



# SOUTHERN INFOSYS LTD.

#402-A, Arunachal Building, 19 Barakhamba Road, New Delhi - 110001, INDIA

Phone : +91-11-23354236, 43045402 Email : southerninfosys@gmail.com

CIN : L67120DL1994PLC059994, Web.: www.southerninfosys.com

SIL/L&S/2019-20

Date : 05.09.2019

To,  
The Department of Corporate Services  
Bombay Stock Exchange Limited  
P J Towers,  
Dalal Street  
**Mumbai- 400001**  
**BSE Code : 540174**

To,  
Listing Department  
Calcutta Stock Exchange  
7, Lyons Range,  
**Kolkata - 700001**  
**CSE Code : 14326**

Subject: Notice of AGM along with annual report for FY ended 2018-19.

Dear Sir / Madam,

Pursuant to Regulation 30, 34 & 42 of SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015, we wish to inform the following:

1. 25<sup>th</sup> Annual General meeting of members of the Company will be held on Monday, the 30<sup>th</sup> September 2019 at 10.00A.M at Ground Floor, Mini Hall of Arunachal Building, 19, Barakhamba Road, New Delhi – 110001. A copy of annual report along with notice is also enclosed herewith.
2. Register of Members and Share Transfer Books of the company shall remain closed from Monday, i.e. 23<sup>rd</sup> September 2019 to Monday, 30<sup>th</sup> September 2019 (both days inclusive) for the purpose of Annual general Meeting of the company which is to be convened on 30<sup>th</sup> September 2019.
3. Pursuant to Section 108 of the Companies Act, 2013 read with Rules 20 of the Companies (Management and Administration) Rules 2014 and Regulation 44 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, remote E-voting facility is being provided to the members as on the cut-off date i.e. the 23<sup>rd</sup> September 2019 (record date) in respect of the business to be transacted at the 25<sup>th</sup> AGM.
4. The e-voting period shall begin from Friday, the 27<sup>th</sup> September 2019 at 09.00A.M and shall end on Sunday the 29<sup>th</sup> September 2019 at 05.00 P.M. During this period the shareholders of the company holding shares as on cut-off date i.e. Monday 23<sup>rd</sup> September 2019 may cast their votes electronically.

Kindly take the above on your record.

Thanking You,  
Yours Faithfully

For **SOUTHERN INFOSYS LIMITED**

(Kriti Baraja)  
Compliance Officer

M. No. : A51320



# 25<sup>TH</sup> ANNUAL REPORT

## 2018-19



### SOUTHERNINFOSYSLIMITED

#402-A, Arunachal Building, Barakhamba Road New Delhi-110001, India

Phone: +91-011-23354236, 43045402, Email: [southerninfosys@gmail.com](mailto:southerninfosys@gmail.com)

CIN: L67120DL1994PLCC059994, Web: [www.southerninfosys.com](http://www.southerninfosys.com)

**BOARD OF DIRECTORS**

MR. RAKESH MOHAN SHARMA DIRECTOR (DIN-02459885)

MS. DEEPALI SHARMA DIRECTOR (DIN- 05133382)

MR. SIDDHARTH SHARMA WHOLE TIME DIRECTOR (DIN-07401382)

MS. KRITI BAREJA WHOLE TIME DIRECTOR & COMPANY SECRETARY  
(DIN-08526516)

MR. DHARMENDRA SINGH INDEPENDENT DIRECTOR (DIN-00158276)

MR. RAJIV MISHRA INDEPENDENT DIRECTOR (DIN-07051314)

**AUDITORS**

V Sahai Tripathi & Co.,  
Firm Registration No. 000262N  
Chartered Accountants  
C- 593, LGF, Defence Colony, New Delhi-  
110024

**BANKERS**

BANK OF BARODA  
YES BANK

**REGISTERED OFFICE**

402-A, ARUNACHAL BUILDING,  
19, BARAKHAMBA ROAD,  
NEW DELHI- 110001

**REGISTRAR & TRANSFER AGENT**

ALANKIT ASSIGNMENTS LTD.,  
Shop No. 1E/13, Jhandewalan,  
Extension, Delhi -110055

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## NOTICE

Notice is hereby given that the 25<sup>th</sup> Annual General Meeting of the members of **SOUTHERN INFOSYS LIMITED** (CIN-L67120DL1994PLC059994) will be held on Monday, 30<sup>th</sup> September, 2019 at 10.00 A.M. at Ground Floor, Mini Hall of Arunachal Building, 19, Barakhamba Road, New Delhi – 110001 to transact the following businesses:

### Ordinary Business:

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March 2019, together with the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Rakesh Mohan Sharma (DIN-02459885) who retires by rotation and being eligible, offers himself for re-appointment.

### Special Business:

3. To consider, and if thought fit, to pass, with or without modifications, the following resolution as an **Ordinary resolution**:-

**RESOLVED THAT** pursuant to provisions of sections 149,152, and other applicable provisions of The Companies Act, 2013, or any amendment or modification thereof, Mrs. Deepali Sharma (DIN:05133382 ) who was appointed as an additional director in the meeting of Board of Directors held on 14<sup>th</sup> February, 2019 and in respect of whom appointment, company has received recommendation from Nomination and Remuneration Committee, be and is hereby appointed as Director of the company.

4. To consider, and if thought fit, to pass, with or without modifications, the following resolution as an **Ordinary resolution**:

**“RESOLVED THAT** pursuant to provisions of sections 149,152, and other applicable provisions of The Companies Act, 2013, or any amendment or modification thereof, Mr. Siddharth Sharma (DIN: 07401382) who was appointed as an additional director in the meeting of Board of Directors held on 13<sup>th</sup> August, 2019 and in respect of whom appointment, company has received recommendation from Nomination and Remuneration committee, be and is hereby appointed as Director of the company.

5. To consider and if thought fit, to pass, with or without modifications, the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203 of The Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and in accordance with Section II of Part II of Schedule V of the Companies Act, 2013 & all other applicable provisions and pursuant to the recommendation of Nomination and Remuneration

Committee, the approval of the members be and is hereby accorded for the appointment of Mr. Siddharth Sharma (DIN: 07401382 ) as Whole Time Director of the Company w.e.f August 13, 2019 for a term of 5 years on such terms and conditions including remuneration as mentioned in the Explanatory Statement.

6. To consider, and if thought fit, to pass, with or without modifications, the following resolution as an **Ordinary resolution**:

**“RESOLVED THAT** pursuant to provisions of sections 149,152, and other applicable provisions of The Companies Act, 2013, or any amendment or modification thereof, Miss KritiBareja (DIN:08526516) who was appointed as an additional director in the meeting of Board of Directors held on 13<sup>th</sup> August, 2019 and in respect of whom appointment company has received recommendation from Nomination and Remuneration committee, be and is hereby appointed as Director of the company.

7. To consider and if thought fit, to pass, with or without modifications, the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203 of The Companies Act,2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014,and in accordance with Section II of Part II of Schedule V of the Companies Act, 2013 & all other applicable provisions and pursuant to the recommendation of Nomination and Remuneration Committee, the approval of the members be and is hereby accorded for the appointment of Miss Kriti Bareja (DIN:08526516 ) as Whole Time Director of the Company w.e.f. August 13, 2019 for a term of 5 years on such terms and conditions including remuneration as mentioned in the Explanatory Statement.

By Order of the Board  
For **Southern Infosys Limited**

Place: New Delhi  
Delhi: 30.08.2019

**Kriti Bareja**  
Company Secretary  
M. No: A51320

**NOTES:-**

**1. A MEMBER ENTITLED TO ATTEND AND VOTE AT AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN THE MEETING INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER. THE INSTRUMENT APPOINTING PROXY, IN ORDER TO BE EFFECTIVE, MUST BE DELIVERED AT THE REGISTERED OFFICE OF THE COMPANY ATLEAST 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. PROXY FORM IS ENCLOSED HEREWITH:**

A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent (10%) of the total share capital of the Company carrying

voting rights.

A member holding more than ten percent (10%) of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person of shareholder.

2. Members are requested to note that the Company's shares are under compulsory demat trading for all the investors. Members are, therefore, requested to dematerialize their shareholding to avoid inconvenience.

3. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, the 23<sup>rd</sup> day of September, 2019 to Monday, the 30<sup>th</sup> of September, 2019 (both days inclusive) for the purpose of AGM.

4. Corporate members intending to send their authorized representative to attend the AGM are requested to send duly certified copy of the Board resolution authorizing their representative(s) to attend and vote on their behalf at the Meeting.

5. Shareholders who have not registered their E-mails address, so far, are requested to register their E-mail address in respect of electronic holdings with the Depository through their concerned Depository.

6. Depository Participants. Members who hold shares in physical mode are requested to update their e-mail id with the registrar and transfer agent by writing to M/s Alankit Assignments Limited, Alankit Heights 1E/13, Jhandewalan Extension New Delhi -110055 India, for receiving all communication including Annual Report, Notices, and Circulars etc. from the Company electronically.

7. This Notice of 25<sup>th</sup> AGM and instructions for e-voting along with Annual report, attendance slip, proxy form and route map of the venue of the Meeting is being sent by electronic mode to all the members of the company whose email addresses are registered with the company/Depository Participant(s) unless a member has requested for a hard copy of the same for Members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by permitted mode.

8. The relevant details as required in sub regulation 36(3) of SEBI (Listing Obligation and disclosure requirements), 2015 in respect of director seeking appointment/ re-appointment at the Annual general Meeting, forms integral part of the notice. Requisite declarations have been received from directors for their appointment and re-appointment.

9. The Company is providing facility for voting by electronic means (e-voting) through an electronic voting system which will include remote e-voting as prescribed by the Companies (Management and Administration) Rules, 2014 as presently in force and the business set out in the Notice will also be transacted through such voting. Information and



instructions including details of User ID and password relating to e-voting are provided in the Notice under Note No.15.

10. Members / Proxies/ Authorized Representatives are requested to bring to the Meeting necessary details of their shareholding, attendance slip(s) and copy of Annual Report.

11. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.

12. Relevant documents referred to in the Notice are open for inspection by the members at the Registered Office of the Company on all working days (i.e., except Saturdays, Sundays and Public Holidays) during business hours up to the date of the Meeting. The aforesaid documents will also be available for inspection by members at the Meeting.

13. Members holding share in electronic mode are requested to intimate any change in their address or bank account details to their Depository Participants (DPs) with whom they are maintaining their demat accounts. Members holding shares in physical mode are requested to advise any change in their address or bank account details immediately to the Company/Alankit Assignments Limited.

14. The Securities and Exchange Board of India (“SEBI”) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. **Members holding shares in electronic mode are, therefore, requested to submit their PAN to their DPs with whom they are maintaining their demat account. Members holding shares in physical mode shall submit their PAN to the Company / Registrar and transfer Agent.**

15. Members holding share in physical mode are advised to make nomination in respect of their shareholding in the Company. A downloadable version of the nomination form (SH-13) is available in Downloads section under Investor Relation drop down on the Company’s website: Members holding shares in electronic mode may contact the irrespective DPs for availing the nomination facility.

16. Members who hold shares in physical mode in multiple folios in identical name or joint holding in the same order of names are requested to send the share certificates to the Registrar, for consolidation into a single folio.

17. Queries proposed to be raised at the Annual General Meeting may be sent to the company at its registered office at least 7 days prior to the date of the AGM to enable the management to compile the relevant information to reply the same in the meeting.

18. Members whose names are recorded in the register of members or in the register of beneficial owner maintained by depositories as on the cut-off date i.e. Monday, 23<sup>rd</sup> September, 2019, shall be entitled to avail the facility of remote e-voting as well as voting at

the AGM. Any recipient of the notice, who has no voting rights as on the cut-off date, shall treat the notice as intimation only.

19. A person who has acquired the shares and has become a member of the company after the dispatch of the notice of the AGM and prior to the cut-off i.e. Monday, 23<sup>rd</sup> September, 2019 shall be entitled to exercise his/her vote either electronically i.e. Remote e-voting or through the poll paper at the AGM by following the procedure mentioned in this part.

20. The route map showing directions to reach the venue of the meeting is annexed with the notice.

21. Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again.

22. The facility for voting through poll paper would be made available at the AGM and the members attending the meeting who have not already cast their votes by remote e-voting shall be able to exercise their right at the meeting through poll paper. The members who have already cast their vote by remote e-voting prior to the meeting, may also attend the meeting, but shall not be allowed to cast their votes again.

23. The voting rights of the members shall be in proportion to their share in the paid up equity share capital of the company as on cut-off date i.e. Monday, 23<sup>rd</sup> September, 2019.

24. ACS Nitin Bhatia of M/s Nitin Bhatia & Co. B-30, Lajpat Nagar 1, New Delhi-110024, has been appointed as the scrutinizer to scrutinize to e-voting process and voting through Poll at the Annual General Meeting in a fair & transparent manner.

25. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the AGM by Ballot Papers and thereafter unblock the votes casted through e-voting in the presence of at least two witnesses not in the employment of the Company. The Scrutinizer shall, within a period not exceeding two days from the conclusion of the AGM, prepare and present a consolidated report of the total votes cast in favor or against, if any, to the Chairman of the Company or a person authorized by him in writing who shall countersign the same.

26. The results declared along with the report of the Scrutinizer shall be placed on the website of the company i.e. [www.southerninfosys.com](http://www.southerninfosys.com) and on the website of CDSL i.e. [www.evotingindia.com](http://www.evotingindia.com), immediately after the result is declared and simultaneously communicated to the Bombay Stock Exchange.

**27. The instructions for voting through electronic means are as under:**

i) The voting period begins on Friday, 27<sup>th</sup> September, 2019 at 9.00 A.M and ends on Sunday, 29<sup>th</sup> September, 2019, at 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Monday, the 23<sup>rd</sup> September, 2019 may cast their vote electronically. The e-voting

module shall be disabled for voting thereafter.

