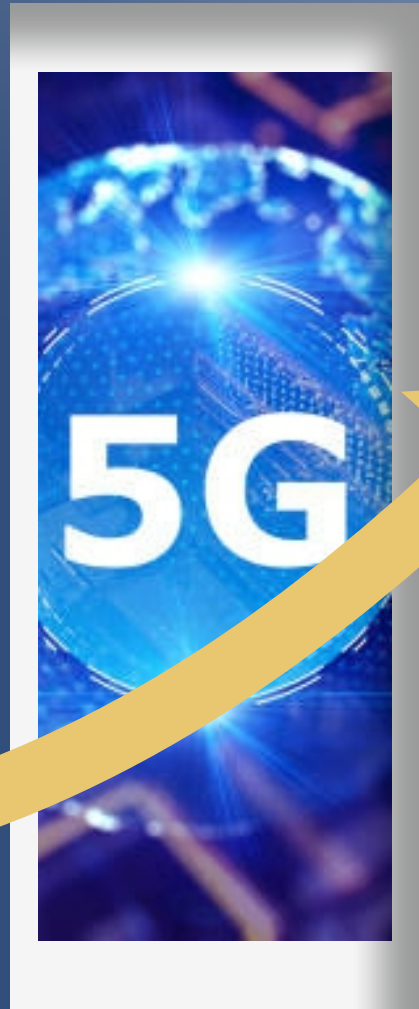


# 30<sup>th</sup> ANNUAL REPORT | 2021-22



**CADSYS**  
**(INDIA)LIMITED**

Engineering The Digital Transformation



## Disclaimer

This information may contain certain forward-looking statements/details in the current scenario, which is extremely dynamic and increasingly fraught with risks and uncertainties. Actual results, performances, achievements or sequence of events may be materially different from the views expressed herein. Investors/ shareholders/public are hence cautioned not to place undue reliance on these statements/details, and are advised to conduct their own investigation and analysis of the information contained or referred to in this section before taking any action with regard to their own specific objectives. Further, the discussion following here in reflects the perceptions on major issues as on date and the opinions expressed here are subject to change without notice. The Company undertakes no obligation to publicly update or revise any of the opinions or forward-looking statements expressed in this section, consequent to new information, future events or otherwise.

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## Managing Director's Message



On behalf of the Board of Directors of Cadsys (India) Limited, I am delighted to present to all the shareholders the 30<sup>th</sup> Annual Report of the Company for the financial year ending 31<sup>st</sup> March 2022. It is yet another year where we all have stood strong encompassed with enthusiasm and dedication to build a strong company. I would like to welcome you all for today's meeting and thank you for bestowing your trust in the Company.

The year 2021-22 has been a big turnaround for the company in terms of anchoring the pillars in different business segments of the telecom industry while continuing to implement projects in the engineering division. The strategic business partner – FVLCRUM LLC's investment and acquisition of Irish Tower LLC have given the company the leverage to pivot into the wireless business along with wireline and, engineering services. The company began executing multiple end to end projects known as "Design and Build" projects that involve not only engineering and fielding services but also construction. We have expanded our core strengths and it is vital for us to build our strength in the construction field. We are proud to be part of a huge revolutionary project to deploy connectivity to all the rural areas across USA. It gives immense joy and pride to be part of such digital modernizing projects.

The Company during the year 2021-22 added new customers to implement Design and Build projects. We have been continuing to receive repeat work orders from the existing customers. This has been possible only through our employee's relentless effort and dedication. I believe this is a major milestone for the Company, paving way to explore and expand the Company's presence in the wireline and wireless services market.

### Financial Performance

The company has a revenue growth under both standalone and consolidated financial statements. The standalone revenue during the year has risen to ₹ 1,518.78 Lakhs from ₹ 1116.76 Lakhs in 2020 – 21. Further, the consolidated revenue is ₹ 6,806.67 Lakhs in 2021-22 while in the previous 2020 – 21 the turnover was ₹ 3182.37 Lakhs.

### Some of the highlights of the events occurred during the financial year are

- The company received a cash investment from an equity partner in the overseas subsidiary from a private equity company. The PE company is collaborating with the company as a strategic partner.
- The Company has acquired 100% shares of Irish Tower LLC, a company providing 5G network installations and wireless services to the telecommunications companies across USA.
- The company has been awarded Design and Build contracts from 2 customer worth 15 million dollars.
- The Company has expanded its branches in the Hyderabad city to accommodate hybrid work environment (partly work from home and partly working from the office facility).

## Managing Director's Message



**The forecast in terms of business growth and outlook for the forthcoming Financial year 2022-23 is expected to be as follows:**

Each year we continue to aim high while we also do take a moment to reflect on the past and also look forward to where we are headed as a company. We as the management believe that it is our duty to ensure we adapt to the rapid changes in the work environment. While the unique circumstances of the past two years have certainly influenced our approach to day-to-day operations, it has not changed our overall goal of developing strategies. This is an incredibly exciting time to be part of our industry. Major telecommunications companies across USA have boosted the deployment of 5G network across the rural areas. Further, to stay competitive in the year 2022, the telco companies are leveraging technologies such as IOT (Internet of Things), Mobile Edge computing and 5G. Enabling 5G and wireless broadband, allowing 100 times faster data transfer than 4G, high speed, and low latency.

Your Company each year reviews and devises robust strategies to adapt to the accelerated evolution of the global markets. Through the new projects, the expansion of 5G and Wi-Fi 6 networks will offer connectivity in areas that have previously been difficult to reach, further driving connectivity and offering global opportunities to improve businesses, governments, and the lives of people around the world.

I would like to acknowledge and thank each investor, shareholder, the dignitaries of the National Stock Exchange, Share Transfer Agents, Senior Management, customers, vendors, auditors, company secretaries, and all the Company employees for their extraordinary efforts and performances towards the Company. We can achieve success together. We hope each one of you is staying safe and healthy.

Thank you  
Warm regards

Sd/-  
**Nallani Chakravarthi Venkata Rangacharya**  
Founder and Managing Director



# Corporate Information

## Board of Directors

**Nallani Chakravarthi Venkata Rangacharya**  
Managing Director

**Nallani Chakravarthi Padmaja**  
Whole Time Director & Chief Financial Officer

**Sai Sridhar Sangineni**  
Independent Director

**Appalacharyulu Chilakamarri**  
Independent Director

**Chilakamarri Madhavi**  
Non-Executive Director

**Sripadarajan Nagarajan**  
Non-Executive Director

## Address of Registrar of Companies

**Registrar of Companies**  
2nd Floor, Corporate Bhawan,  
GSI Post, Tattiannaram Nagole,  
Bandlaguda, Hyderabad – 500 068,  
Telangana, India

## Statutory Auditors

**M/s. Darapaneni & Co.,**  
Chartered Accountants  
Firm Registration No.: 000685S

## Bankers

**Canara Bank**  
3 – 5- 874 / 19/ 1 to 3,  
Beside Old MLA Quarters,  
Hyderguda, Hyderabad – 500 029,  
Telangana, India

## Registered Office of our Company

**Cadsys (India) Limited**  
3-6-262 2<sup>nd</sup> Floor Tirumala Estates,  
Himayathnagar,  
Hyderabad – 500029  
Telangana, India.

**Telephone:** +91-40-2322-4110  
**Facsimile:** +91-40-2322-3984  
**E – mail:** [info@cadsystech.com](mailto:info@cadsystech.com)  
**Website:** [www.cadsystech.com](http://www.cadsystech.com)

**Company Secretary and Compliance Officer**  
**Babladi Shailaja**  
**E-mail:** [cs@cadsystech.com](mailto:cs@cadsystech.com)

**Chief Financial Officer**  
**Nallani Chakravarthi Padmaja**  
**E-mail:** [padmaja@cadsystech.com](mailto:padmaja@cadsystech.com)

## Share Transfer Agents

**Bigshare Services Private Limited**  
306, Right Wing, Amrutha Ville,  
Opp. Yasodha Hospital,  
Somajiguda, Raj Bhavan Road,  
Hyderabad - 500 082.

**Telephone:** 91-40-2337 4967 | 2337 0295  
**Facsimile:** +91 – 022 28475207  
**Website:** [www.bigshareonline.com](http://www.bigshareonline.com)  
**Investor grievance:**  
[bsshyd@bigshareonline.com](mailto:bsshyd@bigshareonline.com)

# Services

## GIS - Telecom, Asset Mapping



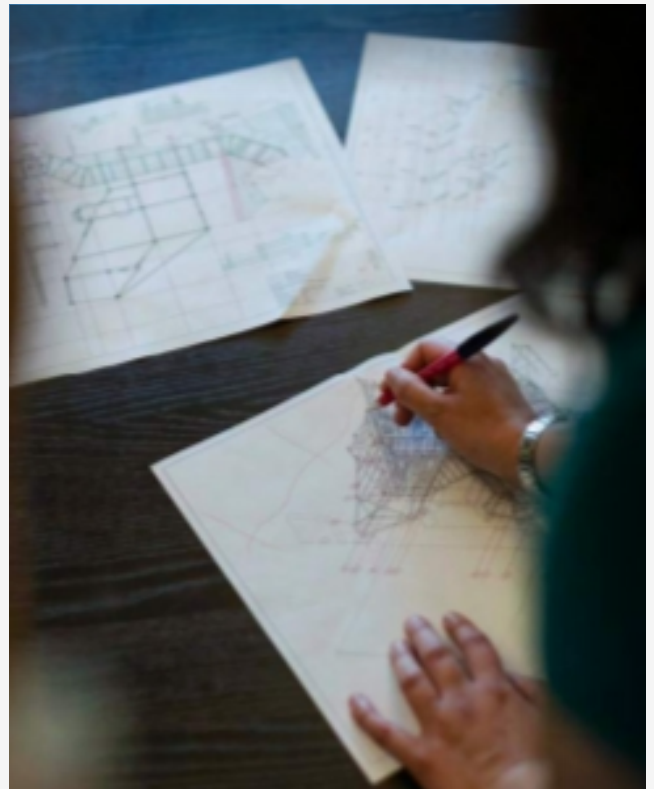
- Our Computer Aided Design (CAD) & Drafting team provides Geospatial Engineering Services in terms of Data Conversion & Migration and Mapping Services like Data Capture & AM/FM Mapping to.
- Designing next-generation fibre networks/systems i.e. FTTx, HFC and DAS for telecommunication companies.
- Provide offshore design methodology Triple Play services i.e. Voice, Data and Video, Broadband i.e. High-speed Internet and CATV which helps the customers in their business areas offering.
- Providing assistance and practical support on all aspects of Outside Plant Network Infrastructure and field operations.
- Provide end to end support and solutions to communications, engineering, and utility companies to manage effectively people, data, and infrastructure
- We also handle mission critical fibre-optic network related services involving future-proof designs of fiber networks i.e. FTTN, FTTP. FTTCs serving broadband and 4G LTE mobile services.
- Other GIS services include: Landbase conversion. Data Purification and reconciliation Records conversion (CAD or image-based), work order posting, conflation services.
- In addition, our telecom engineering design team provides wired or wireless Information Technology and Telecom networks Services to Telecommunication Companies.

## Services

### Software Development, IoT Solutions, Web/Mobile and Cloud Solutions



### Infrastructure Engineering Services



- We provide design services through the flagship product "Super Pro" for CATV and telecom customers.
- We have also developed a comprehensive project management software "SpatialRPM" for managing projects or large program with unique spatial intelligence.
- The Company's Architecture and Building Engineering services includes providing designs with respect to mechanical, electrical & plumbing and building management system.
- We also provide flexible, scalable content development/production services to the customers. designs,
- The Company's innovative engineering services and enterprise software solutions help customers to gain a competitive advantage by enhancing productivity and improving quality of entire operation, from planning and installation to network maintenance and upgrades.
- The Company's Quality and Maintenance product "AQMS" aids Telecom organizations maintain an accurate and up-to-date data base.



# | Board of Directors

## **Nallani Chakravarthi Venkata Rangacharya, Promoter and Managing Director**



Mr.N.C.V. Rangacharya is the Managing Director of Cadsys (India) Limited. A civil engineer and an M. Tech graduate from Indian Institute of Technology, Chennai, Mr Rangacharya has acquired immense knowledge and extensive experience in Software Development, CAD and Marketing. He is also an expert in workflow designing and process re-engineering which is an essential requisite in an Information Technology Enabled Services (ITES) industry.

Ever since the inception of the company, Mr. Rangacharya has built a team of professionals in all significant area of business, such as Research & Development, Marketing and Technical, finance and administration. Under the aegis of Mr. Rangacharya, the sales and the profit of the company have been marking a consistent growth. Entrepreneurship Development Institute, a Government of India undertaking awarded him as the "Entrepreneur of The Year" for the year 2004 recognizing and appreciating his exceptional entrepreneurial capabilities.

## **Nallani Chakravarthi Padmaja, Whole time Director cum Chief Financial Officer**

Nallani Chakravarthi Padmaja is the whole time Director cum Chief Finance Officer handling the administrative and financial affairs of the Company. She holds an advance Post Graduate Diploma in Management from Dr. B.R. Ambedkar Open University. Prior to Cadsys, she was one of the leading members of Hyderabad Stock Exchange. With over 20 years of experience in the fields of Finance, Administration and General Management of the Company Abairs, Ms Padmaja has been contributing to the her expertise in the management of the Company.



## **Nallani Chakravarthi Madhavi, Non-Executive Director**

NC Madhavi is a Non-executive Director of the Company. She holds a Master's degree in Computer Application from Osmania University. She has been associated with the Company in the capacity of a director since March 19<sup>th</sup>, 2005.



# | Board of Directors

## **Sripadarajan Nagarajan, Non-Executive Director**



Mr.Nagarajan holds a Bachelor's degree in Science from Osmania University and a Bachelor's degree of Technology in Engineering (Computer Science) from University of Hyderabad. He has over thirty years of experience in software industry which includes a seven year stint at USA.

Prior to joining Cadsys, Nagarajan headed software product development at GE Power Control. Mr Nagarajan started his career as a software engineer at TCS and later had rich experience managing IT and software development projects at top tier companies such as Pfizer, Marsh & McLennan in NY, Dun & Bradstreet NJ, Hyperion Financials CT. He has been associated with the Company in the capacity of a director since 30<sup>th</sup> April, 2012. He has been associated with the company since 2003.

## **Sai Sridhar Sangineni, Independent Director**

Mr.Sridhar is an Independent Director of the Company. He holds a bachelor's degree in Technology from NIT, Warangal and Master's in Computer Science from IIT, Roorkee. He has been associated with the Company in the capacity of a Independent director since 1<sup>st</sup> April, 2017



## **Appalacharyulu Chilakamarri, Independent Director**



Mr.Appalacharyulu Chilakamarri is a Fellow Member of The Institute of Chartered Accountants of India (ICAI) having 28 years of post-qualification experience in the area of Finance, Direct, Indirect Taxes and Company Law Matters. His area of experience include Direct and Indirect Taxes including GST, Costing, Internal Audit, Internal Control Systems, Company law matters, Finance Management, Audits of Pharma, Software, ARCs and Banks, Mr. Charyulu has served in the Board of Companies like SIRIS Limited, SDI Limited over a period of 18 years.

# Management Discussion and Analysis

## I. INDUSTRY DOMAIN STRUCTURE AND DEVELOPMENTS

According to a report released by IMF, after an estimated contraction of -3.3 percent in 2020, the global economy is projected to grow at 6 percent in 2021, moderating to 4.4 percent in 2022. One year into the COVID-19 Pandemic, there are uncertainties everywhere concerning safety, health, vaccines, and global economic recovery primarily related to the path of the Pandemic. Future developments will depend on the course of the health crisis, including whether the new COVID-19 strains prove susceptible to vaccines, or they prolong the Pandemic; the effectiveness of policy actions to limit persistent economic damage (scarring); the evolution of financial conditions; and the adjustment capacity of the economy.

In a report published by NASSCOM, the enterprise 5G market is expected to reach USD 10.9 billion by 2027, growing at a CAGR of 31.8%. This growth rate, particularly in the enterprise segment, is new to cellular wireless technologies. As a result, the demand for high-speed uninterrupted internet connectivity among enterprises across all industries went up astronomical. This sudden surge in demand is attributable to the new working norm companies adopted, which is most likely to continue for the coming years. The “No-contact” work environment has sprouted many unique requirements to set up a remote work environment. The 5G business is expected to generate \$700B in economic value, according to the GSMA.

### Business overview - GIS Engineering Services and Software Services:

Cadsys has been providing a comprehensive range of geospatial information systems (GIS) and engineering services to companies in the communications, utility, energy, and rail industries. In addition, Cadsys also specializes in designing and developing next-generation fiber networks and systems.

The in-depth knowledge of geospatial data and our round-the-clock dual-shore service model has proven to enable us to deliver high-quality results at a substantially low costs. An established strategic partnership with companies in similar core competencies is helping to build synergies across other states of the USA. The company has regional support centers in many parts of the United States of America for better customer support - located in Georgia, California, Washington, Texas, Colorado, Idaho and Florida, Tennessee, and Virginia.

## II. OPPORTUNITIES:

The telecommunications industry has been at the center of the global pivot to remote operations. Without robust and resilient connectivity, a significant chunk of the world's industries would have decimated, and the remote working scenario would have been too far-fetched. As a result, the Pandemic would have had many serious economic implications than it has now.

Major telco companies are now actively investing in expanding their 5G capabilities. With the 'remote' culture now expected to remain prominent in the next normal, a few of the telco services providers are also exploring the arena of 6G connectivity.

The global internet usage grew by 70 percent during the last two years. Further, the US telecom companies announced at the beginning of the year 2020 to deploy 5G technology not just in the major cities but across all rural areas of the country. The companies are now working towards returning back to the regular working system or so to say Hybrid working system. The demand for fast and continuous access to broadband is indispensable.

# Management Discussion and Analysis

## III. THREATS:

The major risks and threats to the growth of the Company remains impact of the pandemic, geopolitical instability, disruption to supply-chain due to inflation and prediction of recession. Rapid growth of telecommunications sector and the enormous technological developments innovative implementation of the technology solutions will have its share of risks and threats involved on the competitive front. Our endeavor is not only to provide and execute the projects but also to simultaneously add value to our services with the help of extremely talented team. In consideration of the preceding we contemplate and examine upon from time to time following risks and threats.

- Increased Competition from Local & Global Players:
- Security impediments to data acquisition / dissemination: The work from home
- Risk with respect to Data and Cyber security
- Government policies with respect to immigration.
- Upskilling and reskilling of the workforce.

## IV. OUTLOOK / STRATEGIES:

Adding new age technology such as Artificial Intelligence, machine learning has become path of choice for the utility, communication companies. At Cadsys, our highly experienced professionals work relentlessly to develop innovative solutions that cater to the new age technological needs. This includes adapting, remolding, renovating existing resources to not just address the existing challenges but also provide a sustainable solution.

In our next 5 year plan, our Company aims to provide services for communications, engineering, and utility organizations to manage more effectively their people, data, and infrastructure. Take maximum leverage of innovative engineering services and enterprise software solutions to gain a competitive advantage by enhancing

productivity and improving quality of your entire operation, from planning and installation to network maintenance and upgrades.

## V. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

With an increasing number of staff working remotely, controls that were previously put in place are reviewed and revised to ensure relevancy and effective operation. The management assesses the risk of fraud and misstatements, cyber security threats to the data and information of the company and clients. The management maintains an adequate approach to risk management. Some of the key features of the systems are:

- Segregation of Duties: Duties are divided among different employees to reduce the risk of error or inappropriate actions.
- Authorization and Approval: Transactions are authorized and approved by someone other than the individual responsible for daily financial reporting to help ensure the activity is consistent with organizational policies and objectives.
- Reconciliation and Review: Reviews of specific functions or activities involving cross-checking transactions or records.
- Physical Security
- Accounting System Access Controls: Controlling electronic access to keep unauthorized users out is a must.



# Management Discussion and Analysis

To ensure effective maintenance of Quality and Administrative processes Our Company has adopted and implanted in certain internal control systems. Our ISO 9001:2008 QMS and ISO 27001 ISMS certifications are proof of our unflinching commitment to perform jobs with the concept of “zero errors and quality first” approach and our highest level of integrity in maintaining customers data secure.

The Finance and Compliance department implements and monitors the internal control environment and compliance with statutory requirements.

As required under the Companies Act, 2013, the Company has appointed A.V. Ratnam & Co., Chartered Accountants as the Internal Auditor of the Company who is continuing to perform Internal Audit and maintain the internal financial controls of the Company from time to time.

## VI. DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

Cadsys possesses requisite human resource in the form of 400+ professionals that include Engineers, Designers and 3D Modelers, based out of its GIS Centers at Hyderabad. The company's team provides assistance and practical support on all aspects of Outside Plant network infrastructure and Field operations. Cadsys' multi-discipline team has expertise on all leading Geospatial softwares including ESRI's ArcGIS, GE Smallworld, Intergraph's G/Tech, CIMAGE, ICGS, Byers EWO, SpatialNET, CableCAD, AutoCAD, Microstation, BSTCAD and proprietary GIS platforms like LODE, FOCUS etc.

## VII. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Standalone Profit and Loss statement for 2021-22, the Revenue is 2021-22 is ₹ 1,518.78 Lakhs while in 2020-21 ₹ 1116.76 Lakhs. Further, the revenue in the consolidated financials for FY 2021 – 22 is ₹ 6,806.67 Lakhs and in FY 2020-21 is ₹ 3182.37 Lakhs.

## FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements based on certain assumptions and expectations of future events. The Company, therefore, cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company's actual results, performance or achievements can thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis of any subsequent developments, information or events.



To,  
The Members,  
Cadsys (India) Limited

Dear Members,

Your Directors are pleased to present the 30<sup>th</sup> Annual Report of your Company on the business and operations of the Company together with the Audited Financial Statements for the financial year ended on 31<sup>st</sup> March 2022, the Board's Report and the Auditor's Report thereon. The summary of financial performance of the Company and its Subsidiaries for the year under review is given hereunder:

**DISCLOSURES AS PER RULE 8(5) OF COMPANIES (ACCOUNTS) RULES, 2014:**

**FINANCIAL HIGHLIGHTS**

(Rs. in Lakhs)

Particulars	Standalone		Consolidated	
	For the financial year 2021-22	For the financial year 2020-21	For the financial year 2021-22	For the financial year 2020-21
Total Revenue	1,518.78	1,116.76	6,806.67	3,182.37
Total Expenses	1,459.70	1,082.64	7,535.31	3,916.91
Finance Cost	49.76	25.84	156.02	107.01
Depreciation	42.40	29.99	326.37	353.31
Exceptional Items	-	-	(293.50)	(255.19)
Profit before Tax	59.08	34.12	(435.14)	(479.35)
Tax Expense	25.72	10.40	64.77	58.33
Profit after Tax	33.36	23.73	(455.05)	(536.69)
Earnings per share (Basic & Diluted)	0.44	0.32	(6.07)	(7.15)

**FINANCIAL PERFORMANCE**

Due to continuous impact of the COVID-19 outbreak prompted workflow disruption during the financial year 2021-22, yet your Company managed to post the consolidated revenues the year under review was ₹. 6,806.67 lacs against ₹. 3,182.37 lacs in previous year. The PAT attributable to the members was ₹.(455.05) lacs as against ₹. (536.69) lacs.

On the Standalone basis, the revenue for the year under review was ₹. 1,518.78 lacs as against ₹. 1,116.76 lacs. The PAT attributable to the members was ₹. 33.36 lacs as against ₹. 23.73 lacs for the previous year.

Your Directors are continuously making effort for the future growth and expansion of the Company by exploring all possible avenues in the market both in India and abroad.

Further, during the year under review, there were no changes in the Nature of Business of the Company.

## EXPORTS

The exports of the Company continue to be a major chunk of revenue accounting for a volume of ₹. 1,488.05 lacs as against ₹. 1,073.56 lacs in previous year.

## TRANSFER TO RESERVES IN TERMS OF SECTION 134(3)(J) OF THE COMPANIES ACT, 2013

For the financial year ended on 31<sup>st</sup> March, 2022, the Company has not transferred any amount to Reserves.

## DIVIDEND

With a view to conserve the resources in long run, your Board of Directors has not recommended any dividend for the financial year ended 31<sup>st</sup> March, 2022.

## TRANSFER OF UNPAID & UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the provisions of the Companies Act, 2013, read with IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, declared dividends along with underlying equity shares which remained unpaid or unclaimed for a period of seven years are supposed to be transferred to IEPF. Presently, there is no amount which is required to be transferred to IEPF by the Company. However, the details of unpaid and unclaimed dividend can be accessed on Company's website i.e., <https://www.cadsystech.com/investor/>.

## SHARE CAPITAL

During the year under review, there has been no change in the Share Capital of the Company. Your Company has one Class of Share, i.e., Equity Shares of face value ₹.10/- each. The Authorized Share Capital of your Company is Rs. 850 lacs comprising of 85 lacs Equity Shares of ₹. 10/- each.

Further, the issued, subscribed and the Paid-up Share Capital of your Company as on 31<sup>st</sup> March, 2022 is ₹. 750.25 lacs.

## EXTRACT OF ANNUAL RETURN

The Extracts of Annual Return in Form No. MGT-9, pursuant to provisions of Sections 92(3) and 134(3)(a) of the Companies Act, 2013 read with Rule 12 of the Companies (Management & Administration) Rules, 2014 forms part of this report as **"ANNEXURE-I"** and also been placed on the website of the Company, the web address for which is <http://www.cadsystech.com/investor/>.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

The Board represents an optimum mix of professionalism, knowledge and experience. The Company's policy is to maintain optimum combination of Executive, Non-Executive Directors and Independent Directors.

**Following were the Directors and Key Managerial Personnel of the Company as on 31<sup>st</sup> March, 2022:**

<b>S. No.</b>	<b>Name of the Directors</b>	<b>Designation</b>	<b>DIN/PAN</b>
1.	Nallani Chakravarthi Venkata Rangacharya	Managing Director	01067596
2.	Nallani Chakravarthi Padmaja	Whole -Time Director and Chief Finance Officer	01173673
3.	Madhavi Chilakamarri	Non-Executive Director	01067690
4.	Sripadarajan Nagarajan	Non -Executive Director	05262644
5.	Sai Sridhar Sangineni	Independent & NonExecutive Director	03274134
6.	Appalacharyulu Chilakamarri	Independent & NonExecutive Director	01601712
7.	Babladi Shailaja	Company Secretary and Compliance Officer	ARXPB4192L

**Changes during the Financial Year ended 31<sup>st</sup> March, 2022:**

#### **I. Cessation and Appointment of Director/KMP:**

During the year under review, there was no Change in the Composition of Board of Directors. Further, the 1<sup>st</sup> term of both the Independent Directors is completed and being eligible, offers themselves for re-appointment for 2<sup>nd</sup> term of five (5) years, subject to approval of shareholders at the ensuing Annual General Meeting of the Company. The brief profile of the Independent Director(s) is presented in this Annual Report.

#### **2. Retire by Rotation:**

In accordance with the provisions of the Companies Act, 2013, Mr. Sripadarajan Nagarajan, Director of the company retires by rotation at the ensuing AGM of the Company and being eligible, offers himself for re-appointment. The brief profile of the Director is presented in this Annual Report.

#### **DECLARATION BY INDEPENDENT DIRECTORS AND STATEMENT ON COMPLIANCE OF CODE OF CONDUCT**

During the year under review, necessary declarations with respect to independence has been received from all the Independent Directors of the Company and the Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Act and the Code of Conduct for Directors and senior management personnel.

In the opinion of the Board, the Independent Directors possess there requisite expertise and experience and are persons of high integrity and repute. They fulfill the conditions specified in the Companies Act, 2013 ('the Act') as well as the Rules made thereunder and are independent of the management.



## COMPOSITION OF VARIOUS COMMITTEES OF BOARD OF DIRECTORS OF THE COMPANY & ITS MEETINGS

The Board had constituted various Committees as required under the provisions of Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The provisions of Companies Act, 2013 read with Secretarial Standard – 1 issued by the Institute of Company Secretaries of India (ICSI) and SEBI (LODR) Regulations, 2015 were adhered while conducting Committee Meetings. The details of various committees constituted by the Board are covered hereunder:

### I. AUDIT COMMITTEE:

Audit Committee was constituted to monitor, oversee and provide effective supervision of the management's financial reporting process with a view to ensuring accurate, timely and proper disclosure and transparency, integrity and quality of financial reporting. The Committee adheres to the compliance with the applicable provisions under the Companies Act, 2013 and rules made thereunder. The committee policy is available on the website, at <http://www.cadsystech.com/investor/>

During the year under review, there was no change in the Composition of the Audit Committee. As such, the Composition of the members of the Committee are shown below.

#### Composition of Audit Committee:

Sl. No.	Name of the Director/KMP	Designation in the Committee
1.	Appalacharyulu Chilakamarri	Chairman
2.	Sai Sridhar Sangineni	Member
3.	Nallani Chakravarthi Venkata Rangacharya	Member
4.	Babladi Shailaja	Secretary

#### Details of Audit Committee Meetings:

The Audit Committee met 4 times during the year under review on 04<sup>th</sup> June, 2021, 02<sup>nd</sup> September, 2021, 04<sup>th</sup> November 2021 and 14<sup>th</sup> March, 2022. The necessary quorum was present for all the meetings held during such year. The details of attendance of each Member at the Audit Committee meetings held during the year are as under:

S. No.	Name of the Director/KMP	Number wise meetings attendance				No. of Meetings Attended
		1	2	3	4	
1.	Appalacharyulu Chilakamarri	✓	✓	✓	✓	4
2.	Sai Sridhar Sangineni	✓	✓	✗	✗	2
3.	Nallani Chakravarthi Venkata Rangacharya	✓	✓	✓	✓	4
4.	Babladi Shailaja	✓	✓	✓	✓	4

## II. NOMINATION AND REMUNERATION COMMITTEE:

The Committee was constituted to screen and review individuals qualified to serve as executive directors, non-executive directors and independent directors, consistent with criteria approved by the Board, and to recommend, for approval by the Board, nominees for election at the General Meeting. The Committee also designs, benchmarks and continuously reviews the compensation program for the Board and senior management against the achievement of measurable performance goals. The Committee adheres to the compliance with the provisions of Section 178 of the Companies Act, 2013 and rules made thereunder. The committee also regularly reviews from time to time the policy for selection and appointment of Directors, Key Managerial Personnel and senior management employees and their remuneration.

During the year under review, there was no change in the Composition of the Nomination and Remuneration Committee. As such, the composition members of the Committee are shown below.

### Composition of Nomination and Remuneration Committee:

Sl. No.	Name of the Directors	Designation in the Committee
1.	Sai Sridhar Sangineni	Chairman
2.	Sripadarajan Nagarajan	Member
3.	Appalacharyulu Chilakamarri	Member
4.	Babladi Shailaja	Secretary

### Details of Nomination and Remuneration Committee Meetings:

The Nomination and Remuneration Committee met 2 times during the year under review on 04<sup>th</sup> June, 2021 and 14<sup>th</sup> March, 2022. The necessary quorum was present for both the meetings. The details of attendance of each Member at the Nomination & Remuneration Committee meetings held during the year are as under:

S.No.	Name of the Director	Number wise meetings attendance		No. of Meetings Attended
		1	2	
1.	Sai Sridhar Sangineni	✓	✗	1
2.	Sripadarajan Nagarajan	✓	✓	2
3.	Appalacharyulu Chilakamarri	✓	✓	2
4.	Babladi Shailaja	✓	✓	2

## 3. STAKEHOLDER'S RELATIONSHIP COMMITTEE:

The Stakeholder's Relationship Committee was constituted to review matters related to grievances of Shareholders and Investors. The committee primarily focuses on review of investor complaints, its redressal and queries received from investors i.e., transfer of Shares, issue of Duplicate Share Certificates, non-receipt of Annual Reports, Dematerialization/ Re-materialization etc. and reviews the reports presented by the Share Transfer Agents of the Company. The Committee adheres to the compliance with the applicable provisions of Companies Act, 2013 and rules made thereunder.

