

Speed
Reliability
Value Performance

COMPUAGE INFOCOM LTD

19th August, 2021

To,
The Corporate Services Dept.
BSE Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001.

National Stock Exchange of India Ltd.,
Exchange Plaza,
C-1, Block G, Bandra Kurla Complex,
Bandra (E),
Mumbai - 400 051.

Security Code: 532456
ISIN: INE070C01037

Symbol: COMPINFO

**Sub: Submission of the 22nd Annual Report of Compuage Infocom Limited for the
Financial Year 2020-2021**

Dear Sir / Ma'am,

Pursuant to Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith copy of 22nd Annual Report of the Company for the Financial Year 2020-2021. This is to inform you that the 22nd Annual General Meeting of the Company is scheduled to be held on Wednesday, 15th September, 2021 at 11.30 Hours IST through Video Conferencing / Other Audio Visual Means.

Request you to take the above on record.

Thanking you,

Yours faithfully,
For Compuage Infocom Limited,

Anmol Jolly
Company Secretary



Place: Mumbai
Encl.: As above.



Speed
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Value Performance

COMPUAGE INFOCOM LTD

FY 2020-2021

Annual Report

Resilience | Performance | Growth

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COMPUAGE INFOCOM LTD.
Annual Report FY 2020-2021

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Atul H. Mehta
Chairman and Managing Director
DIN: 00716869

Mr. Bhavesh H. Mehta
Whole-Time Director
DIN: 00740861

Mr. Ganesh S. Ganesh
Independent Director
DIN: 00010877

Mr. Vijay Agarwal
Independent Director
DIN: 00058548

Mrs. Fatima Hussaini Nasab
Independent Director
DIN: 08507217

Mr. Ajay H. Mehta
Director (Appointed w.e.f. 18.07.2020 and Resigned
w.e.f. 25.02.2021)
DIN: 00686327

Mr. Virendra G. Bhatt
Independent Director (Appointed w.e.f. 06.07.2021)
DIN: 02343351

KEY MANAGERIAL PERSONNEL

Mr. Sunil Mehta
Chief Financial Officer

Ms. Ruchita Shah
Company Secretary (Resigned w.e.f. 23.07.2020)

Ms. Anmol Jolly
Company Secretary (Appointed w.e.f. 01.10.2020)

STATUTORY AUDITORS

M/S. BHOGILAL C. SHAH AND CO.
Chartered Accountants

SECRETARIAL AUDITORS

BNP & Associates
Practising Company Secretaries

REGISTRAR AND SHARE TRANSFER AGENT

Link Intime India Private Limited
C 101, 247 Park, L.B.S. Marg, Vikhroli (West),
Mumbai – 400 083.
Tel: +91 022 49186270 Fax: +91 022 49186060
Email: mt.helpdesk@linkintime.co.in

CIN

L99999MH1999PLC135914

BSE CODE

532456

NSE SYMBOL

COMPINFO

DIVIDEND RECOMMENDED

Rs. 0.20/- per share

AGM DATE

15th September, 2021

DIRECTORS' REPORT

Dear Members,

Your Directors hereby present the 22nd Annual Report on the business and operations of your Company along with the Audited Financial Statements for the financial year ended 31st March, 2021.

FINANCIAL HIGHLIGHTS:

The highlights of the Financial Results are as tabulated below:

(Rs. in Lakh)

Particulars	Standalone		Consolidated	
	31 st March, 2021	31 st March, 2020	31 st March, 2021	31 st March, 2020
Revenue from Operations & Other Income	3,74,695.09	4,24,923.40	3,74,718.21	4,24,923.40
Less: Expenses	3,65,272.52	4,14,399.08	3,65,274.93	4,14,424.15
Profit before Interest, Taxation & Depreciation	9422.57	10,524.32	9,443.28	10,499.25
Less: Finance Costs	6294.71	6085.07	6294.71	6085.07
Less: Depreciation	359.31	419.05	359.31	419.05
Profit before Tax	2768.55	4020.20	2,789.26	3,995.13
Less: Tax Expense	721.11	944.18	721.11	944.18
Profit after Tax Provision	2,047.44	3,076.02	2,068.15	3,050.95
Less: Other Comprehensive Income	82.04	(212.97)	82.04	(212.97)
Balance brought forward	14,913.91	12,363.67	14,965.49	12,440.32
Amount available for Appropriation:	17,043.39	15,226.72	17,115.68	15,278.30
Less: Provision for Gratuity				
Dividend for Financial year 2018-2019	(129.95)	(259.90)	(129.95)	(259.90)
Dividend Tax for Financial year 2018-2019	0	(52.91)	-	(52.91)
Less: Minority Interest	-	-	-	-
Balance Carried to Balance Sheet	16,913.44	14,913.91	16,985.73	14,965.49
EPS (Basic)	3.28	4.41	3.31	4.37
EPS (Diluted)	3.28	4.41	3.31	4.37

BUSINESS PERFORMANCE:

Standalone:

The Company's Net Comprehensive Income has reduced by 25.62%, standing at Rs. 2129.48 Lakh, as compared to Rs.2863.05 Lakh in the previous year. The Company registered a drop in revenue by 11.82%. The Company's revenue decreased to Rs.3,74,695.09 Lakh as compared to Rs. 4,24,923.40 Lakh in the previous year.

Consolidated:

The Company's Net Comprehensive Income has reduced by 24.23% as the Net Profit after Tax stood at Rs.2,150.19 Lakh as compared to Rs.2,837.98 Lakh in the previous year. The consolidated drop in revenue was 11.82%. Our consolidated revenue has decreased to Rs.3,74,718.21 Lakh as compared to Rs. 4,24,923.40 Lakh in the previous year. Given the current situation due to the global pandemic, overall, the year gone by has been good and your Directors are hopeful of favorable time in future.

DIVIDEND:

For the financial year 2020-21, your Directors have recommended a dividend of Rs.0.20/- per share on face value of Rs. 2.00/- per share of the Company, i.e., 10 per cent of the face value. The said dividend on Equity Shares is subject to the approval of the shareholders at the ensuing 22nd Annual General Meeting of the Company (hereinafter referred to as "AGM").

TRANSFER TO RESERVES:

The whole profit after tax has been transferred to Surplus in the Statement of Profit & Loss. No amount is transferred to General Reserves Account.

BUSINESS STRATEGY:

COVID-19 had an impact on the businesses throughout the world across the industries. IT Distribution Industry, though impacted for a brief period of time during the start of the year, recovered swiftly during the second half of the year. Logistics and supply chain management are the core functions of the IT Distribution Industry and hence for the Company, which had been severely impacted at start of the year due to stringent lockdown restrictions. Gradually, the lockdown restrictions were lifted and the supply chain was restored swiftly by working together with the Company's partners.

Positive impact of COVID-19 on the IT Distribution Industry has been the emergence of working from home. Work from home led to a new set of demand for IT products such as laptops, desktops and accessories which improves work efficiency. It also led to increased demand for enterprise, cyber security and cloud softwares which are essential for efficient and safe working environment for the corporates. Apart from increased demand from corporates, the demand for mobiles and laptops has also increased for personal use for efficient communication, education and entertainment purposes.

Employees' health and safety have been the priority for the Company. The Company undertook all the necessary measures for effective social distancing and sanitization to provide a safe working environment to its employees. Despite of these challenging conditions, the Company continued to progress on its business strategy. The Company added newer brands, improved its operating efficiency with better product mix and undertook cost efficiency initiatives to maintain the profitability.

Moving further, the Company's business strategy would continue to be as follows:-

- Partner with newer marquee brands to widen its product portfolio.
- Focus on higher profitable business segments to efficiently allocate capital and hence improve the overall return on investment.
- Continue the cost efficiency initiatives to improve the profitability of the Company.
- Increase its reach and penetration from 600 cities and 12,000 partners to 1000 cities and 15,000 partners by 2024.
- Launch of online purchase model for Channel Partners which will help to tap larger market share.
- Materially enhance the efficiency of its work delivery processes through good planning, flexibility amongst its workforce and utilising available technology and field tools.
- Ensuring the overall safety of its people, recruiting, training and retaining the best people and delivering on shareholder value.

SUBSIDIARY COMPANY:

Compuage Infocom (S) Pte. Ltd.:

Compuage Infocom (S) Pte. Ltd. is a wholly-owned subsidiary of the Company. There was no business activity in the Subsidiary Company during the year as the Company has transferred its business to its Singapore Branch.

In accordance with Section 129(3) of the Companies Act, 2013 (hereinafter referred to as "Act"), a statement containing salient features of the financial statements of the subsidiary companies in Form AOC-1 is appended as Annexure A to the Directors' Report.

Further, no new subsidiary was acquired nor any subsidiary ceased to exist during the year.

OVERSEAS OPERATIONS:

Your Company's overseas operations are carried out through branch office established in Singapore. It has served as a medium to manage business more effectively. This overseas presence has enabled to achieve economies of scale.



CONSOLIDATED FINANCIAL STATEMENTS:

As stipulated by Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “**Listing Regulations**”), the consolidated financial statements have been prepared by the Company in accordance with the Indian Accounting Standards. The audited consolidated financial statements together with Auditors’ Report form part of the Annual Report.

Pursuant to Section 136 of the Act, the financial statements of the subsidiary are kept open for inspection of the Shareholders at the Registered Office of the Company.

SHARE CAPITAL:

During the year under review, there was no change in the share capital of the Company.

The Company had allotted 1,00,00,000 Cumulative Non-Convertible Compulsorily Redeemable Preference Shares of Rs.10/- each aggregating to Rs.10,00,00,000/- to Karvy Capital Limited Demeter Portfolio (hereinafter referred to as “**Investor Representative**”) on Private Placement basis, via Members’ approval through Postal Ballot dated 6th May, 2019. Thereafter, pursuant to the exercise of Put Option by the Investor Representative and the Amendment to the Investment Agreement entered into between the Investor Representative and the Company, the payments of the Put Option Price by the Company to the Redeemable Preference Shareholders were to be made in three tranches on 19th June, 2021, 19th July, 2021 and 19th August, 2021 and the respective shares were to be extinguished accordingly. The Company is in the process of duly completing the process with respect to the same as on the date of the Directors’ Report.

LIQUIDITY:

We maintain sufficient liquidity to meet our strategic and operational requirements. We understand that liquidity in the Balance Sheet has to balance between earning adequate returns and the need to cover financial and business risks. We are agile and prepared to meet unforeseen business needs, if any.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Directors:

The current composition is an appropriate mix of Executive and Non-Executive Directors to maintain the independence of the Board and separate its function of governance and management. As on 31st March, 2021, the Board of Directors consists of 6 members, 2 of whom are Executive Directors and 4 are Non-Executive Directors.

During the financial year 2020-21, Mr. Ajay H. Mehta (DIN: 00686327), was appointed as a Director of the Company via approval of the shareholders in the 21st Annual General Meeting of the Company held on 18th August, 2020. However, on 25th February, 2021, Mr. Ajay H. Mehta, resigned from the post of Director, expressing his inability to continue to hold office of his directorship due to personal reasons and certain other pre-occupations.

Further, based on the recommendation of the Nomination and Remuneration Committee of the Company, the Board had appointed Mr. Virendra G. Bhatt (DIN: 02343351) as an Additional Non-Executive Independent Director of the Company. Mr. Virendra G. Bhatt was then appointed as the Non-Executive Independent Director to hold office for a consecutive term of 5 (Five) years, commencing from 6th July, 2021 to 22nd February, 2026, with shareholders’ approval via Special Resolution through Postal Ballot dated 5th July, 2021.

The tenure of Mr. Atul H. Mehta, Chairman and Managing Director (DIN: 00716869) of the Company, ceased on 7th September, 2020 and the tenure of Mr. Bhavesh H. Mehta, Whole-Time Director (DIN: 00740861) of the Company, ceased on 17th October, 2020. With respect to the same, the shareholders of the Company, at its 21st Annual General Meeting held on 18th August, 2020, re-appointed Mr. Atul H. Mehta as Chairman and Managing Director for a further term of 5 (Five) years to hold office for a period starting from 8th September, 2020 to 7th September, 2025, and Mr. Bhavesh H. Mehta as Whole-Time Director for a further term of 5 (Five) years to hold office for a period starting from 18th October, 2020 to 17th October, 2025.

Key Managerial Personnel:

Pursuant to the provisions of Section 203 of the Act, following persons are the Key Managerial Personnel of the Company:

- Mr. Atul H. Mehta – Managing Director
- Mr. Bhavesh H. Mehta – Whole-Time Director
- Mr. Sunil Mehta - Chief Financial Officer
- Ms. Anmol Jolly - Company Secretary

During the financial year 2020-21, Ms. Ruchita Shah resigned from the position of Company Secretary and Compliance Officer w.e.f. 23rd July, 2020. Further, Ms. Anmol Jolly was appointed as the Company Secretary and Compliance Officer of the Company w.e.f. 1st October, 2020.

BOARD EVALUATION:

The Board of Directors has carried out an annual evaluation of its own performance, Board, Committees and Individual Directors pursuant to the provisions of the Act and the Corporate Governance requirements as prescribed the Listing Regulations.

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of the criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning, etc.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee Members on the basis of the criteria such as the composition of Committees, effectiveness of Committee Meetings, etc.

The Board and the Nomination and Remuneration Committee reviewed the performance of the Individual Directors on the basis of criteria such as the contribution of the Individual Director to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of Executive Directors and Non-Executive Directors. The same was discussed at the Board Meeting that followed the meeting of the Independent Directors, at which the performance of the Board, its Committees and Individual Directors was also discussed. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

BOARD MEETINGS:

The Board met eleven times during this financial year, the details of which are given in the Corporate Governance Report appended as Annexure C to the Directors' Report. The intervening gap between the Meetings was within the period prescribed under the Act and Regulation 17 of the Listing Regulations.

DECLARATION BY INDEPENDENT DIRECTORS:

All the Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(b) of the Listing Regulations.

Further, they have duly registered themselves with the Independent Directors Databank of the Ministry of Corporate Affairs. The requirement of appearing for the prescribed Online Proficiency Self-Assessment Test is not applicable on Mr. Ganesh S. Ganesh (DIN: 00010877), and Mr. Vijay Agarwal (DIN: 00058548), Non-Executive Independent Directors of the Company. Mr. Virendra G. Bhatt (DIN: 02343351), Non-Executive Independent Director of the Company, has appeared for and passed the prescribed Online Proficiency Self-Assessment Test. However, Mrs. Fatima Hussaini Nasab (DIN: 08507217), Non-Executive Independent Director of the Company will be appearing for the prescribed Online Proficiency Self-Assessment Test within the prescribed time limit.

During the year, all the Independent Directors have worked with utmost integrity and their expertise and experience in their respective fields have been of great importance to the growth of the Company in the opinion of the Board.

CORPORATE SOCIAL RESPONSIBILITY:

The contents of the Corporate Social Responsibility (hereinafter referred to as “CSR”) policy and revised format of CSR Report notified in the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 dated 22nd January, 2021, is appended as Annexure B to the Directors’ Report. CSR policy is also available on the Company’s website at www.compuageindia.com. For other details regarding the CSR Committee, please refer to the Corporate Governance Report.

ANNUAL RETURN:

Pursuant to Section 92(3) and Section 134(3)(a) of the Act, the Company has placed a copy of the Annual Return as at 31st March, 2021 on its website at www.compuageindia.com. By virtue of amendment to Section 92(3) of the Act, the Company is not required to provide extract of Annual Return in Form MGT-9 as part of the Directors’ Report.

CORPORATE GOVERNANCE:

Report on Corporate Governance duly approved by the Board of Directors in accordance with the Listing Regulations, along with a certificate from the Statutory Auditors confirming the compliance is appended to the Directors’ Report as Annexures C and F respectively.

MANAGEMENT DISCUSSION AND ANALYSIS:

A report on Management Discussion and Analysis which includes details on the state of affairs of the Company as required under the Regulation 34(2)(e) of the Listing Regulations forms part of the Directors’ Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required under the Act, read with the Companies (Accounts) Rules, 2014 is given hereunder:

A. Conservation of energy:

Your Company is primarily engaged in marketing and trading activities and has not consumed energy of any significant level and hence no additional investment is required to be made for reduction of energy consumption. However, the Company will continue with its efforts to conserve the energy.

B. Technology absorption:

The Company’s operations do not require significant absorption of technology.

C. Earnings And Outgo in Foreign Exchange:

(Rs. in Lakh)

Particulars	Standalone and Consolidated	
	Current Year (in Rs.)	Previous Year (in Rs.)
Foreign Exchange Earnings	10,788.74	18,445.17
Foreign Exchange Outgo	10,681.92	18,322.76

PREVENTION AND REDRESSAL OF SEXUAL HARRASSEMENT AT WORK PLACE:

The Company has a Policy on “Prevention of Sexual Harassment of Women at Work Place” and matters connected therewith or incidental thereto covering all the aspects as contained under the Sexual Harassment of Women at Work Place (Prohibition, Prevention and Redressal) Act, 2013. Your Directors state that during the year under review, no cases were filed pursuant to the Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013.

The Company has submitted an Annual Report to the District Women and Child Development Office stating that there were no complaints in the Company with respect to Sexual Harassment at Workplace. The Company has an Internal Complaints Committee in place in accordance with the provisions under the Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013.

HUMAN RESOURCES:

Your Company considers people as its biggest assets. It has put concerted efforts in talent management and succession planning practices, strong performance management, learning and training initiatives to ensure that your Company consistently develops inspiring, strong and credible leadership. The Company has a structured induction process for all locations. During the year, your Company has ensured that rewards and recognition are commensurate with performance and that employees have the opportunity to develop and grow.

The enthusiasm and unstinting efforts of employees have enabled the Company to improve productivity across the organization.

PERFORMANCE OF EMPLOYEES:

A. The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

i) Details of the ratio of remuneration of each Director to the median remuneration of the employees for the financial year:

Sr. No.	Name of the Directors	Designation	Ratio to median remuneration of the employees
1.	Mr. Atul H. Mehta	Chairman and Managing Director	66.23:1
2.	Mr. Bhavesh H. Mehta	Whole-Time Director	66.23:1
3.	Mr. Ganesh S. Ganesh	Non-Executive Independent Director	NA
4.	Mr. Vijay Agarwal	Non-Executive Independent Director	4.42:1
5.	Mrs. Fatima Hussaini Nasab	Non-Executive Independent Director	4.42:1
6.	Mr. Ajay H. Mehta*	Director	NA
7.	Mr. Virendra G. Bhatt**	Non-Executive Independent Director	0.55:1

*Appointed as Director w.e.f. 18th August, 2020 and resigned w.e.f. 25th February, 2021.

**Appointed as Non-Executive Independent Director w.e.f. 6th July, 2021.

ii) The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year:

Sr. No.	Name of the Directors	Designation	% increase in remuneration
1.	Mr. Atul H. Mehta	Chairman and Managing Director	NIL
2.	Mr. Bhavesh H. Mehta	Whole-Time Director	NIL
3.	Mr. Ganesh S. Ganesh	Non-Executive Independent Director	NA
4.	Mr. Vijay Agarwal	Non-Executive Independent Director	167
5.	Mrs. Fatima Hussaini Nasab	Non-Executive Independent Director	167
6.	Mr. Ajay H. Mehta*	Director	NA
7.	Mr. Virendra G. Bhatt**	Non-Executive Independent Director	NA
8.	Mr. Sunil Mehta	Chief Financial Officer	NIL
9.	Ms. Ruchita Shah##	Company Secretary	NIL
10.	Ms. Anmol Jolly##	Company Secretary	NIL

*Appointed as Director w.e.f. 18th August, 2020 and resigned w.e.f. 25th February, 2021.

**Appointed as Non-Executive Independent Director w.e.f. 6th July, 2021.

##Resigned w.e.f. 23rd July, 2020

###Appointed as Company Secretary w.e.f. 1st October, 2020.

iii) The percentage increase in the median remuneration of employees in the financial year: NIL

iv) The number of permanent employees on the rolls of Company: 757

v) 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:

There was 11% increase in the median percentage for the salaries of employees other than the managerial personnel.

vi) It is hereby affirmed that remuneration is as per the remuneration policy of the Company.

B. Details of the every employee of the Company as required pursuant to 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Particulars	Name: Atul H. Mehta Age: 61	Name: Bhavesh H. Mehta Age: 48
Designation, Nature of duties & Date of commencement of Employment	Chairman and Managing Director, Specialized in Finance & Strategic Planning (16.06.2000)	Whole-time Director, Specialized in Imports & Logistics (18.10.2000)
Qualification /Experience	MBA – U.S.A (31)	M.Com (24)
Gross Remuneration Rs.	1,20,00,000/-	1,20,00,000/-
Nature of employment	Contractual	Contractual
Relationship	Brother of Mr. Bhavesh H. Mehta, Whole-Time Director	Brother of Mr. Atul H. Mehta, Chairman and Managing Director

Note: The above amount does not include provision of gratuity, provident fund and leave encashment.

INTERNAL AUDIT AND INTERNAL FINANCIAL CONTROLS:

The Company has an in-house Internal Audit function. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board. The Internal Audit department evaluated the efficacy and adequacy of the internal control system, its compliance with operating systems and policies of the Company and accounting procedures at all locations of the Company.

Additionally, the Board had appointed M/s. Malvika & Associates, Chartered Accountants (Firm Reg. No. 123635W) as Internal Auditors of the Company in accordance with Section 138 of the Act to have financial control checks and ensure adequate transparency.

The Audit Committee of the Board of Directors periodically reviews the audit plans, internal audit reports and adequacy of internal controls. In order to ensure that internal audit is conducted in a fair manner, the Board has appointed Malvika & Associates, Chartered Accountants, (Firm Reg. No. 123635W), for financial year 2021-22.

STATUTORY AUDITORS:

The Company had appointed M/s. Bhogilal C. Shah & Co. having Firm Registration No.101424W, as the Statutory Auditors of the Company who shall hold the office for a period of 5 consecutive years from the conclusion of 18th Annual General Meeting till the conclusion of 23rd Annual General Meeting of the Company to be held in 2022. The requirement for annual ratification of Auditor's appointment at the AGM has been omitted pursuant to Companies (Amendment) Act, 2017 notified on 7th May, 2018. During the year, the Auditors' have confirmed that they satisfy the independence criteria required under Act.

AUDITORS' REPORT, DISCLAIMER AND MANAGEMENT'S REPLY:

The Auditors' Report forms part of the Directors' Report. There are no qualifications, reservations or adverse remarks made by M/s. Bhogilal C. Shah & Co., Statutory Auditors, in their report for the financial year ended 31st March, 2021. Hence, the report is self-explanatory.

SECRETARIAL AUDITOR:

The Board of Directors had appointed Mr. Virendra G. Bhatt, Practising Company Secretary, Mumbai, to conduct Secretarial Audit for the financial year 2020-21, as required under Section 204 of the Act and the rules framed thereunder, who then stated his inability to continue the Secretarial Audit w.e.f. 12th February, 2021 and resigned therefrom.

The Company then appointed BNP & Associates, Company Secretaries, Firm Registration No. P2014MH037400, w.e.f. 12th February, 2021, to conduct Secretarial Audit for the financial year 2020-21, as required under Section 204 of the Act and the rules framed thereunder.

The Secretarial Audit Report in form MR-3, for the financial year 2020-21, forms part of the Directors' Report, appended as Annexure H.

There are no major qualifications, reservations or adverse remarks made by the Secretarial Auditor, in their report for the financial year ended 31st March, 2021. Hence, the report is self-explanatory.

DISCLOSURE REQUIREMENTS:

As per the Listing Regulations, the Corporate Governance Report with the Auditors' Certificate thereon, and the Management Discussion and Analysis Report form part of the Directors' Report. The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and such systems are adequate and operating effectively.

RELATED PARTY:

As a part of its philosophy of adhering to ethical standards, transparency and accountability and in line with the provisions of the Act and the Listing Regulations, the Board has adopted a policy on Related Party Transactions which is placed on the website of the Company at www.compuageindia.com. All the Related Party Transactions are in ordinary and normal course of business and at arm's length.

All Related Party Transactions are periodically placed before the Audit Committee and also before the Board for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseeable and repetitive nature.

The particulars of contracts or arrangements with related parties referred to in Section 188(1) and applicable rules of the Act in Form AOC-2, is appended to the Directors' Report as Annexure I.

LOANS, GUARANTEES & INVESTMENTS:

The particulars of loans, guarantees and investments have been disclosed in the financial statements.

UTILIZATION OF FUNDS RAISED THROUGH PREFERENTIAL ALLOTMENT AND STATEMENT OF DEVIATIONS AND VARIATIONS:

The Company has not raised any funds through preferential allotment during the financial year.

AUDIT COMMITTEE:

The Audit Committee meets regularly to review reports, including significant audit observations and follow-up actions thereon. The Audit Committee also meets the Company's Statutory Auditors to ascertain their views on financial statements, including the financial reporting system, compliance to accounting policies and procedures.

The details pertaining to Audit Committee and its composition are included in the Corporate Governance Report which forms part of the Directors' Report.

NOMINATION AND REMUNERATION COMMITTEE:

The Company follows a Policy on Remuneration of Directors and Senior Management Employees. The policy is approved by the Nomination and Remuneration Committee and the Board. The main objective of the said policy is to ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the Directors, Key Managerial Personnel and Senior Management employees. The Remuneration Policy for the Directors and Senior Management employees is stated in the Corporate Governance Report which forms part of the Directors' Report.

STAKEHOLDERS RELATIONSHIP COMMITTEE:

The details pertaining to composition and role of the Stakeholders' Relationship Committee is included in the Corporate Governance Report which forms part of the Directors' Report.

FAMILIARIZATION PROGRAMME:

The Familiarization Programme for Independent Directors aims to provide them an opportunity to familiarize with the Company, its management and its operations so as to gain a clear understanding of their roles, rights and responsibilities and contribute significantly towards the growth of the Company. They have full opportunity to interact with Senior Management Personnel and are provided all the documents required and sought by them for enabling them to have a good understanding of the Company, its business model and various operations and the industry of which it is a part.

The policy undertaken by the Company in this respect has been disclosed on the website of the Company at www.compuageindia.com.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134(3)(c) and 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm:

- i. That in preparation of the annual accounts for the year ended 31st March, 2021, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- ii. That the Directors had selected such accounting policies and applied consistently and made judgments and estimates that were reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year ended 31st March, 2021, and the profits of the Company for the year under review;
- iii. That proper and sufficient care has been taken for the maintenance of adequate accounting records for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. That the annual accounts for the year ended 31st March, 2021, have been prepared on a 'Going Concern Basis'.
- v. That proper internal financial controls were in place and that such internal financial controls are adequate and were operating effectively.
- vi. That proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

INSURANCE AND RISK MANAGEMENT:

Business risks exist for any enterprise having national and international exposure. Your Company also faces some such risks, the key ones being - a longer than anticipated delay in economic revival, unfavorable exchange rate fluctuations, emergence of inflationary conditions, rise in counterfeits and look-alikes and any unexpected changes in regulatory framework.

The Company is well aware of these risks and challenges and has put in place mechanisms to ensure that they are managed and mitigated with adequate timely actions.

The Company has developed and implemented a Risk Management Policy, which is also hosted on the website of the Company at www.compuageindia.com, which includes identification of elements of risk, if any, which in the opinion of the Audit Committee of the Company and the Board may threaten the existence of the Company.

FIXED DEPOSIT:

The Company had accepted Fixed Deposits from its Members and from Public upto 28th September, 2018, in accordance with the provisions of Section 73 and 76, and other applicable provisions of Act and the Companies (Acceptance of Deposits) Rules, 2014.

The details relating to deposits in terms of Rule 8(5)(v) of the Companies (Accounts) Rules, 2014, are given hereunder:

		(Rs. in Lakh)
Sr. No.	Particulars	Amount
1.	Deposits accepted during the year from Members and / or Public	0
2.	Deposits repaid during the year to Members and / or Public	15.00
3.	Deposits outstanding as at 31 st March, 2021	127.50
4.	Deposits remaining unpaid or unclaimed at the end of the year	61.50
5.	Whether there has been any default in repayment of deposits or payment of interest thereon during the year, and if so, number of such cases and the total amount involved :-	
	i. At the beginning of the year	NA
	ii. Maximum during the year	NA
	iii. At the end of the year	NA
6.	Details of deposits which are not in compliance with the requirements of Chapter V of the Act.	NA

VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Company promotes ethical behavior in all its business activities and in line with the best governance practices. For this purpose, a policy has been laid down through which Directors, employees and business associates can report unethical behavior, malpractices, wrongful conduct, fraud, violation of Company's Code of Conduct without fear of reprisal. The Whistle-Blower Protection Policy aims to:

- Allow and encourage stakeholders to bring to the Management's notice, concerns about unethical behavior, malpractice, wrongful conduct, actual or suspected fraud or violation of policies.
- Ensure timely and consistent organizational response.
- Build and strengthen a culture of transparency and trust.
- Provide protection against victimization.

The above mechanism has been appropriately communicated within the Company across all levels and has been displayed on the website of the Company at www.compuageindia.com.

MATERIAL CHANGES AND COMMITMENTS, IF ANY:

Your Company entered into a Cloud Distribution Agreement for enabling resell of Acronis Cyber Security and Data Protection Solutions with Acronis India, whose products are available through 50,000 partners and service providers in over 150 countries in more than 40 languages, and has an award-winning AI-based antimalware and blockchain-based data authentication technologies.

Zhejiang Dahua Technology Co. Ltd., the world-leading video-centric smart IoT solution and service provider, has appointed your Company as a distributor partner for its entire distribution range of CCTV surveillance and video management solution products in four major states of India including Maharashtra, Karnataka, Andhra Pradesh and Telangana. Later, an additional product line of Storage Business, i.e., Solid State Drives for PAN India Basis was added in the said distributorship arrangement with Dahua Technology.

Your Company has also entered into a Distributorship Agreement for enabling resale of Interactive Flat Panel in India with Optoma Corporation, which is recognized in the industry for delivering projectors that deliver a winning combination of craftsmanship, advanced engineering, user-focused feature set and compelling price points and globally having captured the 3rd position as a projector brand and the 1st position as a home segment projectors brand.

Alcatel-Lucent Enterprise, a European company with an established heritage of innovation and entrepreneurial spirit with over 2200 employees worldwide and headquartered in Paris, France, with direct business operations present in 50 countries, has appointed your Company as a Value Added Distributor to help building Partners on Voice, Data and Cloud Solutions for India and SAARC Market.

Further, a Distributor Agreement for providing Cloud Services was entered into by your Company with SmartCard Marketing Systems Inc. (SMKG), which is a specialized industry leader in cloud and mobility applications for the global Paytech and Fintech market, an entrepreneurial boutique providing commercial strategies with a proprietary portfolio of applications and wireframes for Banking, Retail E-Wallets, Digital ID-EKYC, etc.