- ii) The shareholders who have already voted prior to the meeting date would not be entitled to vote at meeting venue.
- iii) The shareholder should login on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- iv) Click on “Shareholders/ Members.”
- v) Now Enter your User ID
  - a. For CDSL:16 digits beneficiary ID
  - b. For NSDL: 8 Character DPID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical form should enter Folio Number registered with the Company
- vi) Next enter the Image Verification as displayed and Click on Login.
- vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are holding shares in physical form or first time user in case holding shares in Demat form, follow the steps given below

	<b>For Members holding shares in De-mat Form(first time user) and Physical Form</b>
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both De-mat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the <b>sequence number*</b> in the PAN field.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0’s before the number after the first two</li> </ul>
DOB or Dividend Bank Details	<p>Enter the Dividend bank details or date of birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id/folio number in the Dividend Bank Details field as mentioned in the instruction (V).</li> </ul>

\*as mentioned above

- (ix) After entering these details appropriately, click on “SUBMIT” tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password

Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xii) Click on the EVSN for “Southern Infosys Limited” on which you choose to vote.

(xiii) On the voting page, you will see “**RESOLUTION DESCRIPTION**” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiv) Click on the “**RESOLUTIONS FILE LINK**” if you wish to view the entire Resolution details.

(xv) After selecting the resolution you have decided to vote on, click on “**SUBMIT**”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “**CANCEL**” and accordingly modify your vote.

(xvi) Once you “**CONFIRM**” your vote on the resolution, you will not be allowed to modify your vote.

(xvii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.

(xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively Please follow the instructions as prompted by the mobile app while voting on your mobile.

**(xx) Note for Non-Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

- After receiving the login details a Compliance User should be created using the admin login

and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same

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

(xxi) The results of voting shall be declared within two (2) days of conclusion of 25<sup>th</sup> Annual General Meeting convened for the purpose. The results of voting so declared along with the Scrutinizer’s Report shall be placed on the Company’s Website ([www.southerninfosys.com](http://www.southerninfosys.com)) CDSL Website and shall also be communicated to the Stock Exchange.

By Order of the Board  
For **Southern Infosys Limited**

Place: New Delhi  
Date: 30.08.2019

KritiBareja  
Company Secretary  
M. No: A51320

### **Explanatory Statement**

(Pursuant to Section 102 of Companies Act, 2013 and corresponding rules thereto)

#### **Item No. 3**

The Board of Directors pursuant to section 161 of The Companies Act, 2013 and pursuant to the recommendation of Nomination and Remuneration Committee, in their meeting held on 14<sup>th</sup> February, 2019 appointed Mrs Deepali Sharma as Additional Director who will hold office upto the date of ensuing Annual General Meeting.

The Nomination and Remuneration Committee has recommended the board for the appointment of Mrs Deepali Sharma as director of the company and Company has received a notice in writing, under the provision of section 160 of The companies Act, 2013 proposing her candidature for the director of the company subject to retirement by rotation under sections 149, 152.

Mrs Deepali Sharma is not disqualified from being appointed as director under section 164 of The Companies Act, 2013.

Board of directors consider that in the view of the background and experience of MrsDeepali Sharma, it would be in the interest of the company to appoint her as director of the company.

None of the directors or key managerial person of the company except ShriRakesh Mohan Sharma, director, and Mr. Siddharth Sharma, Whole time director, is directly or indirectly interested or concerned in this item of business.

Brief resume of Mrs Deepali Sharma as stipulated under the Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and details as required under SS-2 (Secretarial Standard-2 on General Meeting) is given herein below.

<b>Name of the Director</b>	<b>Mrs. Deepali Sharma</b>
DIN	05133382
Date of Birth and Age	November 22,1967 and 51 years
Date of first appointment	14/02/2019
Nationality	Indian
Father's Name	Lt. Shri Lakshman Swaroop Kushal
Qualifications	Studied upto B.A.
Expertise in Specific functional areas	Rich and innovative experience in business management, Finance & Corporate Laws
Experience	30 years
Terms & Conditions of Appointment	As per the resolution passed by shareholder at their Annual General Meeting
Remuneration	Nil
Board Membership of other companies as on 31 <sup>st</sup> March, 2019	Disha Investment Centre Private Limited Disha Capital Services Limited DishaInvetment Insurance Brokers Private Zipzapdeals Internet Private Limited
Chairmanship(s) / Membership(s) of Committees of other Companies as on 31 <sup>st</sup> March, 2019.	NA
Shareholding	2,65,000 equity shares
Relationship of director inter-se	Wife of Director Mr. Rakesh Mohan Sharma

#### **Item No. 4**

The Board of Directors pursuant to section 161 and other applicable provision of The Companies Act,2013 and to the recommendation of Nomination and Remuneration Committee, in their meeting held on 13<sup>th</sup> August, 2019 appointed Mr. Siddharth Sharma as Additional Director who will hold office upto the date of ensuing Annual General Meeting.

The Nomination and Remuneration Committee has recommended the board for the appointment of Mr Siddharth Sharma as director of the company and Company has received a notice in writing, under the provision of section 160 of The companies Act,2013 proposing his candidature for the director of the

company subject to retirement by rotation under sections 149, 152.

Mr. Siddharth Sharma is not disqualified from being appointed as director under section 164 of The Companies Act,2013.

None of the director, key managerial person of the company except Shri Rakesh Mohan Sharma, director, and Mrs. Deepali Sharma, director, is directly or indirectly interested or concerned in this item of business.

#### **Item No.5**

The Board of Directors pursuant to sections 196, 203, of The Companies Act, 2013 and all other applicable provision and pursuant to the recommendation of Nomination and Remuneration Committee,, in their meeting held on 13<sup>th</sup> August, 2019 appointed Mr. Siddharth Sharma as Whole Time Director of the Company for a term of 5 years. The appointment is subject to approval of the shareholders in accordance with the applicable provisions of the Companies Act, 2013.

Mr. Siddharth Sharma is Law graduated and being part of promoter group has in depth knowledge in managing the group functioning. He has core interest in growth of company. Besides this, he as a start up entrepreneur has good exposure of managing the business. The board has found him suitable to hold the position of whole time director in the company.

In compliance with the provisions of Sections 196, 197 and other applicable provisions of the Companies Act, 2013 read with Schedule V to the Act, Mr Siddharth Sharma will be entitled to consolidated remuneration of Rs 40,000 / per month.

Mr. Siddharth Sharma is not disqualified from being appointed as director under section 164 of The Companies Act,2013.

None of the director or key managerial person other than Shri Rakesh Mohan Sharma, director and Mrs. Deeplai Sharma, director, is directly and indirectly interested or concerned in this item of business.

Brief resume of Mr. Siddharth Sharma as stipulated under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and details as required under SS-2 (Secretarial Standard-2 on General Meeting) is given here below.

<b>Name of the Director</b>	<b>Mr. Siddharth Sharma</b>
DIN	07401382
Date of Birth and Age	February 20, 1993, 26 Years
Date of first appointment	13/08//2019
Nationality	Indian
Father's Name	Shri Rakesh Mohan Sharma
Qualifications	LLB
Expertise in Specific functional areas	Experience in business management, Finance & Corporate Laws
Experience	03 years
Terms & Conditions of Appointment	As per the resolution passed by shareholder at their Annual General Meeting
Remuneration	40,000/P.M.

Board Membership of other companies as on 31 <sup>st</sup> March, 2019	Disha Investment Centre Private Limited Disha Capital Services Limited Zipzapdeals Internet Private Limited
Chairmanship(s) / Membership(s) of Committees of other Companies as on 31 <sup>st</sup> March, 2018	NA
Shareholding	311010 equity shares
Relationship of director inter-se	Son of Mr. Rakesh Mohan Sharma & Mrs. Deepali Sharma

**Item No. 6**

The Board of Directors pursuant to section 161 and other applicable provisions of The Companies Act,2013 and pursuant to the recommendation of Nomination and Remuneration Committee, in their meeting held on 13<sup>th</sup> August, 2019 appointed Miss. Kriti Bareja as an Additional Director who will hold office upto the date of ensuing Annual General Meeting.

The Nomination and Remuneration Committee has recommended the board for the appointment of Miss. Kriti Bareja as director of the company and Company has received a notice in writing, under the provision of section 160 of The companies Act,2013 proposing her candidature for the director of the company subject to retirement by rotation under sections 149, 152.

Miss. Kriti Bareja is not disqualified from being appointed as director under section 164 of The Companies Act,2013.

None of the director or key managerial person of the company is directly or indirectly interested or concerned in this item of business.

**Item No.7**

The Board of Directors pursuant to sections 196, 203, of The Companies Act,2013 and all other applicable provision and pursuant to the recommendation of Nomination and Remuneration Committee, in their meeting held on 13<sup>th</sup> August, 2019 appointed Miss. Kriti Bareja as Whole Time Director of the Company with effect from the said date for a term of 5 years. The appointment is subject to approval of the shareholders in accordance with the applicable provisions of the Companies Act, 2013.

Miss Kriti Bareja is a qualified Company Secretary and is currently pursuing law. She has been with the company for over last 2 years as Company Secretary and Compliance Officer. She is involved in day to day affairs of the company besides corporate compliances. Considering her performance, the directors deem it proper to promote her on the board of the company.

In compliance with the provisions of Sections 196, 197 and other applicable provisions of the Companies Act, 2013 read with Schedule V to the Act, Miss. Kriti Bareja will be entitled to consolidated remuneration of Rs 30,000 / per month.

Miss Kriti Bareja is not disqualified from being appointed as director under section 164 of The Companies Act,2013.

None of the director or key managerial person is directly or indirectly interested or concerned in this item of business.



Brief resume of Miss. Kriti Bareja as stipulated under the Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and details as required under SS-2 (Secretarial Standard-2 on General Meeting) is given here below.

<b>Name of the Director</b>	<b>Miss. Kriti Bareja</b>
DIN	08526516
Date of Birth and Age	September 4, 1991 28 years
Date of appointment	13/08/2019
Nationality	Indian
Father's Name	Shri Surender Bareja
Qualifications	B.Com, CS
Expertise in Specific functional areas	Rich experience in business management, Finance & Corporate Laws
Experience	03 years
Terms & Conditions of Appointment	As per the resolution passed by shareholder at their Annual General Meeting
Remuneration	30,000/- P.M.
Board Membership of other companies as on 31 <sup>st</sup> March, 2019	Nil
Chairmanship(s) / Membership(s) of Committees of other Companies as on 31 <sup>st</sup> March, 2019	NA
Shareholding	Nil
Relationship of director inter-se	Nil

**DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT  
AT FORTH COMING ANNUAL GENERAL MEETING**

(In pursuance of regulation 36(3) of SEBI (Listing Obligation & Disclosure Requirement) Regulations, 2015

<b>Name of the Director</b>	<b>Mr. Rakesh Mohan Sharma</b>
DIN	02459885
Date of Birth and Age	November 21, 1956, 62 years
Date of first appointment	04/07/1994
Nationality	Indian
Father's Name	Lt. Shri Mool Chand Sharma
Qualifications	B.Com. FC.S.
Expertise in Specific functional areas	Rich and innovative experience in business management, Finance & Corporate Laws
Experience	37 years

Terms & Conditions of Appointment	As per the resolution passed by shareholder at their Annual General Meeting
Remuneration	Nil
Board Membership of other companies as on 31 <sup>st</sup> March, 2019	Disha Investment Centre Private Limited Disha Capital Services Limited
Chairmanship(s) / Membership(s) of Committees of other Companies as	NA
Shareholding	4,12,450
Relationship of director inter-se	Nil

**Updation of PAN, Bank Account details, E-mail address and Dematerialization of Shares**

Dear Shareholder,

This is with reference to the SEBI bearing circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated: 20th April, 2018, wherein the listed company is required to obtain the copy of Pan Card and Bank account details from all shareholders holding shares of the Company in physical form. Accordingly you are requested to kindly furnish the following along with Annexure- A given below:

- a. Self attested copy of your Pan Card of all shareholders including joint holders. In case of residents of Sikkim the requirement of PAN Card be substituted with a valid Identity proof issued by Government.
- b. Original cancelled cheque bearing the name of the securities or copy of bank passbook / statement attested by the bank.

Please note that Companies Act, 2013, provides for sending all documents, notices and every other documents required by law to be annexed or attached thereto etc., in electronic form to the registered e-mail address of the Shareholders. In terms of Regulation 36 (1) (a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the listed entity shall send soft copies of full annual report to all those shareholder(s) who have registered their e-mail address(es) for the purpose. In order to receive all the documents and correspondences from us by e-mail, you may kindly mention your e-mail id, which will be registered with us as your registered e-mail id for sending all documents and correspondence by e-mail to you.

Also, on 8th June 2018, SEBI vide its notification No. SEBI/LAD-NRO/GN/2018/24 and as amended, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), has mandated that with effect from April 1, 2019, "except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository." Thus, SEBI has mandated transfer of shares in dematerialised form alone. This comes into effect from 5th December 2018 and hence you are requested to take note of it and take necessary steps to dematerialise your shares that are held in physical form.

You are requested to send the desired details/documents at any of the below given address :

<b>SOUTHERN INFOSYS LIMITED</b> 402-A, Arunachal Building, 19, Barakhamba Road, New Delhi- 110 001	<b>M/S ALANKIT ASSIGNMENTS LIMITED</b> Alankit Heights 1E/13, Jhandewalan Extension, New Delhi -110055
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We seek your co-operation in this regard.

For **Southern Infosys Limited**

Company Secretary

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**Annexure-A**

Name of Shareholder(s) : \_\_\_\_\_  
Folio No. : \_\_\_\_\_  
Pan (attached Self attested copy of Pan) : \_\_\_\_\_

Bank Details (attach Self attested copy of cancelled Cheque): \_\_\_\_\_

Bank Account No.: \_\_\_\_\_

Name of Bank : Branch Address \_\_\_\_\_

IFSC No. \_\_\_\_\_

MICR No. \_\_\_\_\_

Email ID \_\_\_\_\_

(-----)

Signature of Shareholder(s)

## **DIRECTORS' REPORT**

To the Members,

Your Directors have pleasure in presenting the 25<sup>th</sup> Annual Report of your Company together with the Audited Financial Statements of the company for the financial year ended 31<sup>st</sup> March, 2019.