## Composition of the Stakeholder's Relationship Committee

S. No.	Name of the Directors	Designation in the Committee
1.	Madhavi Chilakamarri	Chairperson
2.	Nallani Chakravarthi Padmaja	Member
3.	Nallani Chakravarthi Venkata Rangacharya	Member

## BOARD MEETINGS

The provisions of Companies Act, 2013 read with Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) and SEBI (LODR) Regulations, 2015 were adhered while conducting Board Meetings. The details of the Board Meetings are covered hereunder:

### Details of Board Meetings:

During the FY 2021-22, the Board of Directors met 4 times on 04th June, 2021, 02nd September, 2021, 04th November 2021 and 14th March, 2022.

S. No.	Name of the Directors	Number wise meetings attendance				No. of Board Meetings Attended
		1	2	3	4	
1.	Nallani Chakravarthi Venkata Rangacharya	✓	✓	✓	✓	4
2.	Nallani Chakravarthi Padmaja	✓	✓	✗	✓	3
3.	Madhavi Chilakamarri	✓	✓	✓	✗	3
4.	Sripadarajan Nagarajan	✓	✓	✓	✗	3
5.	Sai Sridhar Sangineni	✓	✓	✗	✗	2
6.	Appalacharyulu Chilakamarri	✓	✓	✓	✓	4

## COMPLIANCE WITH SECRETARIAL STANDARDS

During the year under review, the provisions of the Secretarial Standards applicable to the Company, i.e., Secretarial Standard -1 (SS-1) for Board and Committee Meetings and Secretarial Standards – 2 (SS-2) for General Meetings issued by the Institute of Company Secretaries of India (ICSI) were adhered to while conducting the respective Meetings.

## POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Board of Directors of the Company has framed a policy on the appointment and remuneration to Directors and senior management personnel. The objective of the policy is to formulate the criteria for determining qualifications, competencies, positive attributes and recommend to the Board policies relating to the remuneration of Directors, Key Managerial Personnel and Senior Management personnel. The details of remuneration paid during the Financial Year ended March 31<sup>st</sup>, 2022 are mentioned under the Form No. MGT –9 which is forming part of this Boards' Report.

## PERFORMANCE EVALUATION OF THE BOARD

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees and individual Directors pursuant to the provisions of the Companies Act, 2013 and rules made thereunder.

The performance of the Board and the committees was evaluated by the Board, after seeking inputs from all the Directors and the members of the Committees, on the basis of the criteria such as the composition and structure, effectiveness of Board and Committee processes, information and functioning, etc. Board and the Nomination and Remuneration Committee reviewed the performance of the individual Directors on the basis of the criteria such as the contribution of the individual Director to the Board and Committee Meetings. Separate meeting of Independent Directors was held to evaluate the performance of non-independent Directors, performance of the Board as a whole taking into account the views of Executive Directors and Non-Executive Directors.

## DIRECTORS' RESPONSIBILITY STATEMENT

**Your Directors state that:**

- (i) For the preparation of the annual financial statements for the year ended 31<sup>st</sup> March, 2022, the applicable accounting standards have been adopted and followed;
- (ii) The applicable accounting policies are applied consistently to make judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs and profits of the company as at the end of the financial year under review;
- (iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) The Directors have prepared the annual accounts on a “going concern basis”;
- (v) Proper internal financial controls were in place and followed by the Company and that such internal financial controls are adequate for effective operations; and
- (vi) Proper systems are devised by the Company to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO

### A. Conservation of energy:

(i)	the steps taken or impact on conservation of energy	Efforts are made towards minimizing wastage in all areas of operations of the Company.
(ii)	the steps taken by the company for utilizing alternate sources of energy	
(iii)	the capital investment on energy conservation equipment's	No additional investment was made for reduction in consumption of energy.

### B. Technology absorption:

During the year under review there has been no transaction of technology absorption.



**C. Foreign Exchange earnings and outgo (₹. in Lacs):**

Particulars	Financial Year 2021-22	Financial Year 2020-21
Foreign Exchange Earnings	1,307.01	1,073.56
Foreign Exchange Outgo	5.38	0.38

**CONSOLIDATED FINANCIAL STATEMENTS OF SUBSIDIARIES**

As on 31<sup>st</sup> March, 2022 your Company has following subsidiaries:

Sl. No	Name of the Company	Percentage of Holding
1)	Apex Engineers (India) Private Limited	80%
2)	Apex Advanced Technology LLC, USA	63.50%
3)	Cadsys Technologies LLC, USA	97.56%

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013, a statement containing salient features of Financial Statements of subsidiary companies in Form No. AOC-1 forms part of Board's Report as **"ANNEXURE-II"**.

**COMPANIES WHICH HAVE BECOME OR CEASED TO BE SUBSIDIARIES/JOINT VENTURES AND ASSOCIATE COMPANIES**

There are no other companies which have become or ceased to be its subsidiaries/joint venture/associate companies during the year.

**RELATED PARTY TRANSACTIONS**

All the related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. The Particulars of contracts or arrangements with related parties referred to in sub-section (1) of section 188 in the prescribed Form AOC-2 pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014, forms part of this report as **"ANNEXURE-III"**.

All Related Party Transactions are placed before the Audit Committee before the Board for approval. The Board of Directors of the company has, on the recommendation of the Audit Committee, adopted a policy to regulate transactions between the Company and its related parties, in compliance with the applicable provisions of the Companies Act, 2013, the Rules framed thereunder. Policy for Related Party Transactions has been uploaded on the website of the company. The web address of the same is <http://www.cadsystech.com/investor/>.

## UNSECURED LOANS FROM DIRECTORS/ RELATIVES OF DIRECTORS

During the year under review, the Company has not accepted any unsecured loans from Directors/Relatives of Directors pursuant to provisions of Companies Act, 2013.

## PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

During the year under review, the Company has not invested, not given any Loans or provided any Guarantees or any security pursuant to the provisions of Section 186 of the Companies Act, 2013.

## DEPOSITS

The Company has not accepted any public deposits and as such no amount on account of principal or interest on public Deposits was outstanding as on 31<sup>st</sup> March, 2022.

## PARTICULARS OF EMPLOYEES AND REMUNERATION

The information required under section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this report as **"ANNEXURE-IV"**. Further, the Company has no employee drawing remuneration exceeding the limits prescribed under Section 197(12) of Companies Act, 2013 read with Sub-Rule 2 of Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

## RISK MANAGEMENT

Risk management is the process of identification, assessment, and prioritization, of risk followed by coordinated efforts to minimize, monitor and mitigate/control the probability and/or impact of unfortunate events or to maximize the realization of opportunities. The Company has laid a comprehensive risk assessments and minimization procedure which is reviewed by the Audit Committee and approved by Board.

## VIGIL MECHANISM

In accordance with the provisions of Section 177 of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015, the Company has formulated a vigil mechanism to address the instances of fraud and mismanagement, if any. The policy can also be accessed on the Company's website, the web address for which is <http://www.cadsystech.com/investor/>.

## MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis Report for the year under review as stipulated under Regulation 34(2)(e) of the SEBI (LODR) Regulations, 2015 is presented in a separate section forming part of this Annual Report.

## CORPORATE GOVERNANCE

The Company is listed under Chapter XB of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, i.e., on SME Platform of National Stock Exchange of India Limited - NSE EMERGE. As such, according to Regulation 15(2)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the compliances with respect to Corporate Governance disclosures are not applicable to your Company. However, your Company strives to incorporate the appropriate standards for Corporate Governance in the interest of the stakeholders of the Company.

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

The material subsidiary of Cadsys (India) Limited i.e., Apex Advanced Technology LLC, accepted an investment of cash from FVLCRUM, a US based Private Equity Fund. The shareholding of the Cadsys (India) Limited in the said subsidiary is diluted to close to 64%. The company used the funds to meet the capital requirements to expand the business into other market segments.

In addition, the material subsidiary also acquired 100% stake in Irish Tower LLC, located in Texas, USA, which is in the business of Wireless infrastructure services. Irish Tower LLC is 100%. Through the acquisition, the company is providing services to telecom companies build Wireless infrastructure.

Except as disclosed elsewhere in this report, there have been no other material changes and commitments, which can affect the financial position of the Company, occurred between the end of the financial year of the Company and date of this report.

## **IMPACT OF COVID-19 PANDEMIC:**

On the basis of assessment of the impact of the outbreak of Covid-19 on business operations of the Company, the management concludes that no adjustments are required as it does not impact the preparation and presentation of financial statements for the current financial period of reporting. However, while the situation with Covid-19 is persisting various preventive measures taken (such as partial lockdown restrictions by the Government of India, travel restrictions, mask mandate, social distancing etc) are in force. Due to these circumstances, the management's assessment of the impact on the subsequent period depends upon the circumstances as they evolve and will be determined accordingly. Further, under the given circumstances and situation, management considers it appropriate to prepare these financial statements on a going concern basis.

## **COMPLIANCE WITH PROVISIONS OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company is committed to uphold and maintain the dignity of woman employees and Company has in place a POSH policy as required under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. A copy of the policy can also be accessed on the Company's website, the web address for which is <http://www.cadsystech.com/investor/>

Your Company has constituted Internal Complaints Committee as required under the said Act to oversee the complaints received, if any, and redress the same. Your Directors further state that during the year under review, there were no cases filed pursuant to said Act. Also, Company frequently conducts workshops/ programmes for all the employees/ staff briefing them about the Act and the rights of women employees at the workplace.

## **OTHER DISCLOSURES PURSUANT TO THE COMPANIES (ACCOUNTS) AMENDMENT RULES, 2021:**

Ministry of Corporate Affairs vide its notification dated 24<sup>th</sup> March, 2021 has come up with the Companies (Accounts) Amendment Rules, 2021 mandating the Companies to disclose the following details under rule 8, in sub-rule (5) of The Companies (Accounts) Rules, 2014 w.e.f 01<sup>st</sup> April, 2021. Details pursuant to said amendment are as follows:

<b>Details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year.</b>	During the year under review, there were no applications made or proceedings pending in the name of the Company under the Insolvency and Bankruptcy Code, 2016.
<b>Details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof.</b>	During the year under review, there has been no one time settlement of loans taken from the banks and Financial Institutions.

## **CORPORATE SOCIAL RESPONSIBILITY**

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within purview of Section 135(1) of the Companies Act, 2013 and hence it is not required to formulate policy on corporate social responsibility.

## **ORDERS, IF ANY, PASSED BY REGULATORS OR COURTS OR TRIBUNALS**

During the year under review, there were no significant material orders passed by the Regulators or Courts or Tribunals, which could adversely impact the going concern status of the Company and its operations in the future.

## **INTERNAL FINANCIAL CONTROLS SYSTEMS AND THEIR ADEQUACY**

Your Company is committed to constantly improve the effectiveness of internal financial controls and processes for the efficient conduct of its business operations and ensuring security to its assets and timely preparation of reliable financial information. In the opinion of the Board, the internal financial control system of the Company is commensurate with the size, scale and complexity of business operations of the Company. Further, the internal financial controls concerning the Financial Statements are adequate in the opinion of the Board of Directors and were operating effectively.

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

recorded and reported correctly.

The internal control is supplemented by an extensive programme of internal, external audit and periodic review by the Management. This system is designed to adequately ensure that financial and other records are reliable for preparing financial information and other data and maintaining assets accountability.



## AUDITORS

### STATUTORY AUDITORS:

Pursuant to the provisions of section 139 of the Companies Act, 2013 and the Rules framed thereunder, the Company in its 28<sup>th</sup> Annual General Meeting (AGM) had appointed M/s Darapaneni & Co., Chartered Accountants (Firm registration No. 000685S), Chartered Accountants, as Statutory Auditors of the Company, for a term of five consecutive years, from the conclusion of that Annual General Meeting till the conclusion of the 33<sup>rd</sup> Annual General Meeting to be held in the year 2025.

Further the remuneration of the Auditors shall be fixed by the Board of Directors of the Company in consultation with the Auditors.

### INTERNAL AUDITORS:

M/s A.V. Ratnam & Co. (M. No. 003028S), Chartered Accountants, were appointed during the year under review to perform the duties of internal Auditors of the Company and their reports are reviewed by the Audit Committee from time to time.

### SECRETARIAL AUDITORS:

Pursuant to the provisions of Sections 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the company has appointed M/s Atluri Ramesh & Associates, Company Secretaries in place of M/s. RANJ & Associates, Company Secretaries, to undertake the Secretarial Audit of the Company for the year ended on 31<sup>st</sup> March 2022. The Secretarial Auditor's Report for the year ended 31<sup>st</sup> March 2022 forms part of this report as "ANNEXURE-V".

### COST AUDITORS:

In terms of Cost (Records and Audit) Amendment Rules, 2014 dated 31<sup>st</sup> December 2014 issued by the Central Government, the requirement for Cost Audit is not applicable to the Company.

### ACKNOWLEDGMENTS:

Your Directors wish to place on record their gratitude to members for the confidence reposed by them and thank all the members, customers, Bankers, Registrar to the Company, dealers, suppliers and other business associates for their contribution to your Company's growth. Your Directors also wish to place on record their appreciation for the contribution made by the employees at all levels without whom the growth of the Company is unattainable. Your Directors also thank the Central/State Government, for their support. Your Directors seek and look forward for the same support in future.

For and on behalf of Board of Directors  
CADSYS (INDIA) LIMITED

Date: 30<sup>th</sup> May 2022  
Place: Hyderabad

Sd/-  
N.C.V. Rangacharya  
Managing Director  
DIN: 01067596

Sd/-  
N.C Padmaja  
Whole Time Director  
DIN: 01173673

**Form No. MGT-9**

**Extracts of Annual Return for the Financial Year ended on 31<sup>st</sup> March 2022**

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

**I. REGISTRATION AND OTHER DETAILS:**

1	CIN	L72200TG1992PLC014558
2	Registration Date	23/07/1992
3	Name of the Company	Cadsys (India) Limited
4	Category/Sub-Category of the Company	Company Limited by Share Public Non-Government Company
5	Address of the Registered office and contact details	3-6-262, 2 <sup>nd</sup> floor, Tirumala Estates, Himayatnagar, Hyderabad-500029, Telangana, India. Phone No.: 040 – 2322 4110. Email: <a href="mailto:info@cadssystech.com">info@cadssystech.com</a> Website: <a href="http://www.cadssystech.com">www.cadssystech.com</a>
6	Whether listed company	Yes - SME Platform of National Stock Exchange of India Limited (NSE Emerge)
7	Name, Address and Contact details of Registrar and Transfer Agent, if any	Bigshare Services Private Limited  Address: 306, Right wing, Amrutha Ville, Opposite to Yashoda Hospital, Somajiguda, Raj Bhavan Road, Hyderabad- 500082, Telangana, India. Telephone: +91 – 022 62638200 Facsimile: +91 – 022 62638299 E-mail: <a href="mailto:bsshyd1@bigshareonline.com">bsshyd1@bigshareonline.com</a> Website: <a href="http://www.bigshareonline.com">www.bigshareonline.com</a> Investor grievance: <a href="mailto:investor@bigshareonline.com">investor@bigshareonline.com</a>

## 2. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr.no	Name and Description of main products/services	NIC Code of the Product/service	%to total turnover of the company
1	Data Processing activities including report writing	63111	100%

## 3. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr.no	Name and address of The Company	Country	CIN/GLN	Holding/ Subsidiary/ Associate	%of Share holding	Applicable Section
1	Cadsys Technologies LLC USA	USA	---	Subsidiary	97.56%	2(87)(ii)
2	Apex Advanced Technology LLC	USA	---	Subsidiary	63.50%	2(87)(ii)
3	Apex Engineers (India) Private Limited	INDIA	U72200TG2004PTC042848	Subsidiary	80%	2(87)(ii)

## 4. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

### 1. Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter*									
1.Indian									
a)Individual/ HUF	18,90,875		18,90,875	25.20%	18,90,875		18,90,875	25.20%	
b)Central Govt.									

C) State Govt.(s)	--	--	--	--	--	--	--	--	--
d) Bodies Corp	--	--	--	--	--	--	--	--	--
e) Banks / FI	--	--	--	--	--	--	--	--	--
f) Any Other (Directors Relative)	16,86,225	--	16,86,225	22.48%	16,86,225	--	16,86,225	22.48%	--
Sub-total(A)(1):-	35,77,100	--	35,77,100	47.68%	35,77,100	--	35,77,100	47.68%	--
Foreign	--	--	--	--	--	--	--	--	--
g) NRIs-Individuals	--	--	--	--	--	--	--	--	--
h) Other- Individuals	--	--	--	--	--	--	--	--	--
I) Bodies Corp.	--	--	--	--	--	--	--	--	--
j) Banks / FI	--	--	--	--	--	--	--	--	--
k) Any Other....	--	--	--	--	--	--	--	--	--
Sub-total(A)(2):-	--	--	--	--	--	--	--	--	--
B. Public Shareholding	--	--	--	--	--	--	--	--	--
Institutions	--	--	--	--	--	--	--	--	--
a) Mutual Funds	--	--	--	--	--	--	--	--	--
b) Banks / FI	--	--	--	--	--	--	--	--	--
c) Central Govt.	--	--	--	--	--	--	--	--	--
d) State Govt.(s).	--	--	--	--	--	--	--	--	--
f) Insurance Companies	--	--	--	--	--	--	--	--	--
g) FIIs	--	--	--	--	--	--	--	--	--
h) Foreign Venture Capital Funds	--	--	--	--	--	--	--	--	--
I) Others (Foreign Portfolio Investor)	--	--	--	--	--	--	--	--	--
Sub-total(B)(1)	--	--	--	--	--	--	--	--	--
2. Non Institutions	--	--	--	--	--	--	--	--	--

a) Bodies Corp. (i) Indian (ii) Overseas	1,76,000	--	1,76,000	2.35%	1,52,000	--	1,52,000	2.03%	(0.32%)
a) Individuals (i) Individual shareholders holding nominal share capital upto ₹. 1 lakh	12,16,000	--	12,16,000	16.21%	11,76,000	--	11,76,000	15.67%	(0.54) %
(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	24,21,400	--	24,21,400	32.27%	24,89,400	--	24,89,400	33.20%	0.93%
C)Others (Specify)	--	--	--	--	--	--	--	--	--
Clearing members	18,000	--	18,000	0.24%	12,000	--	12,000	0.16%	(0.08)%
NRI	94,000	--	94,000	1.25%	96,000	--	96,000	1.28%	--
Sub-total(B)(2)	39,25,400	--	39,25,400	52.32%	39,25,400	--	39,25,400	52.32%	--
Total Public Shareholding (B)=(B)(1) + (B)(2)	39,25,400	--	39,25,400	52.32%	39,25,400	--	39,25,400	52.32%	--
C. Shares held by Custodian for GDRs & ADRs	--	--	--	--	--	--	--	--	--
Grand Total(A+B+C)	75,02,500	--	75,02,500	100%	75,02,500	--	75,02,500	100%	--

## 2. Shareholding of Promoter

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Share s of the comp any	% of Shares Pledge d / encum bered to total Share	No. of Shares	% of total Shares of the compa ny	%of Shares Pledged / encumbere d to total shares	
1.	N.C.V. Rangacharya	18,90,875	25.20 %	--	18,90,875	25.20 %	--	Nil
	<b>Total</b>	18,90,875	25.20 %	--	18,90,875	25.20 %	--	Nil



### 3. Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	<b>N.C.V. Rangacharya</b>				
1.	At the beginning of the year	18,90,875	25.20%	18,90,875	25.20%
2.	Dilution of Promoters				
3.	shareholding post Public Issue	--	--	--	--
4.	At the End of the year	18,90,875	25.20%	18,90,875	25.20%

### 4. Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):

Name of the Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total Shares of the Company	No. of Shares	% of total shares of the Company
	<b>Shailaja Babladi</b>			
At the beginning of the year	15,02,400	20.03%	15,02,400	20.03%
Changes during the year	--	--	--	--
At the End of the year	15,02,400	20.03%	15,02,400	20.03%
	<b>Gururaj Babladi</b>			
At the beginning of the year	2,25,000	3.00%	2,25,000	3.00%
Changes during the year	--	--	--	--
At the End of the year	<b>2,25,000</b>	<b>3.00%</b>	<b>2,25,000</b>	<b>3.00%</b>
	<b>Saffron Capital Advisors Private Limited</b>			
At the beginning of the year	44,000	0.59%	44,000	0.59%
Changes during the year	68,000	0.91%	68,000	0.91%
At the End of the year	1,12,000	1.50%	1,12,000	1.50%
	<b>Gitika Kale</b>			
At the beginning of the year	1,00,000	1.33%	1,00,000	1.33%

Changes during the year	--	--	--	--
At the End of the year	1,00,000	1.33%	1,00,000	1.33%
<b>C. Venugopal Prasad</b>				
At the beginning of the year	90,000	1.20%	90,000	1.20%
Changes during the year	--	--	--	--
At the End of the year	90,000	1.20%	90,000	1.20%
<b>Sabyasachi Ghosh</b>				
At the beginning of the year	42,000	0.56%	42,000	0.56%
Changes during the year	18,000	0.24%	18,000	0.24%
At the End of the year	<b>60,000</b>	<b>0.80%</b>	<b>60,000</b>	<b>0.80%</b>
<b>Apparao Venkata Varre</b>				
At the beginning of the year	--	--	--	--
Changes during the year	48,000	0.64%	48,000	0.64%
At the End of the year	<b>48,000</b>	<b>0.64%</b>	<b>48,000</b>	<b>0.64%</b>
<b>Pratik Abhykumar Bora (HUF)</b>				
At the beginning of the year	--	--	--	--
Changes during the year	32,000	0.43%	32,000	0.43%
<b>At the End of the year</b>	<b>32,000</b>	<b>0.43%</b>	<b>32,000</b>	<b>0.43%</b>
<b>Nulu Himaswathi</b>				
At the beginning of the year	--	--	--	--
Changes during the year	32,000	0.43%	32,000	0.43%
At the End of the year	32,000	0.43%	<b>32,000</b>	0.43%
<b>Sachin Gurpur</b>				
<b>At the beginning of the year</b>	--	--	--	--
Changes during the year	30,000	0.40%	30,000	0.40%
At the End of the year	<b>30,000</b>	<b>0.40%</b>	<b>30,000</b>	<b>0.40%</b>

## 5. Shareholding of Directors and Key Managerial Personnel:

Name of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
<b>N.C.V Rangacharya</b>				
At the beginning of the year	18,90,875	25.20%	18,90,875	25.20%
Changes during the year	--	--	--	--
At the End of the year	18,90,875	25.20%	18,90,875	25.20%
<b>N.C. Padmaja</b>				
At the beginning of the year	13,16,600	17.55%	13,16,600	17.55%
Additions during the year	--	--	--	--
At the End of the year	13,16,600	17.55%	13,16,600	17.55%
<b>N.C. Madhavi</b>				
At the beginning of the year	46,000	0.61%	46,000	0.61%
Changes during the year	--	--	--	--
At the End of the year	46,000	0.61%	46,000	0.61%
<b>Shailaja Babladi</b>				
At the beginning of the year	15,02,400	20.03%	15,02,400	20.03%
Changes during the year	--	--	--	--
At the End of the year	15,02,400	20.03%	15,02,400	20.03%

**5. INDEBTNESS:****Indebtedness of the Company including interest outstanding/accrued but not due for payment****(₹. in Lacs)**

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount				
ii) Interest due but not paid	501.09	--	--	<b>501.09</b>
iii) Interest accrued but not	--	--	--	--
	--	--	--	
Total (i+ii+iii)	501.09	--	--	<b>501.09</b>
Change in Indebtedness during the financial year				
- Addition	91.91	--	--	<b>91.91</b>
- Reduction	--	--	--	--
Net Change	<b>91.91</b>	--	--	<b>91.91</b>
Indebtedness at the end of the financial year				
i) Principal Amount	593.01	--	--	<b>593.01</b>
ii) Interest due but not paid	--	--	--	--

## 6. REMUNERATION OF DIRECTORS AND KEY-MANAGERIAL PERSONNEL

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

(₹. in Lacs)

Sl. No.	Particulars of Remuneration	Name of Managing Director & Whole Time Director		Total Amount
1.	<b>Gross Salary</b>	<b>N.C.V. Rangacharya (Managing Director)</b>	<b>N.C. Padmaja (Whole Time Director)</b>	
	(a)Salary as per provisions contained in section 17(1) of the Income tax Act,1961	60.00	36.00	96.00
	(b)Value of perquisites u/s17(2) - Incometax Act,1961	--	--	--
	(c)Profits in lieu of salary u/s17 (3)Income tax Act, 1961	--	--	--
		--	--	--
2.	Stock Option	--	--	--
3.	Sweat Equity	--	--	--
4.	Commission- as% of profit- others, specify...	--	--	--
5.	Others, please specify	--	--	--
1.	<b>Total (A)</b>	60.00	36.00	96.00
	Ceiling as per the Act	In Compliance with Companies Act, 2013 & Rules made there under		

### B. Remuneration to other Directors:

(₹. in Lacs)

Sl. No.	Particulars of Remuneration	Name of Director		Total Amount
		<b>Independent Directors</b>		
		<b>Sai Sridhar Sangineni</b>	<b>Appalacharyulu Chilakamarri</b>	
	<u>Independent Directors</u>	0.10	0.20	0.30
	· Fee for attending Board Meetings	--	--	--
	· Commission	--	--	--
	· Others, please specify	--	--	--
	<b>Total (1)</b>	0.10	0.20	0.30



		Non - Executive Directors		
	<b>Other Non-Executive Directors</b>	<b>NallaniChakravarthi Madhavi</b>	<b>Sripadarajan Nagarajan</b>	<b>Total Amount</b>
	· Fee for attending Board Meetings	0.15	--	0.15
	· Commission	--	--	--
	· Others, please specify-Remuneration for professional services	--	55.17	55.17
	Total (2)	0.15	55.17	55.32
	Total(B) = (1 +2)	0.25	55.37	55.62
	<b>Total Managerial Remuneration</b>	--	--	--
	Overall Ceiling as per the Act	Section 197 of the Companies Act, 2013 read with Rule 4 of the Companies (Appointment and remuneration of Managerial Personnel) Rules, 2014 prescribed sitting fees of Rs. 1 Lakh to be paid to each Director per meeting. The above sitting fees paid to Directors are within the prescribed limit .		

### C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WT D

Sl. No	Particulars of Remuneration	Key Managerial Personnel (₹. in Lacs)			
		CEO	B. Shailaja Company Secretary & Compliance Officer	CFO	Total Amount
1.	Gross salary	--	4.80	--	4.80
	(a)Salary as per provisions contained in section17(1)of the Income-tax Act, 1961	--	--	--	--
	(b)Value of perquisites u/s 17(2)Income-TaxAct, 1961	--	--	--	--
	(c)Profits in lieu of salary under section17(3)Income-taxAct, 1961	--	--	--	--

2.	Stock Option	--	--	--	--
3.	Sweat Equity	--	--	--	--
4.	Commission- as % of profit- others, specify	--	--	--	--
5.	Others, please specify	--	--	--	--
6.	Total	--	<b>4.80</b>	--	<b>4.80</b>

## 7. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority[RD /NCLT/Court]	Appeal made. If any(give details)
<b>A. Company</b>					
<b>Penalty</b>	NA	--	--	--	--
<b>Punishment</b>	NA	--	--	--	--
<b>Compounding</b>	NA	--	--	--	--
<b>B. Directors</b>					
<b>Penalty</b>	NA	--	--	--	--
<b>Punishment</b>	NA	--	--	--	--
<b>Compounding</b>	NA	--	--	--	--
<b>C. Other Officers In Default</b>					
<b>Penalty</b>	NA	--	--	--	--
<b>Punishment</b>	NA	--	--	--	--
<b>Compounding</b>	NA	--	--	--	--

For and on behalf of Board of  
Directors

Date: 30<sup>th</sup> May 2022  
Place: Hyderabad

Sd/  
N.C.V. Rangacharya  
Managing Director  
DIN: 01067596

Sd/-  
N.C Padmaja  
Whole Time Director  
DIN: 01173673

## ANNEXURE - II

For the year ended 31<sup>st</sup> March 2022

### Form No. AOC-1

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

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

#### Part A - Subsidiaries

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

	Sl.No.	I	II	III
1.	Name of the subsidiary	Apex Engineers (India) Private Limited (Rs In lakhs)	Cadsys Technologies LLC USA (Rs In lakhs)	Apex Advanced Technology LLC, USA (Rs In lakhs)
2.	The date since when subsidiary was acquired	09/11/2016	28/05/2009	13/04/2016
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01/04/2021 to 31/03/2022	01/04/2021 to 31/03/2022	01/04/2021 to 31/03/2022
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign Subsidiaries	INR	INR	INR
5.	Share Capital	1.00	48.36	4370.40
6.	Reserves and Surplus	(89.88)	(98.97)	1955.71
7.	Total Assets	16.67	33.58	11140.90
8.	Total Liabilities	16.67	33.58	11140.90
9.	Investments	NIL	17.29	NIL
10.	Turnover	NIL	4.48	6692.36
11.	Profit/loss before taxation	(1.71)	(1.87)	(460.91)
12.	Provision for taxation	NIL	NIL	38.26
13.	Profit/loss after taxation	(2.51)	(1.87)	(499.17)
14.	Proposed Dividend	NIL	NIL	NIL
15.	Extent of shareholding (in percentage)	80.00%	97.56%	63.50%

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

- Names of subsidiaries which are yet to commence operations - Nil
- Names of subsidiaries which have been liquidated or sold during the year - Nil

#### 2. Part B: Associates and Joint Ventures - NA

For and on behalf of Board of Directors  
Cadsys (India) Limited

Sd/  
N.C.V. Rangacharya  
Managing Director  
DIN: 01067596

Sd/-  
N.C Padmaja  
Whole Time Director  
DIN: 01173673

Date: 30<sup>th</sup> May 2022  
Place: Hyderabad

## ANNEXURE - III

For the year ended 31<sup>st</sup> March 2022

### Form No. AOC-2

#### Particulars of contracts/arrangements entered with Related Parties

Particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arms-length transactions under third proviso thereto.

#### 1.Details of contracts or arrangements or transactions not at arm's length basis:

During the year ended on 31<sup>st</sup> March 2022, no contracts or arrangements or transaction were entered with Related Parties, which are not at arm's length basis.