Apart from above, there was no material change affecting the financial position of the Company from the date of closure of financial year till the date of signing of the Directors' Report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:

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



COMPUAGE INFOCOM LTD.
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APPRECIATION:

Your Directors are thankful to the Vendors, Customers, Bankers, Business Partners, Central and State Governments together with their departments and the local authorities, employees for their valuable support and co-operation.

The Directors also wish to express their gratitude to investors for the faith that they continue to repose in the Company.

For and on behalf of the Board of Directors
Compuage Infocom Limited,

Sd/-
Atul H. Mehta
Chairman and Managing Director

Date: 13th August, 2021

Place: Mumbai

Registered Office:

D-601/602 & G-601/602,
Lotus Corporate Park,
Graham Firth Steel Compound,
Western Express Highway,
Goregaon (East),
Mumbai – 400 063.

Annexure A

FORM AOC-I

**Statement containing salient features of the Financial Statements of Subsidiary
(Pursuant to first proviso to sub section (3) of section 129 read with rule 5 of Companies
(Accounts) Rules, 2014)**

The financial performance of the Subsidiary Company included in the Consolidated Financial Statements is detailed below:

1. Name of the Subsidiary : Compuage Infocom (S) Pte. Ltd.
2. Turnover
Current Period : NIL
Previous Period : NIL
Growth (%) : Not applicable
3. Profit/(Loss) Before Tax
Current Period : Rs. 19.91 Lakh
Previous Period : Rs. (25.07) Lakh
Growth (%) : 179%
4. Profit/(Loss) After Tax
Current Period : Rs. 19.91 Lakh
Previous Period : Rs. (25.07) Lakh
Growth (%) : 179%

PART "A": SUBSIDIARIES

Sr. No.	Particulars	Details
1.	Sl. No.	1
2.	Name of the Subsidiary	Compuage Infocom (S) Pte. Ltd.
3.	The date since when subsidiary was acquired	2009-2010
4.	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	Same as Parent Co.
5.	Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	USD 1USD = 73.1050 INR
6.	Share Capital	Rs.73.11 Lakh
7.	Reserves and Surplus	Rs.45.75 Lakh
8.	Total Assets	Rs.596.04 Lakh
9.	Total Liabilities	Rs. 596.04 Lakh
10.	Investments	NIL
11.	Turnover	NIL
12.	Profit before taxation	Rs.19.91 Lakh
13.	Provision for taxation	Nil
14.	Profit after taxation	Rs. 19.91 Lakh
15.	Proposed Dividend	NIL
16.	Extent of shareholding (in %)	100

Notes:

1. Names of subsidiaries which are yet to commence operations - NIL
2. Names of subsidiaries which have been liquidated or sold during the year – NIL



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PART “B”: ASSOCIATES AND JOINT VENTURES
(Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures)

Since the Company does not have any Associate Company or any Joint Venture, the said para is not applicable.

For **Compuage Infocom Limited**,

Sd/-

Atul H. Mehta

Chairman and Managing Director

Date: 13th August, 2021

Place: Mumbai

Annexure B

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

1. Brief Outline on Corporate Social Responsibility Policy of the Company:

Your Company strongly believes in the concept of 'sustainable livelihood' and this can be achieved only through active contribution to socio-economic development of communities in which the Company operates. Your Company's Corporate Social Responsibility (hereinafter referred to as "CSR") Policy is aimed at demonstrating care for the community through its focus on education and skill development, social care, health and wellness. The CSR Policy sets out the Company's commitment and approach towards CSR under Section 135 of the Companies Act, 2013 (hereinafter referred to as "Act").

2. Composition of the CSR Committee:

The Members of the CSR Committee as on 31st March, 2021, are as under:

Sr. No.	Name	Designation / Nature of Directorship	No. of Meetings of the CSR Committee held during the year	No. of Meetings of the CSR Committee attended during the year
1	Mr. Ganesh S. Ganesh	Chairman - Non-Executive Independent Director	4	3
2	Mr. Vijay Agarwal	Member - Non-Executive Independent Director	4	4
3	Mr. Bhavesh H. Mehta	Member - Whole-Time Director	4	4

3. Web-link of composition of CSR Committee, CSR Policy and CSR Projects as approved by the Board:

www.compuageindia.com

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (CSR Policy) Rules, 2014, if applicable (attach the report): Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of Rule 7 of the Companies (CSR Policy) Rules, 2014 and amount required for set-off for the financial year, if any:

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs.)	Amount required to be set-off for the financial year, if any (in Rs.)
Not Applicable			

6. Average net profit of the Company as per Section 135(5): Rs. 3502.14 Lakh

7(a) Two percent of average net profit of the company as per Section 135(5): Rs. 70.04 Lakh

7(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL

7(c) Amount required to be set-off for the financial year, if any: NIL

7(d) Total CSR obligation for the financial year (7a+7b-7c): Rs. 70.04 Lakh

8(a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
79.02 Lakh	Not Applicable		Not Applicable		

8(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial Year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
Not Applicable												

8(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (in Rs.)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
1.	Health / Medical		Yes	-Bangalore: Karnataka and Srinagar: Jammu & Kashmir		1861355	Directly and through NGOs/Charitable houses	- Inga Health Foundation - PM CARES Fund	Applicable for CSR activities undertaken with effect from 1 st April, 2021
2.	Education		Yes	- Jamnagar, Gujarat - Mumbai, Thane, Vasai, Virar: Maharashtra - Mumbai: Maharashtra - Mathura: Uttar Pradesh		5075730	Directly and through NGOs/Charitable houses	- Rog Vimochan Shri Gangamata - Shree Vagad Graduates Association - Mumbai Gujarati Sangathan - Jan Jagrati Sevarth Sansthan	
3.	Social		Yes	- Mumbai: Maharashtra - Bangalore: Karnataka - Jamnagar, Gujarat - Jamnagar, Gujarat - Jamnagar, Gujarat - Jamnagar, Gujarat		965000	No	- Doaba Vikas Evam Utthan Samiti - iPartner India - MP Shah Municipal Vrudhashram - Rog Vimochan Shri Gangamata - Lotus Charitable Trust - Mumbai Gujarati Sangathan	
Total						7902085			

8(d) Amount spent in Administrative Overheads: NIL
8(e) Amount spent on Impact Assessment, if applicable: Not Applicable
8(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 79.02 Lakh

8(g) Excess amount for set-off, if any:

Sr. No.	Particulars	Amount (in Rs.)
(i)	Two percent of average net profit of the Company as per section 135(5)	70.04 Lakh
(ii)	Total amount spent for the Financial Year	79.02 Lakh
(iii)	Excess amount spent for the financial year [(ii)-(i)]	2.94 Lakh (The remaining difference of Rs. 6.04 Lakh pertains to the unspent CSR Amount of the previous financial year FY 2019-20)
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set-off in succeeding financial years [(iii)-(iv)]	2.94 Lakh

9(a) Details of Unspent CSR amount for the preceding three financial years:

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135(6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in Rs.)
				Name of the Fund	Amount (in Rs)	Date of transfer	
1.	2019-20	NIL	6.04 Lakh	NIL			NIL
	Total		6.04 Lakh	NIL			

9(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sr. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial Year (in Rs)	Cumulative amount spent at the end of reporting Financial Year (in Rs.)	Status of the project - Completed /Ongoing
Not Applicable								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details):

(a) Date of creation or acquisition of the capital asset(s): Not Applicable

(b) Amount of CSR spent for creation or acquisition of capital asset: Not Applicable

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: Not Applicable

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): Not Applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable

For Compuage Infocom Limited,

Sd/-

Atul H. Mehta
Chairman and Managing Director

Sd/-

Ganesh S. Ganesh
Chairman - CSR Committee

Date: 13th August, 2021

Place: Mumbai

Annexure C

CORPORATE GOVERNANCE REPORT

The report on Corporate Governance is in compliance with Schedule V of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 (hereinafter referred to as “**Listing Regulations**”) is as follows:

1. COMPANY’S PHILOSOPHY ON CODE OF GOVERNANCE

Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. Compuage Infocom Limited (hereinafter referred to as “**CIL / Company**”) believes that corporate governance is not only a principle that the organization follows but it is a way of life that is embedded in its behavior and culture. The philosophy of the Company’s corporate governance ensures transparency in its affairs and the functioning of the Management and the Board and accountability towards its stakeholders. It also encompasses the oversight of business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large. The Company’s policies focus on the augmentation of long-term shareholders’ value without compromising on integrity, social obligations, and regulatory compliances. While dealing with its stakeholders, the Company functions within recognized standards of propriety, fair play and justice and aims at creating a culture of openness. It has established a system that encourages all its employees to voice their concerns openly and without any fear or inhibition.

CIL believes Corporate Governance is not just a destination, but a journey to constantly improve sustainable value creation. It is an upward-moving target that we collectively strive towards achieving.

The Company is in compliance with the requirements stipulated under Regulations 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations, as applicable, with regard to Corporate Governance.

2. APPROPRIATE GOVERNANCE STRUCTURE WITH DEFINED ROLES AND RESPONSIBILITIES

The Company has put in place an internal governance structure with defined roles and responsibilities of every constituent of the system.

The Corporate Governance structure at CIL is as follows:

1. Board of Directors: The Board is entrusted with an ultimate responsibility of the management, directions and performance of the Company. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the Company’s Management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosures.

2. Committees of the Board: The Board has constituted the following Committees viz, Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Stakeholders’ Relationship Committee. Each of the said Committee has been mandated to operate within a given framework.

CIL’s Company Secretary acts as the Secretary to all the Committees.

3. BOARD OF DIRECTORS

The Board of the Company is formed with an optimum combination of executive and non-executive directors, which not only meets the legal obligation but also makes a diversified Board with a mixed blend of experiences, expertise, and professionals. The Board while discharging its responsibilities and provides effective leadership to the business, upholds the corporate value, promotes the ethical culture, endorses sustainability and leverages innovation. Independent Directors play a pivotal role in upholding corporate governance norms and ensuring fairness in decision-making. Being experts in various fields, they also bring independent judgment on matters of strategy, risk management, controls and business performance.

The composition of the Board of your Company is in conformity with Regulation 17 of the Listing Regulations read with Section 149 of the Companies Act, 2013 (hereinafter referred to as “Act”), consisting of 2 Executive Directors and 4 Non-Executive Independent Directors.

The table below summarizes the key skills, expertise and competence and the Directors who possess such skills, expertise and competence:

Skills, Expertise and Competence and their details	Mr. Atul H. Mehta	Mr. Bhavesh H. Mehta	Mr. Ganesh S. Ganesh	Mr. Vijay Agarwal	Mrs. Fatima Hussaini Nasab	Mr. Virendra G. Bhatt*
Business Development Planning and developing strategies that enable sustainable growth	✓	✓				
Industry Experience Experience in and knowledge of the industry in which the organization operates, technical competencies resulting in knowledge of how to anticipate technological trends, generate innovation, and extend or create new business models	✓	✓				
Sales and Marketing Building brand awareness, identifying the business Strengths Weaknesses Opportunities and Threats, and thereby enhancing overall enterprise reputation	✓	✓				
Financial Management Management of financial function of the Company resulting in proficiency in complex financial management, capital allocation and financial reporting processes and experience in actively supervising principal accounting and auditing and performing similar functions	✓	✓	✓	✓		
Leadership Extending leadership experience in the organizations, strategic planning and risk management. Developing talent and driving change for long term growth	✓	✓				
Business Judgement Ability to identify key risks to the organization in a wide range of areas including legal and regulatory compliance and monitor risk and compliance management frameworks and systems	✓	✓				✓
Human Resource Management Developing strategies to manage human resources and achieve change.	✓	✓			✓	

*Appointed as Non-Executive Independent Director w.e.f. 6th July, 2021

All the Directors take active part at the Board and Committee Meetings by providing valuable guidance to the Management on various aspects of business.

The tenure of the Independent Directors is in compliance with the Act. All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. In the opinion of the Board, the Independent Directors, fulfills the conditions of independence specified in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations.

The Company through its Familiarization Programme, as stated on the website of the Company at www.compuageindia.com, familiarizes not only the Independent Directors but any new appointee on the Board, with a brief background of the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model, operations of the Company, etc. They are also informed of the important policies of the Company.

Membership, Attendance and Other Directorships:

The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and the number of Directorships and Committee Chairmanships / Memberships held by them in other companies as on 31st March, 2021, is given below:

Name of Director	Designation	No. of Directorship in other Public Limited Companies	Other Companies Committees		List of Directorship held in Other Listed Companies and Category of Directorship
			Membership	Chairmanship	
Mr. Atul H. Mehta (DIN: 00716869)	Promoter, Executive, Chairman and Managing Director	Nil	Nil	Nil	Nil
Mr. Bhavesh H. Mehta (DIN: 00740861)	Promoter, Executive and Whole-Time Director	Nil	Nil	Nil	Nil
Mr. Ganesh S. Ganesh (DIN: 00010877)	Non-Executive Independent Director	Nil	Nil	Nil	Nil
Mr. Vijay Agarwal (DIN: 00058548)	Non-Executive Independent Director	4	6	1	<ul style="list-style-type: none"> Themis Medicare Limited (Independent Director) Gujarat Themis Biosyn Ltd (Independent Director)
Mrs. Fatima Hussaini Nasab (DIN: 08507217)	Non-Executive Independent Director	Nil	Nil	Nil	Nil
Mr. Ajay H. Mehta (DIN: 00686327)*	Director	1	Nil	Nil	Nil
Mr. Virendra G. Bhatt (DIN: 02343351)**	Non-Executive Independent Director	Nil	Nil	Nil	Nil

*Appointed as Director w.e.f. 18th August, 2020 and resigned w.e.f. 25th February, 2021

**Appointed as Non-Executive Independent Director w.e.f. 6th July, 2021

Notes:

1. The Directorship held by Directors as mentioned above, do not include Directorships in CIL and of Foreign Companies, Section 8 Companies of the Act and Private Limited Companies.
2. In accordance with the Listing Regulations, Memberships / Chairmanships of only Audit Committee and Stakeholders Relationship Committee of all Public Limited Companies have been considered.
3. As required by the Act (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Listing Regulations, none of the Directors hold Directorship in more than 20 public companies, membership of Board Committees (Audit Committees / Stakeholders Relationship Committee) in excess of 10 and Chairmanship of Board Committees as aforesaid in excess of 5.
4. The requirements of Regulation 17 and Regulation 26 of the Listing Regulations have been duly complied with.
5. Except Mr. Atul H. Mehta, Chairman and Managing Director and Mr. Bhavesh H. Mehta, Whole-Time Director, who are related to each other as brothers, none of the other present Director is related to any other Director on the Board in terms of definition of 'relative' as per the Act (including any statutory modification(s) or re-enactment thereof for the time being in force).

BOARD MEETINGS

The Board meets at regular intervals to discuss and decide on business strategies / policies including performance of the Company, employee relations, review the financial performance, etc., of the Company. The Board Meetings are pre-scheduled and notice and detailed agenda along with the relevant notes and other material information is circulated to the Directors well in advance to facilitate the Directors to plan their schedule. This ensures timely and informed decisions by the Board.

The Board sets annual performance objectives, oversees the actions and results of the management, evaluates its own performance, performance of its Committees and individual Directors on an annual basis and monitors the effectiveness of the Company's governance practices for enhancing the stakeholders' value.

In the financial year 2020-21, the Board met eleven times. The interval between two Meetings was well within the maximum period mentioned under Section 173 of the Act and the Listing Regulations.

The dates on which the Board Meetings were held are as follows:

2nd May, 2020 :: 23rd June, 2020 :: 18th July, 2020 :: 14th August, 2020 :: 24th September, 2020 :: 1st October, 2020 :: 12th November, 2020 :: 27th January, 2021 :: 12th February, 2021 :: 25th February, 2021 :: 18th March, 2021

Name of the Directors	Relationship with other Directors	No. of Board Meetings Held	No. of Board Meetings Attended	Attendance at last AGM
Mr. Atul H. Mehta (DIN: 00716869)	Brother of Mr. Bhavesh H. Mehta	11	11	Yes
Mr. Bhavesh H. Mehta (DIN: 00740861)	Brother of Mr. Atul H. Mehta	11	11	Yes
Mr. Ganesh S. Ganesh (DIN: 00010877)	#	11	11	Yes
Mr. Vijay Agarwal (DIN: 00058548)	#	11	8	Yes
Mrs. Fatima Hussaini Nasab (DIN: 08507217)	#	11	8	Yes
Mr. Ajay H. Mehta (DIN: 00686327)*	Brother of Mr. Atul H. Mehta and Bhavesh H. Mehta	7	7	Yes
Mr. Virendra G. Bhatt (DIN: 02343351)**	#	1	1	NA

*Appointed as Director w.e.f. 18th August, 2020 and resigned w.e.f. 25th February, 2021

**Appointed as Non-Executive Independent Director w.e.f. 6th July, 2021

#There is no relationship among any of the Directors

The Board has granted leave of absence to the Directors who were absent at the respective Board Meeting(s) at their request.

Separate meeting of the Independent Directors:

In compliance with Regulation 25(3) of the Listing Regulations and Schedule IV of the Act, separate meeting of the Independent Directors was held on 18th March, 2021, for FY 2020-21, without the presence of Non-Independent and in the said meeting, the Independent Directors, inter-alia, considered the following:

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

Compliance Framework:

The Company has a robust and effective framework for monitoring compliances with applicable laws within the organization and providing updates to senior management and the Board periodically. The Audit Committee and the Board periodically review the status of the compliances with the applicable laws.

Code of Conduct:

The Board has formulated a Code of Conduct for the Board Members and Senior Management of the Company. The Company believes in “Zero Tolerance” to any ethical violations, in all forms or manner. The Code lays emphasis amongst other things, on integrity at the workplace and in business practices, honest and ethical personal conduct, diversity, fairness, and respect, etc.

In respect of FY 2020-21, all Board members and Senior Management personnel of the Company have affirmed the compliance with the Code as applicable to them and a declaration to this effect signed by the Chairman is enclosed at the end of this Report.

COMMITTEES OF THE BOARD

As per the provisions of the Act and the Listing Regulations, the Company has the following Committees:

- A. Audit Committee
- B. Stakeholders' Relationship Committee
- C. Nomination and Remuneration Committee
- D. Corporate Social Responsibility Committee

A. AUDIT COMMITTEE

a) Composition of Audit Committee:

The Committee comprises of three Members who possess strong accounting and financial management knowledge. All the members of the Audit Committee are Independent Directors of the Company. Mr. Ganesh S. Ganesh chairs the Committee. Ms. Anmol Jolly, Company Secretary, acts as a Secretary to the Committee.

The Committee is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process. The Chairman of the Audit Committee regularly interacts with the Internal Auditors and Statutory Auditors of the Company to have independent discussions with them. The previous Annual General Meeting of the Company was held on 18th August, 2020 and Mr. Ganesh S. Ganesh, being the Chairman of the Audit Committee, was present thereat, to answer the queries of the shareholders.

The composition, quorum, powers, role and scope are in accordance with Section 177 of the Act and the provisions of Regulation 18 of the Listing Regulations. They function in accordance with its terms of reference which define its authority, responsibility and reporting function.

b) Terms of Reference of Audit Committee:

The terms of reference / powers of the Audit Committee have been specified by the Board of Directors and include all aspects specified under the Listing Regulations, as under:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommending to the Board, the appointment, re-appointment, terms of appointment and, if required, the replacement or removal of the Statutory Auditors and the fixation of audit fees;

- Approval of payment to Statutory Auditors for any other services rendered by them;
- Reviewing with the Management, the Annual Financial Statements and Auditors' Report before submission to the Board for approval, with particular reference to:
 - Matters to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of Section 134 of the Act.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by the Management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of any Related Party Transactions.
 - Modified opinion(s) in the draft audit report, if any.
- Reviewing with the Management, the Quarterly Financial Statements before submission to the Board for approval;
- Reviewing, with the Management, the statement of uses / application of funds raised through an issue (public issue, right issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency, monitoring the utilisation of proceeds of public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the Management, performance of Statutory and Internal Auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, 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;
- Discussion with Internal Auditors of any significant findings and follow up there on;
- Reviewing 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;
- Discussion 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;
- To 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;
- Establish a vigil mechanism for Directors and employees to report genuine concerns in such manner as may be prescribed;
- To review the functioning of Whistle Blower mechanism;
- Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- To allow Auditors and Key Managerial Personnel, a right to be heard while considering the Auditor's Report;
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;
- 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, if applicable;
- Considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;
- To mandatorily review the following information:
 - To define significant related party transactions.
 - Management discussion and analysis of financial condition and results of operations.
 - Statement of significant related party transactions (as defined by the Audit Committee), submitted by Management.
 - Management letters / letters of internal control weaknesses issued by the Statutory Auditors.
 - Internal audit reports relating to internal control weaknesses.
 - The appointment, removal and terms of remuneration of the Chief Internal Auditor.
 - Statement of deviations, if applicable:
 - ❖ Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to the stock exchange(s) in terms of Regulation 32(1) of the Listing Regulations.
 - ❖ Annual statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice in terms of Regulation 32(7) of the Listing Regulations.

c) **The details of Meetings attended by the members of the Audit Committee are given below:**

Name of Director	Category	Position	No. of Meetings	
			Held	Attended
Mr. Ganesh S. Ganesh	Non-Executive Director Independent	Chairman	6	6
Mr. Vijay Agarwal	Non-Executive Director Independent	Member	6	6
Mrs. Fatima Hussaini Nasab	Non-Executive Director Independent	Member	6	5

In the financial year 2020-21, the Audit Committee met six times. The interval between two Meetings was well within the maximum period mentioned under Regulation 18 of the Listing Regulations.

The dates on which the Audit Committee Meetings were held are as follows:

23rd June, 2020 :: 18th July, 2020 :: 14th August, 2020 :: 12th November, 2020 :: 12th February, 2021 :: 18th March, 2021

The necessary quorum was present for all the Meetings. The minutes of the meetings of the Committee were placed before and noted by the Board.

B. NOMINATION AND REMUNERATION COMMITTEE

a) **Composition of Nomination and Remuneration Committee:**

The Nomination and Remuneration Committee of the Company is constituted in line with the provisions of Regulation 19 of the Listing Regulations read with Section 178 of the Act. To ensure that remuneration to the Board and senior management is in line with the strategic aims of the business, the Company has a Nomination and Remuneration Committee. The Nomination and Remuneration Committee reviews and approves the annual salaries, performance commissions, service agreements and other employment conditions for Executive Directors.

The Committee comprises of three members, all of whom are Independent Directors of the Company. Mr. Ganesh S. Ganesh chairs the Committee. Ms. Anmol Jolly, Company Secretary, acts as a Secretary to the Committee. The previous Annual General Meeting of the Company was held on 18th August, 2020 and Mr. Ganesh S. Ganesh, being the Chairman of the Nomination and Remuneration Committee, was present thereat, to answer the queries of the shareholders.

b) **Terms of Reference of Nomination and Remuneration Committee:**

- Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other Employees;
- Formulation of criteria for evaluation of performance of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- The Nomination and Remuneration Committee recommends to the Board, the compensation terms including periodic revision, performance bonus, incentives, commission, other services, perquisites and benefits payable to the Executive Directors;
- Framing and implementing on behalf of the Board and the shareholders, a credible and transparent policy on remuneration of Executive Directors;
- Considering, approving and recommending to the Board, any change in designation and increase in salary of the Executive Directors;
- Ensuring that the remuneration policy is good enough to attract, retain and motivate Directors;
- Bringing about objectivity in deeming the remuneration package while striking a balance between the interest of the Company and the shareholders;
- Deciding on 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;
- Such other matters, as the Board may, from time to time, request the Nomination and Remuneration Committee to examine and recommend / approve.

- c) The details of Meetings attended by the members of the Nomination and Remuneration Committee are given below:

Name of Director	Category	Position	No. of Meetings	
			Held	Attended
Mr. Ganesh S. Ganesh	Non-Executive Director	Independent Chairman	6	6
Mr. Vijay Agarwal	Non-Executive Director	Independent Member	6	6
Mrs. Fatima Hussaini Nasab	Non-Executive Director	Independent Member	6	6

In the financial year 2020-21, the Nomination and Remuneration Committee met six times, dates of which are as follows:

18th July, 2020 :: 14th August, 2020 :: 25th September, 2020 :: 4th November, 2020 :: 12th February, 2021 :: 25th February, 2021

The necessary quorum was present for all the Meetings. The minutes of the meetings of the Committee were placed before and noted by the Board.

Performance Evaluation:

Pursuant to the provisions of the Act and the applicable provisions of the Listing Regulations, the Annual performance evaluation was carried out for FY 2020-21 by the Board in respect of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration, Stakeholders' Relationship and Corporate Social Responsibility Committees. A structured questionnaire covering various aspects such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance was prepared. 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 guidance / support to management outside Board / Committee meetings, degree of fulfillment of key responsibilities, the effectiveness of meetings, etc. The performance evaluation of the Independent Directors was carried out by the entire Board excluding the Directors being evaluated. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors.

Remuneration Policy:

The Company's Remuneration Policy is based on the fundamental rule of rewarding performances as against earmarked objectives. While deciding on remuneration for Directors, the Board and Nomination and Remuneration Committee consider the performance of the Company, current trend in the industry, the qualification of the appointee, his / her experience, past performance and other relevant factors. This information is used to review the Company's remuneration policies. The policy aims at attracting and retaining high caliber talent and ensures equity, fairness and consistency in rewarding the employees. There is no pecuniary relationship or transaction of the Non-Executive Directors vis-à-vis the Company. The criteria for making payments to the Non-Executive Directors is as per the Terms and Conditions placed on the website of the Company at www.compuageindia.com.

The annual variable pay of senior managers is linked to the Company's performance in general and the performance of their functions / business units for the relevant year is measured against specific major performance areas which are closely aligned to the Company's objectives.

Remuneration to Executive Directors:

Name of Director	Position	Salary & Perquisite	Service Contract
Mr. Atul H. Mehta	Chairman and Managing Director	Rs.1,20,00,000/- p.a.	5 years w.e.f. 08.09.2020 to 07.09.2025.
Mr. Bhavesh H. Mehta	Whole-Time Director	Rs.1,20,00,000/- p.a.	3 years w.e.f. 18.10.2020 to 17.10.2025

Remuneration to Non-Executive Directors:

The remuneration paid to Non-Executive Independent Directors of the Company, Mr. Vijay Agarwal and Mrs. Fatima Hussaini Nasab and to Mr. Virendra G. Bhatt, Non-Executive Independent Director, based on the recommendation of Nomination and Remuneration Committee is Rs. 1,00,000/- each, per Board Meeting attended. Whereas, Mr. Ganesh S. Ganesh, Non-Executive Independent Director of the Company stated his unwillingness towards acceptance of sitting fees for the Board and Committee Meetings to be attended by him. The remuneration excludes reimbursement of expenses on actual basis to Directors for attending meetings of the Board / Committee.

Name	Sitting Fees	Commission
Mr. Vijay Agarwal	Rs. 800000/-	0
Mrs. Fatima Hussaini Nasab	Rs. 800000/-	0
Mr. Virendra G. Bhatt*#	Rs. 100000/-	0

*Appointed as Non-Executive Independent Director w.e.f. 6th July, 2021

#Sitting Fees was paid for Board Meeting attended as Additional Non-Executive Independent Director

Presently, the Non-Executive Directors of the Company are not paid commission. Evaluation of the performance of the Non-Executive Directors is done by the Executive Directors, taking into consideration their skills, expertise and competence and contribution for the success of the Company.

Shareholding of Non-Executive Directors

Details of the Equity Shares held by Non-Executive Directors as on 31st March, 2021, is as under:

Name of the Director	No. of Equity shares
Mr. Ganesh S. Ganesh	1255
Mr. Vijay Agarwal	Nil
Mrs. Fatima Hussaini Nasab	Nil
Mr. Virendra G. Bhatt*	Nil

*Appointed as Non-Executive Independent Director w.e.f. 6th July, 2021

The Company does not have any Employee Stock Option Scheme. Additional details pertaining to remuneration is covered in the Directors' Report.

C. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

a) Composition of Stakeholders' Relationship Committee:

The Stakeholders' Relationship Committee is constituted in line with the provisions of Regulation 20 of the Listing Regulations read with Section 178 of the Act. The Committee comprises of three members viz. Mr. Ganesh S. Ganesh and Mrs. Fatima Hussaini Nasab, Non-Executive Independent Directors, and Mr. Atul H. Mehta, Chairman and Managing Director of the Company. Mr. Ganesh S. Ganesh chairs the Committee. Ms. Anmol Jolly, Company Secretary, is designated as the "Compliance Officer" who oversees the redressing of the investors' grievances and acts as a Secretary to the Committee.

b) Terms of Reference of Stakeholders' Relationship Committee:

- Consider and approve issue of share certificates (including issue of renewed or duplicate share certificates);
- Resolving the grievances of the security holders of the Company including complaints related to transfer / transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new / duplicate certificates, general meetings, etc;
- Review of measures taken for effective exercise of voting rights by shareholders;
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent;
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders of the Company;
- The Committee also monitors the implementation and compliance of the Company's Code of Conduct for Prohibition of Insider Trading in pursuance of SEBI (Prohibition of Insider Trading) Regulations, 2015.

c) The details of Meetings attended by the members of the Stakeholders' Relationship Committee are given below:

Name of Director	Category	Position	No. of Meetings	
			Held	Attended
Mr. Ganesh S. Ganesh	Non-Executive Independent Director	Chairman	3	3
Mr. Atul H. Mehta	Chairman and Managing Director	Member	3	3
Mrs. Fatima Hussaini Nasab	Non-Executive Independent Director	Member	3	3

- a) In the financial year 2020-21, the Stakeholders' Relationship Committee met three times, dates of which are as follows: **14th August, 2020 :: 4th November, 2020 :: 12th February, 2021.**

- b) The necessary quorum was present for all the Meetings. The minutes of the meetings of the Committee were placed before and noted by the Board.
- c) The Company has appointed Link Intime India Private Limited, Mumbai, to act as Registrar and Share Transfer Agent of the Company. The Committee also oversees the performance of the Registrar and Share Transfer Agent and recommends measures for overall improvement of the quality of investor services as and when the need arises.
- d) The previous Annual General Meeting of the Company was held on 18th August, 2020 and Mr. Ganesh S. Ganesh, being the Chairman of the Stakeholders' Relationship Committee, was present thereat, to answer the queries of the shareholders.
- e) Details of investor complaints received and redressed during the year 2020-2021 are as follows:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
Nil	Nil	Nil	Nil

D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

a) Composition of Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee (hereinafter referred to as “**CSR Committee**”) of the Company is constituted in line with the provisions of Section 135 of the Act. The Committee comprises of three members viz. Mr. Ganesh S. Ganesh and Mr. Vijay Agarwal, Non-Executive Independent Directors, and Mr. Bhavesh H. Mehta, Whole-Time Director of the Company. Mr. Ganesh S. Ganesh chairs the Committee. Ms. Anmol Jolly, Company Secretary, acts as a Secretary to the Committee.

b) Terms of Reference of CSR Committee:

- Formulate and recommend to the Board, a CSR policy indicating the activities to be undertaken by the Company in areas or subject, as specified in Schedule VII of the Act;
- Recommend the amount of expenditure to be incurred on the activities referred to above;
- Monitor the CSR Policy of the Company from time to time.

c) The details of Meetings attended by the members of the CSR Committee are given below:

Name of Director	Category	Designation	No. of Meetings attended	
			Held	Attended
Mr. Ganesh S. Ganesh	Non-Executive Independent Director	Chairperson	4	3
Mr. Vijay Agarwal	Non-Executive Independent Director	Member	4	4
Mr. Bhavesh H. Mehta	Whole-Time Director	Member	4	4

In the financial year 2020-21, the CSR Committee met four times, dates of which are as follows:

23rd June, 2020 :: 14th August, 2020 :: 4th November, 2020 :: 12th February, 2021

The necessary quorum was present for all the Meetings. The minutes of the meetings of the Committee were placed before and noted by the Board.

