



## CADSYS (INDIA) LTD

Regd. Office: 3-6-262, 2nd Floor,  
Tirumala Estates, Himayath Nagar,  
Hyderabad - 500 029, Telangana.  
Phone : 040 - 23224110  
URL : www.cadsystech.com  
CIN No. L72200TG1992PLC014558

To,

Date: May 29<sup>th</sup>, 2023

The Manager - Listing Department,  
The National Stock Exchange of India Limited - EMERGE,  
Exchange Plaza, NSE Building,  
Bandra Kurla Complex,  
Mumbai - 400 051.

NSE Symbol: CADSYS

ISIN No.: INE090Y01013

Dear Sir/Madam,

**Subject: Submission of Audited Standalone & Consolidated Financial results of the Company for the Financial year ending 2022- 2023.**

This is to inform that in the meeting of the Board of Directors of Cadsys (India) Limited the following businesses have been transacted:

1. The Board upon recommendation of the Audit Committee, reviewed and approved the Audited Standalone & Consolidated financial results of the Company for the half and full year ended 31<sup>st</sup> March, 2023, Cash Flow Statements and Auditor's Report thereon along with declaration regarding unmodified opinion on the Audited Standalone & Consolidated financial results of the Company.
2. The Board took note of the Internal Audit Reports submitted by the Internal Auditor of the Company for the Financial year ending 2022-23.

Therefore, in compliance with Regulation 33 and Regulation 30 read with Para A of Part - A of Schedule III of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are herewith attaching the Audited Standalone & Consolidated Financial results for the half and full year ended 31<sup>st</sup> March, 2023 along with the Auditor's Report thereon and declaration regarding unmodified opinion on the Audited Financial Statements.

The board meeting of the Company commenced at 04.30 P.M. and concluded at 06:30 PM. We request the Stock Exchange and the Shareholders of the Company to kindly take the above information on record.

Thanking You,

For and on behalf of Cadsys (India) Limited

Babladi Shailaja

Company Secretary and Compliance Officer

Membership No. A42918





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## Standalone Statement of Assets and Liabilities as at March 31st, 2023

(₹ in Lakhs.)		
Particulars	Audited Year ended 31.03.2023	Audited Year ended 31.03.2022
<b>A. EQUITY AND LIABILITIES</b>		
<b>1. Shareholders funds</b>		
(a) Share Capital	750.25	750.25
(b) Reserves and surplus	3,482.80	3,370.30
(c) Money received against sharewarrants	312.50	-
	<b>4,545.55</b>	<b>4,120.55</b>
<b>2. Share application money pending allotment</b>	-	-
<b>3. Minority interest</b>	-	-
<b>4. Non-Current liabilities</b>		
(a) Long-term borrowings	426.10	362.78
(b) Deferred tax liabilities (net)	-	-
(c) Other long-term liabilities	-	-
(d) Long-term provisions	105.53	100.44
	<b>531.64</b>	<b>463.21</b>
<b>5. Current liabilities</b>		
(a) Short-term borrowings	580.86	191.22
(b) Trade payables	23.20	6.16
(c) Other current liabilities	418.27	263.37
(d) Short-term provisions	-	7.32
	<b>1,022.34</b>	<b>468.07</b>
<b>Total</b>	<b>6,099.52</b>	<b>5,051.84</b>
<b>B. ASSETS</b>		
<b>1. Non-current assets</b>		
(a) Fixed assets	750.50	819.24
(b) Goodwill on consolidation*	-	-
	<b>750.50</b>	<b>819.24</b>
(c) Non-current investments	2,542.67	2,571.05
(d) Deferred tax assets (net)	71.85	70.94
(e) Long-term loans and advances	39.32	26.04
(f) Other non-current assets	-	-
	<b>2,653.83</b>	<b>2,668.04</b>
<b>2. Current assets</b>		
(a) Current investments	-	-
(b) Inventories	-	-
(c) Trade receivables	1,768.54	838.64
(d) Cash and cash equivalents	648.18	563.89
(e) Short-term loans and advances	51.56	24.73
(f) Other current assets	226.92	137.30
	<b>2,695.19</b>	<b>1,564.56</b>
<b>Total</b>	<b>6,099.52</b>	<b>5,051.84</b>

