar-19	As at 31-Mar-18
i) Contingent Liabilities:		
- Corporate Guarantees given on behalf of Related Parties	1,254.60	1,082.50
- Bank Guarantees	1.00	1.06
ii) Commitments:		
- Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances	Nil	Nil

(a) The Company offered the Land owned by it to the extent of 26,092 Sq. Yds. situated at Survey No. 249 (Part), 250 (Part) and 251 (part) and Building there on as collateral security to State Bank of India, Commercial Branch, Hyderabad against the credit facilities availed by M/s Olectra Greentech Limited (formerly Known as Goldstone Infratech Ltd)., and also given corporate guarantee for Indian Rupees 992.50 Millions. However the Company's liability is restricted to the value of the property offered as collateral security.

(b) Corporate Guarantee given for the credit facilities of Indian Rupees 90 Millions availed by M/s Trinity Infraventures Limited with Allahabad Bank, Himayatnagar, Hyderabad Branch.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

29 Related Party disclosures

- a) The following table provides the name of the Related Party and the nature of its relationship with the Group:

Name of the Parties	Relationship
Key Management Personnel (KMP):	
Ch.Sudhakar Reddy	Managing Director - till 22nd May 2019
Pavan Chavali	Whole Time Director - from 23rd May 2019
Vithal V S S N K Popuri	Chief Financial Officer
Thirumalesh T	Company Secretary

- b) Details of all transactions with related parties during the year:

Particulars	31-Mar-19	31-Mar-18
i) Managerial Remuneration / consultancy fee to Key Managerial Personnel *	3.97	3.66

* Does not include insurance, which is paid for the Group as a whole and gratuity and compensated absences as this is provided in the books of accounts on the basis of actuarial valuation for the Group as a whole and hence individual amount cannot be determined.

30 Segment Information

Ind AS 108 "Operating Segment" ("Ind AS 108") establishes standards for the way that public Business Enterprises report information about Operating and Geographical Segments and related disclosures about products and services, geographic areas, and major customers. Based on the "management approach" as defined in Ind AS 108, Operating Segments and Geographical Segments are to be reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM evaluates the Group's performance and allocates resources on overall basis.

During the year, the Company has three Reportable Segments, i.e. USA - Information Technology / Software Services, India - Information Technology / Software Services and Software License.

The Segment Revenue, Profitability, Assets and Liabilities are as under:

Revenue by Segment	For the year ended 31 March 2019	For the year ended 31 March 2018
a) USA - Information Technology / Software Services	164.41	155.06
b) India - Information Technology / Software Services	123.84	141.40
c) Software Licenses	163.60	63.72
Less: Inter Company Sales	(36.33)	(4.04)
Total Revenue	415.52	356.14

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

Segment Results	For the year ended 31 March 2019	For the year ended 31 March 2018
a) USA - Information Technology / Software Services	(18.31)	(14.82)
b) India - Information Technology / Software Services	23.77	22.96
c) Software Licenses Resale	2.77	0.59
Total:	8.23	8.73
Less: (i) Interest	3.10	3.20
(ii) Unallocable Expenditure (Net of Un-allocable Income)	3.70	3.79
Total Profit before tax	1.43	1.74

Segment Assets, Segment Liabilities & Segment Capital Employed:

Segment Capital Employed: Segregation of Assets, Liabilities, Depreciation and other Non-cash expenses into various Primary Segments has not been done, as the Assets are used interchangeably between Segments. Accordingly no disclosure relating to Segmental Assets and Liabilities has been made.

31 Auditors' Remuneration include:

Particulars	31-Mar-19	31-Mar-18
	Indian Rupees	
Statutory Audit Fee (including Limited Review)	450,000	450,000
Tax Audit Fee	25,000	25,000
Total	475,000	475,000

32 Gratuity

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, restricted to a sum of ₹ 2,000,000.

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:

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

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

Particulars	31-Mar-19	31-Mar-18
Opening Balance	10.84	9.35
Current Service Cost	3.35	3.00
Past Service Cost	-	1.15
Interest Cost	0.82	0.66
Benefits Paid	(2.26)	(1.15)
Actuarial Gain	(2.19)	(2.17)
Closing Balance	10.56	10.84
Present value of Projected Benefit Obligation at the end of the year	10.56	10.84
Fair value of Plan Assets at the end of the year	-	-
Net Liability recognized in the Balance Sheet	10.56	10.84
Current Provision	0.50	0.50
Non Current Provision	10.06	10.34
Expenses recognized in Statement of Profit and Loss	31-Mar-19	31-Mar-18
Service Cost	3.35	4.15
Interest Cost	0.82	0.66
Gratuity Cost	4.17	4.81
Re-measurement Gains/ (Losses) in OCI		
Actuarial Gain / (Loss) due to demographic assumption changes	-	-
Actuarial Gain / (Loss) due to financial assumption changes	-	(0.81)
Actuarial Gain / (Loss) due to experience adjustments	(2.18)	(1.36)
Return on Plan Assets greater (less) than discount rate	-	-
Total expenses routed through OCI	(2.18)	(2.17)
Assumptions		
Discount Rate (per annum)	7.75%	7.20%
Future Salary increases	7.00%	7.00%
A quantitative sensitivity analysis for significant assumption and its impact in percentage terms on projected benefit obligation are as follows:		
	31-Mar-19	
	Discount Rate	Salary Escala tion Rate
Impact of increase in 50 bps on projected benefit obligation	-5.98%	5.13%
Impact of decrease in 50 bps on projected benefit obligation	6.55%	-5.02%
These sensitivities have been calculated to show the movement in projected benefit obligation in isolation and assuming there are no other changes in market conditions.		

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

33 Dues to Micro, Small and Medium Enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2019 has been made in the financial statements based on information received and available with the Group. Further in view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Micro, Small and Medium Enterprises Development Act, 2006 ('The MSMED Act') is not expected to be material. The Group has not received any claim for interest from any supplier.

Particulars	31-Mar-19	31-Mar-18
a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year.	Nil	Nil
b) the amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil
c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this MSMED Act	Nil	Nil
d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	Nil	Nil

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

34 Leases

Where the Group is a Lessee :

The Group has taken various office premises under operating leases. The leases typically run for a term ranging from eleven months to five years, with an option to renew the lease after the term completion. The escalation clause in these arrangement ranges from 5% to 10%.

i) Amounts recognized in Statement of Profit and Loss:

Particulars	31-Mar-19	31-Mar-18
Cancellable Lease Expense	3.09	1.37
Non - cancellable Lease Expense	1.07	2.55
Total	4.16	3.92

35 Earnings Per Share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity Shares.

Earnings Per Share (Continued)

The following table sets out the computation of basic and diluted Earnings Per Share:

Particulars	31-Mar-19	31-Mar-18
Profit for the year attributable to Equity Share Holders	(8.77)	(15.21)
Shares		
Weighted average number of Equity Shares outstanding during the year – basic	18,782,066	18,782,066
Weighted average number of Equity Shares outstanding during the year – diluted	18,782,066	18,782,066
Earnings Per Share		
Earnings Per Share of par value ₹ 10-basic (₹)	0.47	1.81
Earnings Per Share of par value ₹ 10-diluted (₹)	0.47	1.81

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

36 Financial Risk Management Objectives and Policies

The Group's Principal Financial Liabilities comprise Loans and Borrowings, Trade and Other Payables. The main purpose of these Financial Liabilities is to finance and support Group's operations. The Group's Principal Financial Assets include Inventory, Trade and Other Receivables, Cash and Cash Equivalents and Refundable Deposits that derive directly from its operations.

The Group is exposed to Market Risk, Credit Risk and Liquidity Risk. The Group's senior management oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below.

a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: Interest Rate Risk and Other Price Risk, such as Commodity Risk. Financial Instruments affected by Market Risk include Loans and Borrowings and Refundable Deposits. The sensitivity analysis in the following sections relate to the position as at March 31, 2019 and March 31, 2018. The sensitivity analyses have been prepared on the basis that the amount of net debt and the ratio of fixed to floating interest rates of the debt.

The analysis excludes the impact of movements in market variables on: the carrying values of gratuity and other post retirement obligations; provisions.

The below assumption has been made in calculating the sensitivity analysis:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2019 and March 31, 2018.

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 short-term debt obligations with floating interest rates.

The Group manages its interest rate risk by having a balanced portfolio of variable rate borrowings. The Group does not enter into any interest rate swaps.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

	Increase / decrease in Interest Rate	Effect on Profit Before Tax
March 31, 2019		
INR	+1%	(0.21)
INR	-1%	0.21
March 31, 2018		
INR	+1%	(0.21)
INR	-1%	0.21

b) Credit Risk

Credit Risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The credit risk arises principally from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks and financial institutions and other financial instruments.

Credit Risk is controlled by analyzing credit limits and credit worthiness of customers on a continuous basis to whom credit has been granted after obtaining necessary approvals for credit. The collection from the trade receivables are monitored on a continuous basis by the receivables team.

The Group establishes an allowance for credit loss that represents its estimate of expected losses in respect of trade and other receivables based on the past and the recent collection trend. The maximum exposure to credit risk as at reporting date is primarily from trade receivables amounting to Rs. 88,054,084 (March 31, 2018 Rs. 78,925,183). Basis the estimate, there is no allowance for expected credit loss provided by the Group.