The previous Annual General Meeting of the Company was held on 18th August, 2020 and Mr. Ganesh S. Ganesh, being the Chairman of the CSR Committee, was present thereat, to answer the queries of the shareholders.

The Board has also approved the revised CSR Policy as formulated and recommended by the CSR Committee. The same is displayed on the website of the Company www.compuageindia.com. A CSR Report giving details of the CSR activities undertaken by the Company during the year along with the amount spent on CSR activities is appended to the Directors' Report as Annexure B.

Subsidiary Companies:

Compuage Infocom (S) Pte. Ltd. is a wholly-owned subsidiary of the Company, incorporated as per laws of Singapore located at 69, UBI Crescent, #03-04 CES Building, Singapore (408561).

Your Company does not have any material non-listed Indian Subsidiary Company, whose turnover or net worth exceeds 10% of the consolidated turnover or networth respectively, of the Company and its subsidiaries in the immediately preceding accounting year, in terms of Regulation 16(1)(c) of the Listing Regulations.

The Audit Committee reviews the financial statements including investments. Also, copies of the minutes of the subsidiary company are placed before the Board of the Company on a periodical basis.

GENERAL BODY MEETINGS

Annual General Meetings:

1. Location, date and time of General Meetings held in last three years:

Year	AGM/ EGM	Date	Time	Venue	Special Business
2019-20	21 st AGM	18.08.2020	11:00 a.m.	Video Conferencing / Other Audio Visual Means	<ol style="list-style-type: none"> 1. Appointment of Branch Auditors and fix their remuneration; 2. Re-appointment of Mr. Atul H. Mehta (DIN: 00716869) as a Managing Director; 3. Re-appointment of Mr. Bhavesh H. Mehta (DIN: 00740861) as a Whole-Time Director; 4. Appointment of Mr. Ajay H. Mehta (DIN: 00686327) as a Director.
2018-19	20 th AGM	21.08.2019	10:00 a.m.	Hotel Bawa International, Near Domestic Airport, Next to Orchid Hotel, Vile Parle East, Mumbai – 400 099	<ol style="list-style-type: none"> 1. Appointment of Branch Auditors and fix their remuneration; 2. Re-appointment of Mr. Ganesh Shiva Ganesh (DIN: 00010877) as an Independent Director; 3. Re-appointment of Mr. Vijay Agarwal (DIN: 00058548) as an Independent Director; 4. Appointment of Mrs. Fatima Hussaini Nasab (DIN: 08507217) as an Independent Director; 5. Amendment of Articles of Association.
2018-19	EGM	01.03.2019	10:00 a.m.	Victoria Memorial School for Blind, 73 Tardeo Road, Opp. Film Centre, Mumbai – 400 034	<ol style="list-style-type: none"> 1. Increase in Authorised Share Capital and consequential alteration of Capital Clause of Memorandum of Association; 2. Issue upto 62,35,811 Equity Shares on Preferential Issue basis; 3. Issue upto 1,00,00,000 Optionally Convertible Preference Shares on Preferential Issue basis.
2017-18	19 th AGM	28.09.2018	10:00 a.m.	Victoria Memorial School for Blind, 73 Tardeo Road, Opp. Film Centre, Mumbai – 400 034	<ol style="list-style-type: none"> 1. Appointment of Branch Auditors and fix their remuneration; 2. Approve the aggregate annual remuneration payable to the Promoter-Executive Directors / Members of the Promoter Group exceeding 5% of the Net Profits of the Company calculated as per Section 198 of the Companies Act, 2013.

Postal Ballot:

During the year, the Board at its meeting held on 29th May, 2021, recommended to the Members to approve appointment of Mr. Virendra G. Bhatt (DIN: 02343351) as Non-Executive Independent Director of the Company for a consecutive term of 5 (Five) years commencing from 6th July, 2021 to 22nd February, 2026, notwithstanding that he has attained the age of 75 (Seventy Five) years pursuant to Regulation 17(1A) of the Listing Regulations, by passing Special Resolution through Postal Ballot. The Postal Ballot process commenced on 3rd June, 2021 and concluded on 3rd July, 2021. Mr. Avinash Bagul, failing whom, Mr. Venkataraman Krishnan, Partners, BNP & Associates, Practicing Company Secretaries, was appointed as Scrutinizer to conduct the said Postal Ballot process in a fair and transparent manner. He submitted the combined results of e-Voting through Postal Ballot alongwith his report on 5th July, 2021, to Mr. Atul H. Mehta, Chairman and Managing Director (DIN: 00716869) and the results were declared on the same day. The date of passing the resolution was 5th July, 2021.

MEANS OF COMMUNICATION

We recognize communication as a key element of the overall Corporate Governance framework, and therefore emphasis is on prompt, continuous, efficient and relevant communication to all external constituencies. We have established procedures to disseminate, in a planned manner, relevant information to our shareholders, analysts and the society at large.

- I. Quarterly / Half Yearly / Annual Results:** The quarterly / half yearly / annual financial results are usually published in Business Standard having nationwide circular and in Mumbai Lakshdeep have regional circular. The results are also submitted to the stock exchanges where the shares of the Company are listed, in accordance with the Listing Regulations.
- II. Website:** The website of the Company www.compuageindia.com contains a separate section 'Investor Relations' for use of investors. The quarterly, half yearly and annual financial results, press releases, investor presentations and schedules and transcripts of analyst calls are promptly and prominently displayed on the website. Annual Reports, Quarterly Corporate Governance Report, Shareholding Pattern and other Corporate Communications made to the stock exchanges are also available on the website. The details of unclaimed dividends are also available in the Investor Relations section, to help the shareholders to claim their dividend. In addition, various downloadable forms required to be executed by the shareholders have been also provided on the website.
- III. Communication to Shareholders on email:** As mandated by the Ministry of Corporate Affairs, documents like Notices, Annual Report, etc. were sent to the Shareholders at their email address, as registered with their Depository Participants / Registrar and Transfer Agents. This helped in prompt delivery of document, reduce paper consumption, save trees and avoid loss of documents in transit.
- IV. NEAPS (NSE Electronic Application Processing System), BSE Corporate Compliance & Listing Centre Portal:** National Stock Exchange of India Limited (hereinafter referred to as "NSE") and BSE Limited (hereinafter referred to as "BSE") have developed web based applications for corporates. All compliances like Financial Results, Shareholding Pattern and Corporate Governance Report, etc. are filed electronically on NEAPS and BSE Listing Centre.
- V. Annual Report:** Annual Report containing, inter alia, Audited Annual Accounts, Consolidated Financial Statements, Directors' Report, Auditors' Report and other important information is circulated to Members and others entitled thereto. The Management Discussion and Analysis Report forms part of the Annual Report. The Annual Report is also available on the website of the Company at www.compuageindia.com.

GENERAL SHAREHOLDERS INFORMATION

1. Annual General Meeting

Date and Time: 15th September, 2021 at 11:30 Hours IST

2. Board Meeting for considering of Audited Accounts: 29th May, 2021

3. Book Closure Date: 9th September, 2021 to 15th September, 2021 (both days inclusive)

4. Dividend Payment Date: On or after 16th September, 2021

5. Financial year: 1st April, 2020 to 31st March, 2021

6. Registered Office: Compuage Infocom Ltd.
D-601/602 & G-601/602,
Lotus Corporate Park,
Graham Firth Steel Compound,
Western Express Highway,
Goregaon (East), Mumbai – 400 063.

7. Listed on Stock Exchange

At present, the Equity Shares of the Company are listed at:

➤ **BSE Limited**

Address: Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001.

➤ **National Stock Exchange of India Limited**

Address: Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051.

8. Stock Exchanges Code:

ISIN No.:	INE070C01037
BSE Security Code:	532456
BSE Security ID:	COMPUAGE
NSE Symbol:	COMPINFO

9. Stock Price Data:

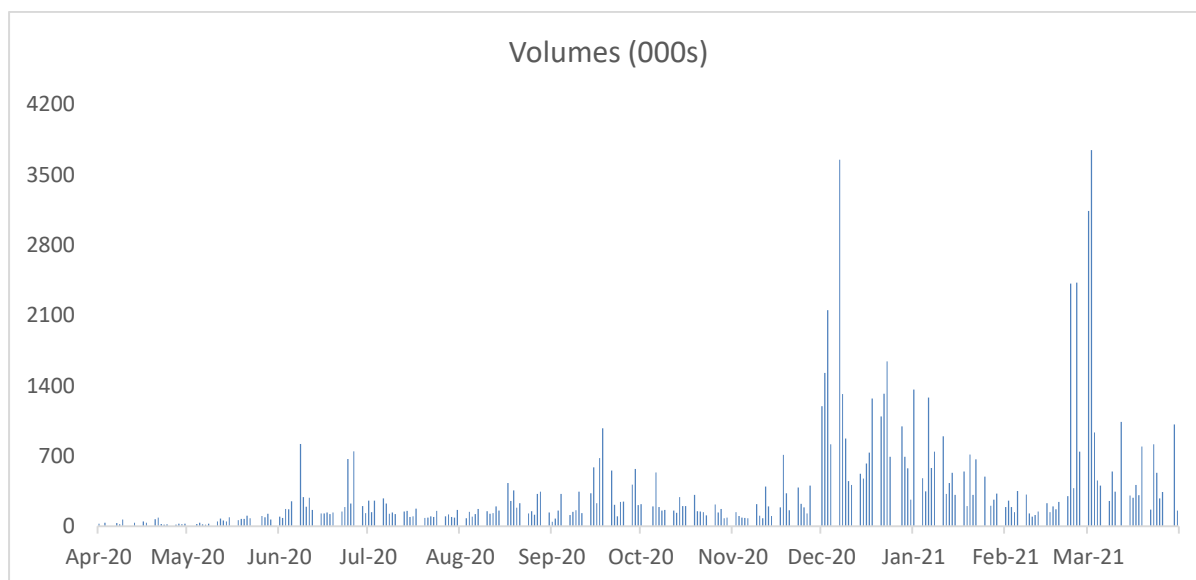
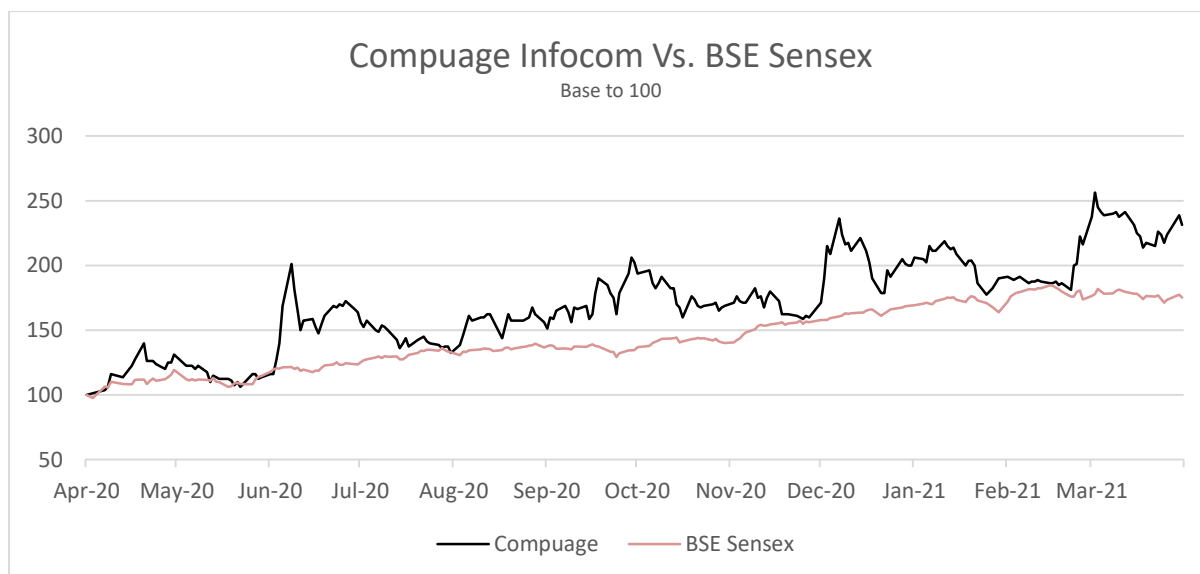
The monthly movement of equity share prices during the year at BSE and NSE is summarized below:

Month	Monthly Share Price movement during the financial year ended 31 st March, 2021 at BSE		Monthly Share Price movement during the financial year ended 31 st March, 2021 at NSE	
	*BSE		*NSE	
	High	Low	High	Low
April 2020	11.30	7.70	11.20	7.60
May 2020	10.90	8.50	10.20	8.40
June 2020	16.90	9.10	17.00	9.10
July 2020	12.90	10.50	13.00	10.50
August 2020	14.30	10.80	14.00	10.80
September 2020	17.30	11.60	17.00	11.70
October 2020	16.80	12.50	16.70	12.20
November 2020	15.00	12.60	15.50	12.50
December 2020	19.70	12.50	19.70	12.80
January 2021	18.30	14.00	18.30	14.00
February 2021	18.30	14.30	18.30	14.00
March 2021	21.50	16.10	21.40	16.10

*Source: BSE Website and NSE Website

10. Stock Performance:

The Performance of the Company's shares relative to the BSE Sensitive Index (SENSEX) is given in the Chart below:



11. Corporate Identity Number (CIN):

Our Corporate Identification Number, allotted by the Ministry of Corporate Affairs, Government of India is **L99999MH1999PLC135914** and our Registration Number is **135914**.

12. Payment of Depository Fees and Listing Fees:

Annual Custody / Issuer fees for the year 2021-22 has been paid by the Company to National Securities Depository Limited (hereinafter referred to as "NSDL") and Central Depository Services (India) Limited (hereinafter referred to as "CDSL").

Annual Listing Fees for the year 2021-22 has been paid by the Company to BSE and NSE.

13. Registrar and Transfer Agents:

Name & Address	:	Link Intime India Private Limited C 101, 247 Park, L. B. S. Marg, Vikhroli West, Mumbai: 400 083.
Phone No.	:	022 49186000, 022 49186270
Fax No.	:	022 49186060
E-Mail	:	mt.helpdesk@linkintime.co.in

14. Share Transfer System and Registrar and Transfer Agent:

All share transfer and other communications regarding share certificates, change of address, dividends, etc., should be addressed to Registrar and Transfer Agents. Stakeholders Relationship Committee is authorized to approve transfer of shares in the physical segment. The Committee has delegated authority for approving transfer and transmission of shares and other related matters to the officers of the Company. A summary of all the transfers / transmissions, etc., so approved by officers of the Company is placed at every Committee Meeting. All share transfers are completed within statutory time limit from the date of receipt, provided the documents meet the stipulated requirement of statutory provisions in all respects. The Company obtains from a Company Secretary in practice, half yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of the Listing Regulations and files a copy of the same with the Stock Exchanges.

15. (i) Distribution of Shareholding as on 31st March, 2021:

Shareholding of Nominal Value	Shareholders		Shares Amount	
	Nos.	%	Nos.	%
1 - 1,000	10869	82.9188	3189652	4.9090
1,001 - 2,000	924	7.0491	1488813	2.2913
2,001 - 4,000	544	4.1501	1626973	2.5040
4,001 - 6,000	287	2.1895	1440995	2.2177
6,001 - 8,000	86	0.6561	608628	0.9367
8,001-10,000	117	0.8926	1123827	1.7296
10,001 – 20,000	141	1.0757	2039658	3.1391
20,001 and above	140	1.0681	53457260	82.2726
Total	13108	100.00	64975806	100.00

(ii) Category of Shareholdings as on 31st March, 2021:

Category	No. of shares	% of Shareholding
Promoters & Promoters Group	37902990	58.3340
Clearing Member	384073	0.5911
Foreign Company	164175	0.2527
Hindu Undivided Family	1048180	1.6132
Investor Education and Protection Fund	580850	0.8939
Directors	1255	0.0019
Nationalised Banks	320	0.0005
Non Resident (Non Repatriable)	146137	0.2249
Non Resident Indians	2385186	3.6709
Other Bodies Corporate	2334667	3.5931
Public	20027973	30.8238
Total	64975806	100.00

16. Financial Release Dates:

Quarter	Release Date (Tentative and subject to change)
1 st Quarter ending 30 th June	Mid of August 2021
2 nd Quarter ending 30 th September	Mid of November 2021
3 rd Quarter ending 31 st December	Mid of February 2021
4 th Quarter ending 31 st March	Mid of May 2022

17. Dematerialisation of shares and liquidity and Lock-In of shares:

(a) Dematerialisation position as on 31st March, 2021:

Total No. of fully paid up Shares	No. of Listed Shares	Shares in Demat Form of the listed shares	Percentage %	Shares in Physical Form of the listed shares	Percentage %
6,49,75,806	6,49,75,806	6,44,81,681	99.24	4,94,125	0.76

Shares of the Company are traded in dematerialized form and are available for trading on both depositories in India, i.e., NSDL and CDSL.

Under the depository system, the International Securities Identification Number allotted to the Company's shares is **INE070C01037**.

(b) Details of Locked-in Shares:

i) Below are the Lock-In details of the shares allotted under preferential issue on 30th March, 2019:

Name of the Allottee	No. of Equity shares allotted	Distinctive Nos.		Lock-In upto
		From	To	
Bhavesh Harkishandas Mehta Jt. Forum Bhavesh Mehta	7,10,500	5,87,39,996	5,94,50,495	30 th September, 2022
Atul Harkishandas Mehta Jt. Falguni Atul Mehta	7,10,500	5,94,50,496	6,01,60,995	30 th September, 2022
Ajay Harkishandas Mehta Jt. Manisha Mehta	1,80,000	6,01,60,996	6,03,40,995	30 th September, 2022
Ajay H. Mehta	1,90,370	6,03,40,996	6,05,31,365	30 th September, 2022

18. Outstanding GDRs / ADRs:

The Company has not issued any GDRs / ADRs, therefore the question of outstanding GDRs / ADRs, etc., as at the end of 31st March, 2021, does not arise.

19. Address for Correspondence:

The Shareholders may address their communication / suggestions / grievances / queries to the Registrar and Share Transfer Agents at the address mentioned above, or to the Company at:

The Company Secretary

Compuage Infocom Limited

D-601/602 & G-601/602, Lotus Corporate Park,
Graham Firth Steel Compound, Western Express Highway,
Goregaon (East), Mumbai – 400 063.
Tel. No.: 91-22-67114444,
Fax: 022-67114445
Email: investors.relations@compuageindia.com

For any assistance regarding dematerialization of shares, share transfers, transmissions, change of address, payment of dividend on shares and any other query relating to shares of the Company:

(i) Registrar & Share Transfer Agent:

LINK INTIME INDIA PRIVATE LIMITED

C 101, 247 Park, L.B.S Marg,
Vikhroli West,
Mumbai- 400 083.
Tel: 022 49186000, 022 49186270 ;
Fax: 022 49186060;
Email: mt.helpdesk@linkintime.co.in

Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participants.

(ii) Any query on Annual Report:

Registered office of the Company as mentioned aforesaid.

20. Dates for transfer of Unclaimed Dividend to IEPF Account:

The following dividends which remain unpaid and unclaimed for a period of seven years will be due for transfer to the Investor Education and Protection Fund (hereinafter referred to as “IEPF”) of the Central Government:

Dividend	Date of declaration of Dividend	Due date for transfer to IEPF
2013-14(Final)	23.08.2014	21.10.2021
2014-15(Final)	25.09.2015	23.11.2022
2015-16(Final)	24.09.2016	29.11.2023
2016-17(Final)	23.09.2017	25.11.2024
2017-18(Final)	28.09.2018	02.12.2025
2018-19 (Final)	21.08.2019	23.10.2026
2019-20 (Final)	18.08.2020	18.10.2027

21. Vigil Mechanism / Whistle Blower Policy:

With the rapid expansion of business in terms of volume, value and geography, various risks associated with the business have also increased considerably.

Ethics is at the core of any business. Your Company, in staying true ethically and connected to its values of strength, performance and passion, has established a Vigil Mechanism / Whistle Blower Policy to deal with instances of fraud and mismanagement, if any, pursuant to the Act and the Listing Regulations. Accordingly, the Whistle Blower Policy has been formulated for Directors and employees of the Company to report to the management, instances of unethical behavior, actual or suspected, fraud or violation of the Company’s Code of Conduct. Adequate safeguards have been provided in the policy to prevent victimization of anyone who is using this platform and direct access to the Chairman of the Audit Committee is also available in exceptional cases. The policy is also posted on the website of the Company at www.compuageindia.com. The Audit Committee has ensured that neither any complaint has been lodged against vigil mechanism nor has any personnel been denied access to the Audit Committee.

22. Commodity price risk or foreign exchange risk and hedging activities:

The Company does not deal into commodities and hence commodity price risk does not arise. However, the Company has adequate systems and measures to manage foreign exchange risk.

23. Below are the details of the credit rating obtained during the financial year:

Facility	Amount (Rs. in Crore)	Rating
Long-term Bank Facilities (FB)	425.00	IVR A- / Positive Outlook (IVR A Minus with Positive Outlook)
Short-term Bank Facilities (NFB)	535.00	IVR A- / Positive Outlook (IVR A Minus with Positive Outlook) & IVR A2+ (IVR A Two Plus)

DISCLOSURES:

- a) Transactions with related parties are disclosed in notes to accounts annexed to the financial statements.
- b) There are no materially significant transactions with the related parties, viz., Promoters, Directors or the Management, or their relatives or Subsidiaries that had potential conflict with the Company's interest. Required disclosure has been made in the Annual Report. The Related Party Transactions Policy as approved by the Board is uploaded on the website of the Company at www.compuageindia.com.
- c) There are no pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Company which has potential conflict with the interests of the Company at large.
- d) No penalties or strictures have been 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 under review. The Company has in place a mechanism to inform the Board Members about the risk assessment and mitigation plans and periodical reviews to ensure that the critical risks are controlled by the executive management.
- e) Pursuant to Section 177(9) and (10) of the Act and Regulation 22 of the Listing Regulations, the Company has formulated Whistle Blower Policy for vigil mechanism of Directors and employees to report to the management about the unethical behaviour, fraud or violation of Company's code of conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the Chairman of the Audit Committee in exceptional cases. None of the personnel of the Company have been denied access to the Audit Committee. The Whistle Blower Policy is displayed on the website of the Company at www.compuageindia.com.
- f) During the year ended 31st March, 2021, the Company did not have any material listed / unlisted subsidiary companies as defined in Regulation 16 of the Listing Regulations. The Company has framed the policy for determining material subsidiary as required by under Regulation 16 of the Listing Regulations and the same is disclosed on the website of the Company at www.compuageindia.com.
- g) In the preparation of the financial statements, the Company has followed the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules thereunder. The Significant Accounting Policies which are consistently applied have been set out in the notes to the financial statements.
- h) The Company does not deal into commodities and hence commodity price risk does not arise. However, the Company has adequate systems and measures to manage foreign exchange risk.
- i) A certificate from a Company Secretary in practice is appended to the Directors' Report as Annexure D 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.
- j) During the financial year, there has been no such case where any recommendation of any committee of the Board was not accepted by the Board.
- k) The 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, are disclosed in notes to accounts annexed to the financial statements.
- l) During the year under review, there were no complaints filed in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- m) The Company has implemented the mandatory requirements of Corporate Governance as set out in the Listing Regulations. In respect of compliance with the non-mandatory requirements, the internal auditor reports directly to the Audit Committee as well as the Board.
- n) Compliance Certificate as required under as stipulated in Chapter IV of the Listing Regulations obtained from Practising Chartered Accountant, certifying the Compliance by the Company with the provisions of Corporate Governance of the Listing Regulations is appended to the Directors' Report as Annexure F.
- o) The Company has given disclosures specified in Regulation 17 to 27 and clause (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

Annexure D

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
Compugate Infocom Limited
D-601/602&G-601/602,
Lotus Corporate Park,
Steel Compound, Western Express Highway,
Goregaon (East),
Mumbai-400063

We have examined the relevant books, papers, minutes books, forms and returns filed, notices received from the Directors for the financial year 2020-21 and other records maintained by **Compugate Infocom Limited** having CIN: **L99999MH1999PLC135914** (hereinafter referred to as the “**the Company**”) having its registered office at D-601/602&G-601/602, Lotus Corporate Park, Steel Compound, Western Express Highway, Goregaon (East), Mumbai-400063 and also the information provided by the officers, agents and authorised representatives of the Company for the purpose of issue of Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended vide notification No SEBI/ LAD/ NRO/GN/2018/10 dated 09th May, 2018 issued by SEBI.

In our opinion and to the best of our information and according to the verifications [including Directors Identification Number (DIN) status at the portal of Ministry of Corporate Affairs (MCA) i.e. www.mca.gov.in] as considered necessary and explanations furnished to us by the Company and its Officers, we hereby certify that none of the Directors on the Board of the Company as stated below as on 31st March, 2021, have been debarred or disqualified from being appointed or continuing to act as Director of the Company by Securities and Exchange Board of India or the Ministry of Corporate Affairs, Government of India or any such other statutory authority.

Sr. No	DIN	Name of the Director	Designation	Date of Appointment *
1	00010877	Ganesh Shiva	Non-Executive – Independent Director, Employee Director	18/10/2000
2	00058548	Vijay Gopi Kishan Agarwal	Non-Executive - Independent Director, Employee Director	24/06/2006
3	00716869	Atul Harkishandas Mehta	Chairman and Managing Director	08/09/2008
4	00740861	Bhavesh Mehta	Whole-Time Director	18/10/2000
5	02343351	Virendra Gunvantrai Bhatt	Non-Executive - Independent Director, Employee Director	25/02/2021
6	08507217	Fatima Hussaini Nasab	Non-Executive - Independent Director, Employee Director	13/07/2019

* Dates of Appointment of Directors as stated above are based on information appearing on the MCA Portal.



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Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the Management of the Company. We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For BNP & Associates
Company Secretaries
[Firm Regn. No. P2014MH037400]**

**Sd/-
Avinash Bagul
Partner
FCS No.:-5578
COP No.:-19862
PR No.:- 637 / 2019
UDIN: F005578C000780231**

Date: 13th August, 2021
Place: Mumbai

Annexure E

CMD & CFO COMPLIANCE CERTIFICATE

To,

The Board of Directors

Compuage Infocom Limited

D-601/602 & G-601/602, Lotus Corporate Park, Graham Firth,
Steel Compound, Western Express Highway, Goregaon (E),
Mumbai – 400 063.

- A. We have reviewed the Audited Financial Statements and the Cash Flow Statements for the year ended 31st March, 2021 and that to the best of their knowledge and belief:
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, 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 listed entity's code of conduct.
- C. We accept the responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee that:
1. There were no significant changes in internal control over financial reporting during the year;
 2. There was no change in accounting policies, during the year; and
 3. There were no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For **Compuage Infocom Limited**,

Sd/-

Atul H. Mehta

Chairman and Managing Director

Sd/-

Sunil Mehta

Chief Financial Officer

Date: 13th August, 2021

Place: Mumbai

Annexure F

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of Compuage Infocom Limited

We have examined the compliance of conditions of Corporate Governance by Compuage Infocom Limited, (hereinafter referred to as "**Company**"), for the year ended on 31st March, 2021 as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, pursuant to the Listing Agreement of the Company with stock exchange.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the provisions as specified in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We, further, 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.

For **M/s. Bhogilal C. Shah & Co.,**
Chartered Accountants
Firm Registration No.: 101424W

Sd/-
Suril Shah
Partner

Membership No.: 42710
UDIN: 21042710AAAADE8218

Date: 13th August, 2021
Place: Mumbai



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Annexure G

DECLARATION REGARDING CODE OF CONDUCT

I hereby declare that all the Directors and Senior Management Personnel have confirmed compliance with the Code of Conduct as adopted by the Company.

For **Compuage Infocom Limited**,

Sd/-

Atul H. Mehta

Chairman and Managing Director

Date: 13th August, 2021

Place: Mumbai

Annexure H

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021
[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 of,
COMPUAGE INFOCOM LIMITED
D-601/602 & G-601/602,
Lotus Corporate Park,
Steel Compound,
Western Express Highway,
Goregaon (E),
Mumbai – 400 063

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **COMPUAGE INFOCOM LIMITED** having CIN :- **L99999MH1999PLC135914** (hereinafter called the 'Company') for the financial year ended on 31st March, 2021 (the "audit period").

We conducted the Secretarial Audit in a manner that provided us a reasonable basis for evaluating the Company's corporate conducts/ statutory compliances and expressing our opinion thereon.

We are issuing this report based on:

- (i) Our verification of the Company's books, papers, minutes books, soft copies of various records, scanned copies of minutes of the Board, its Committees, forms and returns filed and other records maintained by the Company;
- (ii) Compliance certificates confirming compliance with all laws applicable to the Company given by the Key Managerial Personnel / Senior Managerial Personnel of the Company and taken on record by the Audit Committee / Board of Directors; and
- (iii) Representations made, documents produced and information provided by the Company, its officers, agents and authorized representatives during our conduct of Secretarial Audit

We hereby report that, in our opinion, during the audit period covering the financial year ended on 31st March, 2021, the Company has:

- (i) Complied with the statutory provisions listed hereunder; and
- (ii) Board processes and compliance mechanisms are in place

to the extent, in the manner and subject to the reporting made hereinafter.