### **FINANCIAL RESULTS**

The summarized financial results for the financial year ended 31<sup>st</sup> March 2019 and for the previous year ended 31<sup>st</sup> March 2018 are as follows:

<b>Particulars</b>	<b>(Amount in Lakh)</b>	
	<b>2018-19</b>	<b>2017-18</b>
Total Revenue	2214.61	1927.87
Profit before depreciation and taxes	6.2	-1.30
Profit before taxes	5.97	-13.20
Provision for taxes (Incl. Deferred Tax)	7.04	3.77
Profit for the year after taxes	-1.07	-9.43

During the year under review, your Company has achieved total revenue of Rs. 22,14,64,346/- as compared to revenue of Rs. 19,27,86,666/- in the preceding financial year giving a reasonable increase compared to previous year

On consolidated basis, total Net profits earned by your company is Rs. 69,878/- as compared to total loss of Rs. 7,27,054/- in last financial year. Directors of your company have been vigorously working for the growth of the company.

### **TRANSFER TO RESERVES**

Entire Profits of Rs. 69,878/- is transferred to and added in reserves and surplus. These reserves are Free in nature.

### **DIVIDEND**

In view of insufficiency of profits and future business growth, entire profits are retained for the operations and working of the company. The Board does not recommend any dividend for the financial year ended 31<sup>st</sup> March, 2019.

### **CHANGE IN NATURE OF BUSINESS**

There is no change in the nature of business of the Company.

## **SHARE CAPITAL**

The paid up equity share capital outstanding as on 31<sup>st</sup> March, 2019 was Rs.5,02,00,000/- .During the year, under review, there was no change in the share capital. Further, the Company has neither issued Share with Differential Voting Rights nor granted any Stock Options or offered for Sweat Equity.

## **LISTING OF 5020000 COMPANY'S EQUITY SHARES**

The equity shares of the Company are listed with Bombay Stock Exchange Limited (BSE) and with Calcutta Stock Exchange (CSE).

## **STATUTORY DISCLOSURE UNDER COMPANIES ACT, 2013**

### **1. NUMBER OF MEETINGS OF THE BOARD**

During the year, 07 (Seven) meetings of the board of directors were held, the details are appearing in the Corporate Governance Report.

### **2. DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the provisions of Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, state that:

- a) in preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2019, and of the profit and loss of the Company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) the directors had laid down proper Internal Financial Controls to be followed by Company and that such internal financial controls are adequate and were operating effectively;
- f) the directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

The Audit Committee constituted by the Board reviewed the internal controls and financial reporting issues with Statutory Auditors.

3. **DECLARATION BY INDEPENDENT DIRECTORS**

The Company has received declarations under Section 149(7) of the Act, by all the Independent Directors that they continue to meet the criteria as provided u/s 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

4. **NOMINATION AND REMUNERATION POLICY**

The Nomination and Remuneration Committee frames the policy for selection, appointment and remuneration of Directors, Key Managerial Personnel and other employees depending upon the vacancy arisen and need of the company for the experienced and young people.

5. **EXPLANATION OR COMMENTS IN SECRETARIAL AUDIT REPORT**

There is no qualification, reservations or adverse remarks or disclaimer made by the practicing company secretary in the secretarial audit report.

6. **PARTICULAR OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013.**

Details of Loans, Guarantees or Investments are given in the accompanying financial Statement

7. **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

During the year, the company has not entered into any contracts / arrangements with the Related Parties pursuant to Section 188 (1) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014. Hence, no particulars are being provided in Form AOC-2.

8. **CORPORATE SOCIAL RESPONSIBILITY**

The Provisions for Corporate Social Responsibility are not applicable on your company during the year under review.

9. **STATE OF COMPANY'S AFFAIRS**

Discussion on state of Company's affairs has been covered as part of Management Discussion and Analysis Report.

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

There are no adverse material changes or commitments occurring after 31st March, 2019 which may affect the financial position of the company or may require disclosure.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO, IN SUCH MANNER AS PRESCRIBED**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 Companies (Accounts) Rules, 2014, is annexed herewith as **Annexure -1**.

## **RISK MANAGEMENT POLICY**

Company has appropriate control mechanism and operating effectiveness of the internal Financial Control and Legal Compliance System. The Company has created appropriate structures with proper delegation of duties and responsibilities of employee at each level on enterprise basis for compliances thereof which are periodically reviewed by the management, internal auditors, statutory auditors and the Audit Committee.

## **BOARD EVALUATION**

Pursuant to provisions of the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and other statutory committees.

## 10. **STATUTORY DISCLOSURE AS REQUIRED UNDER RULE 8 (5) OF THE COMPANIES (ACCOUNTS) RULES, 2014**

- (i) Financial summary/highlights are included in this report;
- (ii) Change in the nature of the business during the year under review;
- (iii) During the year under review, there has been no change in the nature of business of the Company.
- (iv) Details of directors or key managerial personnel

In accordance with the provision of the Companies Act, 2013, Mr. Rakesh Mohan Sharma, Director of the company is liable to retire by rotation and being eligible offers himself for re-appointment in the ensuing Annual General Meeting.

Mrs. Deepali Sharma ceased to be Managing Director of the company. However she will continue to hold the directorship in the company. The Vacancy created



due to her resignation was filled in due course. Further, the board in its meeting held on 13.08.2019, appointed Mr. Siddharth Sharma and Ms. Kriti Bareja, as whole time directors.

**(v) Deposits**

The Company neither had any fixed deposits outstanding as on 31<sup>st</sup> March 2019 nor fresh/ Renewal of deposits were accepted during the financial year 2018-19 under Chapter V of the Companies Act, 2013. There were no unclaimed deposits as at March 31<sup>st</sup> 2019.

**(vi)** No significant and material orders were passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operation.

**(vii)** The Company has adequate internal financial control system in place. The company has deployed controls including defined code of conduct, whistle blower policy. The Audit Committee along with the management regular oversight of the internal controls environment at Company.

11. **ANNUAL RETURN**

The annual return of the company shall be uploaded on the website of the Company at [www.southerninfosys.com](http://www.southerninfosys.com)

12. **INFORMATION FORMING PART OF THE DIRECTORS' REPORT PURSUANT TO RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION RULES),2014.**

Sr. No.	Information required	Input
1	The ratio of the remuneration of each director to the median remuneration	NIL
2	The percentage increase in remuneration of each Director, chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year.	NIL
3	The percentage increase in the median remuneration of employees in the financial year	NIL
4	The number of permanent employees on the rolls of company.	08
5	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.	NIL
6	Affirmation that the remuneration is as per the remuneration policy of the Company.	Yes
7	Statement showing the names of the top ten employees in terms of remuneration drawn and the name of every employee, who-  (I) if employed throughout the financial year, was in receipt of	N.A.

	<p>remuneration for that year which, in the aggregate, was not less than one crore and two lakh rupees;</p> <p>(ii) if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than eight lakh and fifty thousand rupees per month;</p> <p>(iii) if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the Managing Director or Whole-time Director or Manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company.</p>	
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### 13. VIGIL MECHANISM

The Company has established a Vigil Mechanism policy in accordance with the provisions of the Companies Act, 2013 read with Rules there under and the Listing Agreement with the stock exchanges to deal with the instances of fraud and mismanagement. The details of the vigil mechanism are posted on the website of the Company which can be viewed at <http://www.southerninfosys.com/vigil.html>.

### 14. COMPOSITION OF AUDIT COMMITTEE

The composition of the Audit Committee has been mentioned in the Corporate Governance Report appended hereto.

### 15. STATUTORY AUDIT & AUDITORS

M/s. V. Sahai Tripathi & Co., Chartered Accountants (Firm Registration No. 000262N), statutory auditors of the Company, who were appointed as such by the members for five years i.e. till the conclusion of Annual General Meeting for the financial year 2019-20, shall continue as the statutory auditors of the company pursuant to section 139 of the Companies Act, 2013.

The Report of the Auditors on the financial statements including relevant notes on the accounts for the Financial Year ended 31.03.2019 are self-explanatory and do not call for any further comments except that on provisions for Gratuity and Bonus. Directors clarify that the provisions for the same was not made as the company has not incurred any liability on these counts in view of the fact that both the Acts are not yet applicable on the company.

During the year, under review, the Auditors have not reported any matter/frauds under Section 143(12) of the Companies Act, 2013, therefore no details is required to be

disclosed under Section 134(3) of this Act.

**16. SECRETARIALAUDITORS**

The Board had re-appointed M/s Nitin Bhatia & Co., Company Secretaries, as Secretarial Auditor pursuant to the provisions of Section 204 of the Companies act, 2013. The Report of the Secretarial Auditor is annexed as per “**Annexure –2**”

**17. CORPORATEGOVERNANCE**

Your Company conforms to the norms of Corporate Governance as envisaged in the Listing Regulations with the BSE Limited. Pursuant to Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Report on the Corporate Governance and the Auditors Certificate on Corporate Governance are annexed to this report as “**Annexure-3**”.

**18. DISCLOSURE AS PER SECRETARIALSTANDARD**

The Board confirms the compliance with the applicable Secretarial Standard (SS-1) for the year under review.

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

There were no complaint received from any employee during the financial year 2018-19 and hence no complaint is outstanding as on 31.03.2019 for redressal.

**20. ACKNOWLEDGEMENT**

Your Directors wish to place on record their deep appreciation of the continued support and co- operation received from Banks and Shareholders. Your Directors also wish to place on record their appreciation of the devoted services of the Company’s employees, who have diligently contributed to the Company’s progress.

## Annexure-I

### A. CONSERVATION OF ENERGY

The Following measures were continued by the Company for conservation of energy

- i) Optimizing the lighting in the premises and reducing the power consumption through installation of LEDlights.
- ii) Installation of energy saver in lightingcircuit.
- iii) Continual exploration of various avenues to reduce and optimizeenergy.

### B. RESEARCH AND DEVELOPMENT(R&D)

Company has not claimed / incurred any specific expenditure under this head. However, Company constantly endeavors through its highly skilled and committed workforce to develop products and services to be launched at an opportune time.

### C. TECHONOLOGY ABSORPTION, ADAPTION &INNOVATION

Company is not into any manufacturing activity and as such absorption of any particular technology or its adaptation is not applicable.

### D. FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign Inflow, if any	NIL
Foreign Outflow, if any	NIL

For and on Behalf of Board of Directors  
**Southern Infosys Limited**

**Date: 30.08.2019**  
**Place: New Delhi**

**(Deepali Sharma)**  
**Director**

**(R.M. Sharma)**  
**Director**

**Annexure –2**  
**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT FOR THE YEAR ENDED 31.03.2019**

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

**To,**  
**The Members,**  
**Southern Infosys Limited,**  
**402-A, Arunachal Building, 19, Barakhamba Road, New Delhi-110 001**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SOUTHERN INFOSYS LIMITED** (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended 31.03.2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31.03.2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable as the company did not have any transaction covered under Foreign Exchange Management Act, 1999.)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 & The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (not applicable during the year)

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; - (Not applicable during the year);

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - (Not applicable as the company has not issued any kind of debt securities);

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; - (Not applicable during the year)

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable during the year);

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable during the year) and

i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended time to time.

ii) Other laws as may be applicable to the Company as per the representation made by the Company.

We have been informed by the Company that there are no laws specifically applicable to the Company

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreement entered into by the Company with CSE Ltd. (Calcutta Stock Exchange) and BSE Ltd.

During the period, under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above to the extent they were

applicable.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive, Non-Executive and Independent Directors. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on agenda items before the meeting and for meaningful participation at the meeting.

On inspection of the minutes as captured and recorded it was ascertained that majority decisions are carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

We further report that during the audit period no major action having a bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, and standards etc. have taken the place.

**For Nitin Bhatia & Co.**  
Company Secretaries

Date: 28.08.2019  
Place: New Delhi

(Nitin Bhatia)  
FCS No.: 10285  
C.P. No.: 12902

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

### **ANNEXURE- A**

To,  
The Members,  
Southern Infosys Limited

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our.
2. We have followed the audit practices and processes as were appropriate to obtain

reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable law, rules, regulations and standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The secretarial audit report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Nitin Bhatia & Co.**  
Company Secretaries

Date: 28.08.2019  
Place: New Delhi

Nitin Bhatia  
FCS No.: 10285  
C.P. No.: 12902



## ANNEXURE -3

### **REPORT ON CORPORATE GOVERNANCE**

In compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time Company submits the Report on Corporate Governance as followed:

#### **1. THE COMPANY'S CORPORATE GOVERNANCE PHILOSOPHY**

The Company has set itself the objective of expanding its capacities and becoming globally competitive in its business. As a part of its growth strategy, the Company believes in adopting the 'best practices' that are followed in the area of Corporate Governance across various geographies. The Company emphasizes the need for full transparency and accountability in all its transactions, in order to protect the interests of its stakeholders. The Board considers itself as a Trustee of its Shareholders and acknowledges its responsibilities towards them for creation and safeguarding their wealth.

#### **Code of Conduct for Board Members and Senior Management**

The company has adopted the Code of Conduct for the Directors and Senior Management of the company. The company has received confirmations from both the Directors and Senior Management regarding compliance of Code of Conduct for the year ended 31<sup>st</sup> March, 2019. The code is posted on website of the company i.e. [www.southerninfosys.com](http://www.southerninfosys.com).

Independent Directors of the company assist the company in implementing the best corporate governance practices as per Code of Conduct for Independent Directors (Schedule-IV of Companies Act, 2013).

#### **2. BOARD OF DIRECTORS**

##### **a. Composition and category of Directors as on 31.03.2019**

The Board of Directors of the company comprises of four Directors with 1 Promoter Director, 1 Woman Managing Director and 2 Independent Non-Executive Directors. The Board consists of eminent persons with considerable professional expertise and experience in business industry, finance, audit, law, banking and public enterprises.

The Composition of the Board and related information are given below:

<b><u>Sl. No.</u></b>	<b><u>Name of the Director</u></b>	<b><u>Designation</u></b>	<b><u>Category</u></b>
1.	Rakesh Mohan Sharma	Non-Executive Director	Promoter
2.	Deepali Sharma	Managing Director	Executive Director
3.	Dharmendra Singh	Director	Independent Director, Non- Executive
4.	Rajiv Mishra	Director	Independent Director, Non- Executive

\*Mr. Rakesh Mohan Sharma is liable to retire by rotation in the ensuing Annual General Meeting.