#### 2.Details of material contracts or arrangement or transactions at arm's length basis:

Sl. No.	Name of the Related Party	Nature of relationship	Nature of contracts	Duration of contract	Terms of the contract	Amount (₹. in Lakhs)
1.	Apex Advanced Technology LLC	Subsidiary	Provision of Services	Ongoing	--	1404.57
2.	I Powerfour Technologies Private Limited	Sister concern	Rent	Ongoing	--	2.27
3.	Babladi Shailaja	KMP	Receiving of Professional Services	Ongoing	--	4.80

By order of the Board of Directors  
Cadsys (India) Limited

Date: 30<sup>th</sup> May 2022

Place: Hyderabad

Sd/  
N.C.V. Rangacharya  
Managing Director  
DIN: 01067596

Sd/-  
N.C Padmaja  
Whole Time Director  
DIN: 01173673

**Particulars of Directors / Key Managerial Personnel Remuneration:**

Information required under Section 197 (12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

**1. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year:**

S. No.	Name of the Director	Ratio of the remuneration to the median remuneration of the employees
1.	N.C.V Rangacharya, Managing Director	14.40:1
2.	N.C. Padmaja, Whole-Time Director	8.64:1

Sripadarajan Nagarajan (Non-Executive Director), N.C. Madhavi (Non-Executive Director), Appala Charyulu Chilakamarri and Sai Sridhar Sangineni (Independent Directors) do not draw any remuneration from the Company.

**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:**

During the financial year under review, there has been no change in the percentage increase in the remuneration paid to the CFO, Directors and the Company Secretary of the Company.

**3. The percentage increase in the median remuneration of employees in the financial year: 10%****4. The number of permanent employees on the rolls of Company: Two Hundred (200)****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:**

Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year was 10%. Whereas there was no change in the remuneration of managerial personnel during the same financial year under review.

**6. Affirmation that the remuneration is as per the remuneration policy of the company: Yes**

By order of the Board of Directors  
Cadsys (India) Limited

Date: 30<sup>th</sup> May 2022  
Place: Hyderabad

Sd/  
N.C.V. Rangacharya  
Managing Director  
DIN: 01067596

Sd/-  
N.C Padmaja  
Whole Time Director  
DIN: 01173673



**FORM NO. MR - 3**  
**Secretarial Audit Report**

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH 2022

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

To,  
The Members,  
Cadsys (India) Limited  
Hyderabad, Telangana,  
India.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Cadsys (India) Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the statutory compliances and expressing our opinion thereon. Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2022 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<sup>st</sup> March 2022 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 Byelaws 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;
- (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, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not Applicable to the Company during the Audit Period)**

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable to the Company during the Audit Period)

(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;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not Applicable to the Company during the Audit Period) and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not Applicable to the Company during the Audit Period)

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India i.e. Secretarial Standards – 1 for Board Meetings and Secretarial Standards - 2 for General Meetings.

(ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

The Company is engaged in the business of IT & ITES (IT Enabled Services). Accordingly, some of the applicable Industry specific acts are covered under the purview of our audit, in consultation with the Management and on the basis of the Guidance Note issued by the ICSI. Based on our verification and having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test check basis, the Company has complied with the following laws applicable specifically to the Company:

(i) The Information Technology Act, 2000 & Rules made thereunder;

(ii) Software Technology Parks of India rules and regulations, 2004

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

### **We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board and the Committee were unanimous, and no dissenting views have been recorded.

**We further report that**, based on the information provided and the representation made by the Company, in our opinion 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, the material subsidiary of the Company i.e., Apex Advanced Technology LLC, accepted an investment of cash from FVLCRUM, a US based Private Equity Fund. Subsequently, the shareholding of the Company in the subsidiary is diluted to 64%. The company used the funds to meet the capital requirements to expand the business into other market segments. In addition, the material subsidiary also acquired 100% stake in Irish Tower LLC, located in Texas, USA, which is in the business

of Wireless infrastructure services. Irish Tower LLC is 100%. Through the acquisition, the company is providing services to telecom companies build Wireless infrastructure. Necessary disclosures for the same were made to NSE-Emerge.

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

**For Atluri Ramesh & Associates  
Company secretaries**

**Sd/-  
CS Atluri Ramesh  
Proprietor**

**M.No. F9889: CP No. 16418  
Peer Review Cert No: 769/2020  
Unique Code: S2016AP390200  
UDIN: F009889D000422851**

**Date: 30<sup>th</sup> May 2022  
Place: Hyderabad**

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

# ANNEXURE TO SECRETARIAL AUDIT REPORT

For the year ended 31<sup>st</sup> March 2022

To,  
The Members of  
Cadsys (India) Limited  
Hyderabad, Telangana,  
India.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and methods as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that the facts reflected in secretarial records are correct. 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. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the Management. Our examination was limited to the verification of procedures on random test basis.
5. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Atluri Ramesh & Associates  
Company secretaries

Date: 30<sup>th</sup> May 2022  
Place: Hyderabad

Sd/-  
CS Atluri Ramesh  
Proprietor  
M.No. F9889: CP No. 16418  
Peer Review Cert No: 769/2020  
Unique Code: S2016AP390200  
UDIN: F009889D000422851

## **CERTIFICATE FROM CHIEF FINANCE OFFICER**

**For the year ended 31<sup>st</sup> March 2022**

**I, Nallani Chakravarthi Padmaja**, Chief Finance Officer of Cadsys (India) Limited certify:

a) That, I have reviewed the Audited Standalone & Consolidated Financial Results for the half year and full year ended on 31<sup>st</sup> March 2022 and that to the best of my knowledge and belief:

i. These financials results do not contain any material untrue statement or omit any material fact now contain statements that might be misleading and;

ii. These financial results present a true and fair view of the Company's affairs and are in compliance with the applicable laws and regulations.

b) That there are to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

c) That I accept the responsibility for establishing and maintaining internal controls, I have evaluated the effectiveness of the internal control systems of the Company and I have disclosed to the auditors and the audit committee, deficiencies in design and operations of the internal controls, if any, of which I am aware and the steps that I have been taken or propose to take to rectify the identified deficiencies.

**Date: 30<sup>th</sup> May 2022**  
**Place: Hyderabad**

**Sd/-**  
**Nallani Chakravarthi Padmaja**  
**Whole-Time Director cum Chief Finance Officer**



To

The Members of Cadsys (India) Limited

### **Report on the audit of the financial statements**

We have audited the accompanying financial statements of Cadsys (India) Limited ("the Company"), which comprise the Balance sheet as at March 31<sup>st</sup> 2022, and the Statement of Profit and Loss and statement of cash flows 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, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') 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<sup>st</sup> 2022, its profit and cash flows for the year ended on that date.

### **Basis for opinion**

We conducted our audit in accordance with the standards on auditing specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Key audit 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.

Reporting of key audit matters as per SA 701 is not applicable to the Company.

### **Other Information**

The Company's Board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report 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.

### **Management's responsibility for the financial statements**

The Company's Board of directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of directors are 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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**

As required by the Companies (Auditor's Report) Order, 2020 ("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", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance sheet, the Statement of profit and loss, and the Cash flow statement dealt with by this report are in agreement with the books of account;
- (d) In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;

(e) On the basis of the written representations received from the directors as on March 31<sup>st</sup> 2022 taken on record by the board of directors, none of the directors is disqualified as on March 31<sup>st</sup> 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls with reference to financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B

(g) The Company being a private limited company, the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended:

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

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;

a. The Company has disclosed the impact of pending litigations on its financial position in its financials as at 31<sup>st</sup> March 2022.

b. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts; and

c. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company

d. The management has represented that, to the best of its knowledge and belief, that

i. The management has represented that, to the best of its knowledge and belief, except as disclosed in note 47, No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities 'Intermediaries', with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company 'Ultimate Beneficiaries' or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

ii. The management has represented that, to the best of its knowledge and belief, except as disclosed in note 47, No funds have been received by the company from any person(s) or entity(ies), including foreign entities 'Funding Parties', with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party 'Ultimate Beneficiaries' or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

iii. Based on audit procedures carried out by us, that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us believe that the representations under sub-clause (i) and (ii) contain any material misstatement.

e. In our opinion and according to the information and explanations given to us, the company has not declared any dividend during the year.

**For DARAPANENI &CO**  
**Chartered Accountants**  
**Firm Regn. No: 000685S**

**Date: 30<sup>th</sup> May 2022**  
**Place: Hyderabad**

**Sd/-**  
**S.R.C.Murthy.Chebrolu**  
**Partner**  
**M.No.:233010**  
**UDIN: 22233010AJXKUV6986**

**Annexure “A” to the Independent Auditor's Report on the Financial Statements of Cadsys (India) Limited for the year ended 31<sup>st</sup> March 2022**

(Referred to 'Report on Other Legal and Regulatory Requirements' section of our report of that date)

1. a) In our opinion and according to the information and explanations given to us, the Company is maintaining proper records showing full particulars, including quantitative details and situation of property, plant and equipment and intangible assets.

b) The Company has a program of verification to cover all items of property, plant and equipment in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.

d) In our opinion to the information and explanations given to us, the Company has not revalued its property, plant and equipment (including right of use asset) during the year

e) In our opinion and according to the information and explanations given to us, there are no proceedings initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under

2. The Company's nature of operations does not require it to hold inventories. Accordingly, clause (ii) of paragraph 3 of the Companies (Auditor's Report) Order, 2020 is not applicable for the current year.

3. In our opinion and according to information and explanation given to us, the Company has not made investments in/ provided any guarantee or security/ granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties except for . Accordingly, paragraph 3 (iii) of the Order is not applicable.

4. In our opinion and according to information and explanation given to us, the company has not granted any loans or provided any guarantees or given any security or made any investments to which the provision of section 185 and 186 of the Companies Act, 2013. Accordingly, paragraph 3 (iv) of the order is not applicable.

5. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public during the year in terms of directives issued by the Reserve Bank of India or the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

6. The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act for any of the activities of the company and accordingly paragraph 3 (vi) of the order is not applicable.

7. In our opinion and according to the information and explanations given to us:

(a) The amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues have generally been regularly deposited by the Company with the appropriate authorities in all cases during the year.

(b) No undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, Goods and Services Tax, duty of customs, cess and other material statutory dues were in arrears as at 31<sup>st</sup> March 2022 for a period of more than six months from the date they became payable

(c) No disputed amounts payable in respect of income tax, sales tax, service tax, customs duty, excise duty and cess which have not been deposited on account of any dispute.

8. In our opinion and according to the information and explanations given to us, there are no transactions not recorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

9. (a) In our opinion, the Company has not defaulted in repayment of loans or other borrowings to financial institutions, banks, government and dues to debenture holders or in the payment of interest thereon to any lender

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or any other lender.

(c) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of term loans, during the year.

(d) In our opinion and according to the information and explanations given to us, funds raised on short term basis have not been utilised for long term purposes.

(e) The Company does not have any subsidiaries/ associates/ joint-ventures and accordingly, paragraphs 3 (ix) (e) and 3 (ix) (f) of the Order are not applicable.

(f) In our opinion and according to the information and explanations given to us, the company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

10. (a) The Company did not raise money by way of initial public offer or further public offer (including debt instruments) during the year.

(b) In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment / private placement of shares / fully / partly / optionally convertible debentures during the year.

11. (a) In our opinion and according to the information and explanations given to us, there has been no fraud by the Company or any fraud on the Company that has been noticed or reported during the year.

(b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.



12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) (a) to (c) of the Order are not applicable to the Company.

13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

14. In our opinion and according to the information and explanations given to us, the company does not have an internal audit system. The provisions of the Companies Act do not require the Company to have an internal audit system for the year.

15. In our opinion and according to the information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3 (xv) of the Order is not applicable to the company hence provisions of section 192 of the Act, 2013 are not applicable to the Company.

16. (a) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

(b) In our opinion and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (COR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, paragraph 3 (xvi) (c) of the Order is not applicable.

(d) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) and it does not have any other companies in the Group. Accordingly, paragraph 3 (xvi) (d) of the Order is not applicable.

17. The Company has not incurred cash losses in the financial year and in the immediately preceding financial year.

18. There has been no resignation of the statutory auditors during the year. Accordingly, Paragraph 3 (xviii) of the Order is not applicable.

19. In our opinion and according to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the board of directors and management plans, there are no material uncertainty exists as on the date of the audit report that Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

20. (a) In our opinion and according to the information and explanations given to us, in respect of other than ongoing projects, the company has transferred unspent amount to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the Act.

(b) In our opinion and according to the information and explanations given to us, there are no amount remaining unspent under sub-section (5) of section 135 of the Act, pursuant to any ongoing project, to be transferred to special account in compliance with the provision of sub-section (6) of section 135 of the said Act.

21. In our opinion and according to the information and explanations given to us, the Company does not have investments in subsidiaries/ associates or joint venture companies. Accordingly, paragraph 3 (xxi) of the Order is not applicable.

**For DARAPANENI &CO**  
**Chartered Accountants**  
**Firm Regn. No: 000685S**

**Date: 30<sup>th</sup> May 2022**  
**Place: Hyderabad**

**Sd/-**  
**S.R.C.Murthy.Chebrolu**  
**Partner**  
**M.No.:233010**  
**UDIN: 22233010AJXKUV6986**

**Annexure “B” to the Independent Auditor's Report**

(Referred to in paragraph 2 (f) under 'Report on other legal and regulatory requirements' section of our report to the Members of Cadsys (India) Limited of that date)

**Report on the internal financial controls over financial reporting under clause (i) of sub - section 3 of section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of Cadsys (India) Limited (“the Company”) as at March 31, 2022, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial control with reference to the Standalone Financial Statements and such internal financial controls were operating effectively as at 31<sup>st</sup> March 2022, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (“the Guidance Note”).

**Management's responsibility for internal financial controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditors' responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing (“SA”), prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the Standalone Financial Statements. Those SAs and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the Standalone Financial Statements were established and maintained and whether 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 with reference to the Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to the Standalone Financial Statements, 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 Standalone 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 control 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 (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) 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 (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## Limitations of internal financial controls over financial reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management of 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 and according to the information and explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For DARAPANENI & CO**  
**Chartered Accountants**  
**Firm Regn. No: 000685S**

**Date: 30<sup>th</sup> May 2022**  
**Place: Hyderabad**

**Sd/-**  
**S.R.C.Murthy.Chebrolu**  
**Partner**  
**M.No.:233010**  
**UDIN: 22233010AJXKUV6986**

# STANDALONE BALANCE SHEET

For the year ended 31<sup>st</sup> March 2022

Particulars	Note No	As at 31 <sup>st</sup> March,2022	As at 31 <sup>st</sup> March,2021
		(Audited)	(Audited)
		Rs. in Lakhs	Rs. in Lakhs
<b>A EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	2	750.25	750.25
(b) Reserves and surplus	3	3,370.30	3,336.93
<b>2 Non-current liabilities</b>			
(a) Long-term Borrowings	4	362.78	405.14
(b ) Other Long-term Liabilites	5	-	-
(c) Long -term provisions	6	100.44	84.14
<b>3 Current liabilities</b>			
(a) Short-term Borrowings	7	191.22	60.36
(b) Trade payables			
i)Total outstanding dues to micro enterprises and small enterprises	8	-	1.37
ii)Total outstanding dues to creditors other than micro enterprises and small enterprises	8	6.16	9.77
(c) Other current liabilities	9	263.37	164.64
(d) Short-term provisions	10	7.32	-
<b>TOTAL</b>		<b>5,051.83</b>	<b>4,812.60</b>
<b>B ASSETS</b>			
<b>1 Non-current assets</b>			
(a)(i)Property,Plant and Equipment	11	16.59	23.38
(ii) Intangible assets		56.02	89.48
(iii) Capital Work in progress		746.63	730.19
(b) Non Current Investments	12	2,571.05	2,551.36
(c) Deferred Tax Assets (Net)	13	70.94	62.27
(d) Long-term loans and advances	14	26.04	27.12
<b>2 Current assets</b>			
(a) Trade receivables	15	838.64	649.91
(b) Cash and cash equivalents	16	563.89	494.46
(c) Short-term loans and advances	17	24.73	94.26
(d) Other current assets	18	137.30	90.18
<b>TOTAL</b>		<b>5,051.83</b>	<b>4,812.60</b>

Significant Accounting policies  
Notes on Financial Statements

1  
2 to 50

As per our report of even date  
for DARAPANENI & Co.  
Chartered Accountants  
Firm Registration Number: 0006855

Sd/-  
S.R.C.Murthy.Ch  
Partner  
Membership No. 233010  
Date: 30<sup>th</sup> May 2022  
Place: Hyderabad

For and on behalf of the Board of Directors

Sd/- N.C.V.RANGACHARYA Managing Director DIN:01067596	Sd/- S.NAGARAJAN Director DIN: 05262644
Sd/- B.SHAILAJA Company Secretary & Compliance Officer PAN: ARXPB4192L	Sd/- N.C.PADMAJA Chief Financial Officer DIN: 01173673

# STANDALONE PROFIT & LOSS STATEMENT

For the year ended 31<sup>st</sup> March 2022

	Particulars	Note No.	for Half Year Ended				For the Year Ended	
			31/03/2022	30/09/2021	31/03/2021	30/09/2020	31/03/2022	31/03/2021
			(Audited) Rs. in Lakhs	(UnAudited) Rs. in Lakhs	(Audited) Rs. in Lakhs	(UnAudited) Rs. in Lakhs	(Audited) Rs. in Lakhs	(Audited) Rs. in Lakhs
I	Revenue from operations	19	978.80	509.25	710.51	380.04	1,488.05	1,090.54
II	Other income	20	18.27	12.45	20.36	5.86	30.72	26.22
III	<b>Total Revenue</b>		<b>997.07</b>	<b>521.70</b>	<b>730.87</b>	<b>385.90</b>	<b>1,518.78</b>	<b>1,116.76</b>
IV	<b>Expenses</b>							
	Employee Benefit Expense	21	559.49	440.91	424.07	334.55	1,000.40	758.61
	Other Operating Expenses	22	254.88	78.41	125.19	109.53	333.29	234.72
	General Expenses	23	27.63	6.22	15.23	18.23	33.85	33.47
	Financial costs	24	42.47	7.29	18.58	7.26	49.76	25.84
	Depreciation and amortisation expense	11	18.74	23.66	13.49	16.50	42.40	29.99
	<b>Total Expenses</b>		<b>903.21</b>	<b>556.49</b>	<b>596.56</b>	<b>486.08</b>	<b>1,459.70</b>	<b>1,082.64</b>
V	Profit / (Loss) before Exceptional and Extraordinary items and tax (III-IV)		<b>93.86</b>	<b>(34.79)</b>	<b>134.31</b>	<b>(100.18)</b>	<b>59.08</b>	<b>34.12</b>
VI	Exceptional items		-	-	-	-	-	-
VII	Profit / (Loss) before extraordinary items and tax (V - VI)		<b>93.86</b>	<b>(34.79)</b>	<b>134.31</b>	<b>(100.18)</b>	<b>59.08</b>	<b>34.12</b>
VIII	Extraordinary items		-	-	-	-	-	-
IX	<b>Profit / (Loss) before tax (VII- VIII)</b>		<b>93.86</b>	<b>(34.79)</b>	<b>134.31</b>	<b>(100.18)</b>	<b>59.08</b>	<b>34.12</b>
X	<b>Tax expense:</b>							
	(a) Current tax Expense		34.39	-	-	-	34.39	-
	(b) Deferred tax Expense / (Income)		(10.19)	1.51	12.74	0.89	(8.67)	13.63
	(c) Earlier Year Taxes		-	-	-	(3.23)	-	(3.23)
	<b>Profit / (Loss) for the Period</b>		<b>69.66</b>	<b>(36.30)</b>	<b>121.57</b>	<b>(97.84)</b>	<b>33.36</b>	<b>23.73</b>
	<b>Earning Per Share</b>							
	(i) Basic & Diluted EPS		0.93	(0.48)	0.16	(1.30)	0.44	0.32
	(ii) Adjusted Basic EPS		-	-	-	-	-	-

Notes on Financial Statements 2 to 50

As per our report of even date  
for DARAPANENI & Co.  
Chartered Accountants  
Firm Registration Number: 0006855

For and on behalf of the Board of Directors

Sd/-  
S.R.C.Murthy.Ch  
Partner  
Membership No. 233010  
Date: 30<sup>th</sup> May 2022  
Place: Hyderabad

Sd/-  
N.C.V.RANGACHARYA  
Managing Director  
DIN:01067596

Sd/-  
B.SHAILAJA  
Company Secretary & Compliance Officer  
PAN: ARXPB4192L

Sd/-  
S.NAGARAJAN  
Director  
DIN: 05262644

Sd/-  
N.C.PADMAJA  
Chief Financial Officer  
DIN: 01173673

# STANDALONE CASH FLOW STATEMENT

For the year ended 31<sup>st</sup> March 2022

Particulars	Year Ended 31 <sup>st</sup> March 2022	Year Ended 31 <sup>st</sup> March 2021
	Rs. in Lakhs	Rs. in Lakhs
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before Tax as per Statement of Profit and Loss	59.08	34.12
<i>Adjustments For :</i>		
Depreciation and Amortisation Expense	42.40	29.99
Finance Costs	49.76	25.84
Interest Income	-21.93	-21.22
Dividend Income	-	-
	70.22	34.61
<b>Operating Profit before Working Capital Changes</b>	<b>129.30</b>	<b>68.74</b>
<b>Adjustments for Changes in Working Capital :</b>		
<b>Adjustments for (Increase) / Decrease in operating assets</b>		
Long-term loans and advances	1.08	5.66
Trade Receivables	-188.73	116.42
Short Term Loans & Advances	69.53	69.21
Other Current Assets	-47.11	284.55
<b>Adjustments for Increase / (Decrease) in operating liabilities</b>		
Long Term Provisions	16.30	0.09
Short Term Provisions	7.32	-10.00
Trade Payables	-4.98	5.74
Other Current Liabilities	98.73	-41.95
	<b>-47.87</b>	<b>429.71</b>
<b>Cash from Operations</b>	<b>81.43</b>	<b>498.45</b>
Income Tax Paid	-34.39	3.23
<b>Net Cash Generated from Operating Activities (A)</b>	<b>47.04</b>	<b>501.68</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Payments for Purchase of Fixed Assets	-18.60	-723.53
Mutual Funds	19.24	5.99
Payments for Non Current Investments	-38.94	-11.99
Interest Income	21.93	21.22
Sale of Assets		
<b>Net Cash Used in Investing Activities (B)</b>	<b>-16.36</b>	<b>-708.30</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of Short Term Borrowings	130.86	0.97
Repayment of Long Term Borrowings	-42.37	440.74
Dividend income	-	-
Finance Costs Paid	-49.76	-25.84
Dividend and Dividend Distribution Tax Paid	-	-
<b>Net Cash Generated from Financing Activities (C)</b>	<b>38.74</b>	<b>415.87</b>
<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>69.42</b>	<b>209.26</b>
<b>Add: Cash &amp; Cash Equivalents As at 31<sup>st</sup> March</b>	<b>494.46</b>	<b>285.21</b>
<b>Cash &amp; Cash Equivalents As at 31<sup>st</sup> Mar, 2021 / 31<sup>st</sup> Mar, 2022</b>	<b>563.89</b>	<b>494.46</b>

As per our report of even date  
for DARAPANENI & Co.  
Chartered Accountants  
Firm Registration Number: 0006855

For and on behalf of the Board of Directors

Sd/-  
S.R.C.Murthy.Ch  
Partner  
Membership No. 233010  
Date: 30<sup>th</sup> May 2022  
Place: Hyderabad

Sd/-  
N.C.V.RANGACHARYA  
Managing Director  
DIN:01067596

Sd/-  
B.SHAILAJA  
Company Secretary & Compliance Officer  
PAN: ARXPB4192L

Sd/-  
S.NAGARAJAN  
Director  
DIN: 05262644

Sd/-  
N.C.PADMAJA  
Chief Financial Officer  
DIN: 01173673



# NOTES TO STANDALONE FINANCIAL STATEMENTS

For the year ended 31<sup>st</sup> March 2022

## Note 2. Share capital

Particulars	As at 31 <sup>st</sup> March,2022		As at 31 <sup>st</sup> March,2021	
	Rs. in Lakhs		Rs. in Lakhs	
	Number of shares	Rs. in Lakhs	Number of shares	Rs. in Lakhs
<b>(a) Authorised Capital</b>				
85,00,000 Number of Equity shares of INR 10 each	85.00	850.00	85.00	850.00
<b>(b) Issued ,Subscribed and Fully paid up:</b>				
Equity shares of INR 10 each with voting rights	75.03	750.25	75.03	750.25
Out of these 43,22,000 bonus shares were issued on 2nd January 2017				
<b>Total</b>	<b>75.03</b>	<b>750.25</b>	<b>75.03</b>	<b>750.25</b>
<b>The Details of Shareholders holding more than 5% of total number of shares:</b>				
Name Of the Share Holder	As at		As at	
	Number of shares	% Held	Number of shares	% Held
Padmaja N.C	13.17	17.55	13.17	17.55
Rangacharya NCV	18.91	25.20	18.91	25.20
B.Shailaja	15.02	20.03	15.02	20.03
<b>Total</b>	<b>47.10</b>	<b>62.78</b>	<b>47.10</b>	<b>62.78</b>
<b>The Reconciliation Of the number of shares outstanding is set out below:</b>				
Particulars	As at 31 <sup>st</sup> March,2022		As at 31 <sup>st</sup> March,2021	
	No.Of.Shares	Rs. in Lakhs	No.Of.Shares	Rs. in Lakhs
Equity Shares at the beginning of the year	75.03	750.25	75.03	750.25
Add: Bonus Shares issued during the year	-	-	-	-
Less: Shares Bought back during the year	-	-	-	-
<b>Equity Shares at the end of the year</b>	<b>75.03</b>	<b>750.25</b>	<b>75.03</b>	<b>750.25</b>

## Note 3. Reserves and surplus

Particulars	As at 31 <sup>st</sup> March,2022	As at 31 <sup>st</sup> March,2021
	Rs. in Lakhs	Rs. in Lakhs
<b>(a) Security Premium Account</b>		
<b>Opening balance</b>	<b>1,173.53</b>	<b>1,173.53</b>
Add: Additions during the year	-	-
Less: Shares Issue Expenses	-	-
<b>Closing balance (A)</b>	<b>1,173.53</b>	<b>1,173.53</b>
<b>(b) General reserve</b>		
<b>Opening balance</b>	<b>177.80</b>	<b>177.80</b>
Add: Transferred from surplus in Statement of Profit and Loss	-	-
Less: Utilised / transferred during the year	-	-
<b>Closing balance (B)</b>	<b>177.80</b>	<b>177.80</b>
<b>(c) Surplus / (Deficit) in Statement of Profit and Loss</b>		
<b>Opening balance</b>	<b>1,985.61</b>	<b>1,961.88</b>
Add: Profit / (Loss) for the year	33.36	23.73
<b>Closing balance (C)</b>	<b>2,018.97</b>	<b>1,985.61</b>
<b>Total(A+B+C)</b>	<b>3,370.30</b>	<b>3,336.93</b>

#### Note 4. Long Term Borrowing

Particulars	As at 31 <sup>st</sup> March,2022	As at 31 <sup>st</sup> March,2021
<b>Term Loans</b>		
<b>Secured</b>		
<b>From Banks</b>	362.78	405.14
<b>Unsecured</b>		
<b>Total</b>	<b>362.78</b>	<b>405.14</b>
	<b>Principle Outstanding</b>	
Particulars	As at 31 <sup>st</sup> March,2022	As at 31 <sup>st</sup> March,2021
Below 1 Year	39.01	35.60
Above 1 Year but Less than 6 Years	362.78	401.79
	<b>Interest Outstanding</b>	
Particulars	As at 31 <sup>st</sup> March,2022	As at 31 <sup>st</sup> March,2021
Below 1 Year	35.35	38.76
Above 1 Year but Less than 6 Years	120.57	155.91

#### Of the above:

Mortgage Loan of 4.54 Cr Secured by way of DSL Abacus 8th Floor, situated at Uppal Kalsa Village, Uppal Mandal, Medchal - Malkajgiri District having a super buildup area of 10769 Sft, including common areas. Together with proportionate undivided share of land admeasuring 256.19 Sq. Yards. The rate of Interest for the Facility shall be sum of the Repo Rate \* + Spread per annum, plus applicable statutory levy, if any (interest rate). For the first disbursement under the Facility, the applicable Repo Rate shall be the rate prevailing one Business Day preceding the date of the disbursement and for subsequent draws, the Repo Rate prevailing for the Facility shall be applicable as on date the Repo Rate is 4.00% and Spread is 5.20% and applicable interest Rate is 9.20%

#### Note 5. Other Long -term Liabilities

Particulars	As at 31 <sup>st</sup> March,2022	As at 31 <sup>st</sup> March,2021
	<b>Rs. in Lakhs</b>	<b>Rs. in Lakhs</b>
<b>Advance from Customers</b>		
		-
<b>Total</b>	-	-

**Note 6 Long -term Provisions**

Particulars	As at 31 <sup>st</sup> March,2022	As at 31 <sup>st</sup> March,2021
	Rs. in Lakhs	Rs. in Lakhs
<b>Provision for Employee retirement benefits</b>		
Provision for Gratuity	100.44	84.14
<b>Total</b>	<b>100.44</b>	<b>84.14</b>

**Note 7 Short Term Borrowings**

Particulars	As at 31 <sup>st</sup> March,2022	As at 31 <sup>st</sup> March,2021
	Rs. in Lakhs	Rs. in Lakhs
<b>Loans Repayable on Demand</b>		
<b>From Banks</b>		
<b>Secured</b>		
Over Draft from Canara Bank*	131.65	-
Loan Against FDs	59.57	60.36
<b>Total</b>	<b>191.22</b>	<b>60.36</b>

**Of the above:**

\* Over Draft limit of Rs. 700 lacs Secured by way of Hypothecation of Equipment and floating charge on movable assets, book debts and personal guarantee given by the Managing Director, and Executive Director and Director of the Company & 'Collateral Security' of Residential Plots admeasuring 2000 Sq Yds situated at Thimmayapalli, Keesara Mandal R.R.Dist, and Open Plots admeasuring 5230 Sq.Yds situated at Ghanpur Village, Toopran Mandal, Medak District and open plot No.11 admeasuring 773 Sq Yds and Open Plots admeasuring 7465 Sq Yds at Ghanpur Village, Toopran Mandal, Medak Dist. and open Plots admeasuring 2311 Sq Yds situated at Yawapoor Village, Toopran Mandal, Medak District.