The members are requested to read this report along with our letter of even date annexed to this report as Annexure-A.

1. Compliance with specific statutory provisions

We further report that:

1.1 We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company during the year according to the applicable provisions / clauses of:

- (i) The Companies Act, 2013 (the "Act") and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment;

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993
 - (e) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (f) Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996,
- (vi) Secretarial Standards issued by The Institute of Company Secretaries of India (Secretarial Standards).

1.2 During the period under review:

- (i) The Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Secretarial Standards as mentioned above except as stated hereunder:

The Company was not having a minimum of six directors on the Board from 01st April, 2020 to 17th July, 2020 as required under Regulation 17(1)(c) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For the aforesaid violation, BSE limited (BSE) had imposed fine of Rs. 4,55,000 and Rs. 2,40,000 (excluding GST) in terms of its communication to the Company dated 20th August, 2020 and 17th November, 2020 respectively. In this connection, the Company had made an application to BSE requesting to waive fine imposed. BSE vide its communication dated 5th July, 2021 accepted the request of the Company.

Also, the National Stock Exchange of India Limited (NSE) has imposed fine of Rs. 4,55,000 and Rs. 2,40,000 (excluding GST) vide its letter dated 20th August, 2020 and 17th November, 2020 respectively and the same was reiterated in the response to the waiver application made by the Company. The Company received letter from NSE Limited on 29th April, 2021 for non-payment of fine amount and the Company deposited the amount of fine on 05th May, 2021.

The Company is in compliance with requirement of minimum of six directors on the Board w.e.f. 18th July, 2020.

- (ii) Generally complied with the applicable provisions / clauses of:
- (a) The Act and Rules mentioned under paragraph 1.1 (i)
 - (b) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment as mentioned under paragraph 1.1 (iv) and
 - (c) The Secretarial Standards on meetings of Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) mentioned under paragraph 1.1 (vi) above to the extent applicable to Board meetings held during the year, the 21st Annual General Meeting held on 18th August, 2020. The compliance of the provisions of the Rules made under the Act with regard to the Board meetings held through video conferencing were verified based on the minutes of the meeting provided by the Company.

1.3 We are informed that during / in respect of the year, the Company was not required to initiate any compliance related action in respect of the following laws / rules / regulations / standards and was consequently not required to maintain any books, papers, minute books or other records or file any forms/ returns thereunder:

- (i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (ii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (iii) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of External Commercial Borrowings, and
- (iv) The Securities and Exchange Board of India (Issue and Listing of Debt securities) Regulations, 2008.

2. Board processes:

We further report that:

2.1 The Board of Directors of the Company as on 31st March, 2021 comprised of:

- (i) Two Executive Director, and
- (ii) Four Non-Executive Independent Directors (Employee Director), including a Woman Independent Director.

2.2 The processes relating to the following changes in the composition of the Board of Directors and Key Managerial Personnel during the year were carried out in compliance with the provisions of the Act and LODR:

- (i) Re-appointment of Mr. Bhavesh H. Mehta, Whole-Time Director, (DIN:-00740861), by the Shareholders, as director retiring by rotation at the 21st Annual General Meeting held on 18th August, 2020.
- (ii) Re-appointment of Mr. Bhavesh H. Mehta, (DIN:-00740861) as Whole-Time Director of the Company for a period of five years w.e.f. 18th October, 2020, by the Shareholders at the 21st Annual General Meeting held on 18th August, 2020.
- (iii) Re-appointment of Mr. Atul H. Mehta (DIN:-00716869) as Managing Director of the Company for a period of five years w.e.f. 8th September, 2020 at the 21st Annual General Meeting held on 18th August, 2020.
- (iv) Mr. Ajay H. Mehta (DIN:-00686327) was appointed by the Board of Directors of the Company as an Additional Director in the category of Non-Executive Non-Independent Director w.e.f. 18th July, 2020 and the appointment was regularized by the Shareholders at the 21st Annual General Meeting held on 18th August, 2020. Subsequently, Mr. Ajay H. Mehta tendered his resignation from the directorship of the Company w.e.f. 25th February, 2021
- (v) Resignation of Ms. Ruchita Shah, Company Secretary and Compliance Officer of the Company w.e.f. 23rd July, 2020. The Board of Directors at its meeting held on 01st October, 2020 appointed Ms. Anmol Jolly as the Company Secretary and Compliance Officer of the Company w.e.f. 01st October, 2020
- (vi) The Board of Directors at its meeting held on 25th February, 2021 appointed Mr. Virendra G. Bhatt (DIN:-02343351) as an Additional Director in the category of Non-Executive Independent Director w.e.f. 25th February, 2021. As at the end of the year, the Company is in the process of obtaining shareholders' approval through Postal Ballot.

2.3 Adequate notices were given to all the directors to enable them to plan their schedule for the Board meeting, except for a meeting which was convened at a shorter notice to transact urgent business, which were compliant with the provisions of the Act as prescribed.

2.4 Notices for the Board meetings was sent to all the directors at least seven days in advance except for the a meeting convened at a shorter notice, at which more than one independent director was present as required under Section 173(3) of the Act and SS-1.

2.5 Agenda and detailed notes on agenda were sent to all the directors at least seven days before the Board meetings, other than for a meeting convened at a shorter notice.

2.6 Agenda and detailed notes on agenda for the following items were either circulated separately less than seven days before or at the Board meetings and consent of the Board for so circulating them was duly obtained as required under SS-1

- (i) Supplementary agenda notes and annexures in respect of unpublished price sensitive information such as audited financial statement / results, unaudited financial results and connected papers; and
- (ii) Additional subjects/ information/ presentations and supplementary notes

2.7 A system exists for directors to seek and obtain further information and clarifications on the agenda items before the meeting and for their meaningful participation at the meeting.

2.8 We note from the minutes verified that, at the Board meetings held during the year:

- (i) Decisions were carried through the majority of the Board; and
- (ii) No dissenting views were expressed by any Board member on any of the subject matters discussed, which were required to be captured and recorded as part of the minutes.

3. Compliance mechanism

There are reasonably adequate systems and processes prevalent in the Company, which are commensurate with the size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.



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4. Specific events / actions

4.1 During the year under review, the following specific events/ actions having a major bearing on the Company's affairs took place:

1. The Company declared final dividend of 20 paise per Equity Share i.e. 10% on face value of Rs. 2/- each, out of the profits of the financial year ending on 31st March, 2020 on 6,49,75,806 Equity shares of Rs. 2/- each fully paid up aggregating to Rs. 1,29,95,161.2, subject to deduction of tax at source.
2. The Company declared and made payment of dividend on 1,00,00,000 of Rs. 10 each, 9% Cumulative Non-Convertible Redeemable Preference Shares issued on private placement basis for the financial year 2019-2020 of Rs. 90,00,000 subject to deduction of tax at source on 30th June, 2020.

For BNP & Associates
Company Secretaries
[Firm Regn. No. P2014MH037400]

Sd/-
Avinash Bagul
Partner

FCS No.:-5578

COP No.:-19862

PR No.:- 637 / 2019

UDIN: F005578C000780275

Date: 13th August, 2021

Place: Mumbai

**Annexure A to the Secretarial Audit Report for the financial year ended
31st March, 2021**

To,
**The Members of,
Compuage Infocom Limited**

Our Secretarial Audit Report of even date is to be read along with this letter.

1. The Company's management is responsible for maintenance of secretarial records and compliance with the provisions of corporate and other applicable laws, rules, regulations and standards. Our responsibility is to express an opinion on the secretarial records produced for our audit.
2. We have followed such audit practices and processes as we considered appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records.
3. We have considered compliance related actions taken by the company based on independent legal /professional opinion obtained as being in compliance with law.
4. We have verified the secretarial records furnished to us on a test basis to see whether the correct facts are reflected therein. We have also examined the compliance procedures followed by the company on a test basis. We believe that the processes and practices we followed, provide a reasonable basis for our opinion.
5. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
6. We have obtained the management's representation about the compliance of laws, rules and regulations and happening of events, wherever required.
7. Our 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 BNP & Associates
Company Secretaries
[Firm Regn. No. P2014MH037400]**

**Sd/-
Avinash Bagul
Partner
FCS No.:-5578
COP No.:-19862
PR No.:- 637 / 2019**

Date: 13th August, 2021
Place: Mumbai

UDIN: F005578C000780275



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Annexure I

FORM NO. AOC -2

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

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

- 1. Details of contracts or arrangements or transactions not at Arm's length basis:** Not applicable
- 2. Details of material contracts or arrangements or transactions at Arm's length basis:** Not applicable

For **Compuage Infocom Limited,**

Sd/-

Atul H. Mehta
Chairman and Managing Director

Date: 13th August, 2021

Place: Mumbai

MANAGEMENT DISCUSSION AND ANALYSIS

Global Economy

After an estimated contraction of -3.3 percent in 2020, the global economy is projected to grow at 6 percent in 2021, moderating to 4.4 percent in 2022 as per IMF. The contraction in 2020 is less than projected reflecting the higher-than-expected growth outturns in the second half of the year for most regions after lockdowns were eased and as economies adapted to new ways of working. The projections for 2021 and 2022 are slightly revised upwards reflecting additional fiscal support in a few large economies and the anticipated vaccine-powered recovery in the second half of the year.

Global growth is expected to moderate to 3.3 percent over the medium term - reflecting projected damage to supply potential and forces that predate the pandemic, including aging-related slower labor force growth in advanced economies and some emerging market economies. Thanks to the unprecedented policy response, the COVID-19 recession is likely to leave smaller scars than the 2008 global financial crisis.

Once vaccination becomes widespread and spare capacity in health care systems is generally restored to pre-COVID-19 levels, restrictions can begin to be lifted. While the pandemic continues, policies should first focus on escaping the crisis, prioritizing health care spending, providing well-targeted fiscal support, and maintaining accommodative monetary policy while monitoring financial stability risks. On the health care front, this means ensuring adequate worldwide vaccine production and universal distribution at affordable prices - including through sufficient funding for the vaccine facility - so that all countries can quickly and decisively beat back the pandemic.

Indian Economy

2020-21 was one of the most difficult and challenging year globally as well as for India. The onset of the COVID-19 pandemic has presented India with complex economic and public health challenges. To prevent the spread of the virus, nationwide lockdowns were implemented by the Government, bringing the whole economy to a standstill for over 2 months. India had implemented one of the strictest lockdowns in comparison to other nations globally.

To support the economy in amidst of distress, the Indian Government unveiled a stimulus package targeted at reviving the economy through a combination of fiscal and monetary support. This included relief to small businesses, taxpayers, shadow banks, power distribution companies, real estate, organised sector employees and contractors working with the government. This lockdown brought much of economic and social activity to a halt. However, this had a salutary effect on cutting down the mortality from COVID. The lockdown had also given the country's health system time to strengthen its response.

Early signs of economic revival became visible during the second half of the year with easing of lockdown restrictions, recovery of economic activities and discovery of vaccines in India and throughout the world. However, as the vaccination drives started and the economy was strongly recovering from the wounds of the pandemic, much bigger second wave of COVID-19 struck again towards the end of FY21 bringing back the lockdown restrictions in almost all parts of the country.

As per the National Statistical Office, contraction in real GDP for 2020-21 is estimated at 8.0 percent. RBI, in its April-21 Monetary Policy Committee Meeting has estimated the real GDP growth for 2020-21 at 10.5 percent consisting of 26.2 percent in Q1; 8.3 percent in Q2; 5.4 percent in Q3; and 6.2 percent in Q4. Prospects for 2021-22 have strengthened with the progress of the vaccination programme.

In contrast to the previous year, the hope generated by vaccination drives in several countries at the start of the year 2021 has been somewhat offset by rising infections and new mutant strains worldwide. Yet, the speed and collective endeavour with which the world mobilised scientific energies to develop vaccines, and pandemic-related protocols, that have now become a way of life, give the hope and confidence that economy will sail through this renewed second / third surge and will be on the new path of growth for years to come.



Compuage Infocom Limited

Through the journey of more than three decades, Compuage Infocom Limited (hereinafter referred to as “**CIL / Compuage / Company**”) has emerged as one of India’s leading IT and Mobility products distribution intermediary, appearing among the Fortune 500 list of Indian companies. We have developed a strong network of resellers to spread the wave of digital connectivity across the length and breadth of the nation and beyond. Our product offerings include computers, components and peripherals, cloud computing, mobility products, enterprise solutions and physical safety and security. The Company is headquartered at Mumbai with 46 offices, partnered with 27 Global Brands, 25 warehouses, 69 service centres spread across 600+ cities and towns across the country and has a strong network of 12,000+ resellers which ensures seamless distribution of products. The Company has its global footprints over 7 countries across SAARC nations with the set-up in Singapore to manage them. It manages the complete supply chain from procurement, warehousing, breaking bulk, technical support, material movement and credit deployment.

The Company’s business is bifurcated into 4 product segments, viz., IT Consumer, IT Enterprise Solutions, Cloud Computing and Hardware Services. Compuage with its Pan-India network and efficient supply chain, provides immense value to its vendors, taking care of their distribution angle and providing a wider reach to their products while they can focus on their core competency.

IT Distribution Industry and Compuage during FY 2020-21

FY 2020-2021 was one of the most challenging and eventful year for the Company. Many of the industries witnessed unprecedented levels of disruption which completely changed the working dynamics of the industry. Gratefully, IT Distribution industry after being impacted for a brief period of time during the start of the year, bounced back much stronger when things started to normalise as lockdown restrictions were eased. IT products being categorised as an essential service industry, was one of the earliest industries to get back to normalcy. Understandably, Q1FY21 was the most impacted followed by strong recovery in Q2 to posting revenue growth in subsequent quarters on year-on-year basis.

FY 2020-2021 has completely changed the people’s way of living, the way people work and the way people interact with each other. It has been a transformational year for the IT industry as a whole. The digital infrastructure was at the centre of everything. Be it work or be it personal, the use of IT products increased manifold during the year. Even people from certain categories who were hesitant to use IT products previously, embraced the use of technology and adapted to it swiftly.

Lockdowns have led corporates to implement work from home to ensure the business continuity and contrary to the expectations, work from home in fact turned out to be hugely successful for most of the corporates. This has enabled a new strong demand for laptops, mobiles, Wi-Fi routers and supporting infrastructure devices which help improve efficiency while working from home.

The successful work from home practice has led few companies to shift certain roles to permanently work from home. Many of the corporates have on record stated that work from home is going to stay along with office even post the pandemic. This will lead the companies to invest extensively in technology to maintain their employees’ productivity. As employees will be working from remote locations, hence, to ensure that the communication between them is convenient and protected, companies will invest in digital communication apps and softwares. As employees working from remote locations are vulnerable to malware attacks, companies need to ensure proper cyber security services are in place. This is one area where no company would like to compromise.

To ensure that all the employees have the access to data from any location, companies will invest in cloud services to ensure optimum work efficiency. Automation of processes across many companies was already ongoing and the pandemic has only accelerated this process. For this, companies are investing in a combination of digital and hardware products. All these factors will lead to sustained demand for the products in each segment for the years to come. This IT revolution was not only limited to the corporates, but also to the people for their personal use.

There has been a new demand for personal computers and laptops by the students for educational purposes as teaching went completely digital during FY 2020-21. Demand for mobiles was at its strongest ever, as people realised the important role it plays to stay connected and for entertainment. Lifestyle products which promote healthy living also witnessed strong demand as people in general are now more conscious about their health and fitness.



Even during this challenging year, we managed to sign distributorship partnership with 3 new brands viz. Zhejiang Dahua Technology, Acronis India and Optoma Corporation. Zhejiang Dahua Technology Co. Ltd is a leading video centric smart IoT solution and service provider. We have partnered with them for distribution of its entire distribution range of CCTV surveillance and video management solution products.

Acronis is into cyber security and data protection solutions whose products are available through 50,000 partners and service providers in over 150 countries in more than 40 languages. We have entered into Cloud Distribution agreement with “Acronis India” for enabling resell of Acronis Cyber Security and Data Protection solutions.

Optoma corporation is focused on projection system development and marketing since it was established. We have entered into Distributorship Agreement with Optoma Corporation for enabling resale of Interactive Flat Panel in India. With these new partnerships, we are in line with our strategy to focus on newer, higher margin and faster growing business segments which will lead to better utilization of resources and thus better return on our capital employed.

FY 2020-2021 was the year of learning for each one of us. We are extremely pleased to come out of this year much wiser and much stronger. Our team at Compuage adapted swiftly to working from home without impacting the business operations. Our logistics team delivered the goods round the clock efficiently despite of the challenges faced due to the lockdown restrictions. Each and every day during the year, was a new learning for us at CIL which has only made us much more capable than previously to face any challenge which may come in future.

Opportunities and Threats

Technology is driving more change in the business world than ever before. It brings in its own sets of opportunities and challenges. The adoption of technology is evolving at a rapid pace on the back of positive economic outlook and increasing investments in the digital space. The economy is witnessing transformation, keeping pace with the requirements of efficient IT services across businesses. Compuage is favourably positioned to benefit from the emergence of IT infrastructure across corporates by leveraging its strengths of long-standing relationships with the vendors and partners, strong reach and efficient team. Threats include spreading of B2C business in competition with B2B business and the business is working capital intensive.

Product Segments

IT Consumer

IT Consumer majorly deals in PCs, audio / video products and peripherals, etc. The demand of these products witnessed a strong demand from across the customer segments which includes corporates as well as for personal use. The demand for these products were led by employees working from home, students learning from home and by customers for general entertainment and communication purpose.

Enterprise Solutions

IT Enterprise segment deals in products related to cyber security, software, power and network infrastructure, etc. Need for the companies to have a robust IT infrastructure was never as felt as during the last year. The demand for these products will continue to increase year by year as companies will have to continuously invest in newer technologies to keep themselves updated and secured.

Cloud Computing

Usage of cloud services is becoming an integral part of every company. Companies have to ensure that each and every employee has access to the required critical data from any part of the world to ensure that work is not impacted. With work from home becoming the new normal, it has become increasingly necessary than ever to have a proper cloud infrastructure in place and thus companies have started investing in the cloud services to ensure the business does not get impacted.

Hardware Services

Under hardware services, we undertake the repairs and warranty services on the behalf of companies with whom we are partnered. The world is becoming increasingly specialized, and companies would like to focus on the areas in which they excel. Hence, more and more companies are now outsourcing the service part to companies like us while they can continue

to focus on product development. We are focusing on this segment as it a profitable business segment with high margins and significant scope of growth opportunities.

Outlook

A general trend which is observed across the world is that companies are focusing on specialization and continue to outsource their non-core functions. There are two benefits to this. First - It allows the company to focus on its core competency whereby the management bandwidth and company resources are directed towards the areas which matter. Second – It also allows it to reduce costs by outsourcing its non-core functions and delegating it to the companies who are specialized in those areas which can operate the same function at a lower cost.

The distribution industry is also going through this transition. As a leading distribution player, Compuage with its Pan-India network and efficient supply chain, adds immense value to its vendors taking care of their distribution angle and providing a wider reach to their products while they can focus on their core competency of developing newer products. We believe that there is a long-term growth opportunity in the IT distribution space in India, given the lower penetration of IT products. Going ahead, our focus continues to be on partnering with newer brands, enhancing our product offerings and improving the profitability through better product mix and cost efficiency initiatives. With economy now recovering, we are very confident and positive on growth ahead for India as well for our Company.

Threats

Spread of B2C businesses in competition with B2B business

The online portals directly catering to the end users offer a lot of cost benefits to them through their portals. This leads to stiff competition to the resellers and supplier's code of delivery of IT products and services.

Capital-intensive business and stressed working capital

The nature of the business demands for lock-in of the capital at different resellers' level and it puts a burden to some extent on the working capital management cycle. The availability of credit also becomes a limiting factor at times.

Human Resources

Human Resource function for Compuage has never been as significant as it is today. It plays a pivotal role in change management and triggers the unlocking of human potential which results in organisation transformation and success.

Our learning and development philosophy is to ensure that real learning takes place and endures. We believe that real learning takes place when a learner is able to develop a new skill, competency, behaviour and is able to internalise and apply consistently to relevant work-life situations.

Compuage relies on its human capital's skillsets to generate value. Our employees are skilled across a range of industry related competencies to provide exceptional client services and functions. The Company has a workforce of 757 employees as on 31st March, 2021.

Internal control systems and their adequacy

The Company has effective internal control and risk mitigation systems which are constantly assessed and strengthened with new / revised standard operating procedures. The Company's internal control system is commensurate with its size, scale and the complexities of its operations. The internal and operational audit is entrusted with a reputed firm of Chartered Accountants. The main thrust of any internal audit is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry. Our well-defined organisation structure, policy guidelines, predefined authority levels and an extensive system of internal controls ensure optimal utilisation and protection of resources, IT security, accurate reporting of financial transactions. It is compliant with applicable laws, regulations and policies. CIL has designed systems and processes to provide reasonable assurance with regard to recording and providing reliable financial and operational information. The business complies with applicable statutes, executing transactions with adequate authorisation and ensuring compliance to corporate policies.

- Compuage has an adequate system of internal control in place to ensure that assets are safeguarded against loss from unauthorised use or disposition, and that transactions are authorised, recorded, and reported correctly.
- Periodic audits are conducted by the business for sound quality management, service management, information security, etc.

- Compuage's internal audit function is empowered to examine the adequacy, relevance and effectiveness of control systems, compliance with laws, regulations and policies, plans and statutory requirements.
- Compuage has an exhaustive budgetary control system. Actual performance is reviewed with reference to the budget by the management on an ongoing basis.

Disclaimer

Certain statements made in the Management Discussion and Analysis Report relating to the Company constitute as 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ from such expectations whether expressed or implied. Several factors could make significant difference to the Company's operations. These include climatic and economic conditions affecting demand and supply, government regulations and taxation, natural calamities over which the Company does not have any direct control.

For **Compuage Infocom Limited,**

Sd/-

Atul H. Mehta

Chairman and Managing Director

Date: 13th August, 2021

Place: Mumbai

BHOGILAL C. SHAH & CO.
CHARTERED ACCOUNTANTS
2A, Shree Pant Bhuvan, 1st floor, Sandhurst Bridge, Mumbai 400 007.
Phone : 2361 0939

PARTNERS :

SNEHAL V. SHAH

B. Com., F.C.A., M.M. (U.S.A.)

SURIL V. SHAH

B. Com., A.C.A., M.B.A. (U.S.A.)

INDEPENDENT AUDITOR'S REPORT

To,
The Members of
Compuage Infocom Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Compuage Infocom Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2021, the Statement of Profit and Loss (including other comprehensive income), the Statement of the Changes in Equity and the Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of 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 u/s 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 31st March 2021, its profit including other 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 ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

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

S. No.	Key Audit Matter	Auditor's Response
1.	Recoverability of Balances with Government Authorities Balances with Government Authorities have been disclosed under Other Current Assets.	Principal Audit Procedures We have reviewed the status of the applications and other corresponding documentation to check whether the balances with Government Authorities are likely to be recovered within the next financial year.

2.	<p>Allowance for credit losses All trade receivables have been considered good. The possible effects that may result from the pandemic relating to COVID-19 on the carrying amount of receivables has been considered.</p>	<p>Principal Audit Procedures We have reviewed the status of the cases filed in the courts for recovery of outstanding dues from various customers. Customer's confirmations and financial standing have been verified and the likelihood of recoverability has been examined.</p>
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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, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon. These reports are expected to be made available to us after the date of our auditor's report.

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.

When we read the other information included in the above reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and determine the actions under the applicable laws and regulations.

Responsibilities of Management and Those Charged with Governance 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.

Those Board of Directors are also 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls 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 standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone 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.

Other Matter

We have not audited the financial statements and other financial information of one of the branches located outside India.

These financial statements and financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the standalone financial statements, in so far as it relates to the amounts and disclosures included in respect of the foreign branch and our report in terms of section 143 (3) of the Act, insofar as it relates to the aforesaid foreign branch is based solely on the reports of the other auditors.

The financial statements and other financial information of the foreign branch which is located outside India whose financial statements and other financial information has been prepared in accordance with accounting principles generally accepted in that country and which has been audited by other auditors under generally accepted auditing standards applicable in that country. The Company's management has converted the financial statements of this branch located outside India from accounting principles generally accepted in its respective country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of the branch located outside India is based on the reports of other auditors and the conversion adjustments prepared by the Management of the Company and audited by us.

Our opinion on the standalone financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on legal and other regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditors on separate financial statements and the other financial information of its foreign branch, as noted in the "other matters" paragraph, we report, to the extent applicable that :
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. the Balance Sheet, 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 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 and the Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - e. on the basis of the written representations received from the directors, as on 31st March 2021, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 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 operating effectiveness of such controls, refer to our separate report in Annexure B;
 - g. with respect to the other matters to be included in the Auditor's Report in accordance with the requirement 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 has disclosed the impact on pending litigations on its financial position in its standalone financial statements;
 - (ii) the Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses; and
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Bhogilal C. Shah & Co.
Chartered Accountants
Firm's registration No. 101424W

Sd/-
Suril Shah
Partner
Membership No. 042710
UDIN: 21042710AAAACS6993
Mumbai, 29th May, 2021

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure A referred to in our Independent Auditor's Report to the members of the Company on the standalone Ind AS financial statements for the year ended 31st March 2021. We report that:

- (i)
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) As explained to us, the fixed assets have been physically verified by the management in accordance with a phased programme of verification, which in our opinion, is reasonable, considering the size and nature of its business. As explained to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us, the title deeds of immovable properties are held in the name of the Company.
- (ii) As explained to us, the inventories have been physically verified by the management at reasonable intervals.
- (iii) The Company has not granted any loans, secured or unsecured to Companies, firms, limited liability partnerships or other parties covered in the register maintained u/s 189 of the Act. Therefore the provisions of clause 3(iii) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act in respect of loans, investments, guarantees and security.
- (v) In our opinion and according to the information and explanations given to us, the Company complied with the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 and all other relevant provisions the Companies Act, 2013 and the rules framed thereunder in respect of acceptance of deposits from the public.
- (vi) As explained to us, the Central Government has not prescribed the maintenance of Cost Records under section 148(1). Therefore the provisions of clause 3(vi) of the Order are not applicable to the Company.
- (vii)
 - (a) According to the information and explanation given to us, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Custom Duty, Excise Duty, Goods & Services Tax, Cess and any other statutory dues with the appropriate authorities during the year. According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Custom Duty, Excise Duty, Goods & Services Tax, Cess and other material statutory dues were in arrears, as at 31st March 2021 for a period of more than six months from the date they became payable.
 - (b) According to the information and explanations given to us, the amounts which have not been deposited as on 31st March 2021 on account of any dispute, are as follows :

Name of the statute	Nature of Dues	Amount (Rs. in lakhs)	Period to which the amount relates	Forum where the dispute is pending
Sales Tax & Entry Tax Acts of respective states	Sales Tax and Entry Tax	1.15	2013-2014	A.C. Appeal
		3.67	2014-2015	A.C. Appeal
		16.78	2015-16, 2016-17 & 2017-18	A.C. Appeal
		32.97	2008-09 & 2009-10	Commissioner
		18.94	2007-2013	D.C. Appeal
		4.82	2009-2010	D.C. Appeal
		10.78	2010-2011	D.C. Appeal
		24.50	2011-2012	D.C. Appeal
		8.08	2012-2013	D.C. Appeal
		13.00	2013-2014	D.C. Appeal
		31.71	2014-2015	D.C. Appeal
		6.42	2015-2016	D.C. Appeal
		4.34	2016-2017	D.C. Appeal
		44.59	2015-2016	J.C. Appeal
The Customs Act, 1962	Custom Duty	809.10	2009-2021	Departmental Authorities / CESTAT

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to a financial institution or bank. There are no loans or borrowing from the government. There are no debenture holders.
- (ix) To the best of our knowledge and belief and according to the information and explanations given to us, term loans availed by the Company were, prima facie, applied by the Company during the year for the purpose for which they were raised. The Company has not raised moneys by way of initial public offering or further public offer during the year.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore the provisions of clause 3(xii) of the Order are not applicable to the Company.
- (xiii) To the best of our knowledge and belief and according to the information and explanations given to us, all transactions with related parties are in compliance with Section 177 and 188 of the Act where applicable and details have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- (xiv) In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment of shares, or preferential allotment or private placement of fully or partly convertible debentures during the year. Therefore the provisions of clause 3(xiv) of the Order are not applicable to the Company.
- (xv) To the best of our knowledge and belief and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them. Therefore the provisions of clause 3(xv) of the Order are not applicable to the Company.
- (xvi) To the best of our knowledge and belief and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Therefore the provisions of clause 3(xvi) of the Order are not applicable to the Company.