**b. (i) Board Meeting and attendance record of each director in Board Meeting**

07 (seven) Board Meetings were held during the financial year 2018-19 and the gap between the twomeetings was not more than 120days.

The details of meetings attended by the Directors are given below:

Date of Meeting	MR.R.M. SHARMA	MRS. DEEPALI SHARMA	MR. DHARMENDRA SINGH	MR.RAJIV MISHRA
29.05.2018	YES	NO	YES	YES
14.08.2018	YES	NO	YES	NO
30.08.2018	YES	NO	YES	YES
29.09.2018	YES	NO	YES	YES
20.10.2018	YES	NO	YES	YES
14.11.2018	YES	NO	YES	YES
14.02.2019	YES	NO	YES	NO

Dates for the Board Meetings are decided well in advance and communicated to the Directors. Board Meetings are usually held at the Registered Office of the Company. The Agenda along with the explanatory notes are sent in advance to the Directors. Additional meetings of the Board are held when deemed necessary by the Board.

The Board periodically reviews compliance reports of all laws applicable to the Company. Steps are taken by the Company to rectify instances of non-compliance, if any.

**(ii) Attendance of each of the director in the Annual General Meeting:**

Name of the Director	Category	No. of membership in other Board Committees	Attendance at the last AGM	No. of Directorships in other companies as on 31.03.2019
Rakesh Mohan Sharma	Non-Executive Director & Promoter	2	YES	02
Deepali Sharma	Managing Director	NIL	NO	04
Dharmendra Singh	Independent Director	3	YES	01
Rajiv Mishra	Independent Director	NIL	YES	NIL

**c) Disclosure of relationship of directors' inter-se:**

As per section 2(77) of the Companies Act, 2013, Ms. Deepali Sharma, Managing director of the company is relative of Mr. Rakesh Mohan Sharma.

**d) Number of shares and convertible instruments held by non- executive director:**

As on 31st March, 2019, none of the non-executive directors of the company held shares or convertible instruments of the company except Mr. R.M. Sharma, director and Mrs. Deepali Sharma, Managing Director of the company who hold 3,78,950 and 2,49,000 equity shares respectively of the Company.

**e) Familiarization program for Independent Directors**

The Independent directors of Southern Infosys Limited are eminent personalities having wide experience in the field of business, finance, education, industry, commerce and administration. Their presence on the Board has been advantageous and fruitful in taking business decisions. Independent Directors are appointed as per the Governance guidelines of the Company. The Independent Directors appointed by the Board are given induction and orientation with respect to the Company's vision, strategic direction, core values, including ethics, corporate governance practices, financial matters and business operations by having one-to-one meetings. Independent Directors are also requested to access the necessary documents / brochures, Annual Reports and internal policies available at our website [www.southerninfosys.com](http://www.southerninfosys.com) to enable them to familiarize with the Company's procedures and practices. Periodic presentations are made by Senior Management, Statutory and Internal Auditors at the Board/Committee meetings on business and performance up dates of the Company, global business environment, business risks and its mitigation strategy, impact of regulatory changes on strategy etc. Updates on relevant statutory changes encompassing important laws are regularly intimated to the Directors.

Further the company has familiarization program for Independent Directors with regard to their roles, rights, responsibilities in the Company nature of the industry in which the Company operates, the business model of the Company etc. The details of familiarization program imparted to the Independent directors during the year are available on the website of the Company <http://www.southerninfosys.com/relations.html>.

**f) Meeting of the Independent Directors:**

As required under the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of the independent director was held on Tuesday, 26<sup>th</sup> March 2019. All independent directors have attended the meeting.

### **g) Performance Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and Listing Regulations, a separate exercise was carried out to evaluate the performance of individual directors on parameters such as level of engagement and contribution and independence of judgment thereby safeguarding the interest of the Company. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Non Independent Directors was carried out by the Independent Directors. The Board also carried out annual performance evaluation of the working of its Audit and Nomination and Remuneration Committee. The Directors expressed their satisfaction with the evaluation process.

### **3. AUDIT COMMITTEE**

Presently, the Audit Committee comprises of Two Members Directors viz. Mr. Dharmendra Singh, Independent Director and Mr. R.M. Sharma, Non- Executive Director. Majority of the members of Audit Committee have accounting and financial management expertise.

Terms of reference, role and power of the Audit Committee as revised and stipulated by the Board of Directors from time to time are in conformity and in line with the statutory and regulatory requirements as prescribed under Section 177 of the Companies Act, 2013 and SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 which include the following:

#### **Role of the Audit Committee**

- (1) 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;
- (2) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- (3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (4) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - (a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - (b) Changes, if any, in accounting policies and practices and reasons for the same;
  - (c) Major accounting entries involving estimates based on the exercise of judgment by management;
  - (d) Significant adjustments made in the financial statements arising out of audit findings;
  - (e) Compliance with listing and other legal requirements relating to financial statements;
  - (f) Disclosure of any related party transactions;

- (g) Modified opinion(s) in the draft audit report;
- (5) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- (6) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- (7) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (8) Approval or any subsequent modification of transaction of the Company with related parties;
- (9) Scrutiny of inter-corporate loans and investments;
- (10) Valuation of undertakings or assets of the Company, wherever it is necessary;
- (11) Evaluation of internal financial controls and risk management systems;
- (12) Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
- (13) 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;
- (14) Discussion with internal auditors of any significant findings and follow up thereon;
- (15) 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;
- (16) 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;
- (17) To look into the reasons for substantial defaults in the payment to the depositors, debentureholders, shareholders (in case of non-payment of declared dividends) and creditors;
- (18) To review the functioning of the whistle blower mechanism;
- (19) Approval of appointment of chief financial officer after assessing the qualifications,

experience and background, etc. of the candidate;

(20) Carrying out any other function as is mentioned in the terms of reference of the audit committee.

In addition to the above, the audit committee shall mandatorily review the following information:

- (1) Management discussion and analysis of financial condition and results of operations;
- (2) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- (3) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- (4) Internal audit reports relating to internal control weaknesses; and
- (5) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- (6) Statement of deviations:
  - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - (b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

#### Powers of Audit Committee

- 1) To investigate any activity within its terms of reference.
- 2) To seek any information from any employee.
- 3) To obtain outside legal or other professional advice.
- 4) To secure attendance of outsiders with relevant expertise, if it considers necessary.

The Committee met four times during the year and not more than four months elapsed between two meetings. The necessary quorum was present at the meetings. The attendance of the members of the Committee is given below:

<b>Name of Directors</b>	<b>Category</b>	<b>No. of meetings held</b>	<b>No. Of meetings attended</b>
Mr. R.M. Sharma	(non-executive director)	4	4
Mr. Dharmendra Singh	(independent director)	4	4

The CFO, Internal Auditors and Statutory Auditors are permanent invitees to the Audit Committee Meetings. Further, representatives from various departments of the company also attend the meetings as and when desired by the members of the Committee to answer and clarify questions raised at the Audit committee. The Company Secretary acts as the Secretary to the Committee.

#### **4. NOMINATION AND REMUNERATION COMMITTEE**

The Company had constituted a Nomination and Remuneration Committee comprising two directors viz.

1. Mr. Dharmendra Singh, Independent Director, and
2. Mr. R.M. Sharma, Non-Executive Director

All are non-executive directors and more than half are independent. Chairman of the committee is an independent director.

The Committee met twice (02) during the year, which was attended by all the members of the committee and discussed the remuneration policy.

Company Secretary and Compliance Officer acts as Secretary to the Committee.

The role of the committee includes the following:

1. 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;
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommended to the Board their appointment and removal.
5. Whether to extend or continue the term of appointment of the Independent directors, on the basis of the report of performance evaluation of independent directors.

The Remuneration Committee also functions as the Compensation Committee as per SEBI guidelines on the Employees' Stock Option Scheme. The Company, however, has not yet introduced the Employees' Stock Option Scheme.

However, considering the performance of the company it was unanimously decided that no remuneration be payable to any of the directors of the company including the Executive Director.

#### **5. REMUNERATION OF DIRECTORS:**

Remuneration of employees largely consists of basic remuneration and perquisites. The component of the total remuneration varies for different grades and is governed by industry pattern, qualification and experience of the employees, responsibility handled by him and his individual performance.

The Committee met twice (2) during the year, which was attended by all the members of the committee and discussed the remuneration policy. The committee unanimously

decided against payment of any remuneration to the executive director as well as non-executive directors in view of not so encouraging performance of the company. The ratio of remuneration of each director to the median employee is therefore not comparable.

Company Secretary cum Compliance Officer acts as Secretary to the Committee.

## 6. STAKEHOLDERS RELATIONSHIP COMMITTEE

Presently the Stakeholders' Relationship Committee consists of Mr. Dharmendra Singh – Independent Director

The Committee, inter-alia, approves issue of duplicate certificates, oversees and reviews all matters connected with the securities transfers. The Committee also looks into redressal of shareholders'/investors' complaints. The Committee oversees the performance of the Registrar and Share Transfer Agent and recommends measures for overall improvement in the quality of investor services. The Company Secretary acts as the Secretary to the Committee.

In order to expedite the process of share transfers, the Board of Directors have nominated a Committee, who normally attend to the transfer and other related matters within a period of 10 days. The Committee of Officers operates subject to overall supervision and directions of Stakeholders' Relationship Committee.

Company Secretary cum Compliance Officer acts as Secretary to the Committee. The company is registered on SCORES (SEBI Complaints Redress System).

Details of Complaints received and addressed during the year are given below:

Particulars	No. of complaints
Total complaints received	NIL
Total complaints replied	NIL
Total complaints pending	NIL

## 7. GENERAL BODY MEETINGS:

The last three Annual General Meetings were held as under:

Financial Year	Date	Time	Venue
31.03.2016	30.09.2016	10:00AM	Ground Floor, Mini Hall of Arunachal Building, 19, Barakhamba Road, New Delhi-110001
31.03.2017	29.09.2017	10:00AM	Ground Floor, Mini Hall of Arunachal Building, 19, Barakhamba Road, New Delhi-110001
31.03.2018	29.09.2018	10.00A.M	Ground Floor, Mini Hall of Arunachal Building, 19, Barakhamba Road, New Delhi-110001



## **8. MEANS OF COMMUNICATION WITH SHAREHOLDERS**

The Quarterly /Half Yearly/ Annual Unaudited/Audited Financial Results of the company are sent to the Stock Exchanges immediately after they are approved by the Board of Directors. In addition, these results, are published in the newspaper-“Financial Express”(in English) and “Jansatta” (in Hindi) , and are made available to the members on request. The same are also displayed on the company’s official website – www.southerninfosys.com and that of Stock Exchanges i.e. BSE Limited through:

### **- BSE Corporate Compliance & Listing Centre (‘the Listing Centre’):**

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

## **9 GENERAL SHAREHOLDERS INFORMATION**

### a) Day, Date & Time of 25<sup>th</sup> AGM

Date: 30.09.2019

Day: Monday

Time: 10.00 A.M.

Venue: Ground Floor, Mini Hall of Arunachal Building, 19, Barakhamba Road,  
New Delhi- 110001.

### b) Tentative Financial Calendar

Results for quarter ending 30.06.2019:	2 <sup>nd</sup> week of August
Results for quarter ending 30.09.2019 :	2 <sup>nd</sup> week of November
Results for quarter ending 31.12.2019 :	2 <sup>nd</sup> week of February
Results for quarter ending 31.03.2020 :	4 <sup>th</sup> week of May

### b) Dates of Book Closure

The Share Transfer Books and Register of Members of the Company shall remain closed from 23<sup>rd</sup> September, 2019 to 30<sup>th</sup> September, 2019 (both days inclusive).

### c) Listing on Stock Exchange(s)

The Company’s shares are presently listed on Calcutta Stock Exchange & BSE

Stock Exchange	Scrip Codes
Calcutta Stock Exchange	14326
Bombay Stock exchange	540174

### d) Demat ISIN in NSDL & CDSL – INE298B01010.

e) Stock Market Price Data for the Period 01.04.2018 to 31.03.2019

Closing Share Prices on Bombay Stock Exchange

Month	High	Low
April, 2018	11.15	11.15
May, 2018	11.15	11.15
June, 2018	11.15	11.15
July, 2018	11.15	11.15
August, 2018	11.15	11.15
September, 2018	11.15	11.15
October, 2018	11.15	11.15
November, 2018	11.15	11.15
December, 2018	11.15	11.15
January, 2019	11.15	11.15
February, 2019	11.5	11.15
March, 2019	11.15	11.15

f) Share Transfer Agent

The company is availing the services of M/s. ALANKIT ASSIGNMENTS LTD., Shop No. 1E/13, Jhandewalan Extension, Delhi 110 055, a SEBI registered registrar, as Registrar and Transfer Agent for transfers, sub-division, consolidation, splitting of securities etc.

g) Share Transfer System

The Company's shares are held both in physical and demat form. The members are requested to get their shares converted in the demat form. The shares as and when received for the purpose of transfers are processed expeditiously but well within the stipulated time prescribed by the listing agreement or Companies Act,2013.

h) Distribution of Shareholdings as on 31<sup>st</sup> March 2019.

Shares	Number o f shareholders	Shares held	%
1-500	490	2,10,062	4.184
501-1000	86	78934	1.572
1001-5000	161	393114	7.831
5001-10000	7	64000	1.275
10001-20000	4	52500	1.046
20001-30000	2	55000	1.096
30001-40000	2	72500	1.444
40001-50000	0	0	0
50,001-1,00,000	3	1,74,010	3.466

1,00,000-5,00,000	7	18,41,080	36.675
5,00,001 and above	2	20,78,800	41.41
<b>TOTAL</b>	<b>764</b>	<b>50,20,000</b>	<b>100.00</b>

i). Category of Shareholders as on 31<sup>st</sup> March 2019

CATEGORY	NUMBER OF SHARES	%
Promoters and Promoter group	36,74,890	73.20
Indian Public	13,45,110	26.80
Total	<b>50,20,000</b>	<b>100.00</b>

j) Equity Shares in Electronic form

As on 31<sup>st</sup> March 2019, 82.12 percent of paid-up equity share capital of the Company was held in electronic form.

k) Outstanding GDR/ADR/Warrants or any convertible instruments, conversion date and impact on equity.