**Note 8. Trade payables**

Figures For the Current Reporting Period		Outstanding for following periods from due date of payment				
Particulars		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
MSME		-	-	-	-	
Others		6.16		-	-	6.16
Dispute dues-MSME		-	-	-	-	-
Dispute dues -Others		-	-	-	-	-
Total		6.16	-	-	-	6.16
Figures For Previous Reporting Period		Outstanding for following periods from due date of payment				
Particulars		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
MSME		1.37	-	-	-	1.37
Others		9.77	-	-	-	9.77
Dispute dues-MSME		-	-	-	-	-
Dispute dues-Others		-	-	-	-	-
Total		11.14	-	-	-	11.14

**Note 9. Other current liabilities**

Particulars	As at 31 <sup>st</sup> March,2022	As at 31 <sup>st</sup> March,2021
	Rs. in Lakhs	Rs. in Lakhs
Current Maturities of Secured Loan	39.01	35.60
Current Maturities of Finance Lease Obligations	-	-
<b>Employee Benefits Payable</b>		
Salaries Payable	73.30	68.67
Director Remuneration Payable	9.22	14.26
Bonus Payable	21.07	5.14
Earned Leaves Payable	24.13	10.04
Other Payables	13.68	4.33
Provident Fund Payable	6.40	5.44
Employee Recreation Fund	0.08	-
ESI Payable	0.58	0.59
<b>Statutory Liabilities Payable</b>		-
TDS Payable	9.39	2.78
Professional Tax Payable	0.29	0.25
		-
<b>Other Payables</b>		
Electricity Charges Payable	3.04	3.22
Rent Payable	3.24	3.24
Audit Fee Payable	6.30	6.48
Expenses Payable	0.14	4.36
Telephone Charges Payable	0.04	0.01
Maintenance Charges Payable	-	-
Secretarial Audit Fee Payable	-	-
Uppal DSL Abacus Payable	-	0.23
HDFC Life-Keyman Policy	53.47	
Dividend Payable	-	-
Dividend Distribution Tax Payable	-	-
		-
<b>Total</b>	<b>263.37</b>	<b>164.64</b>

**Note 10. Short-term provisions**

Particulars	As at 31 <sup>st</sup> March,2022	As at 31 <sup>st</sup> March,2021
	Rs. in Lakhs	Rs. in Lakhs
Provision for Income Tax (Net of TDS & Advance tax)	7.32	-
<b>Total</b>	<b>7.32</b>	<b>-</b>

# SCHEDULE 11 Property, Plant and Equipment :

S.No	DESCRIPTION	GROSS BLOCK			DEPRECIATION			NET BLOCK			Useful Life in Yrs	
		As at 01-04-2021	Additions during the year	Deletions during the year	As on 31-03-2022	Up to 01.04.2021	Deletions during the year	1st Half Year (As on 30.09.2021)	2nd Half Year (As on 31.03.2022)	As on 31-03-2022		As on 31-03-2021
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	Rs.	
	<b>Tangible Fixed Assets</b>											
1	Furniture & Fittings	135.61	-	-	135.61	128.01	-	2.57	2.51	133.08	2.50	7.60
2	Computer	764.14	-	-	764.14	764.14	-	-	-	764.14	-	3
3	Servers	40.84	-	-	40.84	40.84	-	-	-	40.84	-	6
4	Electrical Equipments	50.29	1.96	-	52.26	49.36	-	0.26	0.21	49.83	2.39	0.93
5	Office Equipment	63.57	0.20	-	63.77	62.44	-	0.61	0.24	63.29	0.50	1.13
6	Vehicle	10.15	-	-	10.15	10.15	-	-	-	10.15	-	8
7	Air conditioner	25.39	-	-	25.39	22.93	-	0.48	0.38	23.79	1.60	2.45
8	Generator	24.38	-	-	24.38	20.36	-	0.84	0.80	22.01	2.40	4.01
9	U.P.S	39.44	-	-	39.44	39.44	-	-	-	39.44	-	-
10	Communication Equipment	48.98	-	-	48.98	48.94	-	0.02	0.01	48.97	-	0.04
11	Land	7.20	-	-	7.20	-	-	-	-	-	7.20	-
	<b>Total</b>	<b>1,209.98</b>	<b>2.16</b>	<b>-</b>	<b>1,212.13</b>	<b>1,186.60</b>	<b>-</b>	<b>4.79</b>	<b>4.14</b>	<b>1,195.54</b>	<b>16.59</b>	<b>23.38</b>
	<b>Intangible Asset</b>											
13	Capital Work in progress	-	-	-	-		-				-	-
14	Software	480.09	-	-	480.09	390.61	-	18.86	14.60	424.07	56.02	89.48
	<b>Total</b>	<b>480.09</b>	<b>-</b>	<b>-</b>	<b>480.09</b>	<b>390.61</b>	<b>-</b>	<b>18.86</b>	<b>14.60</b>	<b>424.07</b>	<b>56.02</b>	<b>89.48</b>
		1,690	2		1,692	1,577		24	19	1,620	73	113

## 11a.Capital Work In Progress (CWIP)

(I) For Capital-work-in progress, following ageing schedule shall be given

SI No	CWIP	Amount in CWIP for a period of			Total
		Less than 1 year	1-2 years	2-3 Years	
1	Building Work in Progress	16.00	73.00	-	74.70
	<b>Total</b>	<b>16.00</b>	<b>73.00</b>	<b>-</b>	<b>74.70</b>

## Note 12. Non Current Investments

Particulars	As at 31 <sup>st</sup> March,2022	As at 31 <sup>st</sup> March,2021
	Rs. in Lakhs	Rs. in Lakhs
<b>1.Investment in Equity Instruments (At Cost)</b>		
<b>Subsidiary Companies (Unquoted)</b>		
a)Investment in LLC		
Cadsys Technologies LLC USA	33.61	33.61
b) Investment InShares-Apex Engineers (India) Pvt Ltd	0.80	0.80
c) Apex Advanced Technology LLC, USA	2,495.63	2,495.63
d) Investment in Cadsys Technologies LLP	1.60	1.15
<b>2.Investment in Mutual Funds</b>		
Canara Bank Robeco Mutual Fund (SIP)	39.40	20.16
(Current Year-No of Units - 95976.7840 NAV per Unit -Rs. 20.6996/- (Canara Robeco))		
(Current Year-No of Units - 70801.5746 NAV per Unit -Rs. 14.7518/- (Canara HSBC))		
(Previous Year-No of Units - 7567.9260 NAV per Unit -Rs. 19.8195/-)		
<b>Total</b>	<b>2,571.05</b>	<b>2,551.36</b>

## Note 13. Deferred Tax Assets

Particulars	As at 31 <sup>st</sup> March,2022	As at 31 <sup>st</sup> March,2021
<b>Deferred tax assets</b>		
Related to fixed assets	34.29	37.27
Disallowances under the Income tax act' 1961	36.65	25.00
<b>Deferred tax assets(Net)</b>	<b>70.94</b>	<b>62.27</b>

## Note 14. Long-term loans and advances

Particulars	As at 31 <sup>st</sup> March,2022	As at 31 <sup>st</sup> March,2021
	Rs. in Lakhs	Rs. in Lakhs
(a) Capital advances		
Unsecured, considered good	-	
(b) Security deposits		
Rent Deposits	9.77	8.84
Electricity Deposits	12.59	12.59
Other Deposits	3.69	5.69
<b>Total</b>	<b>26.04</b>	<b>27.12</b>

## Note 15. Trade receivables

Figures For the Current Reporting Period	Outstanding for following periods from due date of payment					Total
Particulars	Less than 6 Months	6 Months -1Year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade Receivables- Considered Goods	838.64	-	-	-	-	838.64
Undisputed Trade Receivables- Considered Doubtful	-	-	-	-	-	-
Disputed Trade Receivables- Considered Goods	-	-	-	-	-	-
Disputed Trade Receivables- Considered Doubtful	-	-	-	-	-	-
Others						-
Total	838.64	-	-	-	-	838.64
Figures For Previous Reporting Period	Outstanding for following periods from due date of payment					Total
Particulars	Less than 6 Months	6 Months -1Year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade Receivables- Considered Goods	639.53	10.16	0.21	0.00	0.00	649.91
Undisputed Trade Receivables- Considered Doubtful	0.00	0.00	0.00	0.00	0.00	0.00
Disputed Trade Receivables- Considered Goods	0.00	0.00	0.00	0.00	0.00	0.00
Disputed Trade Receivables- Considered Doubtful	0.00	0.00	0.00	0.00	0.00	0.00
Others						0.00
Total	639.53	10.16	0.21	0.00	0.00	649.91

## Note 16. Cash and cash equivalents

Particulars	As at 31 <sup>st</sup> March,2022	As at 31 <sup>st</sup> March,2021
	Rs. in Lakhs	Rs. in Lakhs
(a) Cash on hand	0.39	0.17
(b) Balances with banks		
(i) In current accounts	106.55	56.16
(ii) In EEFC accounts	-	-
(iii) In Fixed deposit accounts	456.96	438.13
<i>( period of maturity within one year)</i>		
<b>Total</b>	<b>563.89</b>	<b>494.46</b>

## Note 17. Short-term loans and advances

Particulars	As at 31 <sup>st</sup> March,2022	As at 31 <sup>st</sup> March,2021
	Rs. in Lakhs	Rs. in Lakhs
(a) Loans and advances to employees	-	0.23
(b) Others		
Other Advances	-	-
Input GST	21.71	83.80
TDS & Refund receivables	3.02	10.23
<b>Total</b>	<b>24.73</b>	<b>94.26</b>



**Note 18. Other current assets**

Particulars	As at 31 <sup>st</sup> March,2022	As at 31 <sup>st</sup> March,2021
	Rs. in Lakhs	Rs. in Lakhs
Unbilled Receivables	42.86	-
Interest Accrued On Fixed Deposits	11.47	8.44
Advance against Capital Asset	-	-
Prepaid Expenses	75.15	9.65
TDS Receivables from NBFCs	-	10.89
Other Receivables	7.82	61.20
<b>Total</b>	<b>137.30</b>	<b>90.18</b>

**Note 19. Revenue from Operations**

Particulars	31/03/2022	31/03/2022	Half Year ended on 30/09/2021	31/03/2021	30/09/2020
	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
<b>Revenue from operations</b>					
Domestic Revenue	-	-	-	-	16.99
Export Income	1,459.85	957.62	502.23	710.51	363.05
Gain on Foreign Exchange Fluctuation	28.20	21.19	7.02	-	-
<b>Total</b>	<b>1,488.05</b>	<b>978.80</b>	<b>509.25</b>	<b>710.51</b>	<b>380.04</b>

**Note 20. Other income**

Particulars	31/03/2022	31/03/2022	Half Year ended on 30/09/2021	31/03/2021	30/09/2020
	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
Interest Income	21.93	10.71	11.22	17.12	4.10
Dividend from Mutual Funds	1.47	0.32	1.15	0.08	0.55
Miscellaneous income	7.32	7.25	0.07	3.16	1.21
<b>Total</b>	<b>30.72</b>	<b>18.27</b>	<b>12.45</b>	<b>20.36</b>	<b>5.86</b>

**Note 21. Employee Benefit Expense**

Particulars	31/03/2022	31/03/2022	Half Year ended on 30/09/2021	31/03/2021	30/09/2020
	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
Salaries and wages, Bonus etc	825.58	458.31	367.27	360.72	207.57
Remuneration to Directors	96.00	48.00	48.00	36.00	12.00
Contributions to provident and other funds	42.46	21.97	20.50	19.40	19.59
Staff welfare & Mediclaim expenses	10.59	5.61	4.99	5.30	5.11
Gratuity	25.76	25.61	0.16	2.65	90.28
<b>Total</b>	<b>1,000.40</b>	<b>559.49</b>	<b>440.91</b>	<b>424.07</b>	<b>334.55</b>

## Note 22. Other Operating Expenses

Particulars	31/03/2022	31/03/2022	Half Year ended on 30/09/2021	31/03/2021	30/09/2020
	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
CSR Expenses	-	-	-	-	-
Travelling and Conveyance	0.55	0.27	0.29	0.28	0.34
Internet Charges	6.57	4.04	2.53	4.32	5.15
Job work charges	8.88	7.07	1.81	9.22	-
Prior Period Expenses	53.57	53.47	0.10	-	-
		-		-	
Bad debts written off	10.07	10.07	-	-	-
Directors Sitting Fee	0.45	0.45	-	0.30	0.35
Investments written off	-	-	-	-	-
Deposits written off	-	-	-	-	-
Rates & Taxes	26.36	25.89	0.47	1.40	1.19
In Eligible GST Input Written Off	12.87	12.87	-		
Rent	38.85	19.71	19.14	22.42	23.73
Bank charges	3.28	3.12	0.16	4.17	-
Professional & Consultancy Charges	48.70	26.55	22.15	44.03	17.98
Postage & Courier Charges	0.15	0.11	0.04	0.08	0.09
Electricity Charges	30.41	15.81	14.61	16.14	18.42
Loss on Investments / Sale of Assets	0.23	0.23	-	3.13	-
Loss on Foreign Exchange Fluctuation	-	-	-	1.98	13.25
Insurance	55.73	55.62	0.11	0.29	0.38
Printing & Stationery	0.16	0.09	0.07	0.07	0.35
<b>Payments to Auditor as :</b>		-		-	
(a) Statutory Audit Fee	2.50	1.25	1.25	1.00	1.50
(b) Tax Audit Fee	1.50	0.75	0.75	1.00	0.50
Repairs & Maintance - Others	4.67	2.29	2.38	3.28	4.44
Security Charges	3.60	1.80	1.80	2.08	3.12
Subscription & Other Charges	7.49	5.93	1.56	12.10	8.60
STPI Charges	2.25	1.13	1.13	1.13	1.13
Telephone Charges	0.68	0.37	0.32	0.36	0.96
Interest On TDS	0.23	0.00	0.23	(1.29)	1.61
Computer Consumables	8.14	0.62	7.52	(2.29)	6.06
<b>Foreign Travel Expenses</b>		-		-	
Travel expenses-Employees	5.38	5.38	-		0.38
<b>Total</b>	<b>333.29</b>	<b>254.88</b>	<b>78.41</b>	<b>125.19</b>	<b>109.53</b>

## Note 23. General Expenses

Particulars	31/03/2022	31/03/2022	Half Year ended on 30/09/2021	31/03/2021	30/09/2020
	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
Books & Periodicals	0.06	0.03	0.03	0.03	0.04
Domain Charges	0.63	0.39	0.23	1.85	1.82
Donations	1.65	0.90	0.75	0.35	-
Office Expenses	17.84	16.40	1.43	11.05	2.31
Office Maintenance	13.68	9.91	3.77	1.95	14.07
Advertisement Expenses	-	-	-	-	-
<b>Total</b>	<b>33.85</b>	<b>27.63</b>	<b>6.22</b>	<b>15.23</b>	<b>18.23</b>

## Note 24. Financial costs

Particulars	31/03/2022	31/03/2022	Half Year ended on 30/09/2021	31/03/2021	30/09/2020
	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
Interest expense on:					
- Interest On Term Loan / Working Capital	30.17	25.04	5.13	7.88	4.01
- Interest on Packing Credit	15.31	15.31	-	8.36	0.53
- Interest on Vehicle Loan	-	-	-	-	-
-Interest on Loan-Against F.D's	4.27	2.11	2.16	2.34	2.72
<b>Total</b>	<b>49.76</b>	<b>42.47</b>	<b>7.29</b>	<b>18.58</b>	<b>7.26</b>

## SIGNIFICANT ACCOUNTING POLICES:

For the year ended 31<sup>st</sup> March 2022

### A. Preparation and presentation of Financial Statements:

#### a. BASIS OF PREPARATION:

The financial statements are prepared under the historical cost convention, in accordance with Indian Generally Accepted Accounting Principles (GAAP), the mandatory accounting standards issued by the Institute Of Chartered Accountant Of India and the provisions of the Companies Act, 2013, as adopted consistently by the company.

#### b. USE OF ESTIMATES:

The preparation and presentation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of revenues and expenses during the reporting period. The difference between the actual and estimates are recognized in the period in which the results are known/ materialized.

### B. Fixed Assets:

a. Fixed assets are stated at the original cost of acquisition less depreciation. Original cost includes purchase price, levies, and directly attributable cost of bringing the assets to its working condition for its intended use. As also the capitalized portion of preoperative expenses.

b. Depreciation on the Fixed Assets of the company is provided on Straight Line Method based on the useful life of the assets as prescribed in Schedule II of the Companies Act, 2013. The Range of Estimated useful lives of items of Fixed assets are as follows

Asset	Useful Life
Office Equipment	5
Software	01-03

c. Depreciation on additions during the year is being provided for on a pro rata basis.

### C. Revenue Recognition:

a. Revenue from software development on the time-and-material basis is recognized based on Software developed and billed to clients as per the terms of specific contracts.

b. Interest Income on deposits is recognized using the time-proportion method, based on interest rates implicit in the transaction.

c. Income from investment in mutual funds is recognised on the basis of the NAV declared by the mutual fund at the end of the year.

d. Sub-lease rental income on immovable properties is recognized on accrual basis as per the respective agreements with the parties.

e. Dividend income is recognized on when the group's right to receive dividend is established.

**D. Expenditure:**

Expenses are accounted on the accrual basis and provisions are made for all known losses and liabilities. The cost of software developed for in house use was charged to revenue in the same year in which the cost incurred.

**E. Retirement Benefits to Employees:**

a. Provident Fund: In respect of Provident Fund contribution, the employee and the employer make monthly contribution to the provident fund equal to 12% of the covered employee's salary; the company has no further obligations under the provident fund plan beyond its monthly contribution.

b. Gratuity: Provision has been made for payment of premium to Life Insurance Corporation of India under its Group Gratuity Scheme on the basis of actuarial valuation done by them.

c. Leave Encashment: The Company is providing leave salary to the employees on un expired leaves balances as on the 31<sup>st</sup> March 2022.

**F. Foreign Currency Transactions:**

Sales made to clients outside India are accounted for on the basis of the exchange rate as on the date of transaction. Current assets and Current Liabilities denominated in foreign currency are translated at the exchange rate prevalent at the date of the Balance Sheet. The resulting difference is accounted for in the profit and loss account.

**G. Taxes on Income:**

Current tax is determined on the amount of tax payable in respect of taxable income for the year.

The deferred tax charge or credit is recognized using current tax rates. Where there is unabsorbed depreciation or carry forward losses, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Other deferred tax assets are recognized only to the extent there is reasonable certainty of realization in future. Deferred tax assets/liabilities are reviewed as at each balance sheet date based on developments during the year and available case laws, to reassess realization/liabilities.

**H. Provisions and Contingencies :**

A provision is recognized when there is a present obligation as a result of past event, for which it is probable that an outflow of resources will be required to settle the obligation and in respect of which reliable estimate can be made.

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

## NOTES FORMING PART OF FINANCIAL STATEMENTS:

For the year ended 31<sup>st</sup> March 2022

### 25. Capital Commitments and Contingent Liabilities not provided for in respect of:

(i) Estimated amount of unexecuted capital contracts :

(Rs. in Lakhs)

S.No	Particulars	2021-22	2020-21
1	Unexecuted Capital Contracts	Nil	Nil

ii) Contingent liabilities:

(Rs. in Lakhs)

S.No	Particulars	2021-22	2020-21
1	Outstanding Corporate Guarantees	Nil	Nil

### 26. Basic Earnings per share:

(Rs. in Lakhs)

Particulars	2021-22	2020-21
Net Profit for the Year	33.36	23.73
Amount Available for Equity Share holders	33.36	23.73
Weighted Average no. of Equity shares	75.03	75.03
Face Value of Share	0.0001	0.0001
Basic Earnings per Equity Share	0.44	0.32

### 27. Employee Benefits:

The company has adopted Accounting Standard AS-15 (revised 2005) on Employee benefits.

a) The company has recognized, in the profit and loss account for the year 31st March 2022, below mentioned statutory contributions.

(Rs. in Lakhs)

Description	2021-22	2020-21
Provident Fund	31.42	29.45
E.S.I	4.66	5.53
<b>Total</b>	<b>36.08</b>	<b>34.98</b>

b) Following are the details of Funded post retirement gratuity benefit obligations are as follows:

Results of Valuation	2021-22	2020-21
	(Rs. in Lakhs)	(Rs. in Lakhs)
PV of Past Service Benefit	124.93	105.51
Current Service Cost	13.78	12.29
Total Service Gratuity	555.12	463.16
Accrued Gratuity	144.53	122.03
LCSA	410.64	341.13
LC Premium	0.81	0.62
Service Tax & GST	0.15	0.11
Fund Value as on Renewal Date	21.32	35.10
Additional Contribution for existing fund	103.61	77.56
Current Service Cost	13.78	6.15
Total Amount Payable	118.34	84.44
<b>Actuarial Assumptions</b>		
Mortality Rate	LIC (2006-08) ultimate	LIC (2006-08) ultimate
Withdrawal Rate	1% to 3% depending on age	1% to 3% depending on age
Discount rate	7.00% p. a.	7.00% p. a.
Salary Escalation	6%	6%

## 28. Foreign exchange inflow and outflow:

### a. Value of Foreign Currency Inflow:

(Rs. in Lakhs)

Particulars	2021-22	2020-21
Software Development	1307.01	1073.56
<b>Total</b>	<b>1307.01</b>	<b>1073.56</b>

### b. Foreign Currency Outflow:

(Rs. in Lakhs)

Particulars	2021-22	2020-21
Travelling Expenses		
Travel expenses-Directors	5.38	0.38
Travel expenses-Employees	-	
<b>Total</b>	<b>5.38</b>	<b>0.38</b>

## 29. Property, Plant and Equipment

Plant and Equipment represent a significant proportion of the asset base of the company. The changes in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in Technology.

- a. A reconciliation of the gross and net carrying amounts of each class of assets at the beginning and end of the reporting period showing additions, disposals, acquisitions through business combinations, amount of change due to revaluation (if change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment) and other adjustments and the related depreciation and impairment losses/reversals shall be disclosed separately.
- b. A reconciliation of the gross and net carrying amounts of each class of assets at the beginning and end of the reporting period showing additions, disposals, acquisitions through business combinations, amount of change due to revaluation (if change is 10% or more in the aggregate of the net carrying value of each class of intangible assets) and other adjustments and the related depreciation and impairment losses or reversals shall be disclosed separately.



Property, plant and equipment consist of the following for the year ended 31<sup>st</sup> March -2022

Particulars	Furniture & Fittings	Computer	Servers	Electrical Equipment	Office Equipment	Vehicle	Air conditioner	Generator	U.P.S	Communication Equipment	Land	Building Work Progress	Capital Work in progress	Software
Gross carrying value as at April 1, 2021	135.61	764.14	40.84	50.29	63.57	10.15	25.39	24.38	39.44	48.98	7.2	730.19	-	480.09
additions	-	-	-	1.96	0.2	-	-	-	-	-	-	16.44	-	-
Deletions *	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Gross carrying value as at March 31, 2022</b>	<b>135.61</b>	<b>764.14</b>	<b>40.84</b>	<b>52.26</b>	<b>63.77</b>	<b>10.15</b>	<b>25.39</b>	<b>24.38</b>	<b>39.44</b>	<b>48.98</b>	<b>7.2</b>	<b>746.63</b>	<b>-</b>	<b>480.09</b>
Accumulated depreciation as at April 1, 2021	128.01	764.14	40.84	49.36	62.44	10.15	22.93	20.36	39.44	48.94	0	0	-	390.61
Depreciation	5.08	0	0	0.47	0.85	0	0.86	1.64	0	0.04	0	0	-	33.46
Accumulated depreciation on deletions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Accumulated depreciation as at March 31, 2022</b>	<b>133.08</b>	<b>764.14</b>	<b>40.84</b>	<b>49.83</b>	<b>63.29</b>	<b>10.15</b>	<b>23.79</b>	<b>22.01</b>	<b>39.44</b>	<b>48.97</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>424.07</b>
Carrying value as at April 1, 2021	7.6	0	0	0.93	1.13	0	2.45	4.01	0	0.04	7.2	730.19	-	89.48
Carrying value as at March 31, 2022	2.50	0	0	2.39	0.50	0	1.6	2.40	0	0	7.2	746.63	-	56.02

**Property, plant and equipment consist of the following for the year ended 31<sup>st</sup> March -2021**

Particulars	Furniture & Fittings	Computer	Servers	Electrical Equipment	Office Equipment	Vehicle	Air conditioner	Generator	UPS	Communication Equipment	Land	Building Work in Progress	Capital Work in progress	Software
Gross carrying value as at April 1, 2020	162.87	764.14	40.84	50.29	63.57	62.96	25.39	33.94	39.44	48.98	7.2	0	74.34	394.28
additions	-	-	-	-	-	-	-	-	-	-	-	730.19	-	85.81
Deletions *	27.26	-	-	-	-	52.82	-	9.57	-	-	-	-	74.34	-
<b>Gross carrying value as at March 31, 2021</b>	<b>135.61</b>	<b>764.14</b>	<b>40.84</b>	<b>50.29</b>	<b>63.57</b>	<b>10.15</b>	<b>25.39</b>	<b>24.38</b>	<b>39.44</b>	<b>48.98</b>	<b>7.2</b>	<b>730.19</b>	<b>74.34</b>	<b>480.09</b>
Accumulated depreciation as at April 1, 2020	150.13	764.01	39.86	49.01	60.28	41.03	22.14	28.24	38.39	48.27	7.2	-	-	377.35
Depreciation	5.13	0.12	0.98	0.35	2.16	3.8	0.79	1.69	1.05	0.67	-	-	-	13.26
Accumulated depreciation on deletions	27.26	-	-	-	-	34.68	-	9.57	-	-	-	-	-	-
<b>Accumulated depreciation as at March 31, 2021</b>	<b>128.01</b>	<b>764.14</b>	<b>40.84</b>	<b>9.36</b>	<b>62.44</b>	<b>10.15</b>	<b>22.93</b>	<b>20.36</b>	<b>39.44</b>	<b>48.94</b>	<b>7.2</b>	<b>0</b>	<b>0</b>	<b>390.61</b>
Carrying value as at April 1, 2020	12.73	0.12	0.98	1.28	3.29	21.93	3.25	5.7	1.05	0.71	7.2	0	74.34	16.92
Carrying value as at March 31, 2021	7.6	0	0	0.93	1.13	0	2.45	4.01	0	0.04	7.2	730.19	0	89.48

### 30. Deferred Tax

Tax charged to Profit and Loss account is after considering deferred tax impact for the timing difference between accounting income and taxable income.

The deferred tax Asset as at March 31, 2022 and March 31, 2021 comprise of the following

Particulars		As at March 31, 2022	As at March 31, 2021
		(Rs. in Lakhs)	(Rs. in Lakhs)
<b>A</b>	<b>Deferred Tax Liability / Asset</b>		
1	Related to fixed assets	34.29	37.27
<b>B</b>	<b>Deferred Tax Assets</b>		
1	Disallowance under the Income tax Act, 1961	36.65	25.00
<b>C</b>	<b>Deferred tax Liability/(Asset) (net)</b>	<b>70.94</b>	<b>62.27</b>

### 31. Payments to Auditors:

Particulars	FY 2021-22	FY 2020-21
	(Rs. in Lakhs)	(Rs. in Lakhs)
Statutory Audit Fee	2.50	2.50
Tax Audit Fee	1.50	1.50
<b>Total Audit Fee</b>	<b>4.00</b>	<b>4.00</b>

### 32. Trade Receivables

S.N.O	Particulars	TOTAL	<6 Months(M)	6M - 1Yr	1- 2 Yr	2-3 Yr	>3 Yrs
1.	Undisputed Trade Receivables Considered Good.	838.64	838.64	NIL	NIL	NIL	NIL
2.	Undisputed Trade Receivables Considered Doubtful.	NIL	NIL	NIL	NIL	NIL	NIL
3.	Disputed Trade Receivables Considered Good.	NIL	NIL	NIL	NIL	NIL	NIL
4.	Disputed Trade Receivables Considered Good.	NIL	NIL	NIL	NIL	NIL	NIL

### 33. Unbilled dues from the clients:

(Rs. in Lakhs)

S.N.O	Particulars	TOTAL	<6 Months(M)	6M - 1Yr	1- 2 Yr	2-3 Yr	>3 Yrs
1	Unbilled Receivable from Apex	42.86	42.86	Nil	Nil	Nil	Nil
	<b>Total</b>	<b>42.86</b>	<b>42.86</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>

### 34. Trade Payables

(Rs. in Lakhs)

S.no	Particulars	TOTAL	< 1 Yr	1 - 2 Yr	2 - 3 Yr	> 3 Yr
1	MSME	Nil	Nil	Nil	Nil	Nil
2	OTHERS	6.16	6.16	Nil	Nil	Nil
	<b>Total</b>	<b>6.16</b>	<b>6.16</b>	Nil	Nil	Nil

### 35. Capital work in progress:

There is capital work in progress of Building with the amount of Rs. 746.63 Lakhs for the period under consideration.

Particulars	As at March 31, 2022 (Rs. in Lakhs)	As at March 31, 2021 (Rs. in Lakhs)
Opening Balance	730.19	0
Addition During the period	16.44	730.19
Closing Balance	<b>746.63</b>	<b>730.19</b>

### 36. Details of Benami Property held:

There were neither any proceedings initiated nor any pending litigations against the Company during the period.

### 37. Wilful Defaulter:

The company has not been declared as wilful defaulter by any Bank or any financial institution during the period.

### 38. Relationship with Struck off Companies

There were no such transactions with companies struck off under section 248 of the Companies Act, 2013.

### 39. Registration of Charges or Satisfaction With Registrar Of Companies (ROC):

There were no pending registration of charges or satisfaction with registrar of companies.

### 40. Compliance with number of layers of companies:

The Company have Subsidiary Companies in India and abroad as prescribed under clause (87) of section 2 of the companies Act, 2013.

### 41. Corporate Social Responsibility Expenditure

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spent at least 2% of its average net profit for the immediately preceding three financial years on Corporate Social Responsibility (CSR) activities. The areas for CSR activities are education of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment suitability, disaster relief, Covid-19 relief and rural development projects.

The Provisions of Sec-135 Of the companies Act-2013, is not applicable to the company.