**For Bhogilal C. Shah & Co.
Chartered Accountants
Firm's registration No. 101424W**

**Sd/-
Suril Shah
Partner
Membership No. 042710
UDIN: 21042710AAAACS6993
Mumbai, 29th May, 2021**

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

Report on the Internal Financial Controls 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 Compuage Infocom Limited (“the Company”) as of 31st March 2021 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management’s responsibility for Internal Financial Controls

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

Auditor’s responsibility

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

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 and understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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, 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 31st March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Bhogilal C. Shah & Co.**
Chartered Accountants
Firm's registration No. 101424W

Sd/-
Suril Shah
Partner
Membership No. 042710
UDIN: 21042710AAAACS6993
Mumbai, 29th May, 2021

Compuage Infocom Limited
Balance Sheet as at 31st March, 2021

(₹ in Lakh unless otherwise stated)

Particulars	Note	31-Mar-21	31-Mar-20
A. ASSETS			
1. Non-current assets			
a) Property, plant and equipment	2	4,711.35	5,009.28
b) Intangible assets	2	0.74	1.02
c) Financial assets			
(i) Investments	3	171.23	148.55
(ii) Others financial assets	4	488.54	1.81
Total non-current assets		5,371.86	5,160.66
2. Current assets			
a) Inventories	5	31,938.80	33,795.26
b) Financial assets			
(i) Trade receivables	6	55,475.90	55,425.77
(ii) Cash and cash equivalents	7	779.34	911.50
(iii) Bank balances other than (ii) above	8	6,376.32	7,052.01
(iv) Loans	9	1,070.22	506.46
(v) Other financial assets	10	1,626.58	1,122.20
c) Current tax assets (net)	11	185.12	558.01
d) Other current assets	12	10,132.01	9,238.89
Total current assets		107,584.29	108,610.10
TOTAL ASSETS		112,956.15	113,770.76
B. EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	13	1,299.52	1,299.52
b) Other equity	14	20,882.16	18,882.63
Total equity		22,181.68	20,182.15
Liabilities			
1. Non-current liabilities			
a) Financial liabilities			
(i) Borrowings	15	7,110.46	2,136.13
b) Provisions	16	184.57	184.88
c) Deferred tax liabilities (net)	17	387.78	411.23
Total non-current liabilities		7,682.81	2,732.24
2. Current liabilities			
a) Financial liabilities			
(i) Borrowings	18	50,180.74	44,598.46
(ii) Trade payables	19	24,373.60	39,260.98
(iii) Other financial liabilities	20	4,925.55	3,489.32
b) Other current liabilities	21	3,581.77	3,477.61
c) Provisions	22	30.00	30.00
Total current liabilities		83,091.66	90,856.37
Total liabilities		90,774.47	93,588.61
TOTAL EQUITY AND LIABILITIES		112,956.15	113,770.76
Significant accounting policies	1		

The above Balance Sheet should be read in conjunction with the accompanying Notes

As per our report of even date

For Bhogilal C. Shah & Co.
Firm Reg. No.: 101424W
Chartered Accountants

For and Behalf of the Board of Directors
of Compuage Infocom Limited

Sd/-
(CA. S. V. Shah)
Partner
Membership No. : 042710

Sd/-
G. S Ganesh
Independent Director
DIN: 00010877

Sd/-
Bhavesh H. Mehta
Whole-Time Director
DIN: 00740861

Sd/-
Atul H. Mehta
Chairman & Managing Director
DIN: 00716869

Place : Mumbai
Dated : 29th May, 2021

Sd/-
Sunil Mehta
CFO

Sd/-
Anmol Jolly
Company Secretary

Compuage Infocom Limited
Statement of Profit and Loss for the year ended 31st March, 2021

(₹ in Lakh unless otherwise stated)

Particulars	Note	2020-21	2019-20
Revenue from operations	23	372,978.67	423,250.77
Other income	24	1,716.42	1,672.63
Total Income		374,695.09	424,923.40
Expenses			
Purchase of stock-in-trade	25	355,867.11	409,093.43
Changes in inventories of stock in trade	26	1,856.46	(3,656.24)
Employee benefits expense	27	3,485.37	3,851.92
Finance costs	28	6,294.71	6,085.07
Depreciation and amortisation expenses	2	359.31	419.05
Other expenses	29	4,063.58	5,109.97
Total Expenses		371,926.54	420,903.20
Profit before exceptional items and tax		2,768.55	4,020.20
Profit before tax		2,768.55	4,020.20
Tax expense			
Current tax	17	772.14	1,051.02
Tax for Earlier Years	17	-	30.01
Deferred tax	17	(51.03)	(136.85)
Total tax expense		721.11	944.18
Profit for the year		2,047.44	3,076.02
Other Comprehensive Income			
a) Items that will not be reclassified to profit and loss			
- Remeasurment of Defined Employee Benefit Plans		43.81	27.00
- Income Tax relating to above items		(11.02)	(6.80)
b) Items that will be reclassified to profit and loss			
- Foreign Currency Translation difference		65.81	(311.59)
- Income Tax relating to above items		(16.56)	78.42
Other Comprehensive Income, net of tax		82.04	(212.97)
Total Comprehensive Income for the year		2,129.48	2,863.05
Earnings per Equity share attributable to owners of the Company			
No. of shares		649.76	649.76
Basic and diluted earning per Equity share of ₹2 each		3.28	4.41

The above Statement of Profit and Loss should be read in conjunction with the accompanying Notes.

As per our report of even date

For Bhogilal C. Shah & Co.
Firm Reg. No.: 101424W
Chartered Accountants

For and Behalf of the Board of Directors
of Compuage Infocom Limited

Sd/-
(CA. S. V. Shah)
Partner
Membership No. : 042710

Sd/-
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Independent Director
DIN: 00010877

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Whole-Time Director
DIN: 00740861

Sd/-
Atul H. Mehta
Chairman & Managing Director
DIN: 00716869

Place : Mumbai
Dated : 29th May, 2021

Sd/-
Sunil Mehta
CFO

Sd/-
Anmol Jolly
Company Secretary

COMPUAGE INFOCOM LIMITED
Statement of Cash Flows for the year ended 31st March, 2021

(₹ in Lakh unless otherwise stated)

	Particulars	31 st March, 2021	31 st March, 2020
A.	Cash Flows From Operating Activities		
	Profit before tax	2,768.55	4,020.20
	<u>Adjustment For:</u>		
	Depreciation and amortisation expenses	359.31	419.05
	Unrealised Exchange Rate Difference (Net)	68.12	(317.88)
	Finance costs	6,294.71	6,085.07
	Interest income from financial assets measured at amortised cost	(1,656.72)	(1,661.52)
	Dividend received on current investments	-	(2.36)
	Loss / (Gain) on Sale of Property, Plant & Equipment	(1.65)	-
	Operating Profit Before Working Capital Changes	7,832.32	8,542.56
	Changes in working capital:		
	Decrease/(Increase) In Inventories	1,856.46	(3,656.24)
	Decrease/(Increase) In Trade Receivables	(50.13)	9,033.62
	Decrease/(Increase) In Current Loans	(563.76)	19.53
	Decrease/(Increase) In Other Current Assets	(893.12)	688.90
	Decrease/(Increase) In Other Financial Assets	(504.38)	(370.77)
	Increase / (Decrease) In Trade Payables	(14,887.38)	(11,487.94)
	Increase / (Decrease) In Other Financial Liabilities	1,436.23	(558.58)
	Increase / (Decrease) In Other Current Liabilities	104.16	916.64
	Increase / (Decrease) In Current provisions	-	(24.16)
	Increase / (Decrease) In Non Current provisions	43.50	(14.07)
	Total	(13,458.42)	(5,453.07)
	Income tax paid (net of refund)	(399.25)	(1,255.21)
	Net Cash Inflow/(Outflow) From Operating Activities (A)	(6,025.35)	1,834.28
B.	Cash Flows From Investing Activities		
	Purchase of Property, plant and equipment	(61.41)	(37.77)
	Sale of Property, plant and equipment	1.96	-
	Sale/(Purchase) of Current Investments (net)	-	250.92
	Sale/(Purchase) of Non-Current Investments	(24.99)	(25.01)
	Proceeds from / (Payment of) fixed deposits	188.96	290.71
	Interest received on financial assets measured at amortised cost	1,656.72	1,661.52
	Dividend Received on Current Investments	-	2.36
	Net Cash Inflow/(Outflow) From Investing Activities (B)	1,761.24	2,142.73
C.	Cash Flows From Financing Activities		
	Proceeds from / (Repayment of) Current Borrowings	5,582.28	(978.13)
	Proceeds from / (Repayment of) Non Current Borrowings	4,974.33	(150.96)
	Interest Paid	(6,294.71)	(6,085.07)
	Dividend on Equity shares (including dividend distribution tax)	(129.95)	(312.81)
	Net Cash Inflow/(Outflow) From Financing Activities (C)	4,131.95	(7,526.97)
	Net Increase/(Decrease) In Cash And Cash Equivalents (A+B+C)	(132.16)	(3,549.96)
	Cash And Cash Equivalents As At Beginning Of The Year	911.50	4,461.46
	Cash And Cash Equivalents As At End Of The Year	779.34	911.50

- i) The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Ind AS 7 - Statement of Cash Flows as notified under the Companies (Indian Accounting Standards) Rules, 2015.
- ii) Cash flows from operating activities includes ₹ 79.02 Lakhs (31st March, 2020 : ₹ 65.49 Lakhs) being expenses towards Corporate Social Responsibility initiatives.

As per our report of even date

For Bhogilal C. Shah & Co.
Firm Reg. No.: 101424W
Chartered Accountants

For and Behalf of the Board of Directors
of Compuage Infocom Limited

Sd/-
(CA. S. V. Shah)
Partner
Membership No. : 042710

Sd/-
G. S Ganesh
Independent Director
DIN: 00010877

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Bhavesh H. Mehta
Whole-Time Director
DIN: 00740861

Sd/-
Atul H. Mehta
Chairman & Managing Director
DIN: 00716869

Place : Mumbai
Dated : 29th May, 2021

Sd/-
Sunil Mehta
CFO

Sd/-
Anmol Jolly
Company Secretary

Compuage Infocom Limited
Statement of Changes in Equity for the year ended 31st March, 2021
(₹ in Lakh unless otherwise stated)

A. Equity Share Capital

Particulars	Note	Amount
As at 1st April, 2019	14	1,299.52
Changes in Equity share capital during the year		-
As at 31st March, 2020	14	1,299.52
Changes in Equity share capital during the year		-
As at 31st March, 2021	14	1,299.52

B. Other Equity

Particulars	Reserves and Surplus					Total other Equity
	Securities Premium Reserve	General Reserve	Capital reserve	Capital redemption reserve	Retained Earnings	
As at 1st April, 2020	3,668.80	35.36	134.84	129.72	4,913.91	18,882.63
Profit for the year	-	-	-	-	2,047.44	2,047.44
Other Comprehensive Income	-	-	-	-	82.04	82.04
Total comprehensive income for the year	-	-	-	-	2,129.48	2,129.48
Transactions with owners in their capacity as owners:						
Dividend paid (including dividend distribution tax)	-	-	-	-	(129.95)	(129.95)
As at 31st March, 2021	3,668.80	35.36	134.84	129.72	16,913.44	20,882.16

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Compuage Infocom Limited

Summary of Significant accounting policies to financial statements for the year ended 31st March, 2021

Corporate Information

Compuage Infocom Limited (The Company) is a public Limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on the BSE Ltd and NSE Ltd.

The Company is engaged in trading in Computer parts and peripherals, Software and Telecom Products. The Company also provides product support services for Information Technology products.

NOTE 1: NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2021

A. Significant Accounting Policies:

i) Basis of Preparation:

(a) Compliance with Ind AS:

These financial statements are the separate financial statements of the Company prepared in accordance with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015 as amended, hereinafter referred to as the Ind AS, and other relevant provisions of the Companies Act, 2013.

Company's financial statements are presented in Indian Rupees (₹), which is also its functional currency.

(b) Use of Estimates:

The preparation of financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring adjustment to the carrying amounts of assets or liabilities in future periods.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

(c) Estimation of uncertainties relating to the global health pandemic from COVID-19:

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables and investment in subsidiaries. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

(d) Historical Cost Convention:

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

ii) Current/ Non-Current classification:

Any asset or liability is classified as current if it satisfies any of the following conditions:

- i. the asset/liability is expected to be realized/settled in the Company's normal operating cycle;
- ii. The asset is intended for sale or consumption;

- iii. The asset/liability is held primarily for the purpose of trading;
- iv. The asset/liability is expected to be realized/settled within twelve months after the reporting period;
- v. the asset 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;
- vi. In the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months.

iii) Tangible Assets /Property, plant and equipment:

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses.

The Company identifies and determines cost of each part of an item of property, plant and equipment separately, if the part has a cost which is significant to the total cost of that item of property, plant and equipment and has useful life that is materially different from that of the remaining item.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other nonrefundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met.

Items such as spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred.

iv) Depreciation on tangible fixed assets:

Depreciation on each part of an item of property, plant and equipment is provided using the Straight Line Method based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

The useful lives, residual values of each part of an item of property, plant and equipment and the depreciation methods are reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate and accordingly, accounted for prospectively.

v) Intangible Assets:

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangibles are not capitalized and the related expenditure is reflected in Statement of Profit and Loss in the period in which the expenditure is incurred.

Intangible assets are amortised over the useful economic life i.e. 3 years based on management assessment and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets is recognised in the Statement of Profit and Loss.

vi) Derecognition:

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss.

vii) Impairment of non-financial assets – property plant and equipment and intangible assets:

The carrying amount of assets are reviewed at each Balance Sheet date to assess if there are any indications of impairment based on internal / external factors. An impairment loss on such assessment will be recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of the assets is net selling price or value in use, whichever is higher. While assessing value in use, the estimated future cash flows are discounted to the present value by using weighted average cost of capital. A previously recognised impairment loss is further provided or reversed depending on changes in the circumstances and to the extent that carrying amount of the assets does not exceed the carrying amount that will be determined if no impairment loss had previously been recognised.

Goodwill, intangible assets having indefinite useful life and intangible assets currently not in use by the Company are tested for impairment annually and also whenever there are indicators of impairments.

Reversal of impairment of Goodwill is not recognized.

viii) Lease:

The Company as a Lessee

The Company's lease asset classes primarily consist of leases for office premises for its branches at various locations. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

As all the leases are short-term leases or low value leases, the Company has not recognized any right-of-use asset and corresponding lease liability for any of the lease arrangements in which it is a lessee during the year.

The Company as a Lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

Transition

Effective 1st April, 2019, the Company adopted Ind AS 116, Leases and applied the standard to all lease contracts existing on 1st April, 2019. However, as all the leases are short-term leases or low value leases, the Company has not recognized any right-of-use asset and corresponding lease liability for any of the lease arrangements during the year.

ix) Borrowing costs:

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowing and exchange differences arising from foreign currency borrowing to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

x) Revenue Recognition:

Revenue is recognized when it is probable that economic benefits associated with a transaction flows to the Company in the ordinary course of its activities and the amount of revenue can be measured reliably.

Revenue is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates by the Company.

Revenue includes only the gross inflows of economic benefits, received and receivable by the Company, on its own account. Amounts collected on behalf of third parties such as Sales Tax, VAT and GST are excluded from revenue.

The company bases its estimates on historical results, taking into consideration the type of customer, type of transaction and specifics of each arrangement. Accumulated experience is used to estimate and provide for discounts and returns. No element of financing is deemed present as sales are made with a credit term which is consistent to market practice.

Sale of products:

Revenue from sale of products is recognized when the Company transfers all significant risks and rewards of ownership to the buyer, while the Company retains neither continuing managerial involvement nor effective control over the products sold.

Rendering of services:

Revenue from product support services are recognized once the service is provided and the invoice is raised and are net of applicable taxes.

Interest:

Interest income from debt instruments is recognised using the effective interest rate method.

Dividend:

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

xi) Foreign Currency Transactions /translations:

Functional and presentation Currency:

Items included in the financial statement of the company are measured using the currency of the primary economic environment in which the company operates (functional currency). The Financial statements of the company are presented in Indian Currency, which is also the functional currency of the company.

Initial Recognition:

On initial recognition, transactions in foreign currencies entered into by the Company are recorded in the functional currency (i.e. Indian Rupees), by applying to the foreign currency amount, the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss.

Foreign exchange gain or loss resulting from the settlement of such transactions and from translation of monetary assets or liability denominated in foreign currencies at the year-end exchange rate are generally recognized in the profit and loss account except that they are deferred in equity if they relate to qualifying cash flow hedges.

Measurement of foreign currency items at reporting date:

Foreign currency monetary items of the Company are translated at the closing exchange rates. Non-monetary items that are measured at historical cost in a foreign currency, are translated using the exchange rate at the date of the transaction.

Non-monetary items that are measured at fair value in a foreign currency, are translated using the exchange rates at the date when the fair value is measured.

Exchange differences arising out of these translations are recognized in Other Comprehensive Income.

xii) Derivative financial instruments and hedge accounting:

The Company enters into derivative financial contracts in the nature of forward currency contracts with external parties to hedge its foreign currency risks relating to foreign currency denominated financial liabilities measured at amortized cost.

The Company is not following hedge accounting. Consequently all derivative instruments are recognised and measured at Fair Value through Profit and Loss.

xiii) Inventories:

(a) Stock of goods traded is valued at lower of cost and net realizable value. The costs of purchase of inventories comprise the purchase price, import duties and other taxes (other than those subsequently recoverable by the entity from the taxing authorities), and transport, handling and other costs directly attributable to the acquisition of finished goods, materials and services. Trade discounts, rebates and other similar items are deducted in determining the costs of purchase. The costs are determined on a weighted average basis.

(b) Saleable scrap is accounted for as and when sold.

xiv) Investments and other financial assets:

Classification:

The Company classifies its financial assets in the following measurement categories:

- i) Those to be measured subsequently at fair value (either through Other Comprehensive Income (OCI), or through Profit or Loss), and
- ii) Those measured at amortised cost.

The classification depends on the business model of the entity for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in Profit or Loss or Other Comprehensive Income.

For investments in debt instruments, this will depend on the business model in which the investment is held.

For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through Other Comprehensive Income (OCI)

Initial recognition and measurement:

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

Subsequent measurement:

After initial recognition, financial assets are measured at:

- i) Fair value {either through Other Comprehensive Income (FVOCI) or through Profit or Loss (FTVPL)} or,
- ii) Amortised cost.

Debt instruments:

Subsequent measurement of debt instruments depends on the business model of the Company for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Measured at amortised cost:

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method less impairment, if any. The amortization of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

Measured at fair value through Other Comprehensive Income (FVOCI):

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through Other Comprehensive Income. Fair value movements are recognised in the OCI. Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On de-recognition, cumulative gain / (loss) previously recognized in OCI is reclassified from the equity to other income in the Statement of Profit and Loss.

Measured at Fair Value through Profit or Loss: (FVTPL)

A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as other income in the Statement of Profit and Loss.

Equity instruments:

The Company subsequently measures all investments in equity instruments other than subsidiary companies, associate company and joint venture Company at fair value. The Management of the Company has elected to present fair value gains and losses on such equity investments in Other Comprehensive Income, and there is no subsequent reclassification of these fair value gains and losses to the Statement of Profit and Loss. Dividends from such investments continue to be recognised in profit or loss as other income when the right to receive payment is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in the Statement of Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Investments in Subsidiary Companies, Associate Companies and Joint Venture companies:

Investments in Subsidiary Companies, Associate Companies and Joint Venture companies are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in Subsidiary Companies, Associate Companies and Joint Venture companies, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

Impairment of financial assets:

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- i) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, and bank balance.
- ii) Trade Receivables.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

De-recognition:

A financial asset is de-recognized only when the Company

- i) has transferred the rights to receive cash flows from the financial asset or
- ii) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognized. Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

Financial liabilities:

i) Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

ii) Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the fair value.

iii) Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

iv) De-recognition

A financial liability is de-recognised when the obligation specified in the contract is discharged, cancelled or expires.

Offsetting financial instruments:

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

xv) Retirement and other employee benefits:

Short term employee benefits:

All employee benefits payable within twelve months of service such as salaries, wages, bonus, ex gratia, medical benefits etc. are recognized in the year in which the employees render the related service and are presented as current employee benefit obligations within the balance sheet.

Defined contribution plan:

Contributions to defined contribution schemes such as contribution to provident fund, Employees State Insurance Corporation, National Pension Scheme are charged as an expense to the statement of profit and loss on the amount of contribution required to be made as and when services are rendered by the employees. The above benefits are classified as defined contribution schemes as the company has no further defined obligations beyond the monthly contributions.

The Liability or Asset, is recognized in the Balance sheet in respect of Gratuity is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method (PUCM).

xvi) Income Taxes:

The income tax expense or credit for the period is the tax payable on the taxable income of the current period based on the applicable income tax rates adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. The Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Minimum Alternate Tax ('MAT') under the provisions of the Income Tax Act, 1961 is recognized as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid will be recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set off against the normal tax liability. Such an asset is reviewed at each Balance Sheet date

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. However, deferred tax liabilities are not recognized if they arise from the initial recognition of Goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting

profit nor taxable profit / (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the Balance Sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in Other Comprehensive Income or directly in equity. In this case, the tax is also recognized in Other Comprehensive Income or directly in equity, respectively.

xvii) Cash and cash equivalents:

Cash and cash equivalents include cash in hand, demand deposits with banks and other short term deposits (three months or less from the date of acquisition), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

xviii) Segment reporting:

The Company operates only in one reportable segment.

xix) Earnings per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity share outstanding during the period.

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

xx) Provisions and contingent liabilities:

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. These are reviewed at each year end and reflect the best current estimate. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

As per our report of even dated attached

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Lakh unless otherwise stated)

NOTE 2: PROPERTY, PLANT AND EQUIPMENT

Particulars	Buildings	IT Equipment	Vehicles	Office Equipment	Furniture and Fixture	Total Property, plant and equipment	Intangible Assets
Gross carrying amount							
As at 1 st April, 2020	4,291.62	1,809.66	123.12	786.49	1,579.93	8,590.82	11.99
Additions	-	30.11	-	3.44	27.86	61.41	-
Disposals	-	-	-5.83	-	-	(5.83)	-
As at 31 st March, 2021	4,291.62	1,839.77	117.29	789.93	1,607.79	8,646.40	11.99
Depreciation Amortisation							
As at 31st March, 2020	252.48	1,683.47	83.34	558.25	1,004.00	3,581.54	10.97
Charge For the year	75.39	56.41	6.76	68.69	151.78	359.03	0.28
Disposals	-	-	(5.52)	-	-	(5.52)	-
upto 31 st March, 2021	327.87	1,739.88	84.58	626.94	1,155.78	3,935.05	11.25
Net carrying amount							
As at 31-03-2020	4,039.14	126.19	39.78	228.24	575.93	5,009.28	1.02
As at 31-03-2021	3,963.75	99.89	32.71	162.99	452.01	4,711.35	0.74

1. The Company has hypothecated Buildings to avail the Loan from the Bank.

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Lakh unless otherwise stated)

NOTE 3: NON CURRENT INVESTMENTS

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
a) Investment in equity instruments of Subsidiary company measured at cost 1,50,000 Ordinary Shares of Compuage Infocom Pte.Ltd - Singapore	73.11	75.42
Sub-total (a)	73.11	75.42
b) Investment in equity instruments of Other Company measured at FVTPL - Unquoted 327083 Equity Shares of Bombay Mercantile Co- Op. Bank Ltd of ₹30 Each. (Previous year: 243751, Equity Shares).	98.12	73.13
Sub-total (b)	98.12	73.13
Total	171.23	148.55

NOTE 4: OTHER NON CURRENT FINANCIAL ASSETS

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Fixed Deposits with Banks, with maturity beyond 12 months	488.54	1.81
Total	488.54	1.81

NOTE 5: INVENTORIES

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Stock in trade	31,938.80	33,795.26
Total	31,938.80	33,795.26

NOTE 6: TRADE RECEIVABLES

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Unsecured, considered good	55,475.90	55,425.77
Total	55,475.90	55,425.77

NOTE 7: CASH AND CASH EQUIVALENTS

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Bank balances		
In current accounts	308.41	133.79
In unpaid dividend accounts	20.15	20.41
Cheques on hand	265.00	600.00
Cash on hand	6.44	21.73
Fixed deposits with original maturity less than 3 months	179.34	135.57
Total	779.34	911.50

NOTE 8: OTHER BANK BALANCES

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Fixed deposits with remaining maturity less than 12 months	6,376.32	7,052.01
Total	6,376.32	7,052.01

NOTE 9: CURRENT LOANS

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Security deposits	499.20	486.19
Loans to employees	571.02	20.27
Total	1,070.22	506.46

NOTE 10: OTHER CURRENT FINANCIAL ASSETS

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Fixed deposits other than Banks	670.00	670.00
Interest accrued	956.58	452.20
Total	1,626.58	1,122.20

NOTE 11: CURRENT TAX ASSETS (NET)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Advance income tax (net of provisions)	185.12	558.01
Total	185.12	558.01

NOTE 12: OTHER CURRENT ASSETS

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Prepaid expenses	1,103.88	1,206.79
Advances to staffs	146.86	37.14
Advances to supplier	1,278.73	1,666.20
Balances with Government authorities	7,602.54	6,328.76
Total	10,132.01	9,238.89

NOTE 13: EQUITY SHARE CAPITAL

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Authorised		
9 62,70,000 Equity shares of ₹2.00 each	1,925.40	1,925.40
46,65,600 Preference shares of ₹0.10 (Ten paise) each	4.67	4.67
1,10,00,000 Preference shares of ₹10.00 each	1,100.00	1,100.00
Total	3,030.07	3,030.07
Issued, subscribed and fully paid-up		
6,49,75,806 Equity shares of ₹2.00 each fully paid	1,299.52	1,299.52
Total	1,299.52	1,299.52

Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particular	As at 31 st March, 2021		As at 31 st March, 2020	
	No. in lakh	₹ In lakh	No. in lakh	₹ In lakh
At the beginning of the Period	649.76	1,299.52	649.76	1,299.52
Add : Preferential allotment	-	-	-	-
Outstanding at the end of the period	649.76	1,299.52	649.76	1,299.52

Terms / rights attached to equity shares

The company has only one class of equity shares having a par value of ₹2.00 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the company, the holder 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 shareholders.

c) Details of Shareholders holding more than 5% of Equity shares:

Name of Shareholder	As at 31 st March, 2021		As at 31 st March, 2020	
	Holding %	No. in lakh	Holding %	No. in lakh
1. Atul Harkishandas Mehta	23.02%	149.54	23.02%	149.54
2. Bhavesh Harkishandas Mehta	23.02%	149.54	23.02%	149.54
3. Ajay Harkishandas Mehta	12.30%	79.94	12.30%	79.94
4. Kitara India Micro Cap Growth Fund	-	-	5.95%	38.65

NOTE 14: OTHER EQUITY

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
a) Capital reserve	134.84	134.84
b) Capital redemption reserve	129.72	129.72
c) Securities premium reserve	3,668.80	3,668.80
d) General reserve	35.36	35.36
e) Retained Earnings		
Balance at the beginning of the year	14,913.91	12,363.67
Add: Profit for the year	2,047.44	3,076.02
Add: Add Other Comprehensive Income	82.04	(212.97)
Less: Dividend on Equity shares	(129.95)	(259.90)
Less: Dividend distribution tax on dividend	-	(52.91)
Balance as at the end of the year	16,913.44	14,913.91
Total	20,882.16	18,882.63

NOTE 15: NON CURRENT BORROWINGS

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Term loans from banks, secured	4,481.94	844.06
Term loans from others, unsecured	1,628.52	292.07
9% Cumulative Non-Convertible Redeemable Preference Shares	1,000.00	1,000.00
Total	7,110.46	2,136.13
Term loan from Indian Bank (secured by hypothecation of office premises) carry interest of 11.15% pa and is repayable in 20 equal quarterly installment of 125 lakh each along with interest.		
Cumulative Non-Convertible Redeemable Preference Shares carry Interest of 9% (Effective Rate 10.85%) and are redeemable on the expiry of 96 months of Deemed Date of Allotment or one month from the time of exercise of put option. Put option can be exercised any time after the end of 24 months from the deemed date of allotment.		
The company has not defaulted on repayment of loans and interest during the year.		

NOTE 16: NON CURRENT PROVISIONS

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Provision for gratuity	184.57	184.88
Total	184.57	184.88

NOTE 17: CURRENT AND DEFERRED TAX

The major components of income tax expense for the years ended 31st March, 2021, 31st March, 2020 are:

a) Income tax expense

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
i) Current tax		
Current tax on profits for the year	772.14	1,051.02
Adjustments for current tax of prior period	-	-
Total current tax expense	772.14	1,051.02
ii) Deferred tax		
(Decrease) Increase in deferred tax liabilities	(51.03)	(136.85)
Decrease (Increase) in deferred tax assets	-	-
Total deferred tax expense(benefit)	(51.03)	(136.85)
Income tax expense	721.11	914.17

b) The Statutory income tax rate applied for computing current tax & for Deferred Tax @ 25.168 % as applicable to the Company.

c) No aggregate amounts of current and deferred tax have arisen in the reporting periods which have been recognised in equity and not in Statement of Profit and Loss or other comprehensive income.

d) Current tax assets (net)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Opening balance	558.01	383.83
Add: Tax paid in advance, net of provisions during the year	(372.89)	174.18
Closing balance	185.12	558.01

e) Deferred tax liabilities (net)

The balance comprises temporary differences attributable to the below items and corresponding movement in deferred tax liabilities | (assets):

Particulars	As at 31 st March, 2021	(Charged) Credited	As at 31 st March, 2020	(Charged) Credited
Property, plant and equipment & Intangible assets p&l	431.40	(50.85)	482.25	(136.62)
Fair valuation of term loan p&l	0.42	(0.18)	0.60	(0.23)
Remeasurment of Defined Employee Benefit Plans-OCI	17.82	11.02	6.80	6.80
Foreign Currency Translation difference-OCI	-61.86	16.56	-78.42	(78.42)
Total deferred tax liabilities	387.78	(23.45)	411.23	(208.47)
Carry forward of losses	-	-	-	-
Total deferred tax assets	-	-	-	-
Net deferred tax (asset) liability	387.78	(23.45)	411.23	(208.47)

NOTE 18: CURRENT BORROWINGS

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Secured		
Cash credit from banks	37,190.52	31,351.21
Unsecured		
Loan from related parties	4,177.65	2,696.19
Loan from others	8,746.57	10,408.56
Deposits	66.00	142.50
Total	50,180.74	44,598.46

NOTE 19: TRADE PAYABLES

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Due to Micro, Small & Medium Enterprises	-	-
Others	24,373.60	39,260.98
Total	24,373.60	39,260.98

NOTE 20: OTHER CURRENT FINANCIAL LIABILITIES

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Current maturities of long term liabilities	3,220.83	1,157.29
Unpaid dividends	20.15	20.41
Amount due to subsidiary company	194.46	138.55
Unclaimed Deposits	61.50	-
Other payables	1,428.61	2,173.07
Total	4,925.55	3,489.32

NOTE 21: OTHER CURRENT LIABILITIES

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Statutory Dues	1,751.19	2,174.04
Advances from customers	1,830.58	1,303.57
Total	3,581.77	3,477.61

NOTE 22: CURRENT PROVISIONS

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Provision for gratuity	30.00	30.00
Total	30.00	30.00

NOTE 23: REVENUE FROM OPERATIONS

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
(a) Sale of Products		
Computer Components & Others	372,102.11	422,375.66
Total (a)	372,102.11	422,375.66
(b) Sale of services		
Product support services	876.56	875.11
Total (b)	876.56	875.11
Total	372,978.67	423,250.77

NOTE 24: OTHER INCOME

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Dividend from mutual funds	-	2.36
Interest from bank deposits	401.09	497.04
Interest from others	1,255.63	1,164.48
Net exchange rate difference - gain	34.54	-
Miscellaneous income	25.16	8.75
Total	1,716.42	1,672.63

NOTE 25: PURCHASE OF STOCK-IN-TRADE

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Computer Components & Others	355,867.11	409,093.43
Total	355,867.11	409,093.43

NOTE 26: CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
(a) Stocks at the end of the year		
Stock-in-trade	31,938.80	33,795.26
Total (a)	31,938.80	33,795.26
Less :		
(b) Stocks at beginning of the year		
Stock-in-trade	33,795.26	30,139.02
Total (b)	33,795.26	30,139.02
(Increase) Decrease in stocks	1,856.46	(3,656.24)

NOTE 27: EMPLOYEE BENEFIT EXPENSES

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Salaries, wages and bonus	3,284.80	3,577.48
Contribution to provident and other funds	59.94	81.90
Gratuity	61.11	63.02
Staff welfare	79.52	129.52
Total	3,485.37	3,851.92

NOTE 28: FINANCE COSTS

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Interest on borrowings (at amortised cost)	6,186.21	5,988.43
Interest on Preference Shares	108.50	96.64
Total	6,294.71	6,085.07

NOTE 29: OTHER EXPENSES

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Rent and compensation	667.64	888.00
Power & fuel	79.61	96.55
Rates and taxes	20.64	14.74
Insurance	221.64	446.86
<u>Payments to the statutory auditors:</u>		
a) Audit fees	15.07	14.74
b) Tax matters	2.00	2.00
c) Other matters	1.50	1.48
Expenditure on Corporate Social Responsibility	82.02	65.49
Net exchange rate difference - loss	-	101.67
Miscellaneous expenses	2,973.46	3,478.44
Total	4,063.58	5,109.97

NOTE 30: CONTINGENT LIABILITIES

The disputed demands for taxes and other matters amounts as of the reporting period ends are respectively as follows:

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Claims against the Company not acknowledged as debts	-	-
Disputed demands in respect of VAT/Custom Duty (Based on legal opinion, the Company does not feel any liability will arise and hence no provision has been made in the accounts.)	1,035.76	857.14

The Company does not envisage any likely reimbursements in respect of the above.