There are no convertible instruments outstanding as on 31<sup>st</sup> March, 2019 for conversion into equity shares.

l). Registered office and correspondence address

402-A, Arunachal Building, 19, Barakhamba Road, New Delhi - 110 001.

10. CERTIFICATION FOR GOOD CORPORATE GOVERNANCE

The Executive Director and Chief Financial Officer have given a certificate to the Board as contemplated in Listing Regulations and the certificate forms part of Annual Report.

11. PREVENTION OF INSIDER TRADING

The company has adopted Code of Conduct for Prevention of Insider Trading as amended time to time with a view to regulate trading in securities by the Directors and designated employees of the company.

12. COMPLIANCE

Compliance Certificate obtained from the Practicing Company Secretary is attached to this report.

Details of Directors seeking appointment/re-appointment/retiring by rotation  
(In pursuance of Listing Regulations)

## ANNEXURE-4

### **Management Discussion and Analysis Report forms part of the Annual Report.**

#### a) Industry Structure and Development

The software industry is growing rapidly and your company shall endeavor to use every possible opportunity in its favor. The company is exploring the opportunity in the e-commerce industry as well which is also showing quantum jumps. The Company expects to launch its unique informative cum e-commerce site shortly.

#### b) Segment wise / Product wise Performance

The company has only one segment i.e. Software and Hardware.

#### c) Adequacy of Internal Controls

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

#### d) Human Resources / Industrial Relations

Your Company acknowledges the commitment, competence and dedication of its employees at all level. The company is committed to nurture, enhance and retain best talent through investment in

its people to upgrade their technical, domain and leadership capability. To retain leadership position, the company continuously innovates and customizes its Human Resource (HR) strategy to meet changing employee need.

#### e) Operating Performance, Future Outlook etc.

With the increase in the turnover of the company during the year under review, loss of the company decreased to Rs. 1,07,172/- as compared to the loss of Rs. 9,43,830 in the previous financial year. The Board endeavors to bring in the track company's financial and profitability. Though there was no operating loss, the same could reflect due to the impact of IndAS.

#### f) Risk and Concern

The management periodically carries out risk assessment exercises. Risk factors are also discussed in Audit Committee Meetings. However, an economic slowdown can adversely affect the demand- supply equation in the industry. The rapid innovation in technology is always a threat for the industry. The Board is aware of this threat and takes steps continually to advance with the time.

## Independent Auditors' Report

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To the Members of  
**SOUTHERN INFOSYS LIMITED**

### Report on the Audit of the Financial Statements

#### Qualified Opinion

We have audited the accompanying financial statements of **SOUTHERN INFOSYS LIMITED**("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2019, and the Statement of Profit and Loss, Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the **Basis for Qualified Opinion paragraph**, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its profit, changes in equity and its cash flows for the year ended on that date.

- (a) In the case of the Balance Sheet, of the State of Affairs of the Company as at March 31, 2019; and
- (b) In the case of Statement of Profit and Loss account, of the loss for the year ended on date March 31, 2019.
- (c) In the case of Cash Flow Statement for the year ended on date March 31, 2019.
- (d) In the case of Statement of changes in equity for the year ended on date March 31, 2019.

#### Basis for Qualified Opinion

The company is required to make provision for Gratuity in respect of its employees as required under Payment of Gratuity Act, 1965 by following accrual basis and conducting the valuation by following independent actuarial valuations as at the balance sheet date by using the project unit cost method as mandated by Indian Accounting Standard-19 on Employee Benefits prescribed in the Companies (Accounting Standards) Rules, 2006 and Companies (Accounting Standards) Rules, 2016. The company has not made any provision for Gratuity and the said non-provision is contravention of Accounting Standard-1 on Significant Accounting Policies for not adhering to accrual basis as fundamental accounting assumption and Accounting Standard-15 on Employees Cost prescribed in the Companies (Accounting Standards) Rules, 2006. We are unable to ascertain the financial implication of the same. The net profit for the year, current assets cumulative net profits are overstated to that extent.

### *Emphasis of Matter*

We draw your attention to the responsibility of the Company to arrange balance confirmations in respect of Accounts Receivable, Accounts Payable and other receivables/payables. The management did not have the balance confirmation of said parties. Accordingly, we directed the Company to send the confirmatory letters on its letter head requesting and asking the aforesaid various parties to confirm the balances directly to us. Few of the parties have confirmed the balances as on the date of signing the financials. Management of the company has represented to us that the same are good and have been shown as per values appearing in the books of accounts and have been treated as good for recovery/payment after considering or net-off provision for doubtful receivables. Accordingly Accounts Receivables and Payables balances and other receivables/payables are subject to confirmation and reconciliation. To that extent, we are unable to ascertain financial implication of same in the 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 financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

**Key Audit Matter:** Adoption of Ind AS 115 “Revenue from Contract with Customers” (new revenue recognition standard)

**Auditor’s Response:** (a) Impact of adoption of new revenue recognition standard on the company is evaluated by us.

(b) We evaluated the company’s policy and design of internal controls relating to new revenue recognition standard.

(c) We selected a sample of contracts to assess the existence of distinct performance obligations, variable considerations and determination of transaction price.

### **Information Other than the 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, Director’s Report, Report on Corporate Governance and General Shareholders Information, but does not include the financial statements and our auditor’s report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all



relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

### **Report on Other Legal and Regulatory Requirements**

1. As required by 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 Companies Act, 2013, we give in the **Annexure '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 Companies Act, 2013, we report that:
  - a. Except for the matter described in the basis for qualified opinion and Emphasis of Matter Paragraph, we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. Except for the matter described in the basis for qualified opinion and Emphasis of Matter Paragraph, in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. Except for the matter described in the basis for qualified opinion and Emphasis of Matter Paragraph, the Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.;
  - d. Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014 ;
  - e. On the basis of the written representations received from the directors as on 31<sup>st</sup> March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
  - f. Except for the matter described in the basis for qualified opinion and Emphasis of Matter Paragraph, with respect to the adequacy of the internal financial controls

over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure 'B'** ; and

- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:  
In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid/ provided managerial remuneration to its directors during the year, and consequently the provisions of section 197 read with Schedule V to the Companies Act, 2013 are not applicable.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigation as on 31<sup>st</sup> March, 2019;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**ForV SahaiTripathi& Co.**  
Chartered Accountants  
Firms Registration No. 000262N

**Vishwas Tripathi**  
Partner  
Membership No. 086897

Place: New Delhi  
Date:- 30<sup>th</sup> May 2019

## Annexure 'A' to Independent Auditors' Report

### Referred to in Paragraph 1 under the heading of "report on other legal and regulatory requirements" of our report of even date

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1. (a) The company has not maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
  
(b) As per the information and explanation provided to us, Fixed Assets have been physically verified by the management during the year at reasonable intervals, but no physical verification report has been provided to us and we are unable to comment on the discrepancies in recording of Fixed Assets in books of accounts.  
  
(c) There are no immovable properties in Southern Infosys Limited. Accordingly, this sub-clause is not applicable on the Company for the year ended 31st March, 2019.
2. The company does not hold any inventory as on 31<sup>st</sup> March 2019.
3. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act 2013. Consequently sub-clauses 3 (a), (b) & (c) of this clause are not applicable.
4. The Company has not made any transaction in respect of loans covered under section 185 of the Companies Act 2013. In respect of loans, investments, guarantees and security covered under section 186 of the Companies Act, 2013, the provisions of the said section 186 have been duly compliedwith.
5. The Company has not accepted any deposits from the public and consequently, the directives issued by Reserve Bank of India, the provisions of sections 73 to 76 of the Companies Act, 2013 and rules framed there under are not applicable. Accordingly rest of clause is not applicable on the Company.
6. In accordance with the information given by the management the maintenance of cost records has not been prescribed by the Central Government under section 148 (1) of the Companies Act, 2013.

7. (a) *According to the information and explanations given to us and on the basis of our examination of the books of account, the company is regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income tax, GST, duty of customs, cess and any other statutory dues as applicable with the appropriate authorities.*
- (b) *According to the information and explanations given to us, there was no undisputed amounts payable in respect of the above dues which were outstanding as at 31st March, 2019 for a period of more than six months from the date of their becoming payable.*
- (c) According to the information and explanations given to us and the records of the company produced before us, there were no disputed Statutory Dues pending before appropriate authorities.
8. As the company does not have any loans or borrowings from any financial institution or bank or government nor has it issued any debentures as at the balance sheet date, the provisions of this clause of the Order are not applicable to the company.
9. The company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans. Accordingly, this clause is not applicable on the Company during the year ended 31<sup>st</sup> March, 2019.
10. According to the information and explanations given to us, no fraud by the company or no fraud on the Company by its officers or employees has been noticed or reported during the year.
11. The company has paid not any managerial remuneration during the year. Hence, the provisions of the clause are not applicable.
12. The company is not a Nidhi Company and hence clause 3 (xii) is not applicable.
13. The transactions with the related parties made by the Company are in compliance with sections 177 and 188 of Companies Act 2013 where applicable and the details have been disclosed in the Financial Statements, as required by the applicable Indian Accounting Standards.
14. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence

clause 3 (xiv) is not applicable.

15. During the year, the company has not entered into any non- cash transactions with directors or persons connected with him and hence provision of section 192 of Companies Act 2013 is not applicable.
16. The company is not required to register under section 45- IA of the Reserve Bank of India Act, 1934.

**For V Sahai Tripathi & Co.**  
Chartered Accountants  
Firms Registration No. 000262N

**Vishwas Tripathi**  
Partner  
Membership No. 086897

Place: New Delhi  
Date:- 30<sup>th</sup> May 2019

## **Annexure 'B' to Independent Auditors' Report**

**Referred to in Paragraph 2 (f) under the heading of "report on other legal and regulatory requirements" of our report of even date**

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### **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 SOUTHERN INFOSYS LIMITED ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial 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 prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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:

- a) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- b) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- c) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls 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 March 31, 2019, based on the Company's internal policies & procedures and accounting records and implementation of essential components on the internal controls over financial reporting.

**For V Sahai Tripathi & Co.**  
Chartered Accountants  
Firms Registration No. 000262N

**Vishwas Tripathi**  
Partner  
Membership No. 086897  
Place: New Delhi  
Date: 30<sup>th</sup> May 2019

**SOUTHERN INFOSYS LIMITED**  
**Balance Sheet as at 31st March 2019**

Particulars		Note No.	As at 31st March 2019	As at 31st March 2018
<b>I</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-current assets</b>			
	(a) Property, Plant and Equipment	1	102,078	125,496
	(b) Other Intangible Assets	1	-	-
	(c) Financial Assets			
	(i) Investments	2	14,071,946	13,138,500
	(ii) Loans	3	31,117,983	31,103,419
	(d) Deferred Tax Asset (Net)	4	-	494,113
	(e) Other Non Current Assets	5	115,025	-
<b>2</b>	<b>Current assets</b>			
	(a) Financial Assets			
	(i) Trade receivables	6	195,854,549	100,291,352
	(ii) Cash and Cash Equivalents	7	107,471	3,240,253
	(iii) Other Bank Balances	8	500,000	500,000
	(ii) Other Financial Assets	9	6,656,483	7,057,275
	<b>TOTAL ASSETS</b>		<b>248,525,535</b>	<b>155,950,408</b>
<b>II</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Equity</b>			
	(a) Equity Share Capital	10	50,200,000	50,200,000
	(b) Other Equity		107,038	214,211
<b>2</b>	<b>Liabilities</b>			
	<b>Non Current liabilities</b>			
	(a) Deferred Tax Liability (Net)	4	201,839	-
	<b>Current liabilities</b>			
	(a) Financial Liabilities			
	(i) Trade Payables	11	196,754,794	104,812,824
	(ii) Other Financial Liabilities	12	210,000	15,000



(b) Other Current Liabilities	13	965,440	653,965
(c) Provisions	14	86,424	54,409
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>248,525,535</b>	<b>155,950,408</b>

Notes forming part of the financial statements 1-32

This is the Balance Sheet referred to in our report of even date

For V SahaiTripathi& Co.  
Chartered Accountants  
Firm Regn No. 000262N

Vishwas Tripathi  
(Partner)  
Membership No. 086897

R. M. Sharma  
Director  
DIN: 02459885

Deepali Sharma  
Managing Director  
DIN: 05133382

Place : New Delhi  
Date : 30-May-2019

Indu Attri  
Chief Finance Officer

Kriti Bareja  
Company Secretary

**Statement of Profit and Loss for the period ended 31st March 2019**

Particulars		Note No.	For the year ending 31st March 2019	For the year ending 31st March 2018
I.	Revenue From Operations	15	218,716,207	190,349,963
II.	Other Income	16	2,745,139	2,436,703
<b>III.</b>	<b>Total Revenue (I + II)</b>		<b>221,461,346</b>	<b>192,786,666</b>
IV.	<b>Expenses:</b>			
	Purchase of Stock-in Trade	17	217,024,572	188,506,180
	Employee Benefits Expense	18	2,031,680	2,012,137
	Finance Costs	19	481,829	484,576
	Depreciation and Amortization Expense	1	23,417	23,722
	Other Expenses	20	1,303,087	3,080,909
	Total Expenses		<b>220,864,585</b>	<b>194,107,524</b>
<b>V.</b>	<b>Profit before exceptional items and tax (III-IV)</b>		<b>596,761</b>	<b>(1,320,857)</b>
VI.	Exceptional Item		-	-
<b>VII.</b>	<b>Profit before tax (V - VI)</b>		<b>596,761</b>	<b>(1,320,857)</b>
VIII.	Tax expense:			
	(1) Current Tax		122,798	71,974
	(2) Deferred Tax		695,952	(449,002)
	(3) MAT Credit Entitlement		(114,817)	-
<b>IX</b>	<b>Profit (Loss) for the period</b>		<b>(107,172)</b>	<b>(943,830)</b>
X	<b>Other Comprehensive income</b>			
	A (i) Items that will not be reclassified to profit or loss		-	-
	- Remeasurements of the defined benefit plans			
	(ii) Income tax relating to items that will not be reclassified to profit or loss			
	B (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be			

	reclassified to profit or loss			
<b>XI</b>	<b>Total Comprehensive Income for the period (X+XI) (Comprising profit (loss) and Other Comprehensive Income for the period)</b>		<b>(107,172)</b>	<b>(943,830)</b>
<b>XII</b>	Earnings per equity share (for continuing operation):			
	- Basic		(0.02)	(0.19)
	- Diluted		(0.02)	(0.19)