The top 3 to 5 customers account for more than 50% of the revenue as of March 31, 2019, and March 31, 2018. However, since the Company has diversified business in the areas of IT Consulting, IT Staffing, Off-shore Technical Support and Big Data Analytics Software License Sales the concentration risk of revenue would come down in the future.

Credit risk on Cash and Cash Equivalent is limited as the Company generally transacts with Banks and Financial Institutions with high credit ratings assigned by international and domestic credit rating agencies.

c) Liquidity Risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank deposits and loans.

The table below summarizes the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	>5 years	Total
Year ended March 31, 2019						
Borrowings	18.55	0.52	1.14	2.82	-	23.03
Trade Payables	-	51.82	-	-	-	51.82
Year ended March 31, 2018						
Borrowings	19.23	0.20	0.64	0.78	-	20.85
Trade Payables		40.99	-	-	-	40.99

37 Capital Management

The Group'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 on the basis of 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 comprise of issued Share capital and all Other Equity Reserves.

The capital structure as of March 31, 2019 and March 31, 2018 was as follows:

Particulars	31-Mar-19	31-Mar-18
Total Equity attributable to the Equity Shareholders of the Group	435.11	431.59
As a percentage of Total Capital	94.97%	95.39%
Long Term Borrowings including Current Maturities	4.48	1.63
Short Term Borrowings	18.55	19.23
Total Borrowings	21.03	20.86
As a percentage of total Capital	5.03%	4.61%
Total Capital (Equity and Borrowings)	456.14	452.45

38 Standards issued but not effective

The standards issued, but not effective up to the date of issuance of the financial statements is disclosed below:

Ind AS 116 - Leases

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition: • Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors • Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application. Under modified retrospective approach, the lessee records the lease liability as the present value of these remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as: • Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee’s incremental borrowing rate at the date of initial application or • An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application. Certain practical expedients are available under both the methods.

Other amendments to Indian Accounting Standards

The Ministry of Corporate Affairs (MCA), on 30 March 2019, issued certain amendments to Ind AS. The amendments relate to the following standards:

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

Amendment to Ind AS 12 – Income taxes : On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, ‘Income Taxes’, in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. Effective date for application of this amendment is annual period beginning on or after April 1, 2019.

Amendment to Ind AS 19 – plan amendment, curtailment or settlement: On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, ‘Employee Benefits’, in connection with accounting for plan amendments, curtailments and settlements. The

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except share data and where otherwise stated)

amendments require an entity: • to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and • to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. Effective date for application of this amendment is annual period beginning on or after April 1, 2019.

The amendments are effective 1 April 2019. The Group believes that the aforementioned amendments will not materially impact the financial position, performance or the cash flows of the Group.

39 Prior year comparatives

The figures of the previous year have been regrouped/reclassified, where necessary, to conform with the current year's classification.

As per our report of even date
for **P C N & Associates**
(formerly known as Chandra Babu Naidu & Co.)
Chartered Accountants
ICAI Firm Registration Number: 016016S

for and on behalf of the Board of Directors of
Goldstone Technologies Limited
CIN: L72200TG1994PLC017211

Sd/-
Chandra Babu M
Partner
Membership No.: 227849

Sd/-
Pavan Chavali
Whole Time Director
DIN: 08432078

Sd/-
L.P.Shashi Kumar
Director
DIN: 00016679

Place: Hyderabad
Date: 23 May 2019

Sd/-
Vithal V S N K Popuri
Chief Financial Officer

Sd/-
Thirumalesh T
Company Secretary

INTENTIONALLY KEPT BLANK



 GOLDSTONE TECHNOLOGIES	<p align="center"> GOLDSTONE TECHNOLOGIES LIMITED CIN; L72200TG1994PLC017211 Regd. Office: 9-1-83 & 84, Amarchand Sharma Complex S D Road, Secunderabad -500 003 Phone No. 91-40-27266783 E-mail id: corporate@goldstonetech.com website: www.goldstonetech.com </p>
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ATTENDANCE SLIP
 (To be presented at the entrance)

Regd. Folio/ : _____ Shares held : _____
 Client ID/ DPID : _____

I hereby certify that I am registered shareholder/proxy/representatives of the registered shareholder (s) of Goldstone Technologies Limited.

I hereby record my presence at the 25th Annual General Meeting to be held on Thursday, 26th September, 2019 at 3.30 P.M, at Plot No. 1 & 9 IDA Phase II, Cherlapally, Hyderabad – 500 051.

Name of the Shareholder :

Name of the Proxy :

Signature of member/proxy :

- Note:
- 1) To be signed at the time of handing over this slip.
 - 2) Members are requested to register their names at least 15 minutes prior to the commencement of the meeting.