## 42. Related Party Transactions:

a) Name of the related party and relationship:

Party Name	Relation
N.C.V. Rangacharya	Key Managerial Person (Managing Director), Brother of N.C Padmaja and C Madhavi
N. C. Padmaja	Whole time Director and CFO & Sister of N.C.V. Rangacharya and C Madhavi
C. Madhavi	Director, sister of Managing director and Whole time director
S. Nagarajan	Director
S. Sai Sridhar	Director
C. Appalacharyulu	Director
B. Shailaja	Company Secretary & Daughter of N C Padmaja
Apex Engineers (India) Pvt Ltd	Enterprises over which Key managerial personnel has significant influence and Wholly owned Subsidiary.
Apex Advanced Technology LLC USA	Enterprises over which Key managerial personnel has significant influence and Partly owned Subsidiary.
Cadsys Technologies LLC USA	Enterprises over which Key managerial personnel has significant influence and owned Subsidiary.
Compusonic Technologies	Enterprises over which Key managerial personnel has significant influence.
i Power Four Technologies Pvt Ltd	Enterprises over which Key managerial personnel has significant influence.
Cadsys Technologies LLP	Wholly owned Subsidiary

## b) Transactions with Related parties

PREVIOUS FIGURES MENTIONED IN ( )

Name of the Related Party	N.C.V. Rangacharya	N.C.Padmaja	B. Shailaja	S Nagarajan	Apex Advanced Technology LLC USA	Apex Engineers (India) Private Limited	Cadsys Technologies LLP	iPowerFour Technologies Pvt Ltd
Description of the nature of transactions	Receiving of professional and management Services	Receiving of professional and management Services	Receiving of professional services	Receiving of professional services	Provision of Services	Receipt of Services	Provision of Services	Rent Received
Volume of transactions either as an amount or as appropriate proportion	1.Managerial Remuneration of 60.00 Lakh (30.00 Lakh)	1.Managerial Remuneration of 36.00 Lakh (18.00 Lakh)	Remuneration of 4.80 Lakh (5.40 Lakh)	Professional Fee of 55.17 Lakh (23.29 Lakh)	1. Providing of Services of 1404.57 Lakh (1060.38 Lakh)	1.Receiving of Services of Rs.NIL (Rs. NIL/-) 2. Inter Corporate Loan of Rs. NIL (NIL)	Investment During the Year 0.45 Lakh (NIL)	Rent Received During the Year 2.27 Lakh (NIL)
Any other elements of the related party transactions	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
The amounts or appropriate proportions of outstanding items pertaining to related parties at the Balance Sheet date	1. Remuneration Payable of 2.98 Lakh (8.54 Lakh)	1. Remuneration Payable of 5.83 Lakh (4.93 Lakh)	Salary outstanding 0.40 Lakh (0.40 Lakh)	Remuneration Payable of 1.56 Lakh (4.31 Lakh)	Amount Receivable against export of services of 843.57 Lakh (639.53 Lakh)	Amount Receivable of Rs. NIL (NIL)	Investment of 1.60 Lakh (1.15 Lakh)	NIL
Provisions for doubtful debts due from such parties at that date and amounts written off or written back in the period in respect of debts due from or to related parties	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

**43.** In order to comply with the requirement of the Micro, Small and Medium Enterprises Development Act, 2006, Company has sought confirmation from the vendors whether they are falling in the category of Micro/Small/Medium Enterprises. Based on the information available, the required disclosures are given below:

Particulars	As at March 31, 2022	As at March 31, 2021
	(Rs. in Lakhs)	(Rs. in Lakhs)
Principal amount remaining unpaid	401.79	437.39
Delayed payments due as at the end of each accounting year on account of Principal	-	-
Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-
Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	-	-
Interest accrued and remaining unpaid as at March 31 <sup>st</sup>	-	-
Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	-	-

**44.** The following table summarizes the Disclosures of shareholding of Promoters and promoters group:

Shares held by Promoters at the end of the year 31 March 2022					As at 31 <sup>st</sup> March 2021	
S. No.	Name of the Promoter and Promoter Group	No of shares held	% of total shares	% change during the year	No of shares held	% out of number of shares of the company
1	CHAKRAVARTHI VENKATA RANGACHARYA NALLANI	18.9	25.20%	-	18.9	25.20%
2	PADMAJA NALLANICHAKRAVARTHI	13.2	17.55%	-	13.2	17.55%
3	PUSHPAVATHI NALLANI CHAKRAVARTHI	1.9	2.47%	-	1.9	2.47%
4	N C RANGAMANI	0.8	1.10%	-	0.8	1.10%
5	MADHAVI CHILAKAMARRI	0.5	0.61%	-	0.5	0.61%
6	RAJGOPAL SATTALURI	0.4	0.57%	-	0.4	0.57%
7	SITA JAYA LAKSHMI SATTALURI	0.1	0.17%	-	0.1	0.17%



45. The following table summarizes the Ratios for the years ended 31<sup>st</sup> March, 2022 and 31<sup>st</sup> March 2021 are as follows:

	Particulars	Numerator	Denominator	31.03.2022	31.03.2021	Variance
a)	Current Ratio	Current assets	Current liabilities	3.34	5.63	-2.29
b)	Debt-Equity ratio	Total liabilities	Shareholders equity	0.23	0.18	0.05
c)	Debt service coverage ratio	Operating Income	Interest expenses	2.19	2.32	-0.13
d)	Return on equity ratio	Net Income	Equity	0.44	0.32	0.12
e)	Inventory turnover ratio	Inventory	Turnover	-	-	-
f)	Trade receivable turnover ratio	receivables	Turnover	0.56	0.60	-0.04
g)	Trade payable turnover ratio	Payables	Turnover	0.004	0.01	-0.006
h)	net capital turnover ratio	Net assets	Turnover	0.55	0.77	-0.22
i)	net profit ratio	net profit	Turnover	0.02	0.02	0
j)	Return on capital employed ratio	EBIDTA	Net Assets	0.18	0.11	0.07
k)	Return on Investment	net income	Turnover	0.02	0.02	0

46. There were no overdue amounts payable, to Small Scale Industrial Undertakings (MSME) as on 31<sup>st</sup> March, 2022.

47. The Company ('funding party') has paid 0.45 Lakhs during FY-2021-22 towards subscription of share capital of Cadsys Technology LLP.

48. Previous year figures have been regrouped, recast and rearranged wherever necessary to correspond with the Current Year's Figures. Previous Year's Figures for Cash Flow Statement are drawn as Cash Flow Statement for the year ended 31<sup>st</sup> March, 2021 under Companies Act, 2013.

49. M/S. Cogent Consulting Engineers (India) Pvt Ltd has merged with the Company vide High Court Order Dt.13.08.2013, the bank accounts of the company held with Axis Bank , Hyderabad vide current account No. 553010200000134 with a balance of 0.11 Lakh is continuing in the name of the Cogent Consulting Engineers (India) Pvt Ltd.

50. Paise have been rounded off to the nearest Lakh.

As per our report of even date  
For **DARAPANENI & CO**  
**Chartered Accountants**  
Firm Regn No: 000685S

For and on behalf of the Board of Directors  
**CADSYS (INDIA) LIMITED**

Sd/-  
S.R.C.Murthy.Ch  
Partner  
Membership No. 233010  
Date: 30<sup>th</sup> May 2022  
Place: Hyderabad

Sd/-  
N.C.V.RANGACHARYA  
Managing Director  
DIN:01067596

Sd/-  
B.SHAILAJA  
Company Secretary & Compliance Officer  
PAN: ARXPB4192L

Sd/-  
S.NAGARAJAN  
Director  
DIN: 05262644

Sd/-  
N.C.PADMAJA  
Chief Financial Officer  
DIN: 01173673

**To**  
**The Members of Cadsys (India) Limited**  
**Opinion**

We have audited the accompanying consolidated financial statements of **M/s Cadsys (India) Limited** “the Company” and its subsidiaries, step down subsidiary ( the company and the subsidiaries together referred to as “the Group”) , which comprise the consolidated balance sheet as at March 31, 2022, the consolidated Statement of Profit and Loss and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information(hereinafter referred to as “the consolidated financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('Act') 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 group as at March 31, 2022, its consolidated profit and consolidated cash flows for the year ended on that date.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid year to date consolidated annual financial results:

(I) Includes the financial results of following entity:-

<b>Name of Entity</b>	<b>Relationship</b>
Apex Engineers (India) Private Limited	Subsidiary Company
Apex Advanced Technology LLC, USA	Subsidiary Company
Cadsys Technology LLC,USA	Subsidiary Company

(ii) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended in this regard; and;

(iii) give a true and fair view in conformity with the aforesaid Accounting Standards and other accounting principles generally accepted in India of the net profit, and other financial information of the Group for the year ended March 31, 2022.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (“SAs”) specified under section 143(10) of the Companies Act, 2013 (“the Act”). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Results section of our report. We are independent of the Group in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Consolidated Financial Results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in “Other Matter” paragraph below, is sufficient and appropriate to provide a basis for our opinion.

## Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

There are no Key Audit Matters Reportable as per SA 701 issued by ICAI for the year under audit.

## Other Information

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the financial statements and our auditors' report thereon.

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

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

## Management's and Board of Directors' Responsibilities for the Consolidated Annual Financial Results

These consolidated annual financial results have been prepared on the basis of the consolidated financial statements.

The Board of Directors & Management of Holding company are responsible for the preparation and presentation of these consolidated annual financial results that give a true and fair view of the net profit/loss and other financial information in accordance with the recognition and measurement principles laid down in Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act; safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Results by the Management of the Company, as aforesaid.

In preparing the consolidated annual financial results, the respective Board of Directors of the companies included in the group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the group are responsible for overseeing the Group's financial reporting process.

## Auditor's Responsibilities for the Audit of the Consolidated Financial Results

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

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

1. Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
4. Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
5. Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
6. 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.
7. Perform procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations to the extent applicable.
8. Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group to express an opinion on the consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of holding company of which we are the independent auditors. For the subsidiary company and step down subsidiary included in the consolidated Financial Results, which is audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

9. Materiality is the magnitude of misstatements in the Consolidated Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Results 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 Consolidated Financial Results.

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.

### **Other Matter**

The consolidated financial results included the audited financial statements / financial results of 3 subsidiaries, whose financial statements/financial results/financial information reflect Group's share of total assets of Rs.1,11,92,49,017 as at 31st March, 2022, group's share of total revenue of Rs.70,28,82,055 and Rs.(5,03,54,491) group's share of total net profit/(loss) after tax of for the year ended 31st March, 2022 as considered in the consolidated financial results. The independent Auditor's report on financial statements/financial results/financial information of the entity being M/s Apex Engineers Private Limited has been furnished to us and our opinion on the Consolidated Financial Results, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above.

The two subsidiaries being M/s Cadsys Technologies LLC and M/s. Apex Advanced Technology LLC which were located outside India whose financial statements have been prepared in accordance with accounting principles generally accepted in their respective countries. The Holding Company's Management has converted the financial statements of such subsidiaries located outside India from accounting principles accepted in their respective countries to accounting principles generally accepted in India. We have reviewed the conversion adjustments prepared by the holding company's management.

Our opinion in so far as it relates to the balances and affairs of such subsidiaries, step down subsidiary located outside India is based on the conversion adjustments prepared by the management of the Company and reviewed by us. Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and other financial information certified by the Management.

### **Report on other legal and regulatory requirements**

As required by the Companies (Auditor's Report) Order, 2020 ("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", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate consolidated financial statements of such subsidiaries, step down subsidiary, as were audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of aforesaid consolidated financial statements

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and report of other auditors.

(c) The Balance sheet, the Statement of profit and loss, and the Cash flow statement dealt with by this report are in agreement with the books of account;

(d) In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;

(e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the board of directors of the holding company and the reports of other statutory auditors of its subsidiary companies incorporated in India, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls with reference to financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B

(g) The Company being a private limited company, the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended:

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

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;

a. The consolidated financial statements has disclosed the impact of pending litigations on its financial position in its financials as at 31<sup>st</sup> March 2022.

b. Provision has been made , as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts; and

c. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company

d. The management has represented that, to the best of its knowledge and belief, that

i. The management has represented that, to the best of its knowledge and belief, except as disclosed in note 45, No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities 'Intermediaries', with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company 'Ultimate Beneficiaries' or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

ii. The management has represented that, to the best of its knowledge and belief, that

iii. The management has represented that, to the best of its knowledge and belief, except as as disclosed in note 45, No funds have been received by the company from any person(s) or entity(ies), including foreign entities 'Funding Parties', with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party 'Ultimate Beneficiaries' or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

iv. Based on audit procedures carried out by us, that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us believe that the representations under sub-clause (i) and (ii) contain any material misstatement.

**For DARAPANENI &CO**  
**Chartered Accountants**  
**Firm Regn. No: 000685S**

**Place: Hyderabad**  
**Date: 30<sup>th</sup> May 2022**

**Sd/-**  
**S.R.C.Murthy.Ch**  
**Partner**  
**M.No.:233010**  
**UDIN:22233010AJXLEN5177**



**Annexure “A” to the Independent Auditor's Report on the Financial Statements of Cadsys (India) Limited for the year ended 31<sup>st</sup> March 2022**

(Referred to in paragraph 1, under 'Report on Other Legal and Regulatory Requirements' section of our Report of even date)

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

(xxi) There are no qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements. Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Holding Company.

**For DARAPANENI &CO**  
**Chartered Accountants**  
**Firm Regn. No: 000685S**

**Place: Hyderabad**  
**Date: 30<sup>th</sup> May 2022**

**Sd/-**  
**S.R.C.Murthy.Ch**  
**Partner**  
**M.No.:233010**  
**UDIN:22233010AJXLEN5177**

**Annexure “B” to the Independent Auditor's Report on the Consolidated Financial Statements of Cadsys (India) Limited for the year ended 31<sup>st</sup> March 2022**

**Report on the internal financial controls over financial reporting under clause (i) of sub - section 3 of section 143 of the Companies Act, 2013 (“the Act”)**

**OPINION**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31<sup>st</sup> March 2022, we have audited the internal financial controls with reference to consolidated financial statements of Cadsys (India) Limited (hereinafter referred to as “the Holding Company”) and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies, step down subsidiary, as of that date.

In our opinion, the Company and subsidiary companies, step down subsidiary incorporated in India has, in all material respects, an adequate internal financial control with reference to the Consolidated Financial Statements and such internal financial controls were operating effectively as at 31<sup>st</sup> March 2022, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (“the Guidance Note”).

**Management's responsibility for internal financial controls**

The respective Company's management and Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal controls over financial reporting criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act..

**Auditors' responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing (“SA”), prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the Standalone Financial Statements. Those SAs and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the Consolidated Financial Statements were established and maintained and whether 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 with reference to the Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to the Consolidated Financial Statements, 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 Consolidated Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by other auditor of the relevant subsidiaries is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with respect to the consolidate financial statements.

### **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 (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) 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 (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Limitations of internal financial controls over financial reporting**

Because of the inherent limitations of internal financial controls with respect to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls 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.

### **OTHER MATTER**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it relates to subsidiaries, step down subsidiary which was incorporated in India, is based solely on the corresponding report of the auditor of such company incorporated in India. Our opinion is not modified in respect of this matter.

**For DARAPANENI & CO**  
**Chartered Accountants**  
**Firm Regn. No: 000685S**

**Place: Hyderabad**  
**Date: 30<sup>th</sup> May 2022**

**Sd/-**  
**S.R.C.Murthy.Ch**  
**Partner**  
**M.No.:233010**  
**UDIN:22233010AJXLEN5177**

# CONSOLIDATED BALANCE SHEET

For the year ended 31<sup>st</sup> March 2022

Particulars	Note No	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
		Audited	(Audited)
		Rs. in Lakhs	Rs. in Lakhs
<b>I EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	2	750.25	750.25
(b) Reserves and surplus	3	4,262.11	4,368.23
(C) Minority interest		1,578.23	(19.88)
<b>2 Non-current liabilities</b>			
(a) Long-term borrowings	4	2,613.57	1,678.08
(b ) Other Long-term Liabilites	5	128.33	-
(b) Long -term provisions	6	100.44	84.14
<b>3 Current liabilities</b>			
(a) Short-term borrowings	7	722.63	60.36
(b) Trade payables			
i) Total outstanding dues to micro enterprises and small enterprises	8	-	1.37
i) Total outstanding dues to creditors other than micro enterprises and small enterprises	8	332.92	107.06
(c) Other current liabilities	9	1,174.60	229.23
(d) Short-term provisions	10	20.76	-
<b>TOTAL</b>		<b>11,683.84</b>	<b>7,258.83</b>
<b>II ASSETS</b>			
<b>1 Non-current assets</b>			
(a)(i) Property, Plant and Equipment	11	277.59	100.03
(ii) Intangible assets		5,094.44	2,875.48
(iii) Capital Work in progress		746.63	730.19
(b) Non current investments	12	58.29	38.49
(c) Deferred tax assests (Net)	13	72.55	64.67
(d) Long-term loans and advances	14	66.60	58.40
(e) Other non current assets	15	298.74	396.37
<b>2 Current assets</b>			
(a) Trade receivables	16	2,659.24	1,531.99
(b) Cash and cash equivalents	17	1,385.47	862.10
(c) Short-term loans and advances	18	51.12	107.16
(d) Other current assets	19	973.16	493.95
<b>TOTAL</b>		<b>11,683.84</b>	<b>7,258.83</b>

Significant Accounting policies  
Notes on Financial Statements

1  
2 to 47

As per our report of even date  
for DARAPANENI & Co.

Chartered Accountants

Firm Registration Number: 000685S

Sd/-  
S.R.C.Murthy.Ch  
Partner

Membership No. 233010

Date: 30<sup>th</sup> May 2022

Place: Hyderabad

Sd/-  
N.C.V.RANGACHARYA  
Managing Director  
DIN:01067596

Sd/-  
B.SHAILAJA  
Company Secretary & Compliance Officer  
PAN: ARXPB4192L

For and on behalf of the Board of Directors

Sd/-  
S.NAGARAJAN  
Director  
DIN: 05262644

Sd/-  
N.C.PADMAJA  
Chief Financial Officer  
DIN: 01173673

# CONSOLIDATED PROFIT & LOSS STATEMENT

For the year ended 31<sup>st</sup> March 2022

	Particulars	Note No.	for Half Year Ended				For the Year Ended	
			31/03/2022	30/09/2021	31/03/2021	30/09/2020	31/03/2022	31/03/2021
			Audited	(Unaudited)	Audited	(Unaudited)	Audited	(Audited)
			Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
I	Revenue from operations	20	5,122.51	1,582.27	1,915.37	1,233.62	6,704.78	3,148.98
II	Other income	21	78.86	23.03	21.76	11.63	101.89	33.38
III	<b>Total Revenue(I+II)</b>		<b>5,201.37</b>	<b>1,605.30</b>	<b>1,937.12</b>	<b>1,245.25</b>	<b>6,806.67</b>	<b>3,182.37</b>
IV	<b>Expenses</b>							
	Employee Benefit Expense	22	2,865.75	1,188.93	988.56	1,035.97	4,054.69	2,024.54
	Other Operating Expenses	23	2,419.06	579.16	1,002.61	429.44	2,998.23	1,432.05
	Financial costs	24	114.03	41.99	57.48	49.53	156.02	107.01
	Depreciation and amortization expense	11	179.83	146.54	189.33	163.98	326.37	353.31
	<b>Total Expenses</b>		<b>5,578.68</b>	<b>1,956.63</b>	<b>2,237.99</b>	<b>1,678.92</b>	<b>7,535.31</b>	<b>3,916.91</b>
V	<b>Profit / (Loss) before Exceptional and Extraordinary items and tax (III-IV)</b>		<b>(377.30)</b>	<b>(351.33)</b>	<b>(300.87)</b>	<b>(433.67)</b>	<b>(728.63)</b>	<b>(734.54)</b>
VI	Exceptional items		(293.50)	-	(255.19)	-	(293.50)	(255.19)
VII	<b>Profit / (Loss) before extraordinary items and tax (V - VI)</b>		<b>(83.81)</b>	<b>(351.33)</b>	<b>(45.68)</b>	<b>(433.67)</b>	<b>(435.14)</b>	<b>(479.35)</b>
VIII	Extraordinary items		-	-	-	-	-	-
IX	<b>Profit / (Loss) before tax (VII- VIII)</b>		<b>(83.81)</b>	<b>(351.33)</b>	<b>(45.68)</b>	<b>(433.67)</b>	<b>(435.14)</b>	<b>(479.35)</b>
X	<b>Tax expense:</b>							
	(a) Current tax Expense		34.39	-	-	-	34.39	-
	(b) Deferred tax Expense / (Income)		(9.79)	1.91	11.22	2.14	(7.88)	13.36
	(c) Earlier Year Taxes		15.09	23.17	(0.10)	45.07	38.26	44.97
XI	<b>Profit (Loss) for the period from continuing operations (VII- VIII)</b>		<b>(123.50)</b>	<b>(376.41)</b>	<b>(56.80)</b>	<b>(480.88)</b>	<b>(499.91)</b>	<b>(537.69)</b>
XII	Profit/(loss) from discontinuing operations		-	-	-	-	-	-
XIII	Tax expense of discontinuing operations		-	-	-	-	-	-
XIV	<b>Profit/(Loss) from Discontinuing operations (after tax) (XII- XIII)</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
XV	<b>Profit / (Loss) after tax before Minority Interests (XI + XIV)</b>		<b>(123.50)</b>	<b>(376.41)</b>	<b>(56.80)</b>	<b>(480.88)</b>	<b>(499.91)</b>	<b>(537.69)</b>
XVI	Less : Minority Interests		(44.76)	(0.10)	(0.86)	(0.14)	(44.86)	(1.00)
XVII	<b>Profit / (Loss) for the period (XV-XVI)</b>		<b>(78.74)</b>	<b>(376.31)</b>	<b>(55.94)</b>	<b>(480.75)</b>	<b>(455.05)</b>	<b>(536.69)</b>
	<b>Earning Per Share</b>							
	(i) Basic EPS		(1.05)	(5.02)	(0.75)	(6.41)	(6.07)	(7.15)
	(ii) Diluted EPS		(1.05)	(5.02)	(0.75)	(6.41)	(6.07)	(7.15)

Significant Accounting policies  
Notes on Financial Statements

1  
2 to 47

As per our report of even date  
for DARAPANENI & Co.

Chartered Accountants

Firm Registration Number: 0006855

Sd/-  
S.R.C.Murthy.Ch  
Partner  
Membership No. 233010  
Date: 30<sup>th</sup> May 2022  
Place: Hyderabad

For and on behalf of the Board of Directors

Sd/-  
N.C.V.RANGACHARYA  
Managing Director  
DIN:01067596

Sd/-  
B.SHAILAJA  
Company Secretary & Compliance Officer  
PAN: ARXPB4192L

Sd/-  
S.NAGARAJAN  
Director  
DIN: 05262644

Sd/-  
N.C.PADMAJA  
Chief Financial Officer  
DIN: 01173673

# CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31<sup>st</sup> March 2022

Particulars	Year Ended 31 <sup>st</sup> March 2022	Year Ended 31 <sup>st</sup> March 2021
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit Before Tax as per Statement of Profit and Loss	(435.14)	(479.35)
<i>Adjustments For :</i>		
Depreciation and Amortization Expense	326.37	353.31
Finance Costs	156.02	107.01
Interest Income	(21.93)	(21.22)
Dividend Income	-	-
Debit Balances Written Off	-	-
<b>Operating Profit before Working Capital Changes</b>	<b>25.33</b>	<b>(40.25)</b>
<b>Adjustments for Changes in Working Capital :</b>		
<b>Adjustments for (Increase) / Decrease in operating assets</b>		
Long-term loans and advances	(8.20)	(25.96)
Trade Receivables	(1,127.25)	603.06
Short Term Loans & Advances	56.04	82.54
Other Current Assets	(479.22)	122.99
<b>Adjustments for Increase / (Decrease) in operating liabilities</b>		
Other Current Liabilities	945.37	8.28
Long Term Provisions	16.30	0.09
Trade Payables	224.50	(72.44)
Other Long Term Liabilities	128.33	-
Other Non-Current Assets	97.64	74.06
Short Term Provision	20.76	(10.00)
<b>Cash from Operations</b>	<b>(100.41)</b>	<b>742.37</b>
Income Tax Paid	(72.65)	(45.01)
<b>Net Cash Generated from Operating Activities (A)</b>	<b>(173.06)</b>	<b>697.35</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Payments for Purchase of Fixed Assets & Goodwill others	(2,739.33)	(870.35)
Mutual Funds (non current investments)	(19.80)	(5.99)
Interest Income	21.93	21.22
Sale of Assets	-	89.64
Change in Minority Interest	2,163.60	20.40
<b>Net Cash Used in Investing Activities (B)</b>	<b>(573.61)</b>	<b>(745.08)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Long Term Borrowings	935.49	767.04
Shortterm Borrowings	662.27	(225.02)
Finance Costs Paid	(156.02)	(107.01)
Dividend and Dividend Distribution Tax Paid	-	-
<b>Net Cash Generated from Financing Activities (C)</b>	<b>1,441.74</b>	<b>435.01</b>
Effect of Exchange Differences on translation of foreign currency cash and Cash Equivalents	(171.20)	(8.68)
<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>523.37</b>	<b>378.61</b>
<b>Add: Cash &amp; Cash Equivalents As at 31st March,2021</b>	<b>862.10</b>	<b>483.49</b>
<b>Cash &amp; Cash Equivalents As at 31<sup>st</sup> March,2022</b>	<b>1,385.47</b>	<b>862.10</b>

As per our report of even date  
for DARAPANENI & Co.  
Chartered Accountants  
Firm Registration Number: 0006855

For and on behalf of the Board of Directors

Sd/-  
S.R.C.Murthy.Ch  
Partner  
Membership No. 233010  
Date: 30<sup>th</sup> May 2022  
Place: Hyderabad

Sd/-  
N.C.V.RANGACHARYA  
Managing Director  
DIN:01067596

Sd/-  
B.SHAILAJA  
Company Secretary & Compliance Officer  
PAN: ARXPB4192L

Sd/-  
S.NAGARAJAN  
Director  
DIN: 05262644

Sd/-  
N.C.PADMAJA  
Chief Financial Officer  
DIN: 01173673

# NOTES TO CONSOLIDATED FINANCIALS

For the year ended 31<sup>st</sup> March 2022

## Note 2. Share capital

Particulars	As at 31 <sup>st</sup> March, 2022		As at 31 <sup>st</sup> March, 2021	
	Number of shares	Rs. in Lakhs	Number of shares	Rs. in Lakhs
<b>(a) Authorised Capital</b>				
Equity shares of INR 10 each with voting rights 85,00,000 Nos of shares including 1,50,000 shares of merged company cogent has been considered (PY 83,50,000 shares of Rs. 10 each related to cadsys only)	85.00	850.00	85.00	850.00
<b>(b) Issued ,Subscribed and Fully paid up:</b>				
Equity shares of INR 10 each with voting rights				
(Bonus Shares of INR 10 each issued in 4:1 ratio)	75.03	750.25	75.03	750.25
<b>Total</b>	<b>75.03</b>	<b>750.25</b>	<b>75.03</b>	<b>750.25</b>
<b>The Details of Shareholders holding more than 5% of total number of shares:</b>				
Name Of the Share Holder	As at 31 <sup>st</sup> March, 2022		As at 31 <sup>st</sup> March, 2021	
	Number of shares	% Held	Number of shares	% Held
Padmaja N.C	13.17	17.55	13.17	17.55
Rangacharya NCV	18.91	25.20	18.91	25.20
B.Shailaja	15.02	20.03	15.02	20.03
<b>Total</b>	<b>47.10</b>	<b>62.78</b>	<b>47.10</b>	<b>62.78</b>
<b>The Reconciliation Of the number of shares outstanding is set out below:</b>				
Particulars	As at 31 <sup>st</sup> March, 2022		As at 31 <sup>st</sup> March, 2021	
	No.Of.Shares	Rs. in Lakhs	No.Of.Shares	Rs. in Lakhs
Equity Shares at the beginning of the year	75.03	750.25	75.03	750.25
Add: Bonus Shares issued during the year	-	-	-	-
Less: Shares Bought back during the year	-	-	-	-
<b>Equity Shares at the end of the year</b>	<b>75.03</b>	<b>750.25</b>	<b>75.03</b>	<b>750.25</b>

## Note 3. Reserves and surplus

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
	Rs. in Lakhs	Rs. in Lakhs
<b>(a) Security Premium Account</b>		
Opening balance	1,173.53	1,173.53
Add: Additions during the year	517.05	-
Less: Share Issue Expenses	-	-
<b>Closing balance (A)</b>	<b>1,690.58</b>	<b>1,173.53</b>
<b>(b) General reserve</b>		
Opening balance	177.80	177.80
Add: Transferred from surplus/ deficit in Statement of Profit and Loss	-	-
Less: Utilised / transferred during the year	-	-
<b>Closing balance (B)</b>	<b>177.80</b>	<b>177.80</b>
<b>(c) Capital reserve on Consolidation</b>		
Excess of Net assets acquired over investment made	-	-
<b>Closing balance (C)</b>	<b>-</b>	<b>-</b>
<b>(d) Surplus / (Deficit) in Statement of Profit and Loss</b>		
Opening balance	3,416.22	3,934.03
Add: Profit / (Loss) for the year	(455.05)	(536.69)
Less: Dividend Paid	-	-
Less: Dividend Distribution Tax	-	-
Add: Minority Interest	3.08	18.88
<b>Closing balance (D)</b>	<b>2,964.24</b>	<b>3,416.22</b>
<b>(e) Foreign Currency Translation Reserve</b>		
Closing balance (E)	(570.51)	(399.31)
<b>Total (A+B+C+D+E)</b>	<b>4,262.11</b>	<b>4,368.23</b>
* Net loss related to Minority shareholders borne by majority share holders		



#### Note 4. Long term borrowings

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
	Rs. in Lakhs	Rs. in Lakhs
<b>Term Loans</b>		
<b>Unsecured</b>		
Standard Chartered Bank	-	-
Columbia Inc	379.04	363.84
Loans from Phalanx Equities LLC	-	150.66
Loans from Suntrust	-	235.92
Loans from directors	74.03	73.38
Inter corporate loan	50.00	50.00
Loan from ICICI - DSL Building	401.79	405.14
PPP Loan from Suntrust Bank	-	288.96
Small Business Administration Loan	-	110.18
Loan from Essex Bank	1,522.74	-
First Interstate Bank	10.52	-
John Deer – Directional Drill	175.45	-
<b>Total</b>	<b>2,613.57</b>	<b>1,678.08</b>

Particulars	Principle Outstanding	
	As at 31 <sup>ST</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
	Rs. in Lakhs	Rs. in Lakhs
Below 1 Year	277.03	35.60
Above 1 Year but Less than 6 Years	2,613.57	1,642.48

Particulars	Interest Outstanding	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
	Rs. in Lakhs	Rs. in Lakhs
Below 1 Year	155.26	75.51
Above 1 Year but Less than 6 Years	380.60	192.66

#### Of the above:

Mortgage Loan of 4.54 Cr Secured by way of DSL Abacus 8th Floor, situated at Uppal Kalsa Village, Uppal Mandal, Medchal - Malkajgiri District having a super buildup area of 10769 Sft, including common areas. Together with proportionate undivided share of land admeasuring 256.19 Sq. Yards. The rate of interest for the Facility shall be sum of the Repo Rate \* + Spread per annum, plus applicable statutory levy, if any (interest rate). For the first disbursement under the Facility, the applicable Repo Rate shall be the rate prevailing one Business Day preceding the date of the disbursement and for subsequent drals, the Repo Rate prevailing for the Facility shall be applicable as on date the Repo Rate is 4.00% and Spread is 5.20% and applicable interest Rate is 9.20%

**Note 5. Other Long-term Liabilities**

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
	Rs. in Lakhs	Rs. in Lakhs
N/P IT Holdings	5.83	
Ally Bank - 2016 Ford F-150 - \$528.96	9.78	
Ally Bank - 2021 Ford F-350 VIN 3546	36.49	
Ford Financial - 2019 Ford 3189	45.81	
Kubota KX040 Excavator	30.40	
Leaf Financial - ElectroRent 2018	-	
<b>Total</b>	<b>128.33</b>	<b>-</b>

**Note 6. Long - term provisions**

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
	Rs. in Lakhs	Rs. in Lakhs
<b>Provision for Employee retirement benefits</b>		
Provision for Gratuity	100.44	84.14
<b>Total</b>	<b>100.44</b>	<b>84.14</b>

**Note 7. Short term borrowing**

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
	Rs. in Lakhs	Rs. in Lakhs
<b>Loans Repayable on Demand</b>		
<b>From Banks</b>		
<b>Secured</b>		
Loan Against FD from Canara Bank	59.57	60.36
Canara Bank Working Capital Loan	131.65	-
Canara Bank Packing Credit	-	-
ESSEX Bank	531.41	
BB&T Credit Line	-	-
<b>Total</b>	<b>722.63</b>	<b>60.36</b>

**Of the above**

\* Over Draft limit of Rs. 700 lacs Secured by way of Hypothecation of Equipment and floating charge on movable assets, book debts and personal guarantee given by the Managing Director, and Executive Director and Director of the Company & 'Collateral Security' of Residential Plots admeasuring 2000 Sq Yds situated at Thimmayapalli, Keesara Mandal R.R. Dist, and Open Plots admeasuring 5230 Sq.Yds situated at Ghanpur Village, Toopran Mandal, Medak District and open plot No.11 admeasuring 773 Sq Yds and Open Plots admeasuring 7465 Sq Yds at Ghanpur Village, Toopran Mandal, Medak Dist. and open Plots admeasuring 2311 Sq Yds situated at Yawapoor Village, Toopran Mandal, Medak District.