Notes forming part of the financial statements 1-32

This is the Balance Sheet referred to in our report of even date

For V SahaiTripathi& Co.  
Chartered Accountants  
Firm Regn No. 000262N

VishwasTripathi  
(Partner)  
Membership No. 086897

R. M. Sharma  
Director  
DIN: 02459885

Deepali Sharma  
Managing Director  
DIN: 05133382

Place : New Delhi  
Date : 30-May-2019

Indu Attri  
Chief Finance Officer

Kriti Bareja  
Company Secretary

### Statement of Cash Flow for the period ended 31st March 2019

Particulars		31.03.2019		31.03.2018	
(A)	<b>Cash flow from Operating Activities</b>				
	Profit Before Tax	596,761		(1,320,857)	
<b>Add:</b>	(Profit)/Loss on sale of Assets - Net Unrealised (Gains)/Loss on investments carried at fair value through statement of profit and loss				
	Depreciation	23,417		23,722	
	Interest Paid	478,626		484,576	
	Interest Received	(928,082)		(2,436,673)	
	Dividend Received	-		(30)	
	Provision of Loss Allowance	-		1,566,808	
	Reversal of Provision of Loss Allowance	(1,599,656)			
	Profit on Fair Valuation of Investment	(33,446)			
	Remeasurement of post employment defined benefit plans	-		-	
	<b>Operating Profits before working Capital changes</b>	<b>(1,462,380)</b>		<b>(1,682,455)</b>	
	Adjustment for:				
	Change in Trade Payable	91,941,970		21,266,069	
	Change in Other Liabilities	506,476		(599,015)	
	Change in Provisions	-		-	
	Change in Inventories	-		-	
	Change in Trade receivable	(93,963,540)		(17,326,211)	
	Change in Loans & Advances	(14,564)		474,978	
		-			
	Change in Current Assets	400,792		617,775	
	<b>Cash generation from Operating Activities</b>	<b>(2,591,247)</b>		<b>2,751,141</b>	
<b>Less:</b>	Income Tax	90,783		67,005	
	<b>Net Cash generation from Operating Activities</b>		<b>(2,682,030)</b>		<b>2,684,136</b>
(B)	<b>Cash Flow from Investing Activities</b>				
	Interest Income	928,082		2,436,673	
	Dividend Income	-		30	
	Purchase of Fixed Assets				
	Purchase of Investment	(900,000)			
	Sale of Investment			151,521	

	Movement in non current Assets		(2,436,673)	
	Movement in Deposits more than 12 months		(500,000)	
	<b>Net Cash from Investing Activities</b>		<b>28,082</b>	<b>(348,449)</b>
(C)	<b>Cash Flow from Financing Activities</b>			
	Interest Paid	(478,626)	(484,576)	
	Proceeds/(Repayment) of Borrowing	-		
	Payment of Dividend including Corporate Dividend tax			
	<b>Net Cash flow in Financing Activities</b>		<b>(478,626)</b>	<b>(484,576)</b>
	<b>Net increase decrease in cash &amp; cash equivalents</b>		<b>(3,132,574)</b>	<b>1,851,111</b>
	Cash and Cash equivalents (Opening Balance)		3,240,253	1,389,142
	<b>Cash and Cash equivalents (Closing Balance)</b>		<b>107,471</b>	<b>3,240,253</b>

Notes forming part of the financial statements 1-32

This is the Balance Sheet referred to in our report of even date

For V SahaiTripathi& Co.  
Chartered Accountants  
Firm Regn No. 000262N

VishwasTripathi  
(Partner)  
Membership No. 086897

R. M. Sharma  
Director  
DIN: 02459885

Deepali Sharma  
Managing Director  
DIN: 05133382

Place : New Delhi  
Date : 30-May-2019

InduAttri  
Chief Finance Officer

KritiBareja  
Company Secretary

**Statement of Change in Equity as at March 31, 2019**

**Equity Share Capital**

Particulars	As at 31st March 2019	As at 31st March 2018
Balance at the beginning of the reporting period;	50,200,000	50,200,000
Changes in equity share capital during the year;	-	-
<b>Balance at the end of the reporting period</b>	<b>50,200,000</b>	<b>50,200,000</b>

**Other Equity**

Other equity consist of following :

Particulars	Reserves and Surplus			Total
	Share Application Pending Allotment	General Reserve	Retained Earnings	
<b>Balance as at April 1, 2016</b>			1,032,852	1,032,852
Profit/(loss) for the year	-	-	125,188	125,188
Other comprehensive income/(loss) for the year	-	-	-	-
Dividends (including corporate dividend tax)	-	-		-
Transfer to General Reserve	-	-	-	-
Transfer to Capital Reserve	-	-	-	-
<b>Balance at the end of the 31.03.2017</b>	-	-	1,158,040	1,158,040
Profit/(loss) for the year	-	-	(943,829)	(943,829)
Other comprehensive income/(loss) for the year	-	-	-	-
Dividends (including corporate dividend tax)	-	-		-
Transfer to General Reserve	-	-	-	-
Transfer to Capital Reserve	-	-	-	-
Issue of Equity Share Capital	-	-	-	-
<b>Balance at the end of the 31.03.2018</b>	-	-	214,211	214,211

Profit/(loss) for the year	-	-	(107,172)	(107,172)
Other comprehensive income/(loss) for the year	-	-	-	-
Dividends (including corporate dividend tax)	-	-	-	-
Transfer to General Reserve	-	-	-	-
Transfer to Capital Reserve	-	-	-	-
Issue of Equity Share Capital	-	-	-	-
<b>Balance at the end of the 31.03.2019</b>	-	-	<b>107,038</b>	<b>107,038</b>

Notes forming part of the financial statements 1-32

This is the Balance Sheet referred to in our report of even date

For V SahaiTripathi& Co.  
Chartered Accountants  
Firm Regn No. 000262N

VishwasTripathi  
(Partner)  
Membership No. 086897

R. M. Sharma  
Director  
DIN: 02459885

Deepali Sharma  
Managing Director  
DIN: 05133382

Place : New Delhi  
Date : 30-May-2019

Indu Attri  
Chief Finance Officer

Kriti Bareja  
Company Secretary

**1 Property, Plant and Equipment**

Property, plant and equipment consist of the following :

Particulars	Computers And Data Processing Units	Data processing machine	Data processing machine	Air conditioner	Furniture & fixture	Software	Total
<b>Year ended 31 March 2019</b>							
<i>Opening gross carrying amount</i>	11,372	3,691	23,674	5,000	164,636	11,467	219,840
Additions	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
<i>Closing gross carrying amount as at March 31, 2019</i>	11,372	3,691	23,674	5,000	164,636	11,467	219,840
Opening accumulated depreciation	4,647	(16,309)	20,458	-	74,081	11,467	94,344
Depreciation charged during the year 2018-2019	-	-	-	-	23,417	-	23,417
Depreciation on Disposals Adjustment/ Reversal of Depreciation	-	-	-	-	-	-	-
<i>Closing accumulated depreciation as at March 31, 2019</i>	4,647	(16,309)	20,458	-	97,498	11,467	117,761
<b>Net carrying amount as at March 31, 2019</b>	6,725	20,000	3,216	5,000	67,138	-	102,078
<b>Year ended 31 March 2018</b>							
<i>Opening gross carrying amount</i>	11,372	3,691	23,674	5,000	164,636	11,467	219,840
Additions	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
<i>Closing gross carrying amount as at March 31, 2018</i>	11,372	3,691	23,674	5,000	164,636	11,467	219,840
Opening accumulated depreciation	7,493	-	14,919	-	42,477	5,734	70,623
Depreciation charged during the year 2017-2018	-	-	5,539	-	31,604	5,733	42,876
Depreciation on Disposals Adjustment/ Reversal of Depreciation	2,846	16,309	-	-	-	-	19,155
<i>Closing accumulated depreciation as at March 31, 2018</i>	4,647	(16,309)	20,458	-	74,081	11,467	94,344
<b>Net carrying amount as at March 31, 2018</b>	6,725	20,000	3,216	5,000	90,555	-	125,496
<b>Year ended 31 March 2017</b>							
<i>Deemed cost as at 01.04.2016</i>	11,372	3,691	23,674	5,000	164,636	11,467	219,840
Additions	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
<i>Closing gross carrying amount as at March 31, 2017</i>	11,372	3,691	23,674	5,000	164,636	11,467	219,840



Depreciation charged during the year 2016-2017	7,493	-	14,919	-	42,477	5,734	70,623
Depreciation on Disposals	-	-	-	-	-	-	-
<b>Closing accumulated depreciation as at March 31, 2017</b>	<b>7,493</b>	<b>-</b>	<b>14,919</b>	<b>-</b>	<b>42,477</b>	<b>5,734</b>	<b>70,623</b>
<b>Net carrying amount as at March 31, 2017</b>	<b>3,879</b>	<b>3,691</b>	<b>8,755</b>	<b>5,000</b>	<b>122,159</b>	<b>5,733</b>	<b>149,217</b>

*Deemed cost as on 01.04.2016*

<b>Opening gross value as on 01.04.2015</b>	<b>134,500</b>	<b>400,000</b>	<b>64,320</b>	<b>100,000</b>	<b>256,505</b>	<b>-</b>	<b>955,325</b>
Additions	-	-	-	-	-	17,200	17,200
Disposals	-	-	-	-	-	-	-
<b>Closing gross carrying amount as at March 31, 2016</b>	<b>134,500</b>	<b>400,000</b>	<b>64,320</b>	<b>100,000</b>	<b>256,505</b>	<b>17,200</b>	<b>972,525</b>
Opening accDep as on 01.04.2015	100,984	396,309	-	76,309	34,375	-	607,977
Depreciation charged during the year	22,144	-	40,646	18,691	57,494	5,733	144,708
Depreciation on Disposals	-	-	-	-	-	-	-
<b>Closing accumulated depreciation as at March 31, 2016</b>	<b>123,128</b>	<b>396,309</b>	<b>40,646</b>	<b>95,000</b>	<b>91,869</b>	<b>5,733</b>	<b>752,685</b>
<b>Net carrying amount as at March 31, 2016</b>	<b>11,372</b>	<b>3,691</b>	<b>23,674</b>	<b>5,000</b>	<b>164,636</b>	<b>11,467</b>	<b>219,840</b>

Notes forming part of the financial statements 1-32

This is the Balance Sheet referred to in our report of even date

For V SahaiTripathi & Co.  
Chartered Accountants  
Firm Regn No. 000262N

VishwasTripathi  
(Partner)  
Membership No. 086897

R. M. Sharma  
Director  
DIN: 02459885

Deepali Sharma  
Managing Director  
DIN: 05133382

Place : New Delhi  
Date : 30-May-2019

Indu Attri  
Chief Finance Officer

Kriti Bareja  
Company Secretary

## 2 Investments (Non-current)

Investments consist of the following :

Particulars	As at 31st March 2019	As at 31st March 2018	Basis of Valuation
<b>Carried at market value</b>			
- Investments in Equity Shares -Quoted	8,561	-	FVTPL
- Investments in Mutual Funds	924,885	-	FVTPL
- Investments in Equity Shares -Unquoted	13,138,500	13,138,500	Amortised Cost
<b>TOTAL</b>	<b>14,071,946</b>	<b>13,138,500</b>	

## 2A Investments in Equity

Investment in Equity Shares	As at 31st March 2019	As at 31st March 2018
<b><u>Quoted</u></b>		
Arcee Industries Ltd.	1,910	-
Shiva Medicare Ltd.	4,537	-
Pasupati Acrylic Ltd.	1,554	-
Arcotech	560	-
<b>TOTAL</b>	<b>8,561</b>	<b>-</b>

## 3 Loans (Non-current)

Loans consist of the following :

Particulars	As at 31st March 2019	As at 31st March 2018
<b>Loans and advances</b>	31,117,983	31,103,419
<b>TOTAL</b>	<b>31,117,983</b>	<b>31,103,419</b>

**Note 4: Deferred Tax Assets (Net)**

Major Components of the deferred tax balances:

Particulars	As at 31st March 2019	As at 31st March 2018
Property, Plant and Equipment	9,461	11,460
Interest on ICD	(211,299)	70,742
Allowance for Expected Credit Loss	-	411,911
<b>Total</b>	<b>(201,839)</b>	<b>494,113</b>

Movement in Deferred Tax Assets/(Liabilities)

Particulars	Property, Plant and Equipment	Interest on ICD	Allowance for Expected Credit Loss	Total
<b>At April 1, 2016</b>	(7,801)	(20,316)	-	(28,116)
(Charged) / credited	-	-	-	-
- to Statement of Profit and Loss	12,619	50,458	10,150	73,228
- to other comprehensive income	-	-	-	-
<b>At 31st March, 2017</b>	<b>4,819</b>	<b>30,143</b>	<b>10,150</b>	<b>45,112</b>
(Charged) / credited	-	-	-	-
- to Statement of Profit and Loss	6,641	40,599	401,761	449,002
- to other comprehensive income	-	-	-	-
<b>At 31st March, 2018</b>	<b>11,460</b>	<b>70,742</b>	<b>411,911</b>	<b>494,113</b>
(Charged) / credited	-	-	-	-
- to Statement of Profit and Loss	(2,000)	(282,041)	(411,911)	(695,952)
- to Other Comprehensive Income	-	-	-	-
<b>At 31st March, 2019</b>	<b>9,461</b>	<b>(211,299)</b>	<b>-</b>	<b>(201,839)</b>

**5 Current Tax Assets (Net)**

Current Tax Assets (Net) consist of the following :

Particulars	As at 31st March 2019	As at 31st March 2018
GST Input	208	-
Tax Recoverable (Net of Provision)	-	-
Mat Credit Entitlement (FY 2018-19)	114,817	-
<b>TOTAL</b>	<b>115,025</b>	<b>-</b>

5A **Status as at 31-st March, 2019**

Particulars	As at 31st March 2019	As at 31st March 2018
Balance outstanding for previous year	54,409	49,440
Provision for tax	122,798	71,974
Less: TDS recoverable/tax deducted at source	18,809	17,565
Less: Self assessment tax (FY 2017-18)	71,974	49,440
<b>Tax Payable/(Tax Refundable)*</b>	<b>86,424</b>	<b>54,409</b>

\*Represents Tax Payable

\*Current year provision for tax have been shown net under the head Provisions.