INTENTIONALLY KEPT BLANK



GOLDSTONE TECHNOLOGIES LIMITED

CIN; L72200TG1994PLC017211

Regd. Office: 9-1-83 & 84, Amarchand Sharma Complex
S D Road, Secunderabad -500 003 Phone No. 91-40-27266783

E-mail id: corporate@goldstonetech.com

website: www.goldstonetech.com

FORM-No-MGT-11

Proxy Form

[Pursuant to Section 105 (6) of the Companies Act 2013 and Rule 19 (3) of the Companies (Management and Administration) Rules, 2014]]

Name of the Member(s):	
Registered Address:	
E-Mail Id:	
Folio No/Client Id:	
DP Id:	

I/We, being the member(s) of _____ Shares of the above named Company, hereby appoint

1.	Name	
	Address	
	Email Id or failing him	_____ Signature
2.	Name	
	Address	
	Email Id or failing him	_____ Signature
3.	Name	
	Address	
	Email Id	_____ Signature

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twenty Fifth Annual General Meeting of the Company to be held on Thursday, 26th Day of September, 2019 at 3.30 PM. Plot No. 1 & 9, IDA, Phase II, Cherlapally, Hyderabad - 500 051 and at any adjournment thereof in respect of such resolutions as are indicated below:

S. No.	Resolutions	No. of Shares held by me	I Assent to the Resolution	I dissent to the Resolution
1	Consider and adopt the Standalone and Consolidated Audited Balance Sheet as at March 31st, 2019, and the Statement of Profit and Loss for the year ended on that date together with the Directors' and Auditors' Report thereon			
2	Re-Appointment of Mr.L.P.Sashikumar (DIN: 00016679) who retires by rotation.			
3	Re-appointment of Mr. K.S.Sarma (DIN: 01505787), as an Independent Director.			
4	Re-appointment of Mr. V.Venkata Ramana (DIN: 02660082), as an Independent Director			
5	Re-appointment of Ms.Sukhjinder Kaur (DIN: 07926721) as an Independent Director			
6	Appointment of Mr.Pavan Chavali (DIN. 08432078) a Director			
7	Appointment of Mr.Pavan Chavali (DIN. 08432078) as Whole-time Director			

Signed this _____ day of _____ 2019

Signature of shareholder; _____ Signature of Proxy holder(s) _____

Affix
Revenue
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered office of the Company, not less than 48 hours before commencement of the Meeting

INTENTIONALLY KEPT BLANK



GOLDSTONE TECHNOLOGIES LIMITED

CIN; L72200TG1994PLC017211

Regd. Office: 9-1-83 & 84, Amarchand Sharma Complex
S D Road, Secunderabad -500 003 Phone No. 91-40-27266783

E-mail id: corporate@goldstonetech.com

website: www.goldstonetech.com

FORM-No-MGT-12

Polling Paper

(Pursuant to Section 109 (5) of the Companies Act 2013 and Rule 21 (1) (c) of the Companies (Management and Administration) Rules, 2014).

Name of the Company	GOLDSTONE TECHNOLOGIES LIMITED
Registered Address:	9-1-83 & 84, AMARCHAND SHARMA COMPLEX S D ROAD, SECUNDERABAD 500 003
BALLOT PAPER	
Name of the First named Shareholder :	
Postal Address:	
Folio No/Client Id & DP Id:	
Class of Share	

I hereby exercise my vote in respect of Ordinary/Special resolution enumerated to be considered in Twenty Fifth Annual General Meeting of the Company to be held on Thursday, 26th Day of September, 2019 at 3.30 P.M, at Plot No. 1 & 9, IDA, Phase II, Cherlapally, Hyderabad - 500 051 by recording my assent or dissent to the said resolutions in the following manner.

S. No.	Resolutions	No. of Shares held by me	I Assent to the Resolution	I dissent to the Resolution
1	Consider and adopt the Standalone and Consolidated Audited Balance Sheet as at March 31st, 2019, and the Statement of Profit and Loss for the year ended on that date together with the Directors' and Auditors' Report thereon			
2	Re-Appointment of Mr.L.P.Sashikumar (DIN: 00016679) who retires by rotation.			
3	Re-appointment of Mr. K.S.Sarma (DIN: 01505787), as an Independent Director.			
4	Re-appointment of Mr. V.Venkata Ramana (DIN: 02660082), as an Independent Director			
5	Re-appointment of Ms.Sukhjinder Kaur (DIN: 07926721) as an Independent Director			
6	Appointment of Mr.Pavan Chavali (DIN. 08432078) a Director			
7	Appointment of Mr.Pavan Chavali (DIN. 08432078) as Whole-time Director			

Place :

Date :

(Signature of the shareholder)

AGM Venue Route Map