## Note 8. Trade payables

Figures For the Current Reporting Period	Outstanding for following periods from due date of payment				
Particulars	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
MSME	-	-	-	-	-
Others	3.33	-	-	-	3.33
Dispute dues-MSME	-	-	-	-	-
Dispute dues -Others	-	-	-	-	-
<b>Total</b>	<b>3.33</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3.33</b>

Figures For Previous Reporting Period	Outstanding for following periods from due date of payment				
Particulars	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
MSME	1.37	-	-	-	1.37
Others	107.06	-	-	-	107.06
Dispute dues-MSME	-	-	-	-	-
Dispute dues-Others	-	-	-	-	-
<b>Total</b>	<b>108.43</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>108.43</b>

## Note 8. Trade payables

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
	Rs. in Lakhs	Rs. in Lakhs
Trade Payables		
i)Total outstanding dues to micro enterprises and small enterprises	-	1.37
i)Total outstanding dues to creditors other than micro enterprises and small enterprises	332.92	107.06
<b>Total</b>	<b>332.92</b>	<b>108.43</b>

## Note 9. Other current liabilities

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
	Rs. in Lakhs	Rs. in Lakhs
Current Maturities of Long Term Debt	277.03	35.60
<b>Employee Benefits Payable</b>		
Bonus Payable	21.07	5.14
Director Remuneration Payable	8.81	13.48
Directors Sitting Fee Payable	0.41	0.78
Salaries Payable	97.43	78.71
Other Payable	13.67	4.33
<b>Statutory Liabilities Payable</b>		
Professional Tax Payable	0.31	0.28
AP Individuals	-	9.70
ESI Payable	0.58	0.59
PF Payable	6.40	5.44
TDS Payable	9.58	7.19
<b>Other Payables</b>		
Audit Fee Payable	6.30	6.48
Electricity Charges Payable	3.04	3.22
Expenses Payable	6.40	0.40
Other Payables	485.97	54.65
Rent Payable	3.24	3.24
<b>Total</b>	<b>1,174.60</b>	<b>229.23</b>

**Note 10. Short-term provisions**

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
	Rs. in Lakhs	Rs. in Lakhs
Provision for Income Tax (Net of TDS & Advance Tax)	20.76	-
<b>Total</b>	<b>20.76</b>	<b>-</b>

### Note 10. Short-term provisions

S.No	DESCRIPTION	Deletions during the year	1st Half Year	2nd Half Year	Total	Adjusted against Reserves	As on 31-03-2022	As on 31-03-2022	As on 31-03-2021	Useful Life in Yrs
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
	<b>Tangible Fixed Assets</b>									
1	Furniture & Fittings	-	6	6	12	-	153	56	68	10
2	Computer	-	3	4	7	-	784	16	14	3
3	Servers	-	-	0	0	-	42	0	0	6
4	Electrical Equipments	-	0	0	0	-	50	2	1	10
5	Office Equipment	-	1	8	9	-	73	148	3	5
6	Vehicle	-	-	0	0	-	11	44	-	8
7	Air conditioner	-	0	0	1	-	24	1	2	10
8	Generator	-	1	1	2	-	22	2	4	10
9	U.P.S	-	-	-	-	-	39	0	0	5
10	Communication Equipment	-	0	0	0	-	49	0	0	5
11	Land	-	-	-	-	-	-	7	7	-
	<b>Total</b>	-	<b>12</b>	<b>20</b>	<b>32</b>	-	<b>1,247</b>	<b>278</b>	<b>100</b>	
	<b>Intangible Fixed Assets</b>									
12	Software	-	135	160	294	-	1,465	572	779	1
13	Goodwill	-	-	-	-	-	29	4,522	2,097	
	<b>Total</b>	-	<b>135</b>	<b>160</b>	<b>294</b>	-	<b>1,493</b>	<b>5,094</b>	<b>2,875</b>	
	<b>Grand Total</b>		<b>147</b>	<b>180</b>	<b>326</b>	-	<b>2,741</b>	<b>5,372</b>	<b>2,976</b>	-
					<b>326</b>					

### 11a.Capital Work In Progress (CWIP)

(i) For Capital-work-in progress, following ageing schedule shall be given

SI No	CWIP	Amount in CWIP for a period of		
		Less than 1 year	1-2 years	2-3 Years
1	Building Work in Progress	16.00	7.30	-
	<b>Total</b>	<b>16.00</b>	<b>7.30</b>	<b>-</b>

**Note 12. Non current investments**

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
	Rs. in Lakhs	Rs. in Lakhs
Canara Bank Robeco Mutual Fund	39.40	20.16
Cadsys Technologies LLP	1.60	1.15
Investments- Instancy Inc USA	17.29	17.18
<b>Total</b>	<b>58.29</b>	<b>38.49</b>

**Note 13. Deferred tax assests (Net)**

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
	Rs. in Lakhs	Rs. in Lakhs
<b>Deferred tax liability</b>		
Related to fixed assets	(38.03)	(39.02)
<b>Deferred tax assets</b>		
Disallowances under the Income tax act' 1961	(34.53)	(25.65)
<b>Deferred tax Liability (Net)</b>	<b>(72.55)</b>	<b>(64.67)</b>

**Note 14. Long-term loans and advances**

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
	Rs. in Lakhs	Rs. in Lakhs
(a) Security deposits		
Rent Deposits	10.91	8.84
Electricity Deposits	12.59	12.59
Other Deposits	43.10	36.96
(c) Balances with government authorities		
Unsecured, considered good	-	-
(b) Other loans and advances		
Unsecured Considered Good		
APIIC Limited	-	-
<b>Total</b>	<b>66.60</b>	<b>58.40</b>

**Note 15. Other non-current assets**

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
	Rs. in Lakhs	Rs. in Lakhs
Preliminary Expenses	116.80	124.57
Payroll Amortisation	0.00	51.30
Non Compete Fee	181.94	220.50
<b>Total</b>	<b>298.74</b>	<b>396.37</b>

## Note 16. Trade receivables

Figures For the Current Reporting Period	Outstanding for following periods from due date of payment					Total
Particulars	Less than 6 Months	6 Months -1Year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade Receivables- Considered Goods	2,224.44	100.36	87.55	246.88	-	2,659.24
Undisputed Trade Receivables- Considered Doubtful	-	-	-	-	-	-
Disputed Trade Receivables- Considered Goods	-	-	-	-	-	-
Disputed Trade Receivables- Considered Doubtful	-	-	-	-	-	-
Others	-	-	-	-	-	-
<b>Total</b>	<b>2,224.44</b>	<b>100.36</b>	<b>87.55</b>	<b>246.88</b>	<b>-</b>	<b>2,659.24</b>

Figures For Previous Reporting Period	Outstanding for following periods from due date of payment					Total
Particulars	Less than 6 Months	6 Months -1Year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade Receivables- Considered Goods	1,160.08	45.70	326.22	-	-	1,531.99
Undisputed Trade Receivables- Considered Doubtful	-	-	-	-	-	-
Disputed Trade Receivables- Considered Goods	-	-	-	-	-	-
Disputed Trade Receivables- Considered Doubtful	-	-	-	-	-	-
Others	-	-	-	-	-	-
<b>Total</b>	<b>1,160.08</b>	<b>45.70</b>	<b>326.22</b>	<b>-</b>	<b>-</b>	<b>1,531.99</b>

## Note 17. Cash and cash equivalents

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
	Rs. in Lakhs	Rs. in Lakhs
(a) Cash on hand	1.63	1.38
(b) Balances with banks		
(i) In current accounts	926.88	422.59
(ii) In EEFC accounts	-	-
(ii) In Fixed deposit accounts	456.96	438.13
<i>( period of maturity within one year)</i>		
<b>Total</b>	<b>1,385.47</b>	<b>862.10</b>

## Note 18. Short-term loans and advances

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
	Rs. in Lakhs	Rs. in Lakhs
(a) Others Loans and advances		
Advance to Employees	0.76	0.23
Other Advances	19.85	11.25
TDS & Refund receivables	7.16	10.23
Input GST	23.35	85.44
<b>Total</b>	<b>51.12</b>	<b>107.16</b>

**Note 19. Other current assets**

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
	Rs. in Lakhs	Rs. in Lakhs
Advance for Capital Asset	-	-
Interest Accrued On Fixed Deposits	11.47	8.44
Other recivables	3.83	11.87
Prepaid Expenses	119.79	32.63
Inventory	296.41	-
UnBilled Receivables	541.67	441.00
<b>Total</b>	<b>973.16</b>	<b>493.95</b>

**Note 20. Revenue from Operations**

Particulars	31/03/2022	30/09/2021	31/03/2021	30/09/2020	31/03/2022	31/03/2021
	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
<b>Revenue from operations</b>						
Sale of Services	4,589.08	1,582.27	1,864.40	838.10	6,171.35	2,702.49
Unbilled Revenue	533.43	-	50.97	395.52	533.43	446.49
<b>Total</b>	<b>5,122.51</b>	<b>1,582.27</b>	<b>1,915.37</b>	<b>1,233.62</b>	<b>6,704.78</b>	<b>3,148.98</b>

**Note 21. Other income**

Particulars	31/03/2022	30/09/2021	31/03/2021	30/09/2020	31/03/2022	31/03/2021
	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
Interest Income	10.71	11.22	17.12	4.10	21.93	21.22
Other Income	46.96	4.79	4.63	7.53	51.76	12.16
Exchange Gain	21.19	7.02	-	-	28.20	-
<b>Total</b>	<b>78.86</b>	<b>23.03</b>	<b>21.76</b>	<b>11.63</b>	<b>101.89</b>	<b>33.38</b>

**Note 22. Employee Benefit Expense**

Particulars	31/03/2022	30/09/2021	31/03/2021	30/09/2020	31/03/2022	31/03/2021
	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
Salaries and wages	2,638.49	1,068.69	900.70	948.85	3,707.17	1,849.55
Remuneration to Directors	48.00	48.00	36.00	12.00	96.00	48.00
Contributions to provident and other funds	21.40	18.91	19.23	19.48	40.31	38.70
Staff welfare expenses	132.26	53.18	29.99	50.14	185.44	80.13
Gratuity	25.61	0.16	2.65	5.50	25.76	8.15
<b>Total</b>	<b>2,865.75</b>	<b>1,188.93</b>	<b>988.56</b>	<b>1,035.97</b>	<b>4,054.69</b>	<b>2,024.54</b>



## Note 23. Other Operating Expenses

Particulars	31/03/2022 Rs. in Lakhs	30/09/2021 Rs. in Lakhs	31/03/2021 Rs. in Lakhs	30/09/2020 Rs. in Lakhs	31/03/2022 Rs. in Lakhs	31/03/2021 Rs. in Lakhs
Payments to Auditor as :						
(a) Statutory Audit Fee	1.75	1.25	1.59	1.50	3.00	3.09
(b) Tax Audit Fee	0.75	0.75	1.00	0.50	1.50	1.50
(c) Secretarial Audit Fee	1.20	1.20	1.20	-	2.40	1.20
Accounting fee	0.01	1.15	1.86	1.23	1.16	3.09
Advertising Expenses	4.63	3.62	1.05	1.93	8.25	2.98
Bad debts Write off	10.11	3.69	83.00	-	13.80	83.00
Bank charges	21.79	4.12	6.68	1.87	25.91	8.56
Books & Periodicals	0.03	0.11	0.03	0.04	0.14	0.07
Job Work Charges	1,063.39	155.61	514.86	13.68	1,219.00	528.54
Computer Consumables	21.43	3.78	0.94	0.80	25.21	1.73
Directors Sitting Fee	0.45	-	0.30	0.35	0.45	0.65
Donations	0.90	0.75	0.35	-	1.65	0.35
Due&Publications	20.32	4.67	3.21	8.33	24.99	11.54
Domain Renewal charges	3.54	2.77	2.76	1.99	6.32	4.75
Electricity Charges	20.19	16.94	20.14	23.25	37.13	43.39
Exchange Loss	-	-	1.98	13.25	-	15.23
Foreign Travel Expenses -Employees	5.27	-	-	0.38	5.27	0.38
Fuel Expenses	25.56	1.49	0.21	1.29	27.05	1.50
Immigration fee	3.46	3.18	(0.00)	0.15	6.64	0.15
Insurance	136.03	14.74	12.42	13.08	150.77	25.49
Internet Charges	17.54	13.16	12.32	12.63	30.70	24.95
Legal Expenses	77.37	27.04	84.61	0.11	104.42	42.49
Loss on Sale of Asset	-	-	2.71	-	-	2.71
Misc Expenses	45.53	0.23	(42.23)	44.07	45.76	44.07
InEligible GST	12.87	-	-	-	12.87	-
Office Expenses	11.60	4.67	6.67	16.03	16.27	22.71
Other Charges	0.07	-	-	-	0.07	-
Postage & Courier Charges	5.34	0.91	0.37	0.49	6.25	0.86
Printing & Stationery	3.38	1.72	1.92	2.99	5.10	4.90
Prior Period Expenses	53.47	0.33	-	-	53.80	-
Professional & Consultancy Charges	70.25	48.24	61.95	53.70	118.50	115.65
Amortization	32.14	31.47	31.64	31.77	63.61	63.41
Rates & Taxes	41.42	1.24	10.80	2.16	42.66	12.96
Rent	118.69	66.49	112.62	25.35	185.18	137.97
Repairs & Maintenance - Others	68.64	13.81	6.82	6.67	82.46	13.49
Sales Commission	100.00	20.10	(6.44)	41.78	120.10	35.34
Sales Consulting Fee	26.27	20.09	17.16	14.32	46.36	31.48
Security Charges	1.80	1.80	2.08	3.12	3.60	5.20
Service Charges	1.13	1.13	1.13	1.13	2.25	2.25
Software Charges	0.23	6.89	(3.23)	5.26	7.11	2.03
Subscription & Other Charges	31.50	17.85	26.23	25.61	49.35	51.84
Telephone Charges	15.28	4.78	4.57	5.40	20.05	9.97
Travelling, Conveyance and Per Diem	209.52	74.16	17.32	50.04	283.68	67.36
Accommodation	134.10	3.24	-	3.24	137.34	3.24
Visa Fee	0.12	-	-	-	0.12	-
<b>Total</b>	<b>2,419.06</b>	<b>579.16</b>	<b>1,002.61</b>	<b>429.44</b>	<b>2,998.23</b>	<b>1,432.05</b>

## Note 24. Financial costs

Particulars	31/03/2022 Rs. in Lakhs	30/09/2021 Rs. in Lakhs	31/03/2021 Rs. in Lakhs	30/09/2020 Rs. in Lakhs	31/03/2022 Rs. in Lakhs	31/03/2021 Rs. in Lakhs
Interest expense on:						
- Interest On Working Capital Loans	22.70	5.48	21.22	7.12	28.17	28.35
- Interest Others	91.33	36.52	36.26	41.88	127.85	78.14
- Interest on Vehicle loans	-	-	-	0.53	-	0.53
<b>Total</b>	<b>114.03</b>	<b>41.99</b>	<b>57.48</b>	<b>49.53</b>	<b>156.02</b>	<b>107.01</b>

## SIGNIFICANT ACCOUNTING POLICIES:

For the year ended 31<sup>st</sup> March 2022

The following are the significant accounting policies adopted by the company.

### I. Corporate information:

Cadsys (India) Limited is a professionally managed multi-disciplinary organization undertaking GIS and Engineering design services in the field of telecom, CATV, Oil & Gas, Electric, other Utilities. Established in the year 1992, CADSYS is headquartered in Hyderabad, Telangana, and has operational presence in the United States of America. Over the years, Cadsys has successfully expanded its client base to countries such as Europe, Middle East and Canada.

### II. Basis of preparation of consolidated financial statements

The Financial Statements have been prepared and presented in accordance with generally accepted accounting principles in India ("Indian GAAP"). Indian GAAP comprises Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 as adopted consistently by the Company.

### III. Principles of Consolidation

The consolidated financial statements include the financial statements of Cadsys (India) Limited (the "parent company"), and its subsidiary (collectively referred to as "the company" or "the Group"), in which the parent company has more than one-half of the voting power of an enterprise or where the parent company controls the composition of the board of directors.

The Group financial statements have been prepared on the following basis.

- The financial statements of the Company and its subsidiary company have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in un realized profits or losses as per Accounting Standard 21-"Consolidated Financial Statements" & "Accounting for Investments in Subsidiaries in Separate Financial Statements".
- Since Cadsys (India) Limited is holding shares of Cadsys Technologies LLC USA from the beginning of its incorporation hence neither goodwill nor capital reserve will appear on consolidation.
- The consolidated financial statements are presented, to the extent possible, in the format as that adopted by the parent company for its separate financial statements.

Following are the Subsidiaries:

Name of the Company of Incorporation	% of Share Holding	Country
1. Cadsys Technologies LLC USA	97.56%	USA
2. Apex Advanced Technology LLC USA	63.50%	USA
3. Apex Engineers (India) Private Limited	80.00%	INDIA

#### **IV. Use of Estimates**

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of financial statements and reported amounts of income and expenses during the period. Actual results could differ from the estimates. Examples of such estimates including provision for doubtful debts, future obligations under employee retirement benefit plan, Income taxes. Any changes in estimates are adjusted prospectively.

Contingencies are recorded when it's probable that liability will be incurred, and the amount can be reasonably estimated. Where no reliable estimate can be made, a disclosure is made as contingent Liability.

#### **V. Revenue recognition:**

The company generally follows mercantile system of accounting and recognizes significant items of income on accrual basis.

1. Revenue from Providing Services of 'Software as a service' is recognized when the processes of services are completed and the data is transferred to the customer and billed to clients as per the terms of contracts.
2. Interest income is accounted on time proportion basis.
3. Other Items of Income are accounted as and when right to receive arises.

#### **VI. Expenditure**

Expenses are accounted on the accrual basis and provisions are made for all known losses and liabilities.

#### **VII. Fixed Assets & Depreciation:**

Fixed Assets are carried at the cost of acquisition or construction less accumulated depreciation.

The cost of tangible fixed assets includes non-refundable taxes, duties, freight and other incidental expenses related to the cost of acquisition and installation of the respective asset.

Depreciation is provided on Straight Line method basing on the useful life of the assets.

#### **VIII. Borrowing Cost:**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for Intended use. All other borrowing cost are charged to revenue.

#### **IX. Impairment Of Assets:**

An asset is treated as impaired when carrying cost of the assets exceeds its recoverable value. An impairment loss is charged to the profit and Loss A/c in the year in which an asset is identified as impaired. The impairment loss is recognized in prior accounting periods is reversed if there has been a change in the estimate recoverable amount

#### **X. Investments:**

Investments are either classified as current or long term, based on the management's intention at the time of purchase. Current investments are carried at the lower of cost or Fair Value. Long Term investments are carried at cost and Provisions are recorded to recognize any decline, other than temporary, in the carrying value of the each investment.

### **11. Foreign currency transaction:**

Transactions in foreign currency are recorded at Exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currency are translated at the rate of exchange at the balance Sheet date and resulting gain or loss is recognized in the profit and Loss Account. Non-Monetary assets and liabilities are translated at the rate prevailing on the date of transaction

### **12. Accounting for Taxes on Income:**

**Current Tax:** Provision for Current Income tax is made on the basis of the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

**Deferred Tax:** Deferred income tax is recognized, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. The tax effect is calculated on the accumulated amount.

Timing differences at the year end based on tax rates and laws, enacted or substantially enacted as of the Balance Sheet date. The deferred tax assets are recognized only to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized.

### **13. Earnings Per Share:**

In determining earnings per share, the company considers the net profit after tax and included the post tax effect of any extra ordinary /exceptional item is considered. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises the weighted average shares consolidated for deriving basic earnings per share, and also the weighted average number of equity shares that could have adjusted for the proceeds receivable, had the shares been actually issued at fair value (i.e. the average market value of the outstanding share.) Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date.

### **14. Cash Flow Statement:**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

### **15. Provisions and Contingencies :**

A Provision is recognized when there is a Present Obligation as a result of past event, for which it is probable that an outflow of resources will be required to settle the obligation and in respect of which reliable estimate can be made.

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

**25. Capital Commitment and Contingent liabilities:**

a. Estimated amount of unexecuted capital contracts

S.No	Particulars	2021-22	2020-21
		(Rs. in Lakhs)	(Rs. in Lakhs)
1	Unexecuted Capital Contracts	NIL	NIL

Contingent liabilities:

S.No	Particulars	2021-22	2020-21
		(Rs. in Lakhs)	(Rs. in Lakhs)
1	Outstanding Corporate Guarantees	0	0

**26. Auditors Remuneration:**

Particulars	FY 2021-22	FY 2020-21
	(Rs. in Lakhs)	(Rs. in Lakhs)
Statutory Audit Fee	2.50	2.50
Tax Audit Fee	1.50	1.50
<b>Total Audit Fee</b>	<b>4.00</b>	<b>4.00</b>

**27. Basic Earnings per share:**

Particulars	2021-22	2020-21
	(Rs. in Lakhs)	(Rs. in Lakhs)
Net Profit for the Year	-455.05	-536.69
Amount Available for Equity Share holders	-455.05	-536.69
Weighted Average no. of Equity shares	75.03	75.03
Face Value of Share	0.0001	0.0001
Basic Earnings per Equity Share	-6.07	-7.15

**28. Property, Plant and Equipment**

Property, Plant and Equipment represent a significant proportion of the asset base of the company. The changes in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in Technology.

(a) A reconciliation of the gross and net carrying amounts of each class of assets at the beginning and end of the reporting period showing additions, disposals, acquisitions through business combinations, amount of change due to revaluation (if change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment) and other adjustments and the related depreciation and impairment losses/reversals shall be disclosed separately.

(b) A reconciliation of the gross and net carrying amounts of each class of assets at the beginning and end of the reporting period showing additions, disposals, acquisitions through business combinations, amount of change due to revaluation (if change is 10% or more in the aggregate of the net carrying value of each class of intangible assets) and other adjustments and the related depreciation and impairment losses or reversals shall be disclosed separately.

### Property, plant and equipment consist of the following for the year ended 31<sup>st</sup> March - 2022

( Rupees in Lakhs )

Particulars	Furniture & Fittings	Computer	Servers	Electrical Equipment	Office Equipment	Vehicle	Air conditioner	Generator	U.P.S	Communication Equipment	Land	Building Work in Progress	Capital Work in progress	Software	Goodwill
Gross carrying value as at April 1, 2021	208.67	791.74	41.84	50.29	67.11	10.15	25.39	24.38	39.44	48.98	7.2	730.19	-	1949.14	2125.37
additions	-	8.78	-	1.96	154.07	44.78	-	-	-	-	-	16.44	-	87.75	2425.56
Deletions *	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Gross carrying value as at March 31, 2022</b>	<b>208.67</b>	<b>800.52</b>	<b>41.84</b>	<b>52.26</b>	<b>221.18</b>	<b>54.92</b>	<b>25.39</b>	<b>24.38</b>	<b>39.44</b>	<b>48.98</b>	<b>7.2</b>	<b>746.63</b>	<b>-</b>	<b>2036.89</b>	<b>4550.93</b>
Accumulated depreciation as at April 1, 2021	140.51	777.47	41.68	49.36	64.31	10.15	22.93	20.36	39.44	48.94	0	0	-	1170.24	28.79
Depreciation	12.41	6.91	0.05	0.48	9.08	0.4	0.96	1.69	0	0.04	0	0	-	294.35	0
Accumulated depreciation on deletions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Accumulated depreciation as at March 31, 2022</b>	<b>152.92</b>	<b>784.39</b>	<b>41.73</b>	<b>49.84</b>	<b>73.39</b>	<b>10.55</b>	<b>23.9</b>	<b>22.01</b>	<b>39.44</b>	<b>48.97</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>1464.59</b>	<b>28.79</b>
<b>Carrying value as at April 1, 2021</b>	<b>68.16</b>	<b>14.27</b>	<b>0.16</b>	<b>0.93</b>	<b>2.8</b>	<b>0</b>	<b>2.45</b>	<b>4.01</b>	<b>0</b>	<b>0.04</b>	<b>7.2</b>	<b>730.19</b>	<b>-</b>	<b>778.9</b>	<b>2096.58</b>
<b>Carrying value as at March 31, 2022</b>	<b>55.75</b>	<b>16.13</b>	<b>0.11</b>	<b>2.41</b>	<b>147.79</b>	<b>44.38</b>	<b>1.49</b>	<b>2.33</b>	<b>0</b>	<b>0.01</b>	<b>7.2</b>	<b>746.63</b>	<b>-</b>	<b>572.3</b>	<b>4522.14</b>

### Property, plant and equipment consist of the following for the year ended 31<sup>st</sup> March - 2022

( Rupees in Lakhs )

Particulars	Furniture & Fittings	Computer	Servers	Electrical Equipment	Office Equipment	Vehicle	Air conditioner	Generator	U.P.S	Communication Equipment	Land	Building Work in Progress	Capital Work in progress	Software	Goodwill
Gross carrying value as at April 1, 2020	217.48	783.99	41.84	50.29	67.11	62.96	25.39	33.94	39.44	48.98	7.2	0	375.66	1534.08	2125.37
additions	18.45	7.75	-	-	-	-	-	-	-	-	-	730.19	11.47	415.05	-
Deletions *	27.26	-	-	-	-	52.82	-	9.57	-	-	-	-	387.13	-	-
<b>Gross carrying value as at March 31, 2021</b>	<b>208.67</b>	<b>791.74</b>	<b>41.84</b>	<b>50.29</b>	<b>67.11</b>	<b>10.15</b>	<b>25.39</b>	<b>24.38</b>	<b>39.44</b>	<b>48.98</b>	<b>7.2</b>	<b>730.19</b>	<b>0</b>	<b>1949.14</b>	<b>2125.37</b>
Accumulated depreciation as at April 1, 2020	155.38	769.27	40.63	49.01	61.59	41.03	22.14	28.24	38.39	48.27	-	-	-	855.39	23.03
Depreciation	12.39	8.21	1.05	0.35	2.72	3.8	0.79	1.69	1.05	0.67	-	-	-	314.85	5.76
Accumulated depreciation on deletions	27.26	-	-	-	-	34.68	-	9.57	-	-	-	-	-	-	-
<b>Accumulated depreciation as at March 31, 2021</b>	<b>140.51</b>	<b>777.47</b>	<b>41.68</b>	<b>49.36</b>	<b>64.31</b>	<b>10.15</b>	<b>22.93</b>	<b>20.36</b>	<b>39.44</b>	<b>48.94</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1170.24</b>	<b>28.79</b>
<b>Carrying value as at April 1, 2020</b>	<b>62.1</b>	<b>14.72</b>	<b>1.2</b>	<b>1.28</b>	<b>5.52</b>	<b>21.93</b>	<b>3.25</b>	<b>5.7</b>	<b>1.05</b>	<b>0.71</b>	<b>7.2</b>	<b>0</b>	<b>375.66</b>	<b>678.7</b>	<b>2102.34</b>
<b>Carrying value as at March 31, 2021</b>	<b>68.16</b>	<b>14.27</b>	<b>0.16</b>	<b>0.93</b>	<b>2.8</b>	<b>0</b>	<b>2.45</b>	<b>4.01</b>	<b>0</b>	<b>0.04</b>	<b>7.2</b>	<b>730.19</b>	<b>0</b>	<b>778.9</b>	<b>2096.58</b>

## 29. Deferred Tax

Tax charged to Profit and Loss account is after considering deferred tax impact for the timing difference between accounting income and taxable income.

The deferred tax Asset as at March 31, 2022 and March 31, 2021 comprise of the following:

Particulars		As at March 31, 2022	As at March 31, 2021
		(Rs. in Lakhs)	(Rs. in Lakhs)
<b>A</b>	<b>Deferred Tax Liability / Asset</b>		
1	Related to fixed assets	-38.03	-39.02
<b>B</b>	<b>Deferred Tax Assets</b>		
1	Disallowance under the Income tax Act, 1961	-34.53	-25.65
<b>C</b>	<b>Deferred tax Liability/(Asset) (net)</b>	<b>72.55</b>	<b>64.67</b>

### 30. Trade Receivables (Rs. in Lakhs)

S.NO	Particulars	TOTAL	<6 Months(M)	6M - 1Yr	1- 2 Yr	2-3 Yr	>3 Yrs
1.	Undisputed Trade Receivables Considered Good.	2659.24	2224.45	100.36	87.55	246.88	NIL
2.	Undisputed Trade Receivables Considered Doubtful.	NIL	NIL	NIL	NIL	NIL	NIL
3.	Disputed Trade Receivables Considered Good.	NIL	NIL	NIL	NIL	NIL	NIL
4.	Disputed Trade Receivables Considered Good.	NIL	NIL	NIL	NIL	NIL	NIL

### 31. Unbilled dues from the clients: (Rs. in Lakhs)

S.NO	Particulars	TOTAL	<6 Months(M)	6M-1Yr	1-2 Yr	2-3 Yr	>3 Yrs
1	Unbilled Receivable from Apex	541.67	541.67	Nil	Nil	Nil	Nil
	<b>Total</b>	<b>541.67</b>	<b>541.67</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>

### 32. Trade Payables: (Rs. in Lakhs)

S.no	Particulars	TOTAL	< 1 Yr	1-2 Yr	2-3 Yr	> 3 Yr
1	MSME	Nil	Nil	Nil	Nil	Nil
2	OTHERS	332.92	332.92	Nil	Nil	Nil
	<b>Total</b>	<b>332.92</b>	<b>332.92</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>

### 33. Capital work in progress: (Rs. in Lakhs)

There is capital work in progress of Building with the amount of Rs. 746.63 Lakhs for the period under consideration.

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	730.19	0
Addition During the period	16.44	730.19
Closing Balance	<b>746.63</b>	<b>730.19</b>

### 34. Details of Benami Property held:

There were neither any proceedings initiated nor any pending litigations against the Company during the period.

### 35. Willful Defaulter:

The company has not been declared as willful defaulter by any Bank or any financial institution during the period.

### 36. Relationship with Struck off Companies

There were no such transactions with companies struck off under section 248 of the Companies Act, 2013.

### 37. Registration of Charges or Satisfaction With Registrar Of Companies (ROC):

There were no pending registrations of charges or satisfaction with registrar of companies.

### 38. Compliance with number of layers of companies:

The Company have Subsidiary Companies in India and abroad as prescribed under clause(87) of section 2 of the companies Act,2013.

### 39. Corporate Social Responsibility Expenditure

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spent at least 2% of its average net profit for the immediately preceding three financial years on Corporate Social Responsibility (CSR) activities. The areas for CSR activities are education of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment suitability, disaster relief, Covid-19 relief and rural development projects.