6 **Trade Receivables**

Trade receivables consist of the following:

Particulars	As at 31st March 2019	As at 31st March 2018
Unsecured, Considered good; Doubtful	195,854,549 -	100,291,353 1,599,656
	<b>195,854,549</b>	<b>101,891,009</b>
Less: Allowance for expected credit loss	-	1,599,656
<b>TOTAL</b>	<b>195,854,549</b>	<b>100,291,353</b>

The company applies the simplified and lifetime approach to provide for expected credit loss prescribed by Ind AS 109, which permits the use of expected loss provision for all trade receivables. The company uses expected credit loss model to assess the impairment loss and make allowance on doubtful debts using expected credit loss model on case to case basis.

7 **Cash and Cash Equivalent**

Cash and cash equivalents consist of the following at amortized cost:

Particulars	As at 31st March 2019	As at 31st March 2018
(a) Cash in Hand	1,965	5,145
(b) Balances with banks - In Current Accounts	105,506	3,235,108
<b>TOTAL</b>	<b>107,471</b>	<b>3,240,253</b>

## 8 Other Bank Balances

Other Bank Balances consist of the following at amortized cost:

Particulars	As at 31st March 2019	As at 31st March 2018
<b>(a) Bank deposit</b> <i>(deposits with original maturity more than 3 month having remaining maturity less than 12 months form Reporting date)</i>	500,000	500,000
<b>TOTAL</b>	<b>500,000</b>	<b>500,000</b>

## 9 Other Financial Assets (Current)

Other Financial Assets consist of the following :

Particulars	As at 31st March 2019	As at 31st March 2018
Security Deposits; - Deposits for Rented Premises	6,575,000	6,575,000
Interest Receivable <b>(Note No 9A)</b>	81,483	482,275
<b>TOTAL</b>	<b>6,656,483</b>	<b>7,057,275</b>

## 9A Details of Interest Receivable

Particulars	As at 31st March 2019	As at 31st March 2018
Interest Recoverable on FD	18,093	3,648
Interest Recoverable on Advances	63,390	-
Interest Recoverable on discounting of Debtors	-	478,627
<b>Total</b>	<b>81,483</b>	<b>482,275</b>

## 10 Share Capital

The authorized, issued, subscribed and fully paid up share capital of equity shares having a par value of Rs10 each as follows:

Share Capital	As at 31st March 2019		As at 31st March 2018	
<b><u>Authorized</u></b>				
Equity Shares of Rs 10 each	6,000,000	60,000,000	6,000,000	60,000,000
	6,000,000	60,000,000	6,000,000	60,000,000
<b><u>Issued, Subscribed &amp; Fully Paid</u></b>				
5,02,000 equity Shares of Rs 10 each	5,020,000	50,200,000	5,020,000	50,200,000
<b>Total</b>	<b>5,020,000</b>	<b>50,200,000</b>	<b>5,020,000</b>	<b>50,200,000</b>

(i) Equity Shares :- The company has one class of equity shares having a par value of Rs 10 each. Each share holder of equity is entitled to one vote per share.

(ii) In the event of liquidation of the company, holders of equity shares will be entitled to receive remaining assets of the company after distributing of all preferential amounts.

**10A Reconciliation of number of shares**

Particulars	Equity Shares			
	As at 31st March 2019		As at 31st March 2018	
Shares outstanding at the beginning of the year	5,020,000	50,200,000	5,020,000	50,200,000
Shares Issued during the year **	-	-	-	-
Shares bought back during the year	-	-	-	-
Any other movement (please specify)	-	-	-	-
Shares outstanding at the end of the year	5,020,000	50,200,000	5,020,000	50,200,000

**10B Details of shares held by shareholders holding more than 5% of aggregate shares in the Company**

Name of Shareholder	Equity Shares			
	As at 31st March 2019		As at 31st March 2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Rakesh Mohan Sharma	378,950	7.55%	378,950	7.55%
Disha Capital Services Limited	598,000	11.91%	598,000	11.91%
Disha Investment Centre Pvt Ltd	1,480,800	29.50%	1,480,800	29.50%
Mr. Tarun Sharma	300,196	5.98%	248,490	4.95%
Mr. Siddharth Sharma	295,176	5.88%	244,474	4.87%
<b>Total</b>	<b>3,053,122</b>	<b>60.82%</b>	<b>2,950,714</b>	<b>58.78%</b>

**11 Trade payables consist of the following :**

Trade payables consist of the following :

Particulars	As at 31st March 2019	As at 31st March 2018
<b>(a) Trade Payables</b>		
- Due to MSMED	-	-
- Due to others	196,754,793	104,812,824
<b>Total</b>	<b>196,754,793</b>	<b>104,812,824</b>

For year ended 31<sup>st</sup> March, 2019, Company has no dues from any party that it is covered under the Micro, Small & Medium Enterprises Development Act, 2006

**12 Other Financial Liabilities (Current)**

Other Financial Liabilities consist of the following at amortised cost:-

Particulars	As at 31st March 2019	As at 31st March 2018
- Expense payable	210,000	15,000
<b>Total</b>	<b>210,000</b>	<b>15,000</b>

**13 Other Current Liabilities (Non-Financial)**

Other current liabilities consist of the following :-

Particulars	As at 31st March 2019	As at 31st March 2018
(a) Statutory Liabilities	130,556	86,275
(b) Other Payables (Refer Note 13A)	834,885	567,690
<b>Total</b>	<b>965,441</b>	<b>653,965</b>

**13A Other Payables :**

Particulars	As at 31st March 2019	As at 31st March 2018
Salary Payable	620,500	277,000
Imprest to Staff	214,385	290,690
<b>Total</b>	<b>834,885</b>	<b>567,690</b>

**14 Provision (Current)**

Provisions consist of the following :

Particulars	As at 31st March 2019	As at 31st March 2018
(a) Provision for tax (Refer Note 14A)	86,424	54,409
<b>Total</b>	<b>86,424</b>	<b>54,409</b>

**14A Details of Tax Payable**

Particulars	As at 31st March 2019	As at 31st March 2018
Provision for tax (F.Y.: 2015-16)	-	-
Provision for tax (F.Y.: 2016-17)-Net	-	-
Provision for tax (F.Y.: 2017-18)-Net	-	54,409

Provision for tax (F.Y.: 2018-19)-Net	86,424	-
<b>Net</b>	<b>86,424</b>	<b>54,409</b>

**15 Revenue from Operations**

Revenue from operations consist of revenues from

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Sale of products	218,716,207	190,396,315
<b>TOTAL</b>	<b>218,716,207</b>	<b>190,396,315</b>

**16 Other Income**

Other income (net) consist of the following:

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Interest Income on FD	16,050	-
Interest Income on Advance	70,432	-
Sundry Balances write back	10,000	-
Reversal of Allowance for Expected Credit Loss on Debtors	1,599,656	-
Interest on Discounting of Advances	1,014,564	2,436,673
Dividend Income	-	30
Miscellaneous Income	991	-
Profit on account of Fair Valuation of Investments	33,446	-
<b>Total</b>	<b>2,745,139</b>	<b>2,436,703</b>

**17 Purchase of Stock-in Trade**

Purchase of Stock-in Trade consist of the following:

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Trading goods	217,024,572	188,506,180
<b>Total</b>	<b>217,024,572</b>	<b>188,506,180</b>

**18 Employee Benefit Expense**

Employee benefits expenses consist of the following

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
-------------	----------------------------------	----------------------------------



(a) Salaries & Wages	1,911,000	1,908,387
(b) Employees Welfare expenses	120,680	103,750
<b>Total</b>	<b>2,031,680</b>	<b>2,012,137</b>

## **19 Finance Cost**

Finance costs consist of the following:

<b>Particulars</b>	<b>For the year ended 31 March 2019</b>	<b>For the year ended 31 March 2018</b>
Financial charges on discounting of Advances	478,626	478,626
Interest on Late Payment of Taxes	3,203	5,950
<b>Total</b>	<b>481,829</b>	<b>484,576</b>

## **20 Other Expenses**

Other expense consist of the following

<b>Particulars</b>	<b>For the year ended 31 March 2019</b>	<b>For the year ended 31 March 2018</b>
a) Advertisement expenses	39,280	39,419
b) Allowance for Expected Credit Loss on Debtors	-	1,566,808
c) Fees and subscription	319,074	319,000
d) Interest charges	-	8,938
e) Demat Charges	3,199	-
f) Office Expenses	84,594	-
g) Bank Charges	2,531	1,198
h) Travelling Expenses	203,821	169,940
i) Rates & Taxes	7,050	17,755
j) Computer maintenance	8,838	-
k) Repair & Maintenance	26,700	10,100
l) Sundry Balance Written off	2	173,700
m) Telephone	97,200	86,700
n) Electricity	6,563	-
o) Conveyance & Car Running Exp.	139,252	128,600
p) Legal & Professional Expenses	57,500	45,000
q) Service charges	288,500	498,750
r) <u>Auditors Remuneration:</u>		
-Statutory/Tax Audit	15,000	15,000
s) Prior Period Expenses	3,983	-
<b>Total</b>	<b>1,303,087</b>	<b>3,080,909</b>

## **21. Significant Accounting Policies**

### **A. Statement of Compliance with Ind AS**

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013. The Company adopted Ind AS from 1st April, 2017.

Up to the year ended 31st March, 2017, the Company prepared its financial statements in accordance with the requirements of previous Generally Accepted Accounting Principles (GAAP), which includes Standards notified under the Companies (Accounting Standards) Rules, 2006.

### **B. Basis of Preparation**

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at fair values, as explained in the accounting policies.

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the following fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole:

**Level 1** - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

**Level 2** - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

**Level 3** - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Fair value for measurement and / or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102 – Share-based Payment, leasing transactions that are within the scope of Ind AS 17 – Leases, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in IndAS 2 – Inventories or value in use in Ind AS 36 – Impairment of Assets.

All the amounts included in the financial statements are reported in Indian Rupees ('Rupees' or 'Rs.'), except per share data and unless stated otherwise and rounded off to nearest Rupees.

### **C. Basis of classification of Current and Non-Current**

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is classified as current when it is:

- a) Expected to be realized or intended to be sold or consumed in normal operating cycle
- b) Held primarily for the purpose of trading
- c) Expected to be realized within twelve months after the reporting period, or
- d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is classified as current when:

- a) It is expected to be settled in normal operating cycle
- b) It is held primarily for the purpose of trading
- c) It is due to be settled within twelve months after the reporting period, or
- d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

### **D. Operating Cycle**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements.

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

### **E. Use of Estimates**

The preparation of financial statements in conformity with Ind AS requires management to

make judgments, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period; they are recognized in the period of the revision and future periods if the revision affects both current and future periods.

#### F. Property, Plant and Equipment - Tangible Assets

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. For this purpose, cost includes deemed cost which represents the carrying value of property, plant and equipment recognized as at 1st April, 2016 measured as per the previous GAAP.

Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition. In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalized. Expenses capitalized also include applicable borrowing costs for qualifying assets, if any. All up-gradation/enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of property, plant and equipment are depreciated in a manner that amortizes the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight-line basis. Land is not depreciated.

The estimated useful lives of property, plant and equipment of the Company are as follows:

Asset	Life of Asset
Computers & Peripherals	3 - 6 Years
Furniture and Fixtures	10 Years
Office Equipment	5 Years

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease. Property, plant and

equipment's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate.

#### **G. Impairment of Assets**

Impairment loss, if any, is provided to the extent, the carrying amount of assets or cash generating units exceed their recoverable amount.

Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.

Impairment losses recognized in prior years are reversed when there is an indication that the impairment losses recognized no longer exist or have decreased. Such reversals are recognized as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortization or depreciation) had no impairment loss been recognized in previous years.

#### **H. Inventories**

Inventories are stated at lower of cost and net realizable value. The cost is calculated on First In First Out method. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its present location and condition and includes, where applicable, appropriate overheads based on normal level of activity. Net realizable value is the estimated selling price less estimated costs for completion and sale.

#### **I. Financial Assets**

**Recognition:** Financial assets include Investments, Trade receivables, Advances, Security Deposits, Cash and cash equivalents. Such assets are initially recognised at transaction price when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

**Classification:** Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

- a) **Amortized cost**, where the financial assets are held solely for collection of cash flows arising from payments of principal and/ or interest.
- b) **Fair value through other comprehensive income (FVTOCI)**, where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealized gains and losses arising from changes in the fair value being recognized in other comprehensive income.
- c) **Fair value through profit or loss (FVTPL)**, where the assets are managed in

accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealized gains and losses arising from changes in the fair value being recognized in the Statement of Profit and Loss in the period in which they arise. Trade receivables, Advances, Security Deposits, Cash and cash equivalents etc. are classified for measurement at amortized cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

**Impairment:** The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortized cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognized if the credit quality of the financial asset has deteriorated significantly since initial recognition.

**Reclassification:** When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortized cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognized gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

**De-recognition:** Financial assets are de-recognized when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership.

Concomitantly, if the asset is one that is measured at:

- a) Amortized cost, the gain or loss is recognized in the Statement of Profit and Loss;
- b) Fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

**Income Recognition:** Interest income is recognized in the Statement of Profit and Loss using the effective interest method. Dividend income is recognized in the Statement of Profit and Loss when the right to receive dividend is established.

## J. Financial Liabilities

Borrowings, trade payables and other financial liabilities are initially recognized at the value of the respective contractual obligations. They are subsequently measured at amortized cost. Any discount or premium on redemption/ settlement is recognized in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method

and adjusted to the liability figure disclosed in the Balance Sheet.

Financial liabilities are de-recognized when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

#### **K. Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

#### **L. Cash Flow Statement**

Cash Flows are reported using indirect method, whereby profit before tax is adjusted for the effect of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts payments.