The above matters are currently being considered by the tax authorities and the Company expects the judgment will be in its favour and has therefore, not recognised the provision in relation to these claims. Future cash outflow in respect of above will be determined only on receipt of judgement | decision pending with tax authorities. The potential undiscounted amount of total payments for taxes that the Company could be required to make if there was an adverse decision related to these disputed demands of regulators as of the date reporting period ends are as illustrated above.

NOTE 31: EMPLOYEE BENEFIT OBLIGATIONS

Funded Scheme

a) Defined Benefit Plans:

Gratuity

The Company operates a gratuity plan through the Life Insurance Corporation of India'. Every Employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972 or Company scheme whichever is beneficial. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service.

The actuarial valuation of plan assets and the present value of the defined benefit obligation for the Gratuity was carried out as at March 31, 2021. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the projected unit credit method.

Based on the actuarial valuation obtained in respect, the following table sets out the status of the gratuity plan and the amounts recognised in the companies financial statements as at the balance sheet date:

A) Amount Recognized in Statement of Financial Position at Period-End	As at 31 st March, 2021	As at 31 st March, 2020
Present Value of Funded Defined Benefit Obligation	230.16	231.41
Fair value of Plan Assets	-15.59	-16.53
Net Defined Benefit (Asset)/Liability Recognised in Statement of Financial Position	214.57	214.88

B) Net Defined Benefit Cost/(Income) included in Statement of Profit & Loss at Period-End	As at 31 st March, 2021	As at 31 st March, 2020
Service Cost	44.61	42.92
Interest Cost on DBO (A)	18.48	21.02
Interest Income Plan Assets (B)	-1.98	-0.92
Net Interest Cost (A) + (B)	16.50	20.10
Past Service Cost	-	-
Total Defined Benefit Cost/(Income) included in Profit & Loss	61.11	63.02

C) Current / Non-Current Bifurcation	As at 31st March, 2021	As at 31st March, 2020
Current Liability	30.00	30.00
Non-Current Liability	184.57	184.88
(Asset)/Liability Recognised in the Balance Sheet	214.57	214.88

D) Actual Return on Plan Assets	As at 31st March, 2021	As at 31st March, 2020
Interest Income on Plan Assets	1.98	0.92
Remeasurment on Plan Assets	-2.32	0.55
Actual Return on Plan Assets	-0.34	1.47

E) Analysis of Amounts Recognized in Other Comprehensive (Income) / Loss at Period-End	As at 31st March, 2021	As at 31st March, 2020
Amount recognized in OCI - Beginning of the period	27.00	-
Remeasurment due to :		
Effect of change in financial assumptions (A)	-8.73	28.98
Effect of experience adjustments (B)	-37.40	-55.43
Actuarial (Gains) / Losses (A) + (B)	-46.13	-26.45
Return on Plan Assets (excluding interest)	2.32	-0.55
Amount recognized in OCI - End of the period	-43.81	-27.00

F) Total Defined Benefit Cost / (Income) included in Profit & Loss and Other Comprehensive Income	As at 31st March, 2021	As at 31st March, 2020
Amount recognized in Profit & Loss, End of Period	61.11	63.02
Amount recognized in OCI, End of Period	-43.81	-27.00
(Asset)/Liability Recognised in the Balance Sheet	17.30	36.02

G) Change in Defined Benefit Obligation during the Period	As at 31st March, 2021	As at 31st March, 2020
Defined Benefit Obligation, Beginning of the Period	231.41	239.01
Net Current Service Cost	44.61	42.92
Interest Cost on DBO	18.48	21.02
Actuarial (Gains) / Losses	-46.14	-26.45
Benefits Paid	-18.20	-45.09
Defined Benefit Obligation, End of Period	230.16	231.41

H) Change in Fair value of Plan Assets during the Period	As at 31st March, 2021	As at 31st March, 2020
Fair Value of Plan Assets, Beginning of the Period	16.53	10.55
Interest Income Plan Assets	1.98	0.92
Actual Company Contributions	17.61	49.60
Actuarial Gains / (Losses)	-2.32	0.55
Benefits Paid	-18.20	-45.09
Fair value of Plan Assets, End of Period	15.60	16.53

I) Reconciliation of Balance Sheet Amount	As at 31st March, 2021	As at 31st March, 2020
Balance Sheet (Asset) / Liability, Beginning of the Period	214.88	228.46
Total Charge/(Credit) Recognised in Profit and Loss	61.11	63.02
Total Remeasurment Recognized in Other Comprehensive (Income) / Loss	-43.81	-27.00
Employer Contributions	-17.61	-49.60
Balance Sheet (Asset)/Liability, End of Period	214.57	214.88

J) Financial Assumptions Used to Determine the Defined Benefit Obligation	As at 31st March, 2021	As at 31st March, 2020
Discount Rate	7.05%	6.75%
Salary Escalation Rate	5.00%	5.00%

K) Financial Assumptions Used to Determine the Profit & Loss Charge	As at 31st March, 2021	As at 31st March, 2020
Discount Rate	6.75%	7.80%
Salary Escalation Rate	5.00%	5.00%
Expected Return on Plan Assets	6.75%	7.80%

L) Demographic Assumptions Used to Determine the Defined Benefit Obligation	As at 31st March, 2021	As at 31st March, 2020
Withdrawal Rate:		
Upto age 30	3.00%	3.00%
Age 31 to 40	2.00%	2.00%
Above Age 40	1.00%	1.00%
Mortality Rate	IALM (2012-14)	IALM (2012-14)
Retirement Age	58 years	58 years

M) Asset Category	As at 31st March, 2021	As at 31st March, 2020
Insurer Managed Funds	15.60	16.53
Total	15.60	16.53

J) Expected cash flows for the next 10 years	As at 31st March, 2021	As at 31st March, 2020
Year-2020	-	-
Year-2021	-	4.37
Year-2022	5.85	4.53
Year-2023	4.57	4.93
Year-2024	18.46	19.22
Year-2025	5.23	5.53
Year-2026	5.73	-
Year-2026 to 2030	-	80.52
Year-2027 to 2031	94.37	-

K) Defined Benefit Obligation - Sensitivity Analysis	As at 31st March, 2021	As at 31st March, 2020
Discount Rate + 100 basis points	204.07	203.70
Discount Rate - 100 basis points	261.14	264.49
Salary Escalation Rate + 100 basis points	257.81	260.37
Salary Escalation Rate - 100 basis points	205.57	205.65
Attrition Rate + 100 basis points	234.93	235.98
Attrition Rate - 100 basis points	224.62	226.09

NOTE 32: SEGMENT REPORTING

The Company operates only in one reportable segment.

NOTE 33: LEASE ARRANGEMENTS

The Company procures office premises for its branches under operating lease agreements that are renewable on a periodic basis at the option of both lessor and lessee. The initial tenure of the lease is below 12 months. The lease rentals recognised in the Statement of Profit and Loss for the year are Rs. 667.64 lakh (previous year Rs.888.00 lakh). The contingent rent recognised in the Statement of Profit and Loss for the year is Rs.nil (previous year Rs.nil).

NOTE 34: DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 33 EARNINGS PER SHARE

Particulars	2020-21	2019-20
Face value of equity share (in Rs.)	2.00	2.00
Weighted average number of equity shares outstanding (in Nos)	64,975,806	64,975,806
Profit for the year (Rs. in Lakh)	2,129.48	2,863.05
Weighted average earnings per share (basic and diluted) (in Rs.)	3.28	4.41

NOTE 35: CAPITAL MANAGEMENT

Risk Management

The primary objective of Capital Management of the Company is to maximise Shareholder value. The Company monitors capital using Debt-Equity ratio which is total debt divided by total equity. For the purposes of Capital Management, the Company considers the following components of its Balance Sheet to manage capital:

Total equity includes General reserve, Retained earnings, Share capital, Security premium. Total debt includes current debt plus non-current debt less cash and cash equivalents & other Bank balances.

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Total debt	57,291.20	46,734.59
Less: Cash and cash equivalents & Other Bank balances	7,155.66	7,963.51
Net Debt	50,135.54	38,771.08
Total equity	22,181.68	20,182.15
Debt-Equity ratio	2.26	1.92

NOTE 36: RELATED PARTY DISCLOSURES, AS REQUIRED BY INDIAN ACCOUNTING STANDARD 24 (IND AS 24) ARE GIVEN BELOW:

A. Relationships –

Category I:

Subsidiaries:

Compuage Infocom (S) Pte Ltd

Category II: Jointly Controlled Entity: NA

Category III:

Key Management Personnel (KMP)

Atul H.Mehta

Executive Director

Bhaves H.Mehta

Executive Director

Sunil Mehta

Chief Financial Officer

Ruchita Shah (Resigned w.e.f from 23rd July, 2020)

Company Secretary

Anmol Jolly (w.e.f from 01st October 2020)

Company Secretary

Non-Executive Directors

G.S. Ganesh

Vijay Agarwal

Fatima Hussain

Virendra Bhatt (w.e.f 25th February 2021)

Category IV:

Others (Close family member of KMP and Entities in which the KMP or close family member of KMP have significant influence)

Bhavesh M. Mehta	Brother of Sunil Mehta
Kamal M. Mehta	Brother of Sunil Mehta
Falguni A. Mehta	Wife of Atul H. Mehta
Forum B. Mehta	Wife of Bhavesh H. Mehta
Ajay H. Mehta	Brother of Atul H. Mehta and Bhavesh H. Mehta
Nisha S. Mehta	Wife of Sunil Mehta
Sunil M. Mehta HUF	HUF of Sunil Mehta
Yash A. Mehta	Son of Atul H. Mehta
Trillizo Holdings Ltd.	Entity in which close family member of KMP has significant influence
Pristine Care Products Pvt. Ltd.	Entity in which close family member of KMP has significant influence

Transactions with the related parties:

Particulars of transactions	As at 31 st March, 2021	As at 31 st March, 2020
Interest Paid to:		
Atul H.Mehta	18.84	32.97
Bhavesh H.Mehta	49.21	73.83
Bhavesh M. Mehta	1.04	1.73
Falguni A. Mehta	3.50	3.89
Forum B. Mehta	5.30	5.79
Ajay H. Mehta	11.91	15.19
Nisha S. Mehta	0.07	0.07
Sunil M. Mehta HUF	0.91	6.29
Sunil M. Mehta	0.28	3.39
Kamal M.Mehta	-	0.48
Yash A.Mehta	-	0.10
Remuneration Paid to:		
Atul H.Mehta	120.00	132.00
Bhavesh H.Mehta	120.00	132.00
Disha Shah (Up to 23 rd November 2019)	-	4.87
Ruchita Shah (Resigned w.e.f. 23 rd July 2020)	1.53	2.67
Anmol Jolly (w.e.f from 01 st October 2020)	2.35	-
Sunil Mehta	65.44	65.44
Sitting Fees to Non-Executive Directors		
Vijay Agarwal	8.00	3.00
Preeti Trivedi (Resigned w.e.f. 23 rd August 2019)	-	1.00
Fatima Nasab (w.e.f. 23 rd August 2019)	8.00	3.00
Virendra Bhatt (W.e.f. 25 th February 2021)	1.00	-
Rent Paid to:		
Trillizo Holdings Ltd.	18.75	12.50
Printing & Stationery Paid to:		
Pristine Care Products Pvt. Ltd.	6.77	0.50
Sale of IPR received from:		
Pristine Care Products Pvt. Ltd.	1.20	-

Balances due from/to the related parties:

Particulars of transactions	As at 31 st March, 2021	As at 31 st March, 2020
Outstanding receivables:		
Trillizo Holdings Ltd.	138.00	138.00
Pristine Care Products Pvt. Ltd.	75.75	75.75

Outstanding payables:

Atul H.Mehta	1,344.53	1,053.90
Bhavesh H.Mehta	1,676.16	1,417.48
Compuage Infocom (S) Pte Ltd	194.46	138.55
Sunil Mehta	28.25	-
Falguni A. Mehta	42.56	39.32
Forum B. Mehta	64.23	59.33
Ajay H. Mehta	1,021.92	126.15
Pristine Care Products Pvt. Ltd.	-	6.34

NOTE 37: OUTSTANDING DUES OF MICRO ENTERPRISE AND SMALL ENTERPRISE

There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act, 2006 to whom the Company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made.

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

NOTE 38:

Valuation of Imports calculated on C.I.F. basis for One Year period ended 31st March 2021 is ₹ 23,521 Lakh (Previous year ₹ 41,862 Lakh).

NOTE 39: FOREIGN CURRENCY TRANSACTIONS

Expenditure in Foreign currency:

(₹ in lakh)

Particulars	Current Period	Previous Period
Travelling	-	98.39
Mercantile Trade Purchase	10,681.92	18,255.50
Earnings in Foreign Currency		
Particulars	Current Period	Previous Period
Mercantile Trade Sale	10,788.74	18,445.17



COMPUAGE INFOCOM LTD.
Annual Report FY 2020-2021

BHOGILAL C. SHAH & CO.
CHARTERED ACCOUNTANTS
2A, Shree Pant Bhuvan, 1st floor, Sandhurst Bridge, Mumbai 400 007.
Phone : 2361 0939

PARTNERS :

SNEHAL V. SHAH

B. Com., F.C.A., M.M. (U.S.A.)

SURIL V. SHAH

B. Com., A.C.A., M.B.A. (U.S.A.)

INDEPENDENT AUDITOR'S REPORT

To,
The Members of
Compuage Infocom Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Compuage Infocom Limited (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2021, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of the Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter 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 and based on the consideration of the report of the other auditors on separate financial statements / consolidated financial statements and on other financial information of the subsidiary, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed u/s 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 consolidated state of affairs of the Group as at 31st March 2021, its consolidated profit including other 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 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 Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their report referred to in the paragraph Other Matter is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

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

S. No.	Key Audit Matter	Auditor's Response
1.	Recoverability of Balances with Government Authorities Balances with Government Authorities have been disclosed under Other Current Assets.	Principal Audit Procedures We have reviewed the status of the applications and other corresponding documentation to check whether the balances with Government Authorities are likely to be recovered within the next financial year.
2.	Provision for doubtful debts All trade receivables have been considered good. The possible effects that may result from the pandemic relating to COVID-19 on the carrying amount of receivables has been considered.	Principal Audit Procedures We have reviewed the status of the cases filed in the courts for recovery of outstanding dues from various customers. Customer's confirmations and financial standing have been verified and the likelihood of recoverability has been examined.

Information Other than the consolidated financial statements and Auditor's Report thereon

The Holding 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, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon. These reports are expected to be made available to us after the date of our auditor's report.

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.

When we read the other information included in the above reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and determine the actions under the applicable laws and regulations.

Responsibilities of Management and Those Charged with Governance for the consolidated financial statements

The Holding 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 consolidated financial position, consolidated financial performance, total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Group's financial reporting process.

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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the holding company has adequate internal financial controls 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 Group'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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- 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.

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 consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated 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 have not audited the financial statements and other financial information of the subsidiary. The subsidiary accounts for total assets of Rs. 401.30 lakhs as at 31st March 2021, net profit of Rs. 20.70 lakhs for the year ended 31st March 2021.

These financial statements and financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and our report in terms of section 143 (3) of the Act, insofar as it relates to the aforesaid subsidiary is based solely on the reports of the other auditors.

The financial statements and other financial information of the subsidiary which is located outside India whose financial statements and other financial information has been prepared in accordance with accounting principles generally accepted in its respective country and which has been audited by other auditors under generally accepted auditing standards applicable in its respective country. The Holding Company's management has converted the financial statements of this subsidiary located outside India from accounting principles generally accepted in its respective country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of the subsidiary located outside India is based on the reports of other auditors and the conversion adjustments prepared by the Management of the Company and audited by us.

Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on legal and other regulatory requirements

1. As required by section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditors on separate financial statements and the other financial information of its subsidiary, as noted in the "other matter" paragraph, we report, to the extent applicable, that :
 - i. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
 - j. in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Company so far as appears from our examination of those books and the report of the other auditors;
 - k. the consolidated Balance Sheet, the consolidated Statement of Profit and Loss (including other comprehensive income), the consolidated Cash Flow Statement and consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
 - l. in our opinion the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - m. on the basis of the written representations received from the directors of the Holding Company as on 31st March 2021, and taken on record by the Board of Directors of the Holding Company, none of the Directors of the Group Company incorporated in India is disqualified as on 31st March, 2021 from being appointed as a director, in terms of Section 164 (2) of the Act;
 - n. with respect to the adequacy of the internal financial controls over financial reporting of the Group and operating effectiveness of such controls, refer to our separate report in Annexure A;
 - o. with respect to the other matters to be included in the Auditor's Report in accordance with the requirement 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 Holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- p. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements and also the other financial information of the subsidiary, as noted in the "other matter" paragraph :
- (i) the consolidated financial statements disclose the impact on pending litigations on its financial position of the Group in its consolidated financial statements;
 - (ii) the Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses; and
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company.

For **Bhogilal C. Shah & Co.**
Chartered Accountants
Firm's registration No. 101424W

Sd/-
Suril Shah
Partner
Membership No. 042710
UDIN: 21042710AAAAC1871
Mumbai, 29th May, 2021

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Report on the Internal Financial Controls 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 Ind AS financial statements of the Company as of and for the year ended 31st March 2021, we have audited the internal financial controls over financial reporting of Compuage Infocom Limited ("the Holding Company").

Management's responsibility for Internal Financial Controls

The Board of Directors of the Holding 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's responsibility

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

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 and understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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, the Holding 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 31st March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Bhogilal C. Shah & Co.**
Chartered Accountants
Firm's registration No. 101424W

Sd/-
Suril Shah
Partner
Membership No. 042710
UDIN: 21042710AAAACT1871
Mumbai, 29th May, 2021

Compuage Infocom Limited
Consolidated Balance Sheet as at 31st March, 2021

(₹ in Lakh unless otherwise stated)

Particulars	Note	31-Mar-21	31-Mar-20
A. ASSETS			
1. Non-current assets			
a) Property, plant and equipment	2	4,711.35	5,009.28
b) Intangible assets	2	0.74	1.02
c) Financial assets			
(i) Investments	3	98.12	73.13
(ii) Others financial assets	4	488.54	1.81
Total non-current assets		5,298.75	5,085.24
2. Current assets			
a) Inventories	5	31,938.80	33,795.26
b) Financial assets			
(i) Trade receivables	6	55,475.90	55,425.77
(ii) Cash and cash equivalents	7	782.36	914.90
(iii) Bank balances other than (ii) above	8	6,376.32	7,052.01
(iv) Loans	9	1,070.22	506.46
(v) Other financial assets	10	1,626.58	1,122.20
c) Current tax assets (net)	11	185.12	558.01
d) Other current assets	12	10,530.29	9,690.88
Total current assets		107,985.59	109,065.49
TOTAL ASSETS		113,284.34	114,150.73
B. EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	13	1,299.52	1,299.52
b) Other equity	14	20,927.93	18,908.48
Total equity		22,227.45	20,208.00
Liabilities			
1. Non-current liabilities			
a) Financial liabilities			
(i) Borrowings	15	7,110.46	2,136.13
b) Provisions	16	184.57	184.88
c) Deferred tax liabilities (net)	17	387.78	411.23
Total non-current liabilities		7,682.81	2,732.24
2. Current liabilities			
a) Financial liabilities			
(i) Borrowings	18	50,655.43	45,088.49
(ii) Trade payables	19	24,373.60	39,260.98
(iii) Other financial liabilities	20	4,733.28	3,353.41
b) Other current liabilities	21	3,581.77	3,477.61
c) Provisions	22	30.00	30.00
Total current liabilities		83,374.08	91,210.49
Total liabilities		91,056.89	93,942.73
TOTAL EQUITY AND LIABILITIES		113,284.34	114,150.73
Significant accounting policies	1		

The above Balance Sheet should be read in conjunction with the accompanying Notes

As per our report of even date

For Bhogilal C. Shah & Co.
Firm Reg. No.: 101424W
Chartered Accountants

For and Behalf of the Board of Directors
of Compuage Infocom Limited

Sd/-
(CA. S. V. Shah)
Partner

Membership No.: 042710

Place : Mumbai
Dated : 29th May, 2021

Sd/-
G. S Ganesh
Independent Director

DIN: 00010877

Sd/-
Sunil Mehta
CFO

Sd/-
Bhavesh H. Mehta
Whole-Time Director

DIN: 00740861

Sd/-
Atul H. Mehta
Chairman & Managing
Director

DIN: 00716869

Sd/-
Anmol Jolly
Company Secretary

Compuage Infocom Limited
Consolidated Statement of Profit and Loss for the year ended 31st March, 2021

₹ in Lakh unless otherwise stated)

Particulars	Note	2020-21	2019-20
Revenue from operations	23	372,978.67	423,250.77
Other income	24	1,739.54	1,672.63
Total Income		374,718.21	424,923.40
Expenses			
Purchase of stock-in-trade	25	355,867.11	409,093.43
Changes in inventories of stock in trade	26	1,856.46	(3,656.24)
Employee benefits expense	27	3,485.37	3,851.92
Finance costs	28	6,294.71	6,085.07
Depreciation and amortisation expenses	2	359.31	419.05
Other expenses	29	4,065.99	5,135.04
Total Expenses		371,928.95	420,928.27
Profit before exceptional items and tax		2,789.26	3,995.13
Profit before tax		2,789.26	3,995.13
Tax expense			
Current tax	17	772.14	1,051.02
Tax for Earlier Years	17	-	30.01
Deferred tax	17	(51.03)	(136.85)
Total tax expense		721.11	944.18
Profit for the year		2,068.15	3,050.95
Other Comprehensive Income			
a) Items that will not be reclassified to profit and loss			
- Remeasurment of Defined Employee Benefit Plans		43.81	27.00
- Income Tax relating to above items		(11.02)	(6.80)
b) Items that will be reclassified to profit and loss			
- Foreign Currency Translation difference		65.81	(311.59)
- Income Tax relating to above items		(16.56)	78.42
Other Comprehensive Income, net of tax		82.04	(212.97)
Total Comprehensive Income for the year		2,150.19	2,837.98
Earnings per Equity share attributable to owners of the Company			
No. of shares		649.76	649.76
Basic and diluted earning per Equity share of ₹2 each		3.31	4.37

The above Statement of Profit and Loss should be read in conjunction with the accompanying Notes.

As per our report of even date

For Bhogilal C. Shah & Co.
Firm Reg. No.: 101424W
Chartered Accountants

For and Behalf of the Board of Directors
of Compuage Infocom Limited

Sd/-
(CA. S. V. Shah)
Partner
Membership No.: 042710

Sd/-
G. S Ganesh
Independent Director
DIN: 00010877

Sd/-
Bhavesh H. Mehta
Whole-Time Director
DIN: 00740861

Sd/-
Atul H. Mehta
Chairman & Managing Director
DIN: 00716869

Place : Mumbai
Dated : 29th May, 2021

Sd/-
Sunil Mehta
CFO

Sd/-
Anmol Jolly
Company Secretary

COMPUAGE INFOCOM LIMITED
Statement of Consolidated Cash Flows for the year ended 31st March, 2021

(₹ in Lakh unless otherwise stated)

	Particulars	31 st March, 2021	31 st March, 2020
A.	Cash Flows From Operating Activities		
	Profit before tax	2,789.26	3,995.13
	Adjustment For:		
	Depreciation and amortisation expenses	359.31	419.05
	Unrealised Exchange Rate Difference (Net)	65.02	(308.39)
	Finance costs	6,294.71	6,085.07
	Interest income from financial assets measured at amortised cost	(1,656.72)	(1,661.52)
	Dividend received on current investments	-	(2.36)
	Loss / (Gain) on Sale of Property, Plant & Equipment	(1.65)	-
	Operating Profit Before Working Capital Changes	7,849.93	8,526.98
	Changes in working capital:		
	Decrease/(Increase) In Inventories	1,856.46	(3,656.24)
	Decrease/(Increase) In Trade Receivables	(50.13)	9,033.62
	Decrease/(Increase) In Current Loans	(563.76)	19.53
	Decrease/(Increase) In Other Current Assets	(839.41)	672.34
	Decrease/(Increase) In Other Financial Assets	(504.38)	(370.77)
	Increase /(Decrease) In Trade Payables	(14,887.38)	(11,487.94)
	Increase /(Decrease) In Other Financial Liabilities	1,379.87	(565.60)
	Increase /(Decrease) In Other Current Liabilities	104.16	916.63
	Increase /(Decrease) In Current provisions	-	(24.16)
	Increase /(Decrease) In Non-Current provisions	43.50	(14.07)
	Total	(13,461.07)	(5,476.66)
	Income tax paid (net of refund)	(399.25)	(1,255.21)
	Net Cash Inflow/(Outflow) From Operating Activities (A)	(6,010.39)	1,795.11
B.	Cash Flows From Investing Activities		
	Purchase of Property, plant and equipment	(61.41)	(37.77)
	Sale of Property, plant and equipment	1.96	-
	Sale/(Purchase) of Current Investments (net)	-	250.92
	Sale/(Purchase) of Non-Current Investments	(24.99)	(25.01)
	Proceeds from / (Payment of) fixed deposits	188.96	290.71
	Interest received on financial assets measured at amortised cost	1,656.72	1,661.52
	Dividend Received on Current Investments	-	2.36
	Net Cash Inflow/(Outflow) From Investing Activities (B)	1,761.24	2,142.73
C.	Cash Flows From Financing Activities		
	Proceeds from / (Repayment of) Current Borrowings	5,566.94	(937.39)
	Proceeds from / (Repayment of) Non-Current Borrowings	4,974.33	(150.96)
	Interest Paid	(6,294.71)	(6,085.07)
	Dividend on Equity shares (including dividend distribution tax)	(129.95)	(312.81)
	Net Cash Inflow/(Outflow) From Financing Activities (C)	4,116.61	(7,486.23)
	Net Increase/(Decrease) In Cash And Cash Equivalents (A+B+C)	(132.54)	(3,548.39)
	Cash And Cash Equivalents As At Beginning Of The Year	914.90	4,463.29
	Cash And Cash Equivalents As At End Of The Year	782.36	914.90

- i) The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Ind AS 7 - Statement of Cash Flows as notified under the Companies (Indian Accounting Standards) Rules, 2015.
- ii) Cash flows from operating activities includes ₹ 79.02 Lakhs (March 31, 2020 : ₹ 65.49 Lakhs) being expenses towards Corporate Social Responsibility initiatives.

As per our report of even date

For Bhogilal C. Shah & Co.
Firm Reg. No.: 101424W
Chartered Accountants

For and Behalf of the Board of Directors
of Compugate Infocom Limited

Sd/-
(CA. S. V. Shah)
Partner
Membership No.: 042710

Sd/-
G. S Ganesh
Independent Director
DIN: 00010877

Sd/-
Bhavesh H. Mehta
Whole-Time Director
DIN: 00740861

Sd/-
Atul H. Mehta
Chairman & Managing Director
DIN: 00716869

Place : Mumbai
Dated : 29th May, 2021

Sd/-
Sunil Mehta
CFO

Sd/-
Anmol Jolly
Company Secretary

Compuage Infocom Limited
Statement of Changes in Equity for the year ended 31st March, 2021
(₹ in Lakh unless otherwise stated)

A. Equity Share Capital

Particulars	Note	Amount
As at 1 st April, 2019	13	1,299.52
Changes in Equity share capital during the year		-
As at 31 st March, 2020	13	1,299.52
Changes in Equity share capital during the year		-
As at 31 st March, 2021	13	1,299.52

B. Other Equity

Particulars	Reserves and Surplus					Other Reserves		Total other Equity
	Securities Premium Reserve	General Reserve	Capital reserve	Capital redemption reserve	Retained Earnings	FVOCI equity instruments	Foreign currency translation reserve	
As at 1 st April, 2020	3,668.80	35.36	134.84	129.72	14,965.49	-	(25.73)	18,908.48
Profit for the year	-	-	-	-	2,068.15	-	(0.79)	2,067.36
Other Comprehensive Income	-	-	-	-	82.04	-	-	82.04
Total comprehensive income for the year	-	-	-	-	2,150.19	-	(0.79)	2,149.40
Transactions with owners in their capacity as owners:	-	-	-	-	-	-	-	-
Dividend paid (including dividend distribution tax)	-	-	-	-	(129.95)	-	-	(129.95)
As at 31 st March, 2021	3,668.80	35.36	134.84	129.72	16,985.73	-	(26.52)	20,927.93

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Compuage Infocom Limited

Summary of Significant accounting policies to consolidated financial statements for the year ended 31st March, 2021

Corporate Information

Compuage Infocom Limited (The Company) is a public Limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on the BSE Ltd and NSE Ltd.

The Company is engaged in trading in Computer parts and peripherals, Software and Telecom Products. The Company also provides products support services for Information Technology products.

Group Overview

The Company and its subsidiary Company are referred to as the Group here under. The group of companies are engaged in trading in Computer parts and peripherals, Software and Telecom Products.

Group Structure

Name of Company	Country of incorporation	% of shares held by the parent company	
		As at 31 st March, 2021	As at 31 st March, 2020
Compuage Infocom (S) Pte Ltd	Singapore	100%	100%

NOTE 1: NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2021

A. Significant Accounting Policies:

i) Basis of Preparation:

(a) Compliance with Ind AS:

These consolidated financial statements are the separate consolidated financial statements of the Group prepared in accordance with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015 as amended hereinafter referred to as the Ind AS, and other relevant provisions of the Companies Act, 2013.