As per our report of even date

By Order of the Board  
for Cadsys (India) Limited



*[Signature]*  
N.C.V. RANGACHARYA  
Managing Director  
DIN: 01067596

Date: 29.05.2023  
Place: Hyderabad





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## Audited Standalone Financial Results for the Year Ended March 31st, 2023

Particulars	(₹ in Lakhs.)					
	6 Months Ended on	6 Months Ended on	6 Months Ended on	6 Months Ended on	Year Ended on	Year Ended on
	31-03-2023 (Audited)	30-09-2022 (Unaudited)	31-03-2022 (Audited)	30-09-2021 (Unaudited)	31-03-2023 (Audited)	31-03-2022 (Audited)
Revenue from Operations (I)	1,108.40	1,019.85	978.80	509.25	2,128.25	1,488.05
Other Income (II)	20.01	33.67	18.27	12.45	53.68	30.72
III. Total Revenue (I+II)	1,128.41	1,053.52	997.07	521.70	2,181.93	1,518.77
IV. Expenses						
(a) Cost of materials consumed	-	-	-	-	-	-
(b) Purchase of Stock-in-trade	-	-	-	-	-	-
(c) changes in inventories of finished goods	-	-	-	-	-	-
(d) Work in progress and Stock-in-Trade	-	-	-	-	-	-
(e) Employee benefits expense	809.77	668.35	559.49	440.91	1,478.12	1,000.40
(f) Finance Costs	45.64	38.74	42.47	7.29	84.38	49.76
(g) Depreciation and amortization expense	34.65	35.16	18.74	23.66	69.81	42.40
(h) Other expenses	221.55	182.13	282.51	84.63	403.68	367.14
Total Expenses	1,111.62	924.38	903.21	556.49	2,036.00	1,459.70
V. Profit / (Loss) before exceptional and extraordinary items and tax (III-IV)	16.79	129.14	93.86	(34.79)	145.93	59.07
VI. Exceptional Items	-	-	-	-	-	-
VII. Profit / (Loss) before extraordinary items and tax (V-VI)	16.79	129.14	93.86	(34.79)	145.93	59.07
VIII. Extraordinary Items	-	-	-	-	-	-
Profit / (Loss) before tax (VII- VIII)	16.79	129.14	93.86	(34.79)	145.93	59.07
X. Tax expense						
(1) Current tax	6.34	27.24	34.39	-	33.58	34.39
(2) Deferred tax	(13.20)	12.29	(10.19)	1.51	(0.91)	(8.68)
3) Earlier Year Taxes	(1.97)	2.72	-	-	0.76	-
XI. Profit / (Loss) for the period from continuing Operations (IX-X)	25.61	86.89	69.67	(36.30)	112.50	33.36
XII. Profit / (Loss) from discontinuing operations	-	-	-	-	-	-
XIII. Tax expense of discontinuing operations	-	-	-	-	-	-
XIV. Profit / (Loss) from discontinuing operations(after tax) (XII-XIII)	-	-	-	-	-	-
XV. Profit / (Loss) For Period (XI+XIV)	25.61	86.89	69.67	(36.30)	112.50	33.36
XVI. Earnings Per Share						
(1) Basic	0.34	1.16	0.93	(0.48)	1.50	0.44
(2) Diluted	0.34	1.16	0.93	(0.48)	1.50	0.44

**Note: 1** The Financial Results are prepared in accordance with Accounting Standards prescribed under Section 133 of Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and other recognised practices and policies, as applicable.

**Note: 2** The above results were reviewed by the Audit committee and were thereafter approved by the board of directors at their respective meeting held on 29th May 2023. There are no qualifications in the audit report issued for the year ended 31 st March 2023.

**Note: 3** The figures of the previous year are re-grouped / rearranged and / or recast wherever found necessary.

**Note: 4** The Company is engaged in the business of Information Technology and Information Technology Enabled Services.

The revenue of the Company is generated from the aforementioned single segment. Therefore, disclosure of segment wise information as per AS-17 is not applicable.

**Note: 5** The figures of half year ended March 31, 2023 are the balancing figures between audited figures in respect of full financial year and the unaudited published year to date figures upto the half year ended 30th September 2022.

**Note: 6** Issued Upto 25,00,000( Twenty Five Lakhs) Convertible Warrants("Warrants") at a Price Of Rs 50/- (Rupees Fifty Only) Per Warrant