#### **M. Offsetting Financial Instruments**

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

#### **N. Equity Instruments**

Equity instruments are recognized at the value of the proceeds, net of direct costs of the capital issue.

#### **O. Revenue**

Revenue from the sale of goods is recognized when all the following conditions are satisfied:

- Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Company; and

**a) Sale of goods:** Revenue is measured at the fair value of the consideration received or receivable for goods supplied, net of returns and discounts to customers. Revenue from the sale of goods includes excise and other duties which the Company pays as a principal but excludes amounts collected on behalf of third parties, such as sales tax, value added tax and goods and services tax.

**b) Interest income:** Income from a financial asset is recognised when it is probable that the economic benefits will flow to Company and the amount of income can be measured reliably. Interest income is accrued on time basis, by reference to the principal outstanding and at the interest rate as applicable.

- c) **Dividend income:** Dividend is recognized when the right to receive the payment is established (generally on shareholder's approval by the reporting date).
- d) **Other revenues:** These are recognised on accrual basis, except where there are uncertainties in realisation / determination of income and in such case income is recognised on realisation / certainty.

## P. Employee Benefits

### **Short-term benefits:**

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

## Q. Leases

Leases are recognized as a finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

### a) **Company as a Lessee**

Assets used under finance leases are recognized as property, plant and equipment in the Balance Sheet for an amount that corresponds to the lower of fair value and the present value of minimum lease payments determined at the inception of the lease and a liability is recognized for an equivalent amount.

The minimum lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in the Statement of Profit and Loss.

Rentals payable under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the term of the relevant lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

### b) **Company as a Lessor**

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the Company is a lessor under an operating lease, the asset is capitalized within property, plant and equipment and depreciated over its useful economic life. Payments received under operating leases are recognized in the Statement of Profit and Loss on a straight-line basis over the term of the lease.



## R. Taxes on Income

Income tax expense represents the sum of the tax currently payable and deferred taxation.

### a) Current Tax

Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

### b) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognized in the statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the deferred tax is also recognized in other comprehensive income or directly in equity respectively.

### c) Minimum Alternate Tax

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Group will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Group. Current and deferred tax are recognised in the statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

## **S. Provisions**

Provisions are recognized when, as a result of a past event, the Company has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognized is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

## **T. Operating Segment**

The Company operates only in single segment i.e. the Trading of "local computer" from where it is earning its revenue and incurring expense. The operating results are regularly reviewed and performance is assessed by its Chief Operating Decision Maker (CODM). All the company's resources are dedicated to this single segment and all the discrete financial information is available for this segment.

## **U. Earnings per share**

Basic earnings per share is calculated by dividing profit or loss attributable to the owners of the company by weighted average number of equity shares outstanding during the financial year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, share split and any new equity issue. For the purpose of calculating diluted earnings per share, profit or loss attributable to the owners of the Company and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

## **V. Contingent liabilities**

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

## **W. Financial and Management Information Systems**

The Company's Accounting System is designed to unify the Financial Records and also to comply with the relevant provisions of the Companies Act, 2013, to provide financial and cost information appropriate to the businesses and facilitate Internal Control.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the

revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

### Additional Notes to Accounts

#### 22) Earnings Per Share (EPS) :

	Year ended 31-Mar-19	Year Ended 31-Mar-18
(a) Calculation of Weighted Average Number of Equity Shares of 100 each		
Number of Shares at the beginning of the period**	50,20,000	50,20,000
Number of Shares at the close of the period**	50,20,000	50,20,000
Weighted Average number of Equity Shares** During the period	50,20,000	50,20,000
(b) Net Profit/(Loss) for the period attributable to Equity Shares (in Rs.)	(1,07,172)	(9,43,830)
(c) Earning per share - Basic**	(0.02)	(0.19)
(d) Earning per share - Diluted**	(0.02)	(0.19)
<b>23)</b> Employee Benefits Schemes such as Gratuity, Provident Fund & other staff welfare schemes are applicable on the Company during the reporting period. But no provision of gratuity has been made during the reporting period as mandated by " <i>Indian Accounting Standard-19 on Employees Benefits</i> ", issued by Institute of Chartered Accountants of India and the expense of Gratuity and Leave encashment are not booked on the basis of Actuarial Valuation certificate.		
<b>24)</b> For year ended 31 <sup>st</sup> March, 2019, Company has no dues from any party that is covered under the Micro, Small & Medium Enterprises Development Act, 2006 (MSMED).		
<b>25)</b> The Company has taken certain commercial premises under cancellable operating lease arrangements. The lease rental clause provides no rental expense to be charged from lessee. Only security deposit amounting Rs. 65,75,000 is to be provided for. There is no Lock in period of aforementioned operating leases as on 31 <sup>st</sup> March 2019, therefore the same are considered as cancellable operating lease.		

26) **Related Parties Transactions:**

**A. List of Related parties**

SN	Description of Relationship	Name of Party
(a)	Associate Company	Disha Capital Services Limited
(b)	Enterprise which have significant influence over the company	Disha Investment Centre Private Limited
(c)	Key Management Personnel	Kriti Bareja Indu Atri Rakesh Mohan Sharma Deepali Sharma

**B. Transactions with Related Parties**

	Type of Transaction	Associate Company		Enterprise which have significant influence over the company		Key Managerial Personnel		Total	
		2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
(a)	Salary	-	-	-	-	5,97,000	564,000	5,97,000	564,000

**C. Balance Outstanding**

**(Amount in Rs.)**

1.	Amount outstanding - Receivables (Disha Investment Centre Pvt Ltd)	65,75,000	65,75,000
2.	Amount outstanding - Payables (KMP)	52,000	49,000
3.	Amount outstanding - Investments (Associate)	1,31,38,500	1,31,38,500

27) **Fair value measurement**

**i) Financial Instruments by category**

	As at 31 <sup>st</sup> March 2019			As at 31 <sup>st</sup> March 2018		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
<b>Investments</b>	9,33,446	-	1,31,38,500	-	-	1,31,38,500
<b>Loans</b>	-	-	3,11,17,983	-	-	3,11,03,419
<b>Other Non</b>	-	-	1,15,025	-	-	-

<b>Current Assets</b>						
<b>Trade Receivables</b>	-	-	19,58,54,549	-	-	10,02,91,352
<b>Cash and cash equivalents</b>	-	-	1,07,471	-	-	32,40,253
<b>Other Bank Balance</b>	-	-	5,00,000	-	-	5,00,000
<b>Others</b>	-	-	66,56,691	-	-	70,57,275
<b>Borrowing</b>	-	-	-	-	-	-
<b>Trade Payable</b>	-	-	19,67,54,793	-	-	10,48,12,824
<b>Other</b>	-	-	2,10,000	-	-	15,000

i) Financial Instruments by category

Particulars		As at 31st March 2019	As at 31st March 2018
<b>I</b>	<b>Financial Assets / Financial Liabilities at Amortised Cost</b> The carrying amount of financial assets and financial liabilities measured at amortised cost are a reasonable approximation of their fair values except Investments for which the fair value are as follows: Fair value of Investments measured at amortised cost <b>(Level 1)</b>	1,31,38,500	1,31,38,500
<b>II</b>	<b>Financial assets at Fair Value through Profit &amp; Loss</b> Investment in Equity Shares, Mutual Funds (Level 1) Investment in Alternative Investment Funds (Debt), Loans (Level 3)	9,33,446 3,11,17,983	0 3,11,03,419
<b>III</b>	<b>Financial assets at fair value through Other Comprehensive Income</b>	0	0

## 28) Capital Management

The Company's objective for managing capital is to ensure as under:

- a) To ensure the company's ability to continue as a going concern.
- b) Maintaining a strong credit rating and healthy debt equity ratio in order to support business and maximize the shareholders' value.
- c) Maintain an optimal capital structure.
- d) Compliance financial covenants under the borrowing facilities.

For the purpose of capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the Company.

The Company manages its capital structure keeping in view of:

- a) Compliance of financial covenants of borrowing facilities.
- b) Changes in economic conditions.

In order to achieve this overall objective of capital management, amongst other things, the Company aims to ensure that it meets financial covenants attached to the borrowings facilities defining capital structure requirements, where breach in meeting the financial covenants may permit the lender to call the borrowings.

There has been no breach in the financial covenants of any borrowing facilities in the current period. There is no change in the objectives, policies or processes for managing capital over previous year. To maintain the capital structure, the Company may vary the dividend payment to shareholders.

## 29) Financial Risk Management

The Company's principal financial liability comprises trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company also holds non-current investments measured at amortised cost. The Company is exposed to market risk, credit risk, interest risk, foreign exchange risk and liquidity risk. The Company's senior management oversees the management of these risks under appropriate policies and procedures.

### a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTPL non-current investments.

### b) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's avilment of bank overdraft and other working capital loans.

**c) Credit Risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. Credit risk is managed by company's established policy, procedures and control relating to customer credit risk management. Credit risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss.

**d) Liquidity Risk**

Liquidity risk refers to risk that the Company may encounter difficulties in meeting its obligations associated with financial liabilities that are settled in cash or other financial assets. The Company regularly monitors the rolling forecasts to ensure that sufficient liquidity is maintained on an ongoing basis to meet operational needs. The Company manages the liquidity risk by planning the investments in a manner such that the desired quantum of funds could be made available to meet any of the business requirements within a reasonable period of time. In addition, the Company also maintains flexibility in arranging the funds by maintaining committed credit lines with bank(s) to meet the obligations.

30) The letters of confirmation has been sent by the management to any parties of Accounts receivables, Accounts payables, Security Depositors, Banks & other parties to confirm their balances as on 31st March, 2019. Balance confirmations have not been received from certain parties upto the date of signing of financials. The balances of such parties have been incorporated in the financial statements at the value as per the books of account. The company, to the extent stated, has considered them as good and necessary provisions have been made in respect of debtors/advances where recovery is considered doubtful.

**31) Segment information for the year ended 31<sup>st</sup> March 2019**

The Company is engaged in a single segment i.e. the Trading of "Local Computers" from where it is earning its revenue and incurring expense. The operating results are regularly reviewed and performance is assessed by its Chief Operating Decision Maker (CODM). All the company's resources are dedicated to this single segment and all the discrete financial information is available for this segment.

**Geographical Segments**

Since the company's operations & activities are within the country and considering the nature of services it deals in, the risks and returns are the same and as such, there is only one geographical segment.

<u>Particulars</u>	<u>For year ending 31<sup>st</sup> March, 2019</u>	<u>For year ending 31<sup>st</sup> March, 2018</u>
<u>Segment Revenue</u>		
- Within India	21,87,16,207	19,03,49,963

- 32) (i) **Comparative Previous Year's Figures**  
 Figures for the previous year are in brackets and have been re-grouped/re-classified wherever necessary to make them comparable with the figures of the current year.
- (ii) **Format as per Schedule III of Companies Act, 2013**  
 The Company has prepared these Financial Statements as per the format prescribed by Schedule III to the Companies Act, 2013 ('the Schedule') issued by Ministry of Corporate Affairs, Government of India for preparation of Ind AS financials.
- (iii) **Presentation of Figures**  
 The figures appearing in the Financial Statements has been prepared in Rupees.

**For V SahaiTripathi& Co**  
 Chartered Accountants  
 Firm Reg. No. 000262N

**VishwasTripathi**  
 Partner  
 M.N.: 086897

**Rakesh Mohan Sharma**  
 (Director)  
 DIN 02459885

**Deepali Sharma**  
 (Executive Director)  
 DIN 05133382

**Place: New Delhi**  
**Dated: 30<sup>th</sup> May 2019**

**Indu Atri**  
 (Chief Financial Officer)

**Kriti Bareja**  
 (Company Secretary)



**ATTENDANCE SLIP**

Folio No. / Client ID: ..... No.  
of Shares ..... Name of Member / Proxy:

.....  
..... I hereby record my presence at the 25th Annual General Meeting of the Sothern Infosys Limited on Monday, 30th September, 2019 at 10:00 a.m. at Ground Floor, Mini Hall of Arunachal Building, 19, Barakhamba Road, New Delhi – 110001

Note: Members are requested to produce this attendance slip duly signed in accordance with their specimen signatures registered with the Company for admission to the Meeting.  
Member's/Proxy's Signature A.

### PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s):	
Registered Address:	
E-Mail ID:	
Folio No. / Client ID:	
DP ID:	

I/We, being the member (s) of ..... Shares of the above named company, hereby appoint

1Name.....  
 Address:.....  
 E-mail Id: .....  
 Signature:.....or failing him

2Name.....  
 Address:.....  
 E-mail Id: .....  
 Signature:.....or failing him

3Name.....  
 Address:.....  
 E-mail Id: .....  
 Signature:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 25 th Annual General Meeting of the Southern Infosys Limited, to be held on Monday , 30th September, 2019 at 10:00 a.m. at aat Ground Floor, Mini Hall of Arunachal Building, 19, Barakhamba Road, New Delhi – 110001 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolutions	For	Against
<b>Ordinary Business</b>		
1. Adoption of financial statements for the year ended 31 <sup>st</sup> March,2019.		
2.Re-appointment of Mr. Rakesh Mohan Sharma (DIN: 02459885) who retires by rotation and being eligible, offers himself for re-appointment.		
<b>Special Business</b>		

3. To Appoint Mrs. Deepali Sharma (DIN: 05133382) as director of the company.		
4. To appoint Mr. Siddhath Sharma (DIN:07401320) as director on the board of the company.		
5. To approve appointment of Mr. Siddharth Sharma (DIN: 07401320) as whole-time director of the company.		
6. To appoint Miss Kriti Bareja (DIN:08526516 ) as director of the company		
7. To approve appointment of Miss Kriti Bareja (DIN:08526516) as whole-time director of the company.		

Signed this..... day of ..... 2019

Affix Revenue stamp
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Signature of Shareholder

Signature of Proxy holder

Notes:

1. The Proxy Form in order to be effective should be deposited at the registered office of the Company not less than 48 hours before the commencement of the Meeting.
2. A Proxy need not be a member of the Company.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. \*4. This is only optional. Please put an 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks approximately.

# ROUTE MAP

**VENUE:** Ground Floor, Mini Hall of Arunachal Building, 19, Barakhamba Road, New Delhi – 110001