The Consolidated financial statements up to the year ended March 31, 2020 were prepared in accordance with the Accounting Standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Companies Act, 2013, hereinafter referred to as the 'Previous GAAP'.

Group's financial statements are presented in Indian Rupees (₹), which is also its functional currency.

(b) Use of Estimates:

The preparation of consolidated financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring adjustment to the carrying amounts of assets or liabilities in future periods.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

(c) Estimation of uncertainties relating to the global health pandemic from COVID-19:

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables and investment in subsidiaries. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts. The Company has performed sensitivity analysis on the assumptions used and based on current

estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

(d) Historical Cost Convention:

These consolidated financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the Periods presented in these consolidated financial statements.

Principles of consolidation and equity accounting:

i) Subsidiary companies:

Subsidiary companies are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiary companies are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

The Group combines the Financial Statements of the parent and its subsidiary companies line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gains on transactions between Group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting Policies of subsidiary companies have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interest in the results and equity of subsidiary companies are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and Balance Sheet respectively.

ii) Associate companies:

Associate companies are all entities over which the Group has significant influence, but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associate companies are accounted for using the equity method of accounting {see (iv) below}.

iii) Joint arrangements:

Under Ind AS 111 Joint arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Group has interest only in one joint venture company.

Joint venture company

Interest in joint venture company are accounted for using the equity method {see (iv) below}.

iv) Equity method:

Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize share of the Group in post-acquisition profit and loss of the investee in profit and loss, and share of the Group in Other Comprehensive Income of the investee in Other Comprehensive Income. Dividends received or receivable from associate company and joint venture company are recognized as a reduction in the carrying amount of the investment.

When the Group share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealized gains on transactions between the Group and its associate company and joint venture company are eliminated to the extent of the Group interest in these entities. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting Policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in (xiv) below

v) **Changes in ownership interest:**

The Group treats transactions with non-controlling interest that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interest to reflect their relative interest in the subsidiary companies. Any difference between the amount of the adjustment to non-controlling interest and any consideration paid or received is recognized within equity.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is re-measured to its fair value with the change in carrying amount recognized in profit or loss. This fair value becomes the initial carrying amount for the purpose of subsequently accounting for the retained interest as an associate company, joint venture company or financial asset. In addition, any amount previously recognised in Other Comprehensive Income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in Other Comprehensive Income are reclassified to the Statement of Profit and Loss.

If the ownership interest in a joint venture company or an associate company is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognized in Other Comprehensive Income are reclassified to the Statement of Profit and Loss where appropriate

Group's consolidated financial statements are presented in Indian Rupees (₹), which is also its functional currency.

ii) **Current/ Non-Current classification:**

Any asset or liability is classified as current if it satisfies any of the following conditions:

- i. the asset/liability is expected to be realized/settled in the Group's normal operating cycle;
- ii. The asset is intended for sale or consumption;
- iii. The asset/liability is held primarily for the purpose of trading;
- iv. The asset/liability is expected to be realized/settled within twelve months after the reporting period;
- v. the asset 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;
- vi. In the case of a liability, the group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

For the purpose of current/non-current classification of assets and liabilities, the Group has ascertained its normal operating cycle as twelve months.

iii) **Tangible Assets /Property, plant and equipment:**

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses.

The Group identifies and determines cost of each part of an item of property, plant and equipment separately, if the part has a cost which is significant to the total cost of that item of property, plant and equipment and has useful life that is materially different from that of the remaining item.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other nonrefundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met.

Items such as spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred.

iv) Depreciation on tangible fixed assets:

Depreciation on each part of an item of property, plant and equipment is provided using the Straight Line Method based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

The useful lives, residual values of each part of an item of property, plant and equipment and the depreciation methods are reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate and accordingly, accounted for prospectively.

v) Intangible Assets:

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangibles are not capitalized and the related expenditure is reflected in Statement of Profit and Loss in the period in which the expenditure is incurred.

Intangible assets are amortised over the useful economic life i.e. 3 years based on management assessment and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets is recognised in the Statement of Profit and Loss.

vi) Derecognition:

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss.

vii) Impairment of non-financial assets – property plant and equipment and intangible assets:

The carrying amount of assets are reviewed at each Balance Sheet date to assess if there are any indications of impairment based on internal / external factors. An impairment loss on such assessment will be recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of the assets is net selling price or value in use, whichever is higher. While assessing value in use, the estimated future cash flows are discounted to the present value by using weighted average cost of capital. A previously recognised impairment loss is further provided or reversed depending on changes in the circumstances and to the extent that carrying amount of the assets does not exceed the carrying amount that will be determined if no impairment loss had previously been recognised.

Goodwill, intangible assets having indefinite useful life and intangible assets currently not in use by the Group are tested for impairment annually and also whenever there are indicators of impairments.

Reversal of impairment of Goodwill is not recognized.

viii) Lease:

The Company as a Lessee

The Company's lease asset classes primarily consist of leases for office premises for its branches at various locations. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

As all the leases are short-term leases or low value leases, the Company has not recognized any right-of-use asset and corresponding lease liability for any of the lease arrangements in which it is a lessee during the year.

The Company as a Lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

Transition

Effective 1st April, 2019, the Company adopted Ind AS 116, Leases and applied the standard to all lease contracts existing on 1st April, 2019. However, as all the leases are short-term leases or low value leases, the Company has not recognized any right-of-use asset and corresponding lease liability for any of the lease arrangements during the year.

ix) Borrowing costs:

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowing and exchange differences arising from foreign currency borrowing to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

x) Revenue Recognition:

Revenue is recognized when it is probable that economic benefits associated with a transaction flows to the Group in the ordinary course of its activities and the amount of revenue can be measured reliably.

Revenue is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates by the Group.

Revenue includes only the gross inflows of economic benefits, received and receivable by the Group, on its own account. Amounts collected on behalf of third parties such as Sales Tax, VAT and GST are excluded from revenue.

The Group bases its estimates on historical results, taking into consideration the type of customer, type of transaction and specifics of each arrangement. Accumulated experience is used to estimate and provide for discounts and returns. No element of financing is deemed present as sales are made with a credit term which is consistent to market practice.

Sale of products:

Revenue from sale of products is recognized when the Group transfers all significant risks and rewards of ownership to the buyer, while the Group retains neither continuing managerial involvement nor effective control over the products sold.

Rendering of services:

Revenue from product support services are recognized once the service is provided and the invoice is raised and are net of applicable taxes.

Interest:

Interest income from debt instruments is recognised using the effective interest rate method.

Dividend:

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

xi) Foreign Currency Transactions /translations:

Functional and presentation Currency:

Items included in the financial statement of the Group are measured using the currency of the primary economic environment in which the Group operates (functional currency). The Financial statements of the Group are presented in Indian Currency, which is also the functional currency of the Group.

Initial Recognition:

On initial recognition, transactions in foreign currencies entered into by the Group are recorded in the functional currency (i.e. Indian Rupees), by applying to the foreign currency amount, the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss.

Foreign exchange gain or loss resulting from the settlement of such transactions and from translation of monetary assets or liability denominated in foreign currencies at the year-end exchange rate are generally recognized in the profit and loss account except that they are deferred in equity if they relate to qualifying cash flow hedges.

Measurement of foreign currency items at reporting date:

Foreign currency monetary items of the Group are translated at the closing exchange rates. Non-monetary items that are measured at historical cost in a foreign currency, are translated using the exchange rate at the date of the transaction.

Non-monetary items that are measured at fair value in a foreign currency, are translated using the exchange rates at the date when the fair value is measured.

Exchange differences arising out of these translations are recognized in the Other Comprehensive Income.

xii) Derivative financial instruments and hedge accounting:

The Group enters into derivative financial contracts in the nature of forward currency contracts with external parties to hedge its foreign currency risks relating to foreign currency denominated financial liabilities measured at amortized cost.

The Group is not following hedge accounting. Consequently all derivative instruments are recognised and measured at Fair Value through Profit and Loss.

xiii) Inventories:

(a) Stock of goods traded is valued at lower of cost and net realizable value. The costs of purchase of inventories comprise the purchase price, import duties and other taxes (other than those subsequently recoverable by the entity from the taxing authorities), and transport, handling and other costs directly attributable to the acquisition of finished goods, materials and services. Trade discounts, rebates and other similar items are deducted in determining the costs of purchase. The costs are determined on a weighted average basis.

(b) Saleable scrap is accounted for as and when sold.

xiv) Investments and other financial assets:

Classification:

The Group classifies its financial assets in the following measurement categories:

- i) Those to be measured subsequently at fair value (either through Other Comprehensive Income (OCI), or through Profit or Loss), and
- ii) Those measured at amortised cost.

The classification depends on the business model of the entity for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in Profit or Loss or Other Comprehensive Income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through Other Comprehensive Income (OCI)

Initial recognition and measurement:

Financial assets are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

Subsequent measurement:

After initial recognition, financial assets are measured at:

- iii) Fair value {either through Other Comprehensive Income (FVOCI) or through Profit or Loss (FTVPL)} or,
- iv) Amortised cost.

Debt instruments:

Subsequent measurement of debt instruments depends on the business model of the Group for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

Measured at amortised cost:

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method less impairment, if any. The amortization of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

Measured at fair value through Other Comprehensive Income (FVOCI):

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through Other Comprehensive Income. Fair value movements are recognised in the OCI. Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On de-recognition, cumulative gain / (loss) previously recognized in OCI is reclassified from the equity to other income in the Statement of Profit and Loss.

Measured at Fair Value Through Profit or Loss: (FVTPL)

A financial asset not classified as either amortised cost or FVOCI, is classified as FTVPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as other income in the Statement of Profit and Loss.

Equity instruments:

The Group subsequently measures all investments in equity instruments other than subsidiary companies, associate company and joint venture company at fair value. The Management of the Group has elected to present fair value gains and losses on such equity investments in Other Comprehensive Income, and there is no subsequent reclassification of these fair value gains and losses to the Statement of Profit and Loss. Dividends from such investments continue to be recognised in profit or loss as other income when the right to receive payment is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in the Statement of Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Investments in Subsidiary Companies, Associate Companies and Joint Venture companies:

Investments in Subsidiary Companies, Associate Companies and Joint Venture companies are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in Subsidiary Companies, Associate Companies and Joint Venture companies, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

Impairment of financial assets:

In accordance with Ind AS 109, the Group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- iii) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, and bank balance.
- iv) Trade Receivables.

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

De-recognition:

A financial asset is de-recognized only when the Group

- iii) has transferred the rights to receive cash flows from the financial asset or
- iv) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognized. Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognized if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

Financial liabilities:

i) Classification as debt or equity

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

ii) Initial recognition and measurement

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the fair value.

iii) Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

iv) De-recognition

A financial liability is de-recognised when the obligation specified in the contract is discharged, cancelled or expires.

Offsetting financial instruments:

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

xv) Retirement and other employee benefits:

Short term employee benefits:

All employee benefits payable within twelve months of service such as salaries, wages, bonus, ex gratia, medical benefits etc. are recognized in the year in which the employees render the related service and are presented as current employee benefit obligations within the balance sheet.

Defined contribution plan:

Contributions to defined contribution schemes such as contribution to provident fund, Employees State Insurance Corporation, National Pension Scheme are charged as an expense to the statement of profit and loss on the amount of contribution required to be made as and when services are rendered by the employees. The above benefits are classified as defined contribution schemes as the Group has no further defined obligations beyond the monthly contributions.

The Liability or Asset, is recognized in the Balance sheet in respect of Gratuity is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method (PUCM).

xvi) Income Taxes:

The income tax expense or credit for the period is the tax payable on the taxable income of the current period based on the applicable income tax rates adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. The Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Minimum Alternate Tax ('MAT') under the provisions of the Income Tax Act, 1961 is recognized as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid will be recognized as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the period for which the MAT credit can be carried forward for set off against the normal tax liability. Such an asset is reviewed at each Balance Sheet date

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

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in Other Comprehensive Income or directly in equity. In this case, the tax is also recognized in Other Comprehensive Income or directly in equity, respectively.

xvii) Cash and cash equivalents:

Cash and cash equivalents include cash in hand, demand deposits with banks and other short term deposits (three months or less from the date of acquisition), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

xviii) Segment reporting:

The Group operates only in one reportable segment.

xix) Earnings per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity share outstanding during the period.

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

xx) Provisions and contingent liabilities:

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. These are reviewed at each year end and reflect the best current estimate. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Lakh unless otherwise stated)

NOTE 2: PROPERTY, PLANT AND EQUIPMENT

Particulars	Buildings	IT Equipment	Vehicles	Office Equipment	Furniture and Fixture	Total Property, plant and equipment	Intangible Assets
Gross carrying amount							
As at 1 st April, 2020	4,291.62	1,815.27	123.12	794.39	1,583.86	8,608.26	11.99
Additions	-	30.11	-	3.44	27.86	61.41	-
Disposals	-	-	-5.83	-	-	(5.83)	-
As at 31 st March, 2021	4,291.62	1,845.38	117.29	797.83	1,611.72	8,663.84	11.99
Depreciation Amortisation							
As at 31 st March, 2020	252.48	1,689.08	83.34	564.36	1,009.72	3,598.98	10.97
Charge For the year	75.39	56.41	6.76	68.69	151.78	359.03	0.28
Disposals	-	-	(5.52)	-	-	(5.52)	-
upto 31 st March, 2021	327.87	1,745.49	84.58	633.05	1,161.50	3,952.49	11.25
Net carrying amount							
As at 31-03-2020	4,039.14	126.19	39.78	230.03	574.14	5,009.28	1.02
As at 31-03-2021	3,963.75	99.89	32.71	164.78	450.22	4,711.35	0.74

1. The Company has hypothecated Buildings to avail the Loan from the Bank.

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Lakh unless otherwise stated)

NOTE 3: NON-CURRENT INVESTMENTS

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
a) Investment in equity instruments of Other Company measured at FVTPL - Unquoted 327083 Equity Shares of Bombay Mercantile Co- Op. Bank Ltd of ₹30 Each. (Previous year: 243751, Equity Shares).	98.12	73.13
Total	98.12	73.13

NOTE 4: OTHER NON-CURRENT FINANCIAL ASSETS

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Fixed Deposits with Banks, with maturity beyond 12 months	488.54	1.81
Total	488.54	1.81

NOTE 5: INVENTORIES

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Stock in trade	31,938.80	33,795.26
Total	31,938.80	33,795.26

NOTE 6: TRADE RECEIVABLES

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Unsecured, considered good	55,475.90	55,425.77
Total	55,475.90	55,425.77

NOTE 7: CASH AND CASH EQUIVALENTS

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Bank balances		
In current accounts	311.43	137.20
In unpaid dividend accounts	20.15	20.41
Cheques on hand	265.00	600.00
Cash on hand	6.44	21.72
Fixed deposits with original maturity less than 3 months	179.34	135.57
Total	782.36	914.90

NOTE 8: OTHER BANK BALANCES

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Fixed deposits with remaining maturity less than 12 months	6,376.32	7,052.01
Total	6,376.32	7,052.01

NOTE 9: CURRENT LOANS

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Security deposits	499.20	486.19
Loans to employees	571.02	20.27
Total	1,070.22	506.46

NOTE 10: OTHER CURRENT FINANCIAL ASSETS

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Fixed deposits other than Banks	670.00	670.00
Interest accrued	956.58	452.20
Total	1,626.58	1,122.20

NOTE 11: CURRENT TAX ASSETS (NET)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Advance income tax (net of provisions)	185.12	558.01
Total	185.12	558.01

NOTE 12: OTHER CURRENT ASSETS

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Prepaid expenses	1,103.88	1,206.79
Advances to staffs	146.86	37.14
Advances to supplier	1,278.73	1,666.20
Balances with Government authorities	8,000.82	6,780.75
Total	10,530.29	9,690.88

NOTE 13: EQUITY SHARE CAPITAL

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Authorised		
9,62,70,000 Equity shares of ₹2.00 each	1,925.40	1,925.40
46,65,600 Preference shares of ₹0.10 (Ten paise) each	4.67	4.67
1,10,00,000 Preference shares of ₹10.00 each	1,100.00	1,100.00
Total	3,030.07	3,030.07
Issued, subscribed and fully paid-up		
6,49,75,806 Equity shares of ₹2.00 each fully paid	1,299.52	1,299.52
Total	1,299.52	1,299.52

Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	As at 31 st March, 2021		As at 31 st March, 2020	
	No. in lakh	₹ In lakh	No. in lakh	₹ In lakh
At the beginning of the Period	649.76	1,299.52	649.76	1,299.52
Add : Preferential allotment	-	-	-	-
Outstanding at the end of the period	649.76	1,299.52	649.76	1,299.52

Terms / rights attached to equity shares

The company has only one class of equity shares having a par value of ₹2.00 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the company, the holder 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 shareholders.

The Dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting. During the year ended 31st March 2021, the amount of per share final dividend proposed as distribution to the Equity Shareholders is ₹0.20 per share (31st March 2020 : ₹0.20 per share).

c) Details of Shareholders holding more than 5% of Equity shares:

Name of Shareholder	As at 31 st March, 2021		As at 31 st March, 2020	
	Holding %	No. in lakh	Holding %	No. in lakh
1. Atul Harkishandas Mehta	23.02%	149.54	23.02%	149.54
2. Bhavesh Harkishandas Mehta	23.02%	149.54	23.02%	149.54
3. Ajay Harkishandas Mehta	12.30%	79.94	12.30%	79.94
4. Kitara India Micro Cap Growth Fund	-	-	5.95%	38.65

NOTE 14: OTHER EQUITY

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
a) Capital reserve	134.84	134.84
b) Capital redemption reserve	129.72	129.72
c) Securities premium reserve	3,668.80	3,668.80
d) General reserve	35.36	35.36
e) Foreign currency Translation Reserve		
i) Exchange difference in translating the financial statements of a foreign operation		
Balance as at the beginning of the year	(25.73)	(28.95)
Add: Changes in foreign currency translation reserve	(0.79)	3.22
Balance as at the end of the year	(26.52)	(25.73)
f) Retained Earnings		
Balance at the beginning of the year	14,965.49	12,440.32
Add: Profit for the year	2,068.15	3,050.95
Add: Add Other Comprehensive Income	82.04	(212.97)
Less: Dividend on Equity shares	(129.95)	(259.90)
Less: Dividend distribution tax on dividend	-	(52.91)
Balance as at the end of the year	16,985.73	14,965.49
Total	20,927.93	18,908.48

NOTE 15: NON-CURRENT BORROWINGS

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Term loans from banks, secured	4,481.94	844.06
Term loans from others, unsecured	1,628.52	292.07
9% Cumulative Non-Convertible Redeemable Preference Shares	1,000.00	1,000.00
Total	7,110.46	2,136.13
Term loan from Indian Bank (secured by hypothecation of office premises) carry interest of 11.15% pa and is repayable in 20 equal quarterly installment of 125 lakh each along with interest.		
Cumulative Non-Convertible Redeemable Preference Shares carry Interest of 9% (Effective Rate 10.85%) and are redeemable on the expiry of 96 months of Deemed Date of Allotment or one month from the time of exercise of put option. Put option can be exercised any time after the end of 24 months from the deemed date of allotment.		
The company has not defaulted on repayment of loans and interest during the year.		

NOTE 16: NON-CURRENT PROVISIONS

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Provision for gratuity	184.57	184.88
Total	184.57	184.88

NOTE 17: CURRENT AND DEFERRED TAX

The major components of income tax expense for the years ended 31st March, 2021, 31st March, 2020 are:

a) Income tax expense

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
i) Current tax		
Current tax on profits for the year	772.14	1,051.02
Adjustments for current tax of prior period	-	-
Total current tax expense	772.14	1,051.02
ii) Deferred tax		
(Decrease) Increase in deferred tax liabilities	(51.03)	(136.85)
Decrease (Increase) in deferred tax assets	-	-
Total deferred tax expense (benefit)	(51.03)	(136.85)
Income tax expense	721.11	914.17

b) The Statutory income tax rate applied for computing current tax & for Deferred Tax @ 25.168 % as applicable to the Company

c) No aggregate amounts of current and deferred tax have arisen in the reporting periods which have been recognised in equity and not in Statement of Profit and Loss or other comprehensive income.

d) Current tax assets (net)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Opening balance	558.01	383.83
Add: Tax paid in advance, net of provisions during the year	(372.89)	174.18
Closing balance	185.12	558.01

e) Deferred tax liabilities (net)

The balance comprises temporary differences attributable to the below items and corresponding movement in deferred tax liabilities | (assets):

Particulars	As at 31 st March, 2021	(Charged) Credited	As at 31 st March, 2020	(Charged) Credited
Property, plant and equipment & Intangible assets p&l	431.40	(50.85)	482.25	(136.62)
Fair valuation of term loan p&l	0.42	(0.18)	0.60	(0.23)
Remeasurment of Defined Employee Benefit Plans-OCI	17.82	11.02	6.80	6.80
Foreign Currency Translation difference-OCI	-61.86	16.56	-78.42	(78.42)
Total deferred tax liabilities	387.78	(23.45)	411.23	(208.47)
Carry forward of losses	-	-	-	-
Total deferred tax assets	-	-	-	-
Net deferred tax (asset) liability	387.78	(23.45)	411.23	(208.47)

NOTE 18: CURRENT BORROWINGS

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Secured		
Cash credit from banks	37,190.52	31,351.21
Unsecured		
Loan from related parties	4,177.65	2,696.19
Loan from others	9,221.26	10,898.59
Deposits	66.00	142.50
Total	50,655.43	45,088.49

NOTE 19: TRADE PAYABLES

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Due to Micro, Small & Medium Enterprises	-	-
Others	24,373.60	39,260.98
Total	24,373.60	39,260.98

NOTE 20: OTHER CURRENT FINANCIAL LIABILITIES

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Current maturities of long term liabilities	3,220.83	1,157.29
Unpaid dividends	20.15	20.41
Unclaimed Deposits	61.50	-
Other payables	1,430.80	2,175.71
Total	4,733.28	3,353.41

NOTE 21: OTHER CURRENT LIABILITIES

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Statutory Dues	1,751.19	2,174.04
Advances from customers	1,830.58	1,303.57
Total	3,581.77	3,477.61

NOTE 22: CURRENT PROVISIONS

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Provision for gratuity	30.00	30.00
Total	30.00	30.00

NOTE 23: REVENUE FROM OPERATIONS

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
(a) Sale of Products		
Computer Components & Others	372,102.11	422,375.66
Total (a)	372,102.11	422,375.66
(b) Sale of services		
Product support services	876.56	875.11
Total (b)	876.56	875.11
Total	372,978.67	423,250.77

NOTE 24: OTHER INCOME

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Dividend from mutual funds	-	2.36
Interest from bank deposits	401.09	497.04
Interest from others	1,255.63	1,164.48
Net exchange rate difference - gain	57.66	-
Miscellaneous income	25.16	8.75
Total	1,739.54	1,672.63

NOTE 25: PURCHASE OF STOCK-IN-TRADE

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Computer Components & Others	355,867.11	409,093.43
Total	355,867.11	409,093.43

NOTE 26: CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
(a) Stocks at the end of the year		
Stock-in-trade	31,938.80	33,795.26
Total (a)	31,938.80	33,795.26
Less :		
(b) Stocks at beginning of the year		
Stock-in-trade	33,795.26	30,139.02
Total (b)	33,795.26	30,139.02
(Increase) Decrease in stocks	1,856.46	(3,656.24)

NOTE 27: EMPLOYEE BENEFIT EXPENSES

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Salaries, wages and bonus	3,284.80	3,577.48
Contribution to provident and other funds	59.94	81.90
Gratuity	61.11	63.02
Staff welfare	79.52	129.52
Total	3,485.37	3,851.92

NOTE 28: FINANCE COSTS

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Interest on borrowings (at amortised cost)	6,186.21	5,988.43
Interest on Preference Shares	108.50	96.64
Total	6,294.71	6,085.07

NOTE 29: OTHER EXPENSES

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Rent and compensation	667.64	888.00
Power & fuel	79.61	96.55
Rates and taxes	20.64	14.74
Insurance	221.64	446.86
Payments to the statutory auditors:	-	-
a) Audit fees	15.07	17.41
b) Tax matters	2.00	2.00
c) Other matters	1.50	1.48
Expenditure on Corporate Social Responsibility	82.02	65.49
Net exchange rate difference - loss	-	123.65
Miscellaneous expenses	2,975.87	3,478.86
Total	4,065.99	5,135.04

NOTE 30: CONTINGENT LIABILITIES

The disputed demands for taxes and other matters amounts as of the reporting period ends are respectively as follows:

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
<u>Claims against the Company not acknowledged as debts</u>		
Disputed demands in respect of VAT/Custom Duty	-	-
(Based on legal opinion, the Company does not feel any liability will arise and hence no provision has been made in the accounts.)	1,035.76	857.14

The Company does not envisage any likely reimbursements in respect of the above.

The above matters are currently being considered by the tax authorities and the Company expects the judgment will be in its favour and has therefore, not recognised the provision in relation to these claims. Future cash outflow in respect of above will be determined only on receipt of judgement | decision pending with tax authorities. The potential undiscounted amount of total payments for taxes that the Company could be required to make if there was an adverse decision related to these disputed demands of regulators as of the date reporting period ends are as illustrated above.

NOTE 31: EMPLOYEE BENEFIT OBLIGATIONS

Funded Scheme

a) Defined Benefit Plans:

Gratuity

The Company operates a gratuity plan through the Life Insurance Corporation of India'. Every Employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972 or Company scheme whichever is beneficial. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service.

The actuarial valuation of plan assets and the present value of the defined benefit obligation for the Gratuity was carried out as at 31st March, 2021. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the projected unit credit method.

Based on the actuarial valuation obtained in respect, the following table sets out the status of the gratuity plan and the amounts recognised in the companies financial statements as at the balance sheet date:

Based on the actuarial valuation obtained in respect, the following table sets out the status of the gratuity plan and the amounts recognised in the companies financial statements as at the balance sheet date:

A) Amount Recognized in Statement of Financial Position at Period-End	As at 31 st March, 2021	As at 31 st March, 2020
Present Value of Funded Defined Benefit Obligation	230.16	231.41
Fair value of Plan Assets	-15.59	-16.53
Net Defined Benefit (Asset)/Liability Recognised in Statement of Financial Position	214.57	214.88

B) Net Defined Benefit Cost/(Income) included in Statement of Profit & Loss at Period-End	As at 31 st March, 2021	As at 31 st March, 2020
Service Cost	44.61	42.92
Interest Cost on DBO (A)	18.48	21.02
Interest Income Plan Assets (B)	-1.98	-0.92
Net Interest Cost (A) + (B)	16.50	20.10
Past Service Cost	-	-
Total Defined Benefit Cost/(Income) included in Profit & Loss	61.11	63.02

C) Current / Non-Current Bifurcation	As at 31st March, 2021	As at 31st March, 2020
Current Liability	30.00	30.00
Non-Current Liability	184.57	184.88
(Asset)/Liability Recognised in the Balance Sheet	214.57	214.88

D) Actual Return on Plan Assets	As at 31st March, 2021	As at 31st March, 2020
Interest Income on Plan Assets	1.98	0.92
Remeasurements on Plan Assets	-2.32	0.55
Actual Return on Plan Assets	-0.34	1.47

E) Analysis of Amounts Recognized in Other Comprehensive (Income) / Loss at Period-End	As at 31st March, 2021	As at 31st March, 2020
Amount recognized in OCI - Beginning of the period	27.00	-
Remeasurements due to :		
Effect of change in financial assumptions (A)	-8.73	28.98
Effect of experience adjustments (B)	-37.40	-55.43
Actuarial (Gains) / Losses (A) + (B)	-46.13	-26.45
Return on Plan Assets (excluding interest)	2.32	-0.55
Amount recognized in OCI - End of the period	-43.81	-27.00

F) Total Defined Benefit Cost / (Income) included in Profit & Loss and Other Comprehensive Income	As at 31st March, 2021	As at 31st March, 2020
Amount recognized in Profit & Loss, End of Period	61.11	63.02
Amount recognized in OCI, End of Period	-43.81	-27.00
(Asset)/Liability Recognised in the Balance Sheet	17.30	36.02

G) Change in Defined Benefit Obligation during the Period	As at 31st March, 2021	As at 31st March, 2020
Defined Benefit Obligation, Beginning of the Period	231.41	239.01
Net Current Service Cost	44.61	42.92
Interest Cost on DBO	18.48	21.02
Actuarial (Gains) / Losses	-46.14	-26.45
Benefits Paid	-18.20	-45.09
Defined Benefit Obligation, End of Period	230.16	231.41

H) Change in Fair value of Plan Assets during the Period	As at 31st March, 2021	As at 31st March, 2020
Fair Value of Plan Assets, Beginning of the Period	16.53	10.55
Interest Income Plan Assets	1.98	0.92
Actual Company Contributions	17.61	49.60
Actuarial Gains / (Losses)	-2.32	0.55
Benefits Paid	-18.20	-45.09
Fair value of Plan Assets, End of Period	15.60	16.53

I) Reconciliation of Balance Sheet Amount	As at 31st March, 2021	As at 31st March, 2020
Balance Sheet (Asset) / Liability, Beginning of the Period	214.88	228.46
Total Charge/(Credit) Recognised in Profit and Loss	61.11	63.02
Total Remeasurements Recognized in Other Comprehensive (Income) / Loss	-43.81	-27.00
Employer Contributions	-17.61	-49.60
Balance Sheet (Asset)/Liability, End of Period	214.57	214.88

J) Financial Assumptions Used to Determine the Defined Benefit Obligation	As at 31st March, 2021	As at 31st March, 2020
Discount Rate	7.05%	6.75%
Salary Escalation Rate	5.00%	5.00%

K) Financial Assumptions Used to Determine the Profit & Loss Charge	As at 31st March, 2021	As at 31st March, 2020
Discount Rate	6.75%	7.80%
Salary Escalation Rate	5.00%	5.00%
Expected Return on Plan Assets	6.75%	7.80%

L) Demographic Assumptions Used to Determine the Defined Benefit Obligation	As at 31st March, 2021	As at 31st March, 2020
Withdrawal Rate:		
Upto age 30	3.00%	3.00%
Age 31 to 40	2.00%	2.00%
Above Age 40	1.00%	1.00%
Mortality Rate	IALM (2012-14)	IALM (2012-14)
Retirement Age	58 years	58 years

M) Asset Category	As at 31st March, 2021	As at 31st March, 2020
Insurer Managed Funds	15.60	16.53
Total	15.60	16.53

J) Expected cash flows for the next 10 years	As at 31st March, 2021	As at 31st March, 2020
Year-2020	-	-
Year-2021	-	4.37
Year-2022	5.85	4.53
Year-2023	4.57	4.93
Year-2024	18.46	19.22
Year-2025	5.23	5.53
Year-2026	5.73	-
Year-2026 to 2030	-	80.52
Year-2027 to 2031	94.37	-

K) Defined Benefit Obligation - Sensitivity Analysis	As at 31st March, 2021	As at 31st March, 2020
Discount Rate + 100 basis points	204.07	203.70
Discount Rate - 100 basis points	261.14	264.49
Salary Escalation Rate + 100 basis points	257.81	260.37
Salary Escalation Rate - 100 basis points	205.57	205.65
Attrition Rate + 100 basis points	234.93	235.98
Attrition Rate - 100 basis points	224.62	226.09

NOTE 32: SEGMENT REPORTING

The Company operates only in one reportable segment.