The Provisions of Sec-135 Of the companies Act-2013, is not applicable to the company

### 40. Related Party Transactions:

a) Name of the related party and relationship:

Party Name	Relation
N.C.V. Rangacharya	Key Managerial Person (Managing Director), Brother of N.C Padmaja and C Madhavi
N. C. Padmaja	Whole time Director and CFO & Sister of N.C.V. Rangacharya and C Madhavi
C. Madhavi	Director, sister of Managing director and Whole time director
S. Nagarajan	Director
S. Sai Sridhar	Director
C. Appalacharyulu	Director
B. Shailaja	Company Secretary & Daughter of N C Padmaja
Apex Engineers (India) Pvt Ltd	Enterprises over which Key managerial personnel has significant influence
Apex Advanced Technology LLC USA	Enterprises over which Key managerial personnel has significant influence and Partly owned Subsidiary.
Cadsys Technologies LLC USA	Enterprises over which Key managerial personnel has significant influence and owned Subsidiary.
Compusonic Technologies	Enterprises over which Key managerial personnel has significant influence.
i Power Four Technologies Pvt Ltd	Enterprises over which Key managerial personnel has significant influence.
Cadsys Technologies LLP	Wholly owned Subsidiary



a) Transactions with Related parties

PREVIOUS FIGURES MENTIONED IN ( )

Name of the Related Party	N.C.V. Rangacharya	N.C.Padmaja	B. Shailaja	S Nagarajan	Apex Advanced Technology LLC USA	Apex Engineers (India) Private Limited	Cadsys Technologies LLP	iPowerFour Technologies Pvt Ltd
Description of the nature of transactions	Receiving of professional and management Services	Receiving of professional and management Services	Receiving of professional services	Receiving of professional services	Provision of Services	Receipt of Services	Provision of Services	Rent Received
Volume of transactions either as an amount or as appropriate proportion	1. Managerial Remuneration of 60.00 Lakh (30.00 Lakh)	1. Managerial Remuneration of 36.00 Lakh (18.00 Lakh)	Remuneration of 4.80 Lakh (5.40 Lakh)	Professional Fee of 55.17 Lakh (23.29 Lakh)	1. Providing of Services of 1404.57 Lakh (1060.38 Lakh)	1. Receiving of Services of Rs. NIL (Rs. NIL/-) 2. Inter Corporate Loan of Rs. NIL (NIL)	Investment During the Year 0.45 Lakh (NIL)	Rent Received During the Year 2.27 Lakh (NIL)
Any other elements of the related party transactions	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
The amounts or appropriate proportions of outstanding items pertaining to related parties at the Balance Sheet date	1. Remuneration Payable of 2.98 Lakh (8.54 Lakh)	1. Remuneration Payable of 5.83 Lakh (4.93 Lakh)	Salary outstanding 0.40 Lakh (0.40 Lakh)	Remuneration Payable of 1.56 Lakh (4.31 Lakh)	Amount Receivable against export of services of 843.57 Lakh (639.53 Lakh)	Amount Receivable of Rs. NIL (NIL)	Investment of 1.60 Lakh (1.15 Lakh)	NIL
Provisions for doubtful debts due from such parties at that date and amounts written off or written back in the period in	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

**41.** In order to comply with the requirement of the Micro, Small and Medium Enterprises Development Act, 2006, Company has sought confirmation from the vendors whether they are falling in the category of Micro/Small/Medium Enterprises. Based on the information available, the required disclosures are given below

Particulars	As at March 31, 2022	As at March 31, 2021
	(Rs. in Lakhs)	(Rs. in Lakhs)
Principal amount remaining unpaid	2766.57	1590.30
Delayed payments due as at the end of each accounting year on account of Principal	-	-
Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-
Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	-	-
Interest accrued and remaining unpaid as at March 31 <sup>st</sup>	-	-
Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	-	-

**42. The following table summarizes the Disclosures of shareholding of Promoters and promoters group:**

Shares held by Promoters at the end of the year 31 March 2022					As at 31 March 2021	
S. No.	Name of the Promoter and Promoter Group	No of shares held (in lakhs)	% of total shares	% change during the year	No of shares held (in lakhs)	% out of number of shares of the company
1	CHAKRAVARTHI VENKATA RANGACHARYA NALLANI	18.9	25.20%	-	18.9	25.20%
2	PADMAJA NALLANICHAKRAVARTHI	13.2	17.55%	-	13.2	17.55%
3	PUSHPAVATHI NALLANI CHAKRAVARTHI	1.9	2.47%	-	1.9	2.47%
4	N C RANGAMANI	0.8	1.10%	-	0.8	1.10%
5	MADHAVI CHILAKAMARRI	0.5	0.61%	-	0.5	0.61%
6	RAJGOPAL SATTALURI	0.4	0.57%	-	0.4	0.57%
7	SITA JAYA LAKSHMI SATTALURI	0.1	0.17%	-	0.1	0.17%

**43. The following table summarizes the Ratios for the years ended 31<sup>st</sup> March, 2022 and 31st March 2021 are as follows:**

	Particulars	Numerator	Denominator	31.03.2022	31.03.2021	Variance
a)	Current Ratio	Current assets	Current liabilities	2.25	7.53	-5.28
b)	Debt-Equity ratio	Total liabilities	Shareholders equity	0.77	0.42	0.35
c)	Debt service coverage ratio	Operating Income	Interest expenses	-0.56	-0.29	-0.85
d)	Return on equity ratio	Net Income	Equity	-6.07	-7.15	-13.22
e)	Inventory turnover ratio	Inventory	Turnover	-	-	-
f)	Trade receivable turnover ratio	receivables	Turnover	0.40	0.49	-0.09
g)	Trade payable turnover ratio	Payables	Turnover	0.05	0.03	0.02
h)	net capital turnover ratio	Net assets	Turnover	0.91	1.18	-0.27
i)	net profit ratio	net profit	Turnover	-0.06	-0.15	-0.21
j)	Return on capital employed ratio	EBIDTA	Net Assets	0.01	-0.01	0
k)	Return on Investment	net income	Turnover	-0.07	-0.17	-0.24

**44. There were no overdue amounts exceeding 1 Lakh each, which are outstanding for more than 30 days payable to Small Scale Industrial Undertakings as on 31<sup>st</sup> March, 2022**

**45. The Company ('funding party') has paid 0.45 Lakhs during FY-2021-22 towards subscription of share capital of Cadsys Technology LLP.**

**46. Paise have been rounded off to the nearest Lakh**

**47. Previous Year Figures are regrouped wherever necessary.**

**As per our report of even date  
For DARAPANENI & CO  
Chartered Accountants  
Firm Regn No: 000685S**

**For and on behalf of the Board of Directors  
CADSYS (INDIA) LIMITED**

**Sd/-  
S.R.C.Murthy.Ch  
Partner  
Membership No. 233010  
Date: 30<sup>th</sup> May 2022  
Place: Hyderabad**

**Sd/-  
N.C.V.RANGACHARYA  
Managing Director  
DIN:01067596**

**Sd/-  
B.SHAILAJA  
Company Secretary & Compliance Officer  
PAN: ARXPB4192L**

**Sd/-  
S.NAGARAJAN  
Director  
DIN: 05262644**

**Sd/-  
N.C.PADMAJA  
Chief Financial Officer  
DIN: 01173673**

## **CORRIGENDUM TO THE NOTICE OF ANNUAL GENERAL MEETING ( TO BE HELD ON FRIDAY, SEPTEMBER 30<sup>th</sup>, 2022 )**

This is with reference to the Notice dated September 7<sup>th</sup>, 2022 convening the Annual General Meeting of the Company ("AGM") scheduled to be held on Friday, September 30<sup>th</sup>, 2022 at 9.00 A.M. IST through Video conferencing and other Audio-Visual means for seeking shareholders' approval by way of passing resolutions to increase the Authorised Share Capital of the Company and Issue and Allotment of Warrants on Preferential Basis as set out in the said Notice which was already sent to all shareholders of the Company.

The following alterations/modifications in the Notice are hereby notified through this corrigendum to all the stakeholders/shareholders:

### **Item No. 3 and Item No. 4 along with Explanatory statement:**

**Item No. 3:** The Company had proposed to increase the authorised share capital of the company from Rs. 8,50,00,000/- (Rupees Eight Crore Fifty Lacs only) divided into 85,00,000 (Eighty Five Lacs) Equity Shares of face value of Rs. 10/- each to Rs. 15,50,00,000 (Fifteen Crore Fifty Lacs only) divided into 1,55,00,000 (Rupees One Crore Fifty Five Lacs only) Equity Shares of face value of Rs. 10/- each.

**Item No. 4:** The Company had proposed to issue and allot 75,00,000 (Seventy Five Lakh) Convertible Warrants at a price of Rs. 40/- per warrant of the face value of Rs. 10/- each at a premium of Rs. 30/- on Preferential Basis to the Promoters and Non-promoters.

The Board of directors of the Company at its meeting held on Monday, September 12, 2022, has resolved to withdraw and cancel the increase in Authorised Share Capital of the Company and Issue and Allotment of 75,00,000 convertible warrants through Preferential Issue, which were subject to the approval of the members of the Company at the upcoming AGM, due to withdrawal of the consent by proposed new investors (non-promoter/group) to apply for warrants as they could not arrive at a mutual agreement in regards to the proposed number of warrants. As a result, the Board and the proposed allottees mutually agreed to not proceed with the proposed issue of preferential warrants.

The Board of Directors of the Company also resolved to withdraw the application for "In-Principle Approval" submitted to the National Stock Exchange of India Limited on September 7, 2022 proposing to allot 75,00,000 Convertible Warrants on preferential basis.

The contents of the AGM Notice except Item no. 3 and 4 along with explanatory statements remain unchanged. However, due to withdrawal of aforesaid item No. 3 and Item No. 4 from the AGM Notice, existing item No. 5 and Item No. 6 pertaining to Re-appointment of Mr. Sai Sridhar Sangineni (DIN: 03274134) as Non-Executive Independent Director and Re-appointment of Mr. Appalacharyulu Chilakamarri (DIN: 01601712) as Non-Executive Independent Director, respectively, are renumbered Item No. 3 and Item No. 4, respectively. All other arrangements for the AGM remain unchanged from those previously notified.

The corrigendum to the Notice of AGM shall form integral part of Notice dated September 7, 2022, which has already been circulated to the Shareholders and Stock Exchange of the Company. The Corrigendum will be available on the website of the Company [www.cadsystech.com](http://www.cadsystech.com) besides being communicated to NSE where the shares of the Company are listed. Corrigendum shall also be sent electronically to all the registered shareholders as on the cut-off date, i.e. September 2<sup>nd</sup>, 2022.

**Date : 13<sup>th</sup> September 2022**  
**place: Hyderabad**

**For and on behalf of the**  
**Cadsys (India) Limited**  
**sd/-**  
**Babladi Shailaja**  
**Company Secretary and Compliance Officer**  
**Membership No.: A42918**

## NOTICE OF 30<sup>th</sup> ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE 30<sup>th</sup> ANNUAL GENERAL MEETING OF THE MEMBERS OF CADSYS (INDIA) LIMITED WILL BE HELD ON FRIDAY THE 30<sup>th</sup> DAY OF SEPTEMBER, 2022 AT 9:00 A.M. (IST) THROUGH VIDEO CONFERENCING ("VC") / OTHER AUDIO VISUAL MEANS ("OAVM") TO TRANSACT THE FOLLOWING BUSINESSES:

### ORDINARY BUSINESS

#### 1. Adoption of Financial Statements:

To receive, consider, discuss and adopt –

**a)** The Audited Standalone Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2022 together with the Board's Report and Auditor's Report thereon and

**b)** The Audited Consolidated Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2022 together with the Auditor's Report thereon and in this regard, to consider and if thought fit, to pass the following resolutions as **an Ordinary Resolutions:**

**(a) "RESOLVED THAT** the Audited Standalone Financial Statements of the Company for the financial year ended on 31<sup>st</sup> March, 2022, the Board's Report and Auditor's Report thereon placed before this meeting, be and are hereby received, considered and adopted."

**(b) "RESOLVED THAT** the Audited Consolidated Financial Statements of the Company for the financial year ended on 31<sup>st</sup> March, 2022 and Auditor's Report thereon placed before this meeting, be and are hereby received, considered and adopted."

#### 2. Re-appointment of Mr. Sripadarajan Nagarajan as a Director, liable to retire by rotation:

To appoint a director in place of Mr. Sripadarajan Nagarajan (DIN: 05262644), who retires by rotation and being eligible, offers himself for re-appointment as a director and in this regard, consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013, the approval of the members of the Company be and is accorded to re-appoint Mr. Sripadarajan Nagarajan (DIN: 05262644), as a Director to the extent that he is liable to retire by rotation."

### SPECIAL BUSINESS

#### 3. To Increase the Authorized Share Capital of the Company:

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

**"RESOLVED THAT** pursuant to the provisions of sections 61, 64 and other applicable provisions of the Companies Act, 2013 ("the Act") read with relevant rules made thereunder, including statutory modifications or re-enactments thereof, enabling provisions of the Memorandum and Articles of Association of the Company, and other law, notifications and regulations as may be applicable and subject to the approval of the Registrar of Companies, Telangana and NSE Emerge, the consent of the members of the Company be and is hereby accorded to increase the authorized share capital of the Company from Rs. 8,50,00,000/- (Rupees Eight Crores Fifty Lacs Only) divided into 85,00,000 (Eighty-Five Lacs) Equity shares of face value of Rs. 10/- (Rupees Ten Only) each to Rs. 15,50,00,000/- (Rupees Fifteen Crores Fifty Lacs Only) divided into 1,55,00,000 (One Crore Fifty Five Lacs) Equity shares of face value of Rs. 10/- (Rupees Ten Only) each ranking pari passu in all respects with the existing equity shares of the Company."

**"RESOLVED FURTHER THAT** pursuant to sections 13, 61, 64 and other applicable provisions of the Companies Act, 2013, the consent of the members of the Company be and is hereby accorded for substituting the existing clause V of the Memorandum of Association of the Company relating to Authorized Share capital with the following new clause in its place:

**"V.**The Authorized share capital of the Company is Rs. 15,50,00,000/- (Rupees Fifteen Crores Fifty Lacs Only) divided into 1,55,00,000 (One Crore Fifty Five Lacs) Equity shares of face value of Rs. 10/- (Rupees Ten Only) with rights, privileges and conditions attached thereto as are provided by the regulations of the Company for the time being. The Company has power from time to time, to increase or reduce its share capital. "

**“RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, Board of Directors of the Company, be and is hereby authorized, to do all acts, deeds, matters and things as deem necessary, proper or desirable and to sign and execute all necessary documents, applications and returns for the purpose of giving effect to the aforesaid resolution along with filing of necessary E-form with the Registrar of Companies, Telangana or any other statutory authorities.”

#### 4. Issue and allotment of Warrants on Preferential Basis :

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

**“RESOLVED THAT** pursuant to the provisions of Sections 23, 42, 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014, as amended, the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the “SEBI (ICDR) Regulations”), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the “Listing Regulations”), Securities & Exchange Board of India (Substantial Acquisition of Shares & Takeovers) Regulations, 2011 (“SEBI Takeover Regulations”) and any other applicable laws, rules and regulations, circulars, notifications, clarifications, guidelines issued by the Government of India, the Securities and Exchange Board of India (“SEBI”) and The National Stock Exchange of India Limited, the only stock exchange where the shares of the Company are listed (“Stock Exchange”), or any other authority/body and enabling provisions in the Memorandum and Articles of Association of the Company, and subject to necessary approvals, sanctions, permissions of appropriate statutory/regulatory and/or other authorities and persons, if applicable and subject to such conditions and modifications as may be prescribed by any of them while granting such approvals/ sanctions/permissions and/or consents, if any, and which may be agreed by the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any committee(s), which the Board has constituted or may constitute to exercise its powers, including the powers conferred on the Board by this resolution), consent of the Members of the Company be and is hereby accorded to the Board, to create, issue, offer and allot, from time to time, in one or more tranches, upto 75,00,000 (Seventy Five Lakh) convertible warrants (“Warrants”) at a price of Rs. 40/- (Rupees Forty Only) per Warrant (“Warrant Issue Price”) with a right to the Warrant holders to apply for and be allotted 1 (One) Equity Share of the face value of Rs. 10/- (Rupees Ten only) each of the Company (“Equity Shares”) at a premium of Rs. 30/- (Rupees Thirty Only) per Equity Share for each Warrant within a period of 18 (Eighteen) months from the date of allotment of the Warrants, for an amount upto Rs. 30,00,00,000/- (Rupees Thirty Crore Only), to the below mentioned Investor(s) of the Company (“Proposed Allottees”) for cash and in such form and manner and in accordance with the provisions of SEBI (ICDR) Regulations and SEBI Takeover Regulations or other applicable laws and on such terms and conditions as the Board may, in its absolute discretion think fit and without requiring any further approval or consent from the Members: “

Sr. No.	Name of the Proposed Allottees	Category	No. of Warrants	Investment Amount upto (Rs.)
1	Mrs. Padmaja Nallani Chakravarthi	Promoter Group	20,00,000	8,00,00,000
2	Mr. Chakravarthi Venkata Rangacharya Nallani	Promoter	5,00,000	2,00,00,000
3	Ms. Sai Sirisha Nallani Chakravarthi*	Promoter Group	5,00,000	2,00,00,000
4	Ms. Babladi Shailaja	Public	5,00,000	2,00,00,000
5	Mr. Nagarajan Sripadarajan	Public	5,00,000	2,00,00,000
6	Mr. Srinivas Rao Vala	Public	13,20,000	5,28,00,000
7	Mr. Apparao Venkata Varre	Public	21,80,000	8,72,00,000
	<b>Total</b>		<b>75,00,000</b>	<b>30,00,00,000</b>

\*As per the Regulation 2 (1)(pp) of SEBI (ICDR) Regulations, 2018, Ms. Sai Sirisha Nallani Chakravarthi is deemed promoter of the company. However she does not hold any shares in the company.



**“RESOLVED FURTHER THAT** in accordance with the provision of Chapter V of the SEBI (ICDR) Regulations the “Relevant Date” for the purpose of calculating the floor price for the issue of Warrants be and is hereby fixed as August 30th , 2022, being the date 30 days prior to the date of Meeting i.e. September 30th, 2022.”

**RESOLVED FURTHER THAT** without prejudice to the generality of the above, the issue of Warrants shall be subject to the following terms and conditions:

- a. The Warrant holders shall, subject to the SEBI (ICDR) Regulations and other applicable rules, regulations and laws, be entitled to exercise the Warrants in one or more tranches within a period of 18 (Eighteen) months from the date of allotment of the Warrants by issuing a written notice to the Company specifying the number of Warrants proposed to be exercised. The Company shall accordingly issue and allot the corresponding number of Equity Shares of face value of Rs. 10/- (Rupees Ten only) each to the Warrant holders;
- b. An amount equivalent to 25% of the Warrant Issue Price shall be payable at the time of subscription and allotment of each Warrant and the balance 75% shall be payable by the Warrant holder(s) on the exercise of the Warrant(s);
- c. In the event that, a Warrant holder does not exercise the Warrants within a period of 18 (Eighteen) months from the date of allotment of such Warrants, the unexercised Warrants shall lapse and the amount paid by the Warrant holders on such Warrants shall stand forfeited by the Company;
- d. The price determined above and the number of Equity Shares to be allotted on exercise of the Warrants shall be subject to appropriate adjustments as permitted under the rules, regulations and laws, as applicable from time to time;
- e. Apart from the said right of adjustment mentioned in (d) above, the Warrants by themselves, until exercise of the conversion option and allotment of Equity Shares, do not give the Warrant holder thereof any rights akin to that of shareholder(s) of the Company;
- f. The Company shall procure the listing and trading approvals for the Equity Shares to be issued and allotted to the Warrant holders upon exercise of the Warrants from the relevant Stock Exchanges in accordance with the Listing Regulations and all other applicable laws, rules and regulations;
- g. The Equity Shares so allotted on exercise of the Warrants shall be in dematerialized form and shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank pari passu in all respects including dividend, with the existing Equity Shares of the Company;
- h. The allotment of Warrants pursuant to this resolution shall be completed within a period of 15 days from the passing of this resolution, provided that, where the allotment pursuant to this resolution is pending on account of pendency of any approval for such allotment by any regulatory authority or the Central Government, the allotment shall be completed within a period of 15 days from the date of receipt of last of such approval(s);
- i. The allotment of the Equity Shares pursuant to exercise of Warrants shall be completed within a period of 15 (Fifteen) days from the date of such exercise by the allottees;
- j. The Equity Shares issued pursuant to the exercise of the Warrants shall be locked-in as prescribed under the SEBI (ICDR) Regulations from time to time;

k. The pre-preferential shareholding of the Allottees under this resolution shall not be sold, transferred, pledged or encumbered in any manner during the period of lock-in provided under SEBI ICDR Regulations, except to the extent and in the manner permitted thereunder.

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary or desirable to give effect to the above resolutions, including without limitation to issue and allot Equity Shares upon exercise of the Warrants, to issue certificates/clarifications on the issue and allotment of Warrants and thereafter allotment of Equity Shares further to exercise of the Warrants, effecting any modifications to the foregoing (including to determine, vary, modify or alter any of the terms and conditions of the Warrants including deciding the size and timing of any tranche of the Warrants), entering into contracts, arrangements, agreements, memoranda, documents to give effect to the resolutions above (including for appointment of agencies, consultants, intermediaries and advisors for managing issuance of Warrants and listing and trading of Equity Shares issued on exercise of Warrants), including making applications to Stock Exchange for obtaining of in-principle approval, filing of requisite documents with the Registrar of Companies (ROC), National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL) and/ or such other authorities as may be necessary for the purpose, seeking approvals from lenders (where applicable), to take all such steps as may be necessary for the admission of the Warrants and Equity Shares (to be issued on exercise of the Warrants) with the depositories, viz. NSDL and CDSL and for the credit of such Warrants/Shares to the respective dematerialized securities account of the proposed allottee, and to delegate all or any of the powers conferred by the aforesaid resolutions on it to any committee of Directors or any Director(s) or officer(s) of the Company and to revoke and substitute such delegation from time to time, as deemed fit by the Board, to give effect to the above resolutions and also to initiate all necessary actions for and to settle all questions, difficulties, disputes or doubts whatsoever that may arise, including without limitation in connection with the issue and utilization of proceeds thereof, and take all steps and decisions in this regard.”

#### **5. To Consider and approve the re-appointment of Mr. Sai Sridhar Sangineni (DIN: 03274134) as Non-Executive Independent Director:**

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

**“RESOLVED THAT** pursuant to provisions of section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("the Act") read with schedule IV of the said act (including any statutory modifications (or) re-enactments thereof for the time being in force), approval of shareholders be and is hereby accorded for the re-appointment of Mr. Sai Sridhar Sangineni holding a valid DIN: 03274134, who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act for his candidature for the office of Director, be and is hereby appointed as an Non-Executive Independent Director of the Company, not liable to retire by rotation and to hold the office for the second term i.e., for 5 (five) years w.e.f 01st April, 2022.”

**“RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, Board of Directors of the Company, be and is hereby authorized, to do all acts, deeds, matters and things as deem necessary, proper or desirable and to sign and execute all necessary documents, applications and returns for the purpose of giving effect to the aforesaid resolution along with filing of necessary E-form with the Registrar of Companies, Telangana or any other statutory authorities.”



**6. To Consider and approve the re-appointment of Mr. Appalacharyulu Chilakamarri (DIN: 01601712) as Non-Executive Independent Director :**

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

**“RESOLVED THAT** pursuant to provisions of section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("the Act") read with schedule IV of the said act (including any statutory modifications (or) re-enactments thereof for the time being in force), approval of shareholders be and is hereby accorded for the re-appointment of Mr. Appala Charyulu Chilakanarri holding a **valid DIN: 01601712**, who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act for his candidature for the office of Director, be and is hereby appointed as an Non-Executive Independent Director of the Company, not liable to retire by rotation and to hold the office for the second term i.e., for 5 (five) w.e.f 01<sup>st</sup> April, 2022.”

**“RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, Board of Directors of the Company, be and is hereby authorized, to do all acts, deeds, matters and things as deem necessary, proper or desirable and to sign and execute all necessary documents, applications and returns for the purpose of giving effect to the aforesaid resolution along with filing of necessary E-form with the Registrar of Companies, Telangana or any other statutory authorities.”

**Date : 7<sup>th</sup> September 2022**  
**place: Hyderabad**

**For and on behalf of the**  
**Cadsys (India) Limited**  
**sd/-**  
**N.C.Padmaja**  
**Whole -Time Director**  
**DIN: 01173673**

## EXPLANATORY STATEMENT

(Pursuant to the provisions of Section 102 of Companies Act, 2013)

### Item No. 3:

Your Board has proposed to increase the Authorized share capital of the Company from Rs. 8,50,00,000/- (Rupees Eight Crores Fifty Lacs Only) divided into 85,00,000 (Eighty Five Lacs) Equity shares of face value of Rs. 10/- (Rupees Ten Only) each to Rs. 15,50,00,000/- (Rupees Fifteen Crores Fifty Lacs Only) divided into 1,55,00,000 (One Crore Fifty Five Lacs) Equity shares of face value of Rs. 10/- (Rupees Ten Only) each ranking pari passu in all respects with the existing equity shares of the Company in order to accommodate the proposed issue of warrants on preferential basis.

In accordance with the provisions of the Companies Act, 2013, and the Articles of Association, the Company may increase the Authorized Share Capital by passing resolutions at the General Meeting of the members of the Company. Consequently upon such increase in Authorized Share Capital of the Company and to reflect the said change in its Memorandum of Association of the Company, the resolutions have been proposed by the Board of Directors.

Hence, the members are requested to pass the resolutions specified in the Notice for the purpose to increase of the authorized Share Capital of the company and also to alter the Memorandum and Articles of Association of the Company.

None of the Directors/Managers/KMP and their relatives is concerned or interested, except as the members of the Company.

### Item No. 4:

The Board of Directors of the Company ("the Board") at their Meeting on September 7th, 2022, subject to necessary approval(s), has approved the proposal for raising of funds by issue of upto 75,00,000 (Seventy Five Lakh) convertible warrants ("Warrants") at a price of Rs. 40/- (Rupees Forty only) per Warrant with a right to the warrant holders to apply for and be allotted 1 (One) Equity Share of the face value of Rs. 10/- (Rupees Ten only) each of the Company ("Equity Shares") at a premium of Rs. 30/- (Rupees Thirty only) per Equity Share for each Warrant within a period of 18 (Eighteen) months from the date of allotment of the Warrants, for an amount upto Rs. 30,00,00,000/- (Rupees Thirty Crore Only) to the below mentioned Investor(s) of the Company ("Proposed Allottees") for cash and in such form and manner and in accordance with the provisions of SEBI (ICDR) Regulations:

Sr. No.	Name of the Proposed Allottees	Category	No. of Warrants	Investment Amount upto (Rs.)
1	Mrs. Padmaja Nallani Chakravarthi	Promoter Group	20,00,000	8,00,00,000
2	Mr. Chakravarthi Venkata Rangacharya Nallani	Promoter	5,00,000	2,00,00,000
3	Ms. Sai Sirisha Nallani Chakravarthi*	Promoter Group	5,00,000	2,00,00,000
4	Ms. Babladi Shailaja	Public	5,00,000	2,00,00,000
5	Mr. Nagarajan Sripadarajan	Public	5,00,000	2,00,00,000
6	Mr. Srinivas Rao Vala	Public	13,20,000	5,28,00,000
7	Mr. Apparao Venkata Varre	Public	21,80,000	8,72,00,000
	<b>Total</b>		<b>75,00,000</b>	<b>30,00,00,000</b>

\*As per the Regulation 2 (1)(pp) of SEBI (ICDR) Regulations, 2018, Ms. Sai Sirisha Nallani Chakravarthi is deemed promoter of the company. However she does not hold any shares in the company.

Necessary information or details in respect of the proposed Preferential Issue of Warrants in terms of Section 42 and 62(1)(c) of the Companies Act, 2013 read with Rule 14(1) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Chapter V of the Securities and Exchange Board of India (Issue of

Capital and Disclosure Requirements) Regulation, 2018, as amended (the “SEBI (ICDR) Regulation”) are as under:

### 1. Objects of the Preferential Allotment:

The Company is planning to raise funds for long term working capital requirements, repayment of debt and/or for general corporate purposes.

### 2. Particulars of the offer including date of passing of Board resolution, kind of Securities offered, maximum number of securities to be issued and the Issue Price:

The Board of Directors of the Company at their Meeting on September 7th , 2022, has, subject to the approval of the Members of the Company (“Members”) and such other approvals as may be required, approved the issue of following:

Sr. No.	Name of the Proposed Allottees	No. of Warrants	Price of each security	Investment Amount upto (Rs.)
1	Mrs. Padmaja Nallani Chakravarthi	20,00,000	Rs. 40/-	8,00,00,000
2	Mr. Chakravarthi Venkata Rangacharya Nallani	5,00,000		2,00,00,000
3	Ms. Sai Sirisha Nallani Chakravarthi*	5,00,000		2,00,00,000
4	Ms. Babladi Shailaja	5,00,000		2,00,00,000
5	Mr. Nagarajan Sripadarajan	5,00,000		2,00,00,000
6	Mr. Srinivas Rao Vala	13,20,000		5,28,00,000
7	Mr. Apparao Venkata Varre	21,80,000		8,72,00,000
	<b>Total</b>	<b>75,00,000</b>		<b>30,00,00,000</b>

\*As per the Regulation 2 (1)(pp) of SEBI (ICDR) Regulations, 2018, Ms. Sai Sirisha Nallani Chakravarthi is deemed promoter of the company. However she does not hold any shares in the company.

The amount paid against Warrants shall be adjusted/ set-off against the issue price for the resultant Equity Shares. The terms and conditions of the Preferential Issue of the Warrants are as stated in the Resolution

### 3. Intent of the Promoters, Directors or Key Managerial Personnel of the Company to subscribe to the Preferential Issue:

The proposed allottees as mentioned above are intending to participate/subscribe to the proposed Preferential Allotment to the extent of Warrants allotted. Except the aforesaid, no other Promoters, Directors or Key Managerial Personnel of the Company are subscribing to this preferential issue.

### 4. Shareholding pattern of the Company before and after the Preferential Issue:

The shareholding pattern of the Company before and after considering all the preferential issues under this Notice is provided in an Annexure 1 forming part of this Notice.

### 5. Time frame within which the Preferential Issue shall be completed:

As required under the SEBI (ICDR) Regulations, the Warrants shall be allotted by the Company within a period of 15 (Fifteen) days from the date of passing of this Resolution provided that where the allotment of the proposed Warrants is pending on account of receipt of any approval or permission from any regulatory authority or Government of India, the allotment shall be completed within a period of 15 (Fifteen) days from the date of receipt of last of such approvals or permissions.

**6. Identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and/or who ultimately control the proposed allottees:**

Sr. No.	Name of Proposed Allottees	Category	Beneficial Ownership
1	Mrs. Padmaja Nallani Chakravarthi	Promoter Group	NA
2	Mr. Chakravarthi Venkata Rangacharya Nallani	Promoter	NA
3	Ms. Sai Sirisha Nallani Chakravarthi*	Promoter Group	NA
4	Ms. Babladi Shailaja	Public	NA
5	Mr. Nagarajan Sripadarajan	Public	NA
6	Mr. Srinivas Rao Vala	Public	NA
7	Mr. Apparao Venkata Varre	Public	NA

\*As per the Regulation 2 (1)(pp) of SEBI (ICDR) Regulations, 2018, Ms. Sai Sirisha Nallani Chakravarthi is deemed promoter of the company. However she does not hold any shares in the company.

**7. The percentage of post preferential issue capital that may be held by the allottees and change in control, if any, in the issuer consequent to the Preferential issue:**

Name of the proposed Allottees	Pre Issue Shareholding		Issue of Warrants (Present Issue) (No.)	Post Issue Shareholding after conversion of Warrants	
	No. of shares	% of Shareholding		No. of shares	% of Shareholding
Mrs. Padmaja Nallani Chakravarthi	13,16,600	17.55	20,00,000	33,16,600	22.11
Mr. Chakravarthi Venkata Rangacharya Nallani	18,90,875	25.2	5,00,000	23,90,875	15.94
Ms. Sai Sirisha Nallani Chakravarthi*	0	0.00	5,00,000	5,00,000	3.33
Ms. Babladi Shailaja	15,02,400	20.03	5,00,000	20,02,400	13.35
Mr. Nagarajan Sripadarajan	0	0.00	5,00,000	5,00,000	3.33
Mr. Srinivas Rao Vala	50,000	0.67	13,20,000	13,70,000	9.13
Mr. Apparao Venkata Varre	86,000	1.15	21,80,000	22,66,000	15.10

\*As per the Regulation 2 (1)(pp) of SEBI (ICDR) Regulations, 2018, Ms. Sai Sirisha Nallani Chakravarthi is deemed promoter of the company. However she does not hold any shares in the company.

There shall be no change in management or control of the Company pursuant to the aforesaid issue of the Warrants.

## 8. Re-computation of the share price:

- i. The Company undertakes to re-compute the price of the equity shares issued in terms of the preferential allotment under this resolution in terms of the SEBI (ICDR) Regulations, 2018 where it is required to do so. The Company undertakes that if the amount payable on account of re-computation of price is not paid within the time stipulated in the SEBI (ICDR) Regulations, 2018, the specified equity shares shall continue to be locked-in till the time such amount is paid by the Allottees.
- ii. The Company undertakes that if the amount payable on account of the re-computation of price is not paid within the time stipulated in SEBI ICDR Regulations, the Subscription Shares to be allotted under the preferential issue shall continue to be locked-in till the time such amount is paid.

## 9. Confirmations regarding wilful defaulter or a fraudulent borrower / fugitives, if any:

Neither the Company nor its promoters nor its Directors have been identified as wilful defaulter or a fraudulent borrower by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India. None of the promoters and directors of the Company have been identified as fugitive economic offenders as per the Fugitive Economic Offenders Act, 2018.

## 10. The current and proposed status of the allottees post the preferential issue namely, promoter or non-promoter:

Sr. No.	Name of Proposed Allottees	Current status of Proposed Allottees	Proposed status of the Proposed Allottees
1	Mrs. Padmaja Nallani chakravarthi	Promoter Group	Promoter Group
2	Mr. Chakravarthi Venkatarangacharya Nallani	Promoter	Promoter
3	Ms. Sai Sirisha Nallani Chakravarthi*	Promoter Group	Promoter Group
4	Ms. Babladi Shailaja	Public	Public
5	Mr. Nagarajan Sripadarajan	Public	Public
6	Mr. Srinivas Rao Vala	Public	Public
7	Mr. Apparao Venkata Varre	Public	Public

\*As per the Regulation 2 (1)(pp) of SEBI (ICDR) Regulations, 2018, Ms. Sai Sirisha Nallani Chakravarthi is deemed promoter of the company. However she does not hold any shares in the company.

## 11. Relevant Date:

In terms of the provisions of Chapter V of the SEBI (ICDR) Regulations, relevant date for determining the floor price for the Preferential Issue of the Warrants is Tuesday, August 30th, 2022, being the date 30 days prior to the last date of e-voting i.e. September 30<sup>th</sup> 2022..

## 12. Basis or justification for the price (including premium, if any) at which the offer or invitation is being made along with report of the registered valuer & Pricing of the preferential issue:

The Equity Shares of Company are listed on the NSE. The Equity Shares are frequently traded in terms of the SEBI ICDR Regulations.

The Price of the Equity Shares to be allotted to the Proposed Allottees of the Company shall not be less than the price determined in accordance with the SEBI ICDR Regulations. Currently, SEBI ICDR Regulations provides that the pricing for the issue of securities on preferential basis by a listed Company is to be based on the following parameters:

a. In case of “frequently traded shares” (Regulation 164 (1) of the SEBI ICDR Regulations):

If the equity shares of the Company have been listed on a recognised stock exchange for a period of 90 trading days or more as on the relevant date, the price of the equity shares to be allotted pursuant to the preferential issue shall be not less than higher of the following:

- i. The 90 trading days' volume weighted average price of the related equity shares quoted on the recognised stock exchange preceding the relevant date; or
- ii. The 10 trading days' volume weighted average prices of the related equity shares quoted on a recognised stock exchange preceding the relevant date.

Provided that if the Articles of Association of the issuer provide for a method of determination which results in a floor price higher than that determined under these regulations, then the same shall be considered as the floor price for equity shares to be allotted pursuant to the preferential issue.

**Accordingly, the floor price in terms of Regulation 164 of the SEBI (ICDR) Regulation, is Rs. 30.94 /- (Rupees Thirty Rupees and Ninety Four Paise only) per Equity Share, being higher of the above two prices.**

**We also confirm that the Articles of Association do not contain any restrictive provision for Preferential Allotment and doesn't contain any article which provides for determination of price in case of preferential issue.**

As per Regulation 166A (1) of SEBI (ICDR) Regulation, any preferential issue, which may result in a change in control or allotment of more than five per cent of the post issue fully diluted share capital of the issuer, to an allottee or to allottees acting in concert, shall require a valuation report from an independent registered valuer and consider the same for determining the price. In the proposed preferential issue the allotment to the allottees i.e. Mr. Srinivas Rao Vala and Mr. Apparao Venkata Varre is more than five per cent of the post issue fully diluted share capital of the issuer therefore, the company has obtained a Valuation Report dated September 7<sup>th</sup> 2022. issued by a registered valuer Mr. Sanka Hari Surya having Valuer Registration No. IBBI/RV/07/2019/12576. As per the said Valuation Report Rs. 34.85 /- (Rupees Thirty Four Rupees and Eighty Five Paise only) per Equity Share is the fair market value.

The pricing of the Warrants convertible into equivalent number of Equity Shares of face value of Rs. 10/- (Rupees Ten only) each is Rs. 40/- (Rupees Forty Only) per Warrant which is not lower than the floor price determined in terms of regulations 164 & 166 A of the SEBI (ICDR) Regulations.

### **13. Adjustments for Warrants:**

The price determined above and the number of Equity Shares to be allotted on exercise of the Warrant shall be subject to appropriate adjustments, as permitted under applicable rules, regulations and laws from time to time.

### **14. Amount which the Company intends to raise by way of such securities:**

Rs. 30,00,00,000/- (Rupees Thirty Crore Only)

### **15. Justification for offer being made for consideration other than cash together with the valuation report of the Registered Valuer:**

Not applicable. The consideration for issue of Warrants and equity shares arising on conversion of Warrants shall be paid in cash and not in consideration other than cash.

**16. Number of persons to whom allotment on preferential basis has already been made during the year, in terms of number of securities as well as price:**

Not applicable. During the year, the Company has not allotted any securities on preferential basis.

**17. Lock-in Period:**

Not applicable. During the year, the Company has not allotted any securities on preferential basis.

**18. The class or classes of persons to whom the allotment is proposed to be made:**

The allotment is proposed to be made to the proposed Allottees belonging to the Promoter and Promoter Group and Public category.

**19. Practicing Company Secretary's Certificate:**

The certificate from the Practicing Company Secretary, CS Ramesh Atluri, Proprietor at Atluri Ramesh & Associates, Company Secretaries certifying that the Preferential Issue is being made in accordance with the requirements contained in the SEBI (ICDR) Regulations shall be available for inspection to the Members at the Meeting and is made available on the website of the Company at [www.cadsystech.com](http://www.cadsystech.com).

**20. Material terms of the proposed Preferential Issue of the Warrants:**

The material terms of the proposed preferential issue of the Warrants are stipulated in the special resolution as set out at Item Nos. 5 of this Notice.

**21. Other disclosures:**

- a. The Company is eligible to make the Preferential Issue under Chapter V of the SEBI (ICDR) Regulations;
- b. The proposed allottees have not sold or transferred any Equity Shares during the 90 (Ninety) trading days preceding the Relevant Date.
- c. No person belonging to the promoters / promoter group has previously subscribed to any warrants of the Company and failed to exercise them;
- d. All the equity shares held by the Proposed Allottees in the Company are in dematerialized form only;

Accordingly, the approval of the Members of the Company is hereby sought by way of special resolution for authorizing the Board of Directors of the Company to create, offer, issue and allot convertible warrants as specifically described in the resolutions set out at Item Nos. 5 of this Notice.

The Board of Directors believe that the proposed issue is in the best interest of the Company and its Members and therefore recommends the Special Resolution as set out in the Item Nos.5 in the accompanying notice for approval by the Members.

Except Mrs. Padmaja Nallani Chakravarthi, Mr. Chakravarthi Venkata Rangacharya Nallani, Ms. Sai Sirisha Nallani Chakravarthi and Ms. Babladi Shailaja, none of the other Promoters or Directors or Key Managerial Personnel (KMP) and their relatives forming part of the Promoter Group of the Company have any concern or interest, financial or otherwise, in the proposed resolution except to the extent of their shareholding in the Company.



**Shareholding pattern of the Company before and after the Preferential Issue:**

Sr. No.	Category	Pre-Issue		Post Issue Shareholding after Conversion of Warrants		
		No. of shares	% of Shareholding	Issue of warrants (Present Issue)(No.)	No. of shares	% of Shareholding
<b>A.</b>	<b>Promoters Holding:</b>					
<b>1</b>	Indian					
a.	Individuals/HUF					
	CHAKRAVARTHI VENKATA RANGACHARYA NALLAN	18,90,875	25.20%	5,00,000	23,90,875	15.94%
b.	Central Government/ State Government(s)	-	0	-	-	0
c.	Financial Institutions/ Banks	-	0	-	-	0
d.	Any other (Specify)		0.00%			
	PADMAJA NALLANI CHAKRAVARTHI	13,16,600	17.55%	20,00,000	33,16,600	22.11%
	SAI SIRISHA NALLANI CHAKRAVARTHI	-	0.00%	5,00,000	5,00,000	3.33%
	N C RANGAMANI	84,500	1.13%	-	84,500	0.56%
	MADHAVI CHILAKAMARRI	46,000	0.61%	-	46,000	0.31%
	SITA JAYA LAKSHMI SATTALURI	13,000	0.17%	-	13,000	0.09%
	PUSHPAVATHI NALLANI CHAKRAVARTHI	1,85,625	2.47%	-	1,85,625	1.24%
	RAJAGOPAL SATTALURI	42,500	0.57%	-	42,500	0.28%
	<b>Sub Total (A1)</b>	<b>35,79,100</b>	<b>47.71%</b>	<b>30,00,000</b>	<b>65,79,100</b>	<b>43.85%</b>
<b>2</b>	Foreign Promoters	-	0	-	-	0
	<b>Sub Total (A2)</b>	-	0	-	-	0
	<b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)</b>	<b>35,79,100</b>	<b>47.71%</b>	<b>30,00,000</b>	<b>65,79,100</b>	<b>43.85%</b>
<b>B.</b>	<b>Non Promoters Holding:</b>					
<b>1</b>	Institutional holding	-	0	-	-	0
	<b>Sub Total (B1)</b>	-	0	-	-	0
<b>2</b>	Central Government/ State Government(s)/ President of India	-	0	-	-	0
	<b>Sub Total (B2)</b>	-	0	-	-	0
<b>3</b>	<b>Non Institutional holding</b>					
a	<b>Individuals</b>	35,27,400	47.02%	-	35,27,400	23.51%
(i)	Individual shareholders holding nominal share capital up to Rs. 2 lakhs.	13,16,000	17.54%	-	13,16,000	8.77%
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.	22,11,400	29.48%	-	22,11,400	14.74%



	BABLADI SHAILAJA	15,02,400	20.03%	5,00,000	20,02,400	13.35%
	CHILAKAMARRY VENU GOPAL PRASAD	90,000	1.20%	-	90,000	0.60%
	GITIKA KALE	1,00,000	1.33%	-	1,00,000	0.67%
	GURU RAJ BABLADI	2,25,000	3.00%	-	2,25,000	1.50%
	NAGARAJAN SRIPADARAJAN	-	0.00%	5,00,000	5,00,000	3.33%
	SRINIVAS RAO VALA	50,000	0.67%	13,20,000	13,70,000	9.13%
	APPARAO VENKATA VARRE	86,000	1.15%	21,80,000	22,66,000	15.10%
<b>b.</b>	<b>NBFCs registered with RBI</b>	-	0	-	-	0
<b>c.</b>	<b>Employee Trusts</b>	-	0	-	-	0
<b>d.</b>	<b>Overseas Depositories (holding DRs) (balancing figure)</b>	-	0	-	-	0
<b>e.</b>	<b>Any other(Specify)</b>					
	Bodies Corporate	46,000	0.61%	-	1,52,000	1.01%
	SAFFRON EQUITY ADVISORS PRIVATE LIMITED	1,12,000	1.49%	-	90,000	0.60%
	Clearing member	24,000	0.32%	-	32,000	0.21%
	HUF	1,18,000	1.57%	-	1,26,000	0.84%
	Non-Resident Indian (NRI)	96,000	1.28%	-	96,000	0.64%
	<b>Sub Total (B3)</b>	<b>3,96,000</b>	<b>5.28%</b>	<b>45,00,000</b>	<b>48,96,000</b>	<b>32.63%</b>
	<b>Total Public Shareholding (B)= (B)(1)+(B)(2)+(B)(3)</b>	<b>39,23,400</b>	<b>52.32</b>	<b>45,00,000</b>	<b>84,23,400</b>	<b>56.15%</b>
	Total (A+B)	75,02,500	100	75,00,000	1,50,02,500	100.00%
	Grand Total	<b>75,02,500</b>	<b>100</b>	<b>75,00,000</b>	<b>1,50,02,500</b>	<b>100</b>

#### Item No. 5:

Mr. Sai Sridhar Sangineni is a Master in Computer Science and has done B. Tech in Electronics and Communications Engineering and having appropriate skills, experience and knowledge in Management, sales, technical operations, computer software and system analysis. He is also a Member of TIE, Hyderabad, a NGO for efficiency in working of entrepreneurship and Sponsor of Indian Literacy Project, a NGO for attainment of literacy.

The 1<sup>st</sup> term of 5 (five) years of Mr. Sai Sridhar Sangineni as Independent Director is completed and pursuant to the provisions of Section 149 of Companies Act, 2013 read with relevant rules thereof, the Board of Directors of the Company had, at its meeting held on 30<sup>th</sup> May, 2022 recommends the re-appointment of Mr. Sai Sridhar Sangineni as Non-Executive Independent Director of the Company for a 2<sup>nd</sup> term of 5 (five) years and who shall not be liable to retire by rotation. Board of Directors of the Company has received declaration from the Independent Director that he meets the criteria of Independence as provided in Sub Section (6) of Section 149 of the Act along with other supporting Documents like consent to act as Independent director and Intimation to the effect that he is not disqualified to be appointed as a Director in the Company and also a notice proposing Mr. Sai Sridhar Sangineni as a candidate for the office of Director of the Company, pursuant to provisions of Section 160 of the Act.

Copy of Draft Letter of Appointment setting out terms and conditions would be available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on any working day.

Board considers that his continuous association would be of immense benefit to the Company and it is desirable to avail services of Mr. Sai Sridhar Sangineni as an Independent Director. Accordingly, in the opinion of the Board, the independent director proposed to be re-appointed fulfils the conditions specified in the Act and the rules made there under and that the proposed director is independent of the management and hence the Board recommends the resolution in relation to his appointment as set out in Notice, for the approval by the shareholders of the Company.

Except Mr. Sai Sridhar Sangineni being an appointee, none of the Directors/Managers/KMP and their relatives is concerned or interested, financial or otherwise in the proposed resolution.

**Item No. 6:**

Mr. Appalacharyulu Chilakamarri (DIN: 01601712) is a Fellow Member of The Institute of Chartered Accountants of India (ICAI) having 3 decades of post-qualification experience in the area of Finance, Direct, Indirect Taxes and Company Law Matters. His area of experience include Direct and Indirect Taxes including GST, Costing, Internal Audit, Internal Control Systems, Company law matters, Finance Management, Audits of Pharma , Software, ARCs and Banks. Mr. Charyulu has served in the Board of Companies like SIRIS Limited, SDI Limited over a period of 2 decades.

The 1<sup>st</sup> term of 5 (five) years of Mr. Appalacharyulu Chilakamarri as Independent Director is completed and pursuant to the provisions of Section 149 of Companies Act, 2013 read with relevant rules thereof, the Board of Directors of the Company had, at its meeting held on 30th May, 2022 recommends the re-appointment of Mr. Appala Charyula Chilakamarri as Non-Executive Independent Director of the Company for a 2<sup>nd</sup> term of 5 (five) years and who shall not be liable to retire by rotation. Board of Directors of the Company has received declaration from the Independent Director that he meets the criteria of Independence as provided in Sub Section (6) of Section 149 of the Act along with other supporting Documents like consent to act as Independent director and Intimation to the effect that he is not disqualified to be appointed as a Director in the Company and also a notice proposing Mr. Appalacharyulu Chilakamarri as a candidate for the office of Director of the Company, pursuant to provisions of Section 160 of the Act.

Copy of Draft Letter of Appointment setting out terms and conditions would be available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on any working day.

Board considers that his continuous association would be of immense benefit to the Company and it is desirable to avail services of Mr. Appalacharyulu Chilakamarri as an Independent Director. Accordingly, in the opinion of the Board, the independent director proposed to be re-appointed fulfils the conditions specified in the Act and the rules made there under and that the proposed director is independent of the management and hence the Board recommends the resolution in relation to his appointment as set out in Notice, for the approval by the shareholders of the Company.

Except Mr. Appalacharyulu Chilakamarri being an appointee, none of the Directors/Managers/KMP and their relatives is concerned or interested, financial or otherwise in the proposed resolution.

**For and on behalf of the  
Cadsys (India) Limited**

**Date : 7<sup>th</sup> September 2022  
place: Hyderabad**

**sd/-  
N.C.Padmaja  
Wholetime Director  
DIN: 01173673**

## NOTES:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, ('the Act') relating to the Special Business to be transacted at the Annual General Meeting ('AGM') is annexed hereto and forms part of this notice. The Board of Directors have considered and decided to include the Items mentioned under Special Business in the forthcoming AGM, as they are unavoidable in nature.

2. The relevant details, pursuant to provisions of Regulations 36(3) of the SEBI Listing Regulations and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking re-appointment at this AGM is annexed to this Report. The Directors have furnished the requisite consents/declarations for their appointment/re-appointment.

3. The Ministry of Corporate Affairs ('MCA'), vide its General Circular dated May 5, 2022 read with General Circulars dated April 8, 2020, April 13, 2020, May 5, 2020 and January 13, 2021 ('MCA Circulars'), has permitted the holding of the AGM through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Act SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Circulars, the 30th AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM will be the place from where the Chairman of the Board conducts the AGM. Further, the Securities and Exchange Board of India ('SEBI'), vide its Circular dated May 13, 2022 read with Circulars dated May 12, 2020 and January 15, 2021 ('SEBI Circulars'), has granted relaxation in respect of sending physical copies of the Annual Report to shareholders and requirement of proxy for general meetings held through electronic mode.

4. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies

by the Members will not be available for the AGM and hence the proxy form, attendance slip and Route Map are not annexed to this Notice. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.

5. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

6. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC. Institutional / Corporate Shareholders (i.e., other than individuals / HUF, NRI, etc.) pursuant to Section 113 of the Companies Act, 2013 are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative together with the respective specimen signatures of those representative(s) authorized under the said Resolution to attend the AGM through VC / OAVM on its behalf and to vote thereof. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to [consult@ancs.in](mailto:consult@ancs.in) with a copy marked to [cs@cadssystech.com](mailto:cs@cadssystech.com).

7. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. Members will be able to view the proceedings on e-voting website of National Securities Depository Limited ('NSDL') at [www.evoting.nsdl.com](http://www.evoting.nsdl.com). The facility of participation at the AGM through VC/OAVM will be made available for 1000 (Thousand) members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

8. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.cadsystech.com](http://www.cadsystech.com). The Notice can also be accessed from the websites of National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) and on NSE Emerge platform at [https://www1.nseindia.com/emerge/index\\_sme.htm](https://www1.nseindia.com/emerge/index_sme.htm). The AGM Notice is also disseminated on the website of the company at [www.cadsystech.com](http://www.cadsystech.com). Members who have any other queries, may write to us at [cs@cadstech.com](mailto:cs@cadstech.com).

9. The members who have cast their vote through e-voting may attend the meeting but shall not be entitled to cast their vote again.

10. The Registers of Directors, Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to [cs@cadstech.com](mailto:cs@cadstech.com).

11. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney and update bank account details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their respective Depository Participant(s).

12. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested

to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on [www.iepf.gov.in](http://www.iepf.gov.in).

13. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members are requested to submit the said details to their Depository Participants.

14. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

15. Members seeking any information with regard to the accounts or any other matter to be placed at the AGM, are requested to write to the Company from their registered e-mail address, mentioning their name, DP ID and Client ID number/folio number and mobile number, to reach the Company's e-mail address at [cs@cadstech.com](mailto:cs@cadstech.com) on or before 7 days of the Annual General Meeting i.e., before 05.00 P.M. IST on 24<sup>th</sup> September 2022. Queries that remain unanswered at the AGM will be appropriately responded by the Company at the earliest post the conclusion of the AGM.

16. In compliance with the aforesaid MCA Circulars and SEBI Circular dated 12<sup>th</sup> May, 2020, Notice of the AGM along with the Annual Report for the FY 2021-22 (Financial Statement viz. Balance Sheet, Profit & Loss Statement, Directors' Report and Auditor's Report etc.) will be sent only through electronic mode to those Members whose email addresses are registered with the Company/Depository Participants unless a member has requested for a hard copy of the same. Members are requested to support the "Green Initiative" and get their email addresses registered with their Depository Participants in case of shares held in Demat form for future correspondences with the Company.

17. The Register of Members and Share Transfer Books of the Company will remain closed from 24<sup>th</sup> September 2022 to 30<sup>th</sup> September 2022 (both days inclusive).

18. Members are requested to quote their Registered Folio Number or Demat Account Number & Depository Participant (DP) ID number on all correspondences with the Company. The transfer deeds, communication for change of address, bank details, ECS details, mandates (if any), should be lodged with the Registrar & Share Transfer Agents (RTA) of the Company, Bigshare Services Private Limited. Members whose shares are held in the electronic mode are requested to intimate the same to their respective Depository Participants.

19. In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Regulation 44 of the SEBI Listing Regulations (as amended), MCA Circulars and the SEBI Circular, the Company is providing its members the facility to exercise their right to vote on resolutions proposed to be considered at the AGM by electronic means (by using the electronic voting system provided by NSDL). The manner of voting remotely by members holding shares in dematerialized mode is provided in the instructions for e-voting section which forms part of this Notice.

20. The members can opt for only one mode of remote e-voting i.e. either prior to the AGM or during the AGM. The members present at the Meeting through VC/OAVM who have not already cast their vote by remote e-voting prior to the Meeting shall be able to exercise their right to cast their vote by remote e-voting during the Meeting. The members who have cast their vote by remote e-voting prior to the AGM are eligible to attend the Meeting but shall not be entitled to cast their vote again.

21. The e-voting period commences on 27<sup>th</sup> September 2022 at 09.00 A.M. IST and ends on 29<sup>th</sup> September 2022 at 05:00 P.M. IST During this period, members holding shares, as on cut-off date, i.e., as on 23<sup>rd</sup> September 2022 may cast their votes electronically. The e-voting module will be disabled by NSDL for voting thereafter. A member

will not be allowed to vote again on any resolution on which vote has already been cast. The voting rights of members shall be proportionate to their share of the paid-up equity share capital of the Company as on the cut-off date, i.e., as on 23<sup>rd</sup> September 2022.

22. The facility for voting during the AGM will also be made available. Members present in the AGM through VC and who have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through the e-voting system during the AGM.

23. Any person who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if he / she is already registered with NSDL for remote e-voting then he / she can use his / her existing user ID and password for casting the vote.

24. SEBI has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participant(s). Members holding shares in physical form are required to submit their PAN details to the RTA.

25. The Company has appointed CS Nitesh Agarwal, Proprietor at M/s. Nitesh Agarwal & Associates, Company Secretaries to act as the Scrutinizer & shall scrutinize the entire voting process in fair and transparent manner to be conducted through VC/OAVM. The Scrutinizer, Email ID: is [consult@ancs.in](mailto:consult@ancs.in) who shall scrutinize the process.



## INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC / OAVM ARE AS UNDER:

For the year ended 31<sup>st</sup> March 2022

1. The Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system and they may access the same at <https://www.evoting.nsdl.com> under the Shareholders/ Members login by using the remote e-Voting credentials, where the EVEN of the Company will be displayed. On clicking this link, the Members will be able to attend and participate in the proceedings of the AGM through a live webcast of the meeting and submit votes on announcement by the Chairman. Please note that the Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the Notice to avoid last minute rush. Further, Members may also use the OTP based login for logging into the e-Voting system of NSDL.
2. Members may join the AGM through laptops, smartphones, tablets and iPads for better experience. Further, Members will be required to use Internet with a good speed to avoid any disturbance during the Meeting. Members will need the latest version of Chrome, Safari, Internet Explorer 11, MS Edge or Firefox. Please note that participants connecting from mobile devices or tablets or through laptops connecting via mobile hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is, therefore, recommended to use stable Wi-Fi or LAN connection to mitigate any glitches.
3. Members who would like to express their views/ask questions as a Speaker at the AGM may pre-register themselves by sending a request from their registered e-mail address mentioning their names, DP ID and Client ID/ folio number, PAN and mobile number to [cs@cadssystech.com](mailto:cs@cadssystech.com) between 19<sup>th</sup> September 2022 (09:00 A.M IST) and 23<sup>rd</sup> September 2022 (05.00 P.M IST). Only those Members who have pre-registered themselves as speakers will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
4. Members who need assistance before or during the AGM, can contact NSDL on [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or call on toll free no.:1800-222-990.

### THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:

The remote e-voting period begins on 27<sup>th</sup> September 2022 at 09:00 A.M. and ends on 29<sup>th</sup> September 2022 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 23<sup>rd</sup> September 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 23<sup>rd</sup> September 2022.

#### How do I vote electronically using NSDL e-Voting system?





The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

##### **Step 1:** Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts to access e-Voting facility.

Login method for Individual shareholders holding securities in **demat mode is given below:**

Type of shareholders	Login Method
<p>Individual Shareholders holding securities in demat mode with NSDL.</p>	<ol style="list-style-type: none"> <li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e., NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS Portal” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <div data-bbox="1066 1720 1422 1933"> <p>NSDL Mobile App is available on</p> <div>  App Store            Google Play         </div> <div>   </div> </div>

Type of shareholders	Login Method
<p><b>Individual Shareholders holding securities in demat mode with CDSL</b></p>	<ol style="list-style-type: none"> <li>1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
<p><b>Individual Shareholders (holding securities in demat mode) login through their depository participants</b></p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

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

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



Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43

How do I vote electronically using NSDL e-Voting system?

*The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:*

**Step 1:** Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

**Step 2:** Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under 'Shareholder/member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically

**4. Your User ID details are given below :**

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

**5. Password details for shareholders other than Individual shareholders are given below:**

a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your “Initial Password”

(i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

**6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:**

a) Click on “Forgot User Details/Password?”(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

b) Physical User Reset Password?” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

## **Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

### **How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [consult@ranjcs.com](mailto:consult@ranjcs.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-1020 990 and 1800 22 44 30 or send a request to Swapneel Puppala, NSDL Official at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to – [cs@cadstech.com](mailto:cs@cadstech.com).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self- attested scanned copy of Aadhar Card) to [cs@cadstech.com](mailto:cs@cadstech.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**. attested scanned copy of Aadhar Card) to
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

## THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:

For the year ended 31<sup>st</sup> March 2022

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

## INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

For the year ended 31<sup>st</sup> March 2022

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of “VC/OAVM link” placed under. **“Join General meeting”** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at [cs@cadssystech.com](mailto:cs@cadssystech.com). The same will be replied by the company suitably.

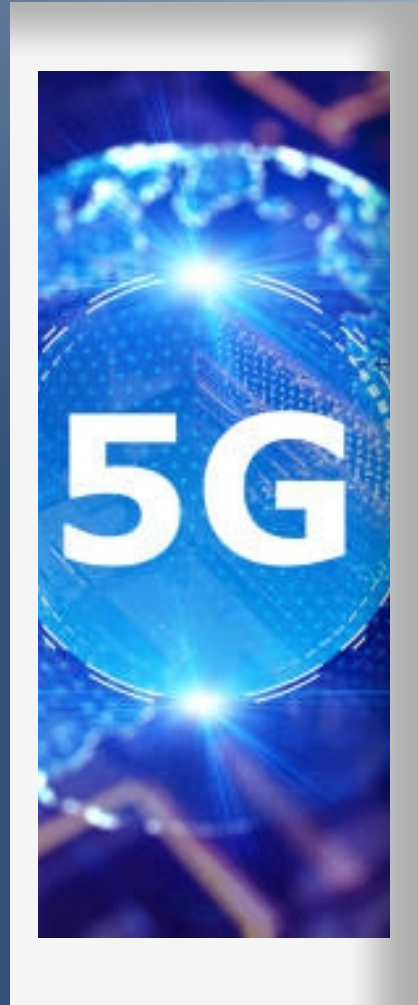
### Details of Director recommended for appointment / reappointment at the AGM as required Under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

S. No.	Particulars	Information	Information	Information
1	<b>Name of the Directors</b>	Sai Sridhar Sangineni	Appalacharyulu Chilakamarri	Mr. Sripadarajan Nagarajan
2	<b>Director Identification Number</b>	03274134	01601712	05262644
3	<b>Brif Resume of Directors</b>	Mr. Sai Sridhar Sangineni is a Master in Computer Science and has done B. Tech in Electronics and Communications Engineering and having appropriate skills, experience and knowledge in Management, sales, technical operations, computer software and system analysis. He is also a Member of TIE, Hyderabad, a NGO for efficiency in working of entrepreneurship and Sponsor of Indian Literacy Project, a NGO for attainment of literacy.	Mr. Appala Charyula Chilakamarri (DIN: 01601712) is a Fellow Member of The Institute of Chartered Accountants of India (ICAI) having 3 decades of post-qualification experience in the area of Finance, Direct, Indirect Taxes and Company Law Matters. His area of experience include Direct and Indirect Taxes including GST, Costing, Internal Audit, Internal Control Systems, Company law matters, Finance Management, Audits of Pharma , Software, ARCs and Banks.	Mr. Nagarajan holds a bachelor's degree in Science from Osmania University and a bachelor's degree of Technology in Engineering (Computer Science) from University of Hyderabad. He has over twenty-five years of experience in software industry which includes a seven-year stint at USA. Prior to joining Cadsys, Nagarajan headed software product development at GE Power Control. Mr. Nagarajan started his career as a software engineer at TCS and later had rich experience managing IT and software development projects at top tier companies such as Pfizer, Marsh & McLennan in NY, Dun & Bradstreet NJ, Hyperion Financials CT.

<b>4</b>	<b>Nature of expertise in specific functional areas</b>	Provide expert advices in terms of sales and technical operations, computer software and system analysis	Provides expert advices in tax and Law matters.	Provides expert advices and strategies on the development of Software which are used in our GIS business.
<b>5</b>	<b>Disclosure of relationships between Directors inter-se</b>	NIL	NIL	NIL
<b>6</b>	<b>Names of listed entities in which the person also holds the Directorship</b>	NIL	NIL	NIL
<b>7</b>	<b>The membership of Committees of the board</b>	He is holding membership in Audit Committee and Nomination and Remuneration Committee.	He is holding membership in Audit Committee and Nomination and Remuneration Committee.	He is holding membership in Nomination and Remuneration Committee.
<b>8</b>	<b>Disclosure of Disqualification</b>	He is not disqualified from being appointed as a Director.	He is not disqualified from being appointed as a Director.	He is not disqualified from being appointed as a Director.







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