NOTE 33: LEASE ARRANGEMENTS

The Company procures office premises for its branches under operating lease agreements that are renewable on a periodic basis at the option of both lessor and lessee. The initial tenure of the lease is below 12 months. The lease rentals recognised in the Statement of Profit and Loss for the year are Rs. 667.64 lakh (previous year Rs.888.00 lakh). The contingent rent recognised in the Statement of Profit and Loss for the year is Rs.nil (previous year Rs.nil).

**NOTE 34: DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS)
33 EARNINGS PER SHARE**

Particulars	2020-21	2019-20
Face value of equity share (in Rs.)	2.00	2.00
Weighted average number of equity shares outstanding (in Nos)	64,975,806	64,975,806
Profit for the year (Rs. in Lakh)	2,150.19	2,837.98
Weighted average earnings per share (basic and diluted) (in Rs.)	3.31	4.37

NOTE 35: CAPITAL MANAGEMENT

Risk Management

The primary objective of Capital Management of the Company is to maximise Shareholder value. The Company monitors capital using Debt-Equity ratio which is total debt divided by total equity. For the purposes of Capital Management, the Company considers the following components of its Balance Sheet to manage capital:

Total equity includes General reserve, Retained earnings, Share capital, Security premium. Total debt includes current debt plus non-current debt less cash and cash equivalents & other Bank balances.

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Total debt	57,765.89	47,224.62
Less: Cash and cash equivalents & Other Bank balances	7,158.68	7,966.91
Net Debt	50,607.21	39,257.71
Total equity	22,227.45	20,208.00
Debt-Equity ratio	2.28	1.94

NOTE 36: RELATED PARTY DISCLOSURES, AS REQUIRED BY INDIAN ACCOUNTING STANDARD 24 (IND AS 24) ARE GIVEN BELOW:

A. Relationships –

Category I:

Subsidiaries:

Compuage Infocom (S) Pte Ltd

Category II: Jointly Controlled Entity: NA

Category III:

Key Management Personnel (KMP)

Atul H.Mehta	Executive Director
Bhavesh H.Mehta	Executive Director
Sunil Mehta	Chief Financial Officer
Ruchita Shah (Resigned w.e.f from 23 rd July, 2020)	Company Secretary
Anmol Jolly (w.e.f from 01 st October 2020)	Company Secretary

Non-Executive Directors

G.S. Ganesh
Vijay Agarwal
Fatima Hussain
Virendra Bhatt (w.e.f 25th February 2021)

Category IV:

Others (Close family member of KMP and Entities in which the KMP or close family member of KMP have significant influence)

Bhavesh M. Mehta	Brother of Sunil Mehta
Kamal M. Mehta	Brother of Sunil Mehta
Falguni A. Mehta	Wife of Atul H. Mehta
Forum B. Mehta	Wife of Bhavesh H. Mehta
Ajay H. Mehta	Brother of Atul H. Mehta and Bhavesh H. Mehta
Nisha S. Mehta	Wife of Sunil Mehta
Sunil M. Mehta HUF	HUF of Sunil Mehta
Yash A. Mehta	Son of Atul H. Mehta
Trillizo Holdings Ltd.	Entity in which close family member of KMP has significant influence
Pristine Care Products Pvt. Ltd.	Entity in which close family member of KMP has significant influence

Transactions with the related parties:

Particulars of transactions	For the year ended 31/03/2021	For the year ended 31/03/2020
Interest Paid to:		
Atul H.Mehta	18.84	32.97
Bhavesh H.Mehta	49.21	73.83
Bhavesh M. Mehta	1.04	1.73
Falguni A. Mehta	3.50	3.89
Forum B. Mehta	5.30	5.79
Ajay H. Mehta	11.91	15.19
Nisha S. Mehta	0.07	0.07
Sunil M. Mehta HUF	0.91	6.29
Sunil M. Mehta	0.28	3.39
Kamal M.Mehta	-	0.48
Yash A.Mehta	-	0.10
Remuneration Paid to:		
Atul H.Mehta	120.00	132.00
Bhavesh H.Mehta	120.00	132.00
Disha Shah (Up to 23 rd November 2019)	-	4.87
Ruchita Shah (Resigned w.e.f. 23 rd July 2020)	1.53	2.67
Anmol Jolly (w.e.f from 01 st October 2020)	2.35	-
Sunil Mehta	65.44	65.44
Sitting Fees to Non-Executive Directors	-	-
Vijay Agarwal	8.00	3.00
Preeti Trivedi (Resigned w.e.f. 23 rd August 2019)	-	1.00
Fatima Nasab (w.e.f. 23 rd August 2019)	8.00	3.00
Virendra Bhatt (W.e.f. 25 th February 2021)	1.00	-
Rent Paid to:		
Trillizo Holdings Ltd.	18.75	12.50
Printing & Stationery Paid to:		
Pristine Care Products Pvt. Ltd.	6.77	0.50
Sale of IPR received from:		
Pristine Care Products Pvt. Ltd.	1.20	-

Balances due from/to the related parties:

Particulars of transactions	As at 31 st March, 2021	As at 31 st March, 2020
Outstanding receivables:		
Trillizo Holdings Ltd.	138.00	138.00
Pristine Care Products Pvt. Ltd.	75.75	75.75

Outstanding payables:

Atul H.Mehta	1,344.53	1,053.90
Bhavesh H.Mehta	1,676.16	1,417.48
Sunil Mehta	28.25	-
Falguni A. Mehta	42.56	39.32
Forum B. Mehta	64.23	59.33
Ajay H. Mehta	1,021.92	126.15
Pristine Care Products Pvt. Ltd.	-	6.34

NOTE 37: OUTSTANDING DUES OF MICRO ENTERPRISE AND SMALL ENTERPRISE

There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act, 2006 to whom the company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made.

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

NOTE 38:

Valuation of Imports calculated on C.I.F. basis for One Year period ended 31st March 2021 is ₹ 23,521 Lakh (Previous year ₹ 41,862 Lakh).

NOTE 39: FOREIGN CURRENCY TRANSACTIONS

Expenditure in Foreign currency:

(₹ in lakh)

Particulars	Current Period	Previous Period
Travelling	-	98.39
Mercantile Trade Purchase	10,681.92	18,255.50

Earnings in Foreign Currency

Particulars	Current Period	Previous Period
Mercantile Trade Sale	10,788.74	18,445.17

NOTICE

Notice is hereby given that the Twenty Second Annual General Meeting of the Members of Compuage Infocom Limited (hereinafter referred to as “**Company**”) will be held on Wednesday, 15th day of September, 2021 at 11:30 Hours IST through Video Conferencing (“hereinafter referred to as “**VC**”) / Other Audio Visual Means (hereinafter referred to as “**OAVM**”) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended 31st March, 2021 and the reports of the Directors and the Auditors thereon.
2. To declare dividend on Equity shares for the financial year ended 31st March, 2021.
3. To appoint a Director in place of Mr. Atul H. Mehta (DIN: 00716869), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. To appoint Branch Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 143(8) and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, (the Rules), (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Board of Directors of the Company be and are hereby authorised to appoint Branch Auditors, AAA Assurance PAC, Public Accountants and Chartered Accountants, Singapore, having Co. Registration No.201408818E to audit the accounts in respect of the Company’s branch office located at Singapore and to fix their terms and conditions of appointment and remuneration, plus taxes, as may be applicable, and reimbursement of all out-of-pocket expenses in connection with the audit of the accounts of the branch office outside India for the year ending 31st March, 2022, as may be mutually agreed upon by the Board of Directors and the Accountants.”

By order of the Board
For Compuage Infocom Limited,

Sd/-
Anmol Jolly
Company Secretary

Date: 13th August, 2021
Place: Mumbai

Registered Office:

D-601/602 & G-601/602, Lotus Corporate Park,
Graham Firth Steel Compound,
Western Express Highway,
Goregaon (E), Mumbai – 400 063, India.
CIN: L99999MH1999PLC135914
Email: investors.relations@compuageindia.com

NOTES:

1. In view of the continuing global outbreak of the COVID-19 pandemic, social distancing is a norm to be followed. Accordingly, the Ministry of Corporate Affairs (hereinafter referred to as “MCA”) vide its General Circular Nos. 14/2020 dated 8th April, 2020 and 17/2020 dated 13th April, 2020, followed by General Circular No. 20/2020 dated 5th May, 2020, read with General Circular No. 02/2021 dated 13th January, 2021 (collectively referred to as “MCA Circulars”), permitted the holding of the Annual General Meeting (hereinafter referred to as “AGM”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (hereinafter referred to as “Act”), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “Listing Regulations”) and MCA Circulars, the AGM of the Company is being held through VC / OAVM. The proceedings of AGM shall be deemed to be conducted at the Registered Office of the Company situated at D-601/602 & G-601/602, Lotus Corporate Park, Graham Firth Steel Compound, Western Express Highway, Goregaon (E), Mumbai – 400 063, India.
2. In compliance with the aforesaid MCA Circulars and SEBI Circular dated 12th May, 2020 read with SEBI Circular dated 15th January, 2021 (hereinafter referred to as “SEBI Circulars”), this Notice along with the Annual Report 2020-21, is being sent only through electronic mode to those Members whose email addresses are registered with the Company / Depositories.
3. PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC / OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS AND THE SEBI CIRCULARS, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.
4. The Members can join the AGM through VC / OAVM mode 30 minutes before and 15 minutes after the scheduled time of the commencement of the AGM by following the procedure mentioned in this Notice. The facility of participation at the AGM through VC / OAVM shall be made available to at least 1000 Members on a first come first served basis as per the MCA Circulars. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, Auditors, etc., who are allowed to attend the AGM without restriction on account of first come first served basis.
5. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
6. B. Narasimhan, COP No.: 10440 & FCS No.: 1303, Partner, BN & Associates, Company Secretaries, failing whom, Avinash Bagul, COP No.: 19862 & FCS No.: 5578, Partner, BNP & Associates, Company Secretaries, have been appointed as the Scrutinizer for providing facility to the Members of the Company to scrutinize the voting and remote e-Voting process in a fair and transparent manner.
7. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF / JPG Format) of its Board or governing body Resolution / Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-Voting. The said Resolution / Authorization shall be sent to the Scrutinizer by email through its registered email address to ab@bnpassociates.in with a copy marked to investors.relations@compuageindia.com.
8. The Register of Members and the Share Transfer Books of the Company will remain closed from Thursday, 9th September, 2021 to Wednesday, 15th September, 2021 (both days inclusive) (hereinafter referred to as “Book Closure”) for the purpose of declaration of dividend, if any, approved by the Members.
9. The Dividend of Rs. 0.20 per equity share of Re. 2 each (10%) for the year ended 31st March, 2021, as recommended by the Board, if approved by the Members at the AGM, shall be paid on or after 16th September, 2021, subject to deduction of tax at source (hereinafter referred to as “TDS”), to those Members whose names appear in the Company's Register of Members on Wednesday, 8th September, 2021. In respect of shares in electronic form, the dividend will be payable on the basis of beneficial ownership as per the details furnished by the National Securities Depository Limited (hereinafter referred to as “NSDL”) and Central Depository Services (India) Limited (hereinafter referred to as “CDSL”) for this purpose. Members who are unable to receive the dividend directly in their bank accounts through Electronic Clearing Service or any other means, due to non-registration of the Electronic Bank Mandate, the Company shall dispatch the dividend warrant / Bankers' cheque / demand draft to such Members, subject to availability of postal services and / or courier services.

10. Details under Regulation 36 of the Listing Regulations and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India, in respect of the Director seeking re-appointment at the AGM, form integral part of this Notice.
11. Members may note that this Notice and the Annual Report 2020-21 will also be available on the Company's website at www.compuageindia.com, websites of the stock exchanges i.e. BSE Limited (hereinafter referred to as "BSE") and National Stock Exchange of India Limited (hereinafter referred to as "NSE") at www.bseindia.com and www.nseindia.com respectively.
12. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before 8th September, 2021, through email on investors.relations@compuageindia.com. The same will be replied by the Company suitably.
13. Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of the Shareholders w.e.f. 1st April, 2020, and the Company is required to deduct TDS from dividend paid to the Members at prescribed rates in the Income Tax Act, 1961 (hereinafter referred to as "the IT Act"). In general, to enable compliance with TDS requirements, Members are requested to complete and / or update their Residential Status, PAN, Category as per the IT Act with their Depository Participants (hereinafter referred to as "DPs") or in case shares are held in physical form, with the Company by sending documents by Wednesday, 8th September, 2021, upto 17:00 Hours IST. For further details, Members are requested to refer the Finance Act, 2020 and amendments thereof.
14. Members who wish to give their mandate for receiving dividends directly in their bank accounts through Electronic Clearing System or any other means, are requested to follow the below mentioned procedure:

Physical Holding	<p>Send a request to the Registrar and Transfer Agents of the Company, Link Intime India Pvt. Ltd. at mt.helpdesk@linkintime.co.in or at www.linkintime.co.in providing Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) for registering email address.</p> <p>Following additional details need to be provided in case of updating Bank Account Details:</p> <ol style="list-style-type: none"> a) Name and Branch of the Bank in which you wish to receive the dividend, b) the Bank Account type, c) Bank Account Number allotted by their banks after implementation of Core Banking Solutions d) 9 digit MICR Code Number, and e) 11 digit IFSC Code f) a scanned copy of the cancelled cheque bearing the name of the first shareholder.
Demat Holding	<p>Please contact your DPs and register your email address and bank account details in your demat account, as per the process advised by your DP.</p>

15. Members holding shares in electronic form may please note that their bank details as furnished by the respective DPs to the Company will be considered for remittance of dividend as per the applicable regulations of the DPs and the Company will not entertain any direct request from such Members for change / addition / deletion in such bank details. Accordingly, the Members holding shares in demat form are requested to update their Electronic Bank Mandate with their respective DPs. Further, please note that instructions, if any, already given by Members in respect of shares held in physical form, will not be automatically applicable to the dividend paid on shares held in electronic form.
16. As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from 1st April, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company's Registrar and Share Transfer Agent, Link Intime India Private Limited (hereinafter referred to as "RTA / LIPL") at mt.helpdesk@linkintime.co.in for assistance in this regard.
17. Members are encouraged to submit their questions in advance with regard to the financial statements or any other matter to be placed at the AGM, from their registered email address, mentioning their name, DP ID and Client ID number / Folio Number and mobile number, to reach the Company's email address at investors.relations@compuageindia.com before 17:00 Hours IST on Wednesday, 8th September, 2021. Queries that remain unanswered at the AGM will be appropriately responded by the Company at the earliest post the conclusion of the AGM.

18. Members are requested to :-

- i. Write to the Company through email at investors.relations@compuageindia.com atleast 7 days before the AGM, in case they desire any information as regards the Audited Accounts for the financial year ended 31st March, 2021.
- ii. Intimate to the RTA of the Company immediately, about any change in their address, where the shares are held in electronic form, such change is to be informed to the DPs and not to the Company / RTA.
- iii. Quote Registered Folio no. or DP ID / Client ID no. in all their correspondence.
- iv. Approach the RTA of the Company for consolidation of folios.
- v. Avail Nomination facility by filing in form SH-13 in accordance with Section 72 of the Act and forward the same to the RTA, if not done. (Applicable for those holding shares in physical form).
- vi. Send all share transfer lodgments (physical mode) / correspondence to the RTA of the Company, upto the date of book closure.

RTA DETAILS:

LINK INTIME INDIA PRIVATE LIMITED

C 101, 247 Park,
L B S Marg, Vikhroli West,
Mumbai – 400 083.

19. The Company's shares are listed on BSE and NSE and applicable listing fees have been paid upto the date.

20. Members are requested to note that, the following dividends which remain unpaid and unclaimed for a period of seven years will be due for transfer to the Investor Education and Protection Fund (hereinafter referred to as "IEPF") of the Central Government. The shares in respect of such unclaimed dividends for a period of seven consecutive years are also liable to be transferred to the Demat account of the IEPF. In view of this, **Members / Claimants are requested to claim their unpaid / unclaimed dividends from FY 2013-14 till date, on or before 11th October, 2021.** The Members, whose unclaimed dividends / shares have been transferred to IEPF, may claim the same by making an application to the IEPF, in Form IEPF-5 available on www.iepf.gov.in.

Dividend	Date of declaration of Dividend	Due date for transfer to IEPF
2013-14 (Final)	23.08.2014	21.10.2021
2014-15 (Final)	25.09.2015	23.11.2022
2015-16 (Final)	24.09.2016	29.11.2023
2016-17 (Final)	23.09.2017	25.11.2024
2017-18 (Final)	28.09.2018	02.12.2025
2018-19 (Final)	21.08.2019	23.10.2026
2019-20 (Final)	18.08.2020	18.10.2027

Shareholders who have not encashed the dividend draft(s) are requested to return the unclaimed / unpaid dividend draft(s) for revalidation or write to the Company's RTA at the above address to obtain duplicate dividend draft, immediately.

21. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone / mobile numbers, PAN, registering of nomination, power of attorney registration, Bank Mandate details, etc., to their DPs in case the shares are held in electronic form and to the RTA in case the shares are held in physical form, quoting their folio number and enclosing the self-attested supporting document. Further, Members may note that SEBI has mandated the submission of PAN by every participant in securities market.
22. During the AGM, Members may access the electronic copy of Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act. Members desiring inspection of statutory registers and other relevant documents may send their request in writing to the Company at investors.relations@compuageindia.com, latest by 14th September, 2021 upto 15:00 Hours IST.
23. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DPs and holdings should be verified from time to time.
24. Any person, who acquires shares of the Company and becomes its Member after the sending of this Notice and holds shares as on the cut-off date for voting, i.e. Wednesday, 8th September, 2021, may obtain the Login ID and Password by sending a request to enotices@linkintime.co.in. However, if he / she is already registered with LIPL for remote e-Voting then he / she can use his / her existing User ID and password for casting the vote.

25. Voting through Electronic means:

In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015, and Regulation 44 of the Listing Regulations, the Company is pleased to provide the Members with facility to exercise their right to vote on resolutions proposed to be considered at the AGM by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the Members using an electronic voting system during the AGM will be provided by LI IPL.

- I. The Members who have cast their vote by remote e-Voting prior to the AGM may also attend / participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.
- II. The remote e-Voting period commences on Sunday, 12th September, 2021, 9:00 Hours IST and ends on Tuesday, 14th September, 2021, 17:00 Hours IST. During this period, Members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of Wednesday, 8th September, 2021, may cast their vote by remote e-Voting. The remote e-Voting module shall be disabled by LI IPL for voting thereafter.
- III. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. The voting rights of the Members (for voting through remote e-Voting before the AGM and e-Voting during the AGM) shall be in proportion to their share of the paid-up equity share capital of the Company as on the cut-off date of Wednesday, 8th September, 2021. Subject to receipt of requisite number of votes, the Resolutions passed by remote e-Voting are deemed to have been passed as if they have been passed at the AGM i.e. Wednesday, 15th September, 2021.
- IV. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date i.e. Wednesday, 8th September, 2021, shall be entitled to avail the facility of remote e-Voting before the AGM as well as e-Voting during the AGM. Any person holding shares in physical form and non-individual Shareholders, who acquires shares of the Company and becomes a Member of the Company after the dispatch of this Notice and holding shares as on the cut-off date, i.e. Wednesday, 8th September, 2021, may obtain the User ID and password by duly following the procedure mentioned in Para 24 above.
- V. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting, by use of e-Voting system for all those Members who are present during the AGM through VC / OAVM but have not cast their votes by availing the remote e-Voting facility. The e-Voting module during the AGM shall be disabled by LI IPL for voting 30 minutes after the conclusion of the AGM.

Remote e-Voting instructions for Shareholders are as follows:

Pursuant to SEBI circular dated 9th December, 2020, on e-Voting facility provided by Listed Companies, Individual Shareholders holding securities in demat mode can vote through their demat account maintained with Depositories and Depository Participants only post 9th June, 2021.

Shareholders are advised to update their mobile number and email ID in their demat accounts to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode/ physical mode is given below:

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ul style="list-style-type: none"> • If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. • After successful authentication, you will be able to see e-voting services. Click on “Access to e-voting” under e-voting services and you will be able to see e-voting page. Click on company name or e-voting service provider name and you will be re-directed to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting and voting during the meeting. • If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp • Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-voting system is launched, click on the icon “Login” which is available under ‘Shareholder / Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password / OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting and voting during the meeting.
Individual Shareholders holding securities in demat mode with CDSL	<ul style="list-style-type: none"> • Existing user of who have opted for Easi / Easiest, they can login through their User ID and password. Option will be made available to reach e-voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. • After successful login of Easi / Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-voting service provider i.e. NSDL, KARVY, LINK NTIME, CDSL. Click on e-voting service provider name to cast your vote. • If the user is not registered for Easi / Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration. • Alternatively, the user can directly access e-voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile and Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP where the e-voting is in progress.

<p>Individual Shareholders (holding securities in demat mode) & login through their depository participants</p>	<ul style="list-style-type: none"> You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. Once login, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting and voting during the meeting.
<p>Individual Shareholders holding securities in Physical mode & e-voting service Provider is LINKINTIME.</p>	<ol style="list-style-type: none"> Open the internet browser and launch the URL: https://instavote.linkintime.co.in <ul style="list-style-type: none"> Click on “Sign Up” under ‘SHARE HOLDER’ tab and register with your following details: - <ol style="list-style-type: none"> User ID: Shareholders/ members holding shares in physical form shall provide Event No + Folio Number registered with the Company. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format) Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company. <ul style="list-style-type: none"> Shareholders/ members holding shares in physical form but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%*), at least one numeral, at least one alphabet and at least one capital letter). Click “confirm” (Your password is now generated). Click on ‘Login’ under ‘SHARE HOLDER’ tab. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on ‘Submit’. After successful login, you will be able to see the notification for e-voting. Select ‘View’ icon. E-voting page will appear. Refer the Resolution description and cast your vote by selecting your desired option ‘Favour / Against’ (If you wish to view the entire Resolution details, click on the ‘View Resolution’ file link). After selecting the desired option i.e. Favour / Against, click on ‘Submit’. A confirmation box will be displayed. If you wish to confirm your vote, click on ‘Yes’, else to change your vote, click on ‘No’ and accordingly modify your vote.

Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI, etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as ‘Custodian / Mutual Fund / Corporate Body’. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the ‘Custodian / Mutual Fund / Corporate Body’ login for the Scrutinizer to verify the same.

Individual Shareholders holding securities in Physical mode and e-voting service Provider is LINKINTIME, have forgotten the password:

- Click on ‘Login’ under ‘SHARE HOLDER’ tab and further Click ‘forgot password?’
- Enter **User ID**, select **Mode** and Enter Image Verification (CAPTCHA) Code and Click on ‘Submit’.

• In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address.

- Shareholders/ members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.
- The password should contain minimum 8 characters, at least one special character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.

Individual Shareholders holding securities in demat mode with NSDL/ CDSL have forgotten the password:

- Shareholders/ members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.
 - It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
 - During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular “Event”.

Helpdesk for Individual Shareholders holding securities in demat mode:

In case shareholders/ members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk given below:

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 22-23058542-43.

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders and e-voting service provider is LINKINTIME:

In case shareholders/ members holding securities in physical mode/ Institutional shareholders have any queries regarding e-voting, they may refer the **Frequently Asked Questions ('FAQs')** and **InstaVote e-voting manual** available at <https://instavote.linkintime.co.in>, under **Help** section or send an email to enotices@linkintime.co.in or contact on: - Tel: 022 -4918 6000.

Process and Manner for attending the Annual General Meeting through InstaMeet:

Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>

► Select the “Company” and ‘Event Date’ and register with your following details: -

- A. Demat Account No. or Folio No:** Enter your 16 digit Demat Account No. or Folio No
- Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
 - Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
 - Shareholders/ members holding shares in **physical form shall provide** Folio Number registered with the Company
- B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
- C. Mobile No.:** Enter your mobile number.
- D. Email ID:** Enter your email id, as recorded with your DP/Company.

► Click “Go to Meeting” (You are now registered for InstaMeet and your attendance is marked for the meeting).

Instructions for Shareholders/ Members to speak during the Annual General Meeting through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request 7 days in advance with the Company through email on investors.relations@compuageindia.com.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panelist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panelist by switching on video mode and audio of your device.

NOTE: Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Instructions for Shareholders/ Members to Vote during the AGM through InstaMeet:

Once the electronic voting is activated by the scrutinizer/ moderator during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-voting “Cast your vote”
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.
3. After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.
4. Cast your vote by selecting appropriate option i.e. “Favour/Against” as desired. Enter the number of shares (which represents number of votes) as on the cut-off date under ‘Favour/Against’.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote.

Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

NOTE: Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting facility during the meeting. Shareholders/ Members who have voted through remote e-voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.



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Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

Guidelines to attend the AGM proceedings:

For a smooth experience of viewing the AGM proceedings of LIPL. InstaMEET, shareholders / members who are registered as speakers for the event are requested to download and install the Webex application in advance by following the instructions as under:

- a) Please download and install the Webex application by clicking on the link <https://www.webex.com/downloads.html/>, OR
- b) If you do not want to download and install the Webex application, you may join the meeting by following the process mentioned as under:
 1. Enter your First Name, Last Name and Email ID and click on Join Now
 2. If you have already installed the Webex application on your device, join the meeting by clicking on Join Now
 3. If Webex application is not installed, a new page will appear giving you an option to either Add Webex to chrome or [Run a temporary application](#). Click on [Run a temporary application](#), an exe file will be downloaded. Click on this exe file to run the application and join the meeting by clicking on Join Now.

General Guidelines for Shareholders:

- I. A Member may participate in the AGM even after exercising his right to vote through remote e-Voting but shall not be allowed to vote again at the AGM.
- II. A person, whose name is recorded in the register of Members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e., Wednesday, 8th September, 2021, only shall be entitled to avail the facility of remote e-Voting as well as e-Voting at the AGM.
- III. Institutional Shareholders (i.e. other than Individuals, HUF, NRI, etc.) and Custodian are required to log on to e-Voting system of LIPL: <https://instavote.linkintime.co.in> and register themselves as '**Custodian / Mutual Fund / Corporate Body**'.

They are also required to upload a scanned certified true copy of the board resolution / authority letter / power of attorney etc., together with attested specimen signature of the duly authorised representative(s) in PDF format in the '**Custodian / Mutual Fund / Corporate Body**' login for the Scrutinizer to verify the same.
- IV. During the voting period, Shareholders can login any number of time till they have voted on the resolution(s) for a particular "Event".
- V. Shareholders holding multiple folios / demat account shall choose the voting process separately for each of the folios / demat account.
- VI. In case the Shareholders have any queries or issues regarding e-Voting, please refer the Frequently Asked Questions ("FAQs") and Instavote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or write an email to enotices@linkintime.co.in or Call us :- Tel : +91 (022) – 4918 2505 /4918 6000.
- VII. The Chairman shall, during the AGM, at the end of discussion / after every business item for the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by way of e-Voting system for the purpose of conducting a poll for all those Members who are present at the AGM but have not cast their votes by availing the remote e-Voting facility.
- VIII. The Scrutinizer will submit his report to the Chairman or to any other person authorized by the Chairman after the completion of the scrutiny of the e-Voting (votes cast during the AGM and votes casted through remote e-Voting), not later than 2 working days from the conclusion of the AGM. The result declared along with the Scrutinizer's report shall be communicated to BSE, NSE and RTA and will also be displayed on the Company's website at www.compuageindia.com and on the RTA's website at <https://instavote.linkintime.co.in>.
- IX. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.compuageindia.com immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the stock exchanges.

DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT AS REQUIRED UNDER REGULATION 36 OF THE LISTING REGULATIONS:

1. Details of Mr. Atul H. Mehta (DIN: 00716869) with reference to Item No. 3 of the this Notice:

Pursuant to Section 152(6) of the Act, Mr. Atul H. Mehta (DIN: 00716869) is liable to retire by rotation at the AGM and being eligible, offers himself for re-appointment. Re-appointment at the AGM as a Director retiring by rotation would not constitute break in his appointment as Managing Director of the Company.

Mr. Atul H. Mehta, aged 61, is the Chairman and Managing Director of the Company. He holds vast industry experience and has overall knowledge in managing the Company strategically, handling operational responsibility for the entire portfolio of the Company's offerings. He promotes team management, encourages talent management and leadership development, builds client relationship management. His religious dedication of over 31 years has taken this Company to new scales and his future outlook will help in shaping the Company's growth.

He is a Bachelor of Commerce Graduate from University of Mumbai, India, and has completed Masters in Business Administration with specialization in Finance from University of Portland, USA. He is not on the Board of any other listed entity. He holds 1,49,54,370 Equity Shares of the Company comprising to 23.02% of the paid up capital. He is one of the members of Stakeholders' Relationship Committee of the Company. He is a brother of Mr. Bhavesh H. Mehta, Whole-Time Director of the Company. Upon his re-appointment as a Director, Mr. Atul H. Mehta shall continue to hold office as Chairman and Managing Director.

Companies (other than the Company) in which Mr. Atul H. Mehta holds Directorship and Committee membership.

Directorship

He acts as a Director on the Board of other below mentioned Companies:

Sr. No.	Names of the Companies	Nature of interest or concern
1.	Akay Filtips Private Limited	Director
2.	Compuage Infocom (S) Pte. Limited	Director
3.	Inga Advisors Private Limited	Director
4.	Technology Distribution Association of India (Sec 25 of the Companies Act, 1956)	Director
5.	Inga Ventures Private Limited	Director

Chairperson of Board Committees

None

Member of Board Committees

None

Shareholding in the Company

As on 31st March, 2021, Mr. Atul H. Mehta holds 1,49,54,370 Equity Shares of the Company.

In view of the above, the Board recommends his re-appointment.



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2022

For more details, contact:

Compuage Infocom Ltd

CIN: L99999MH1999PLC135914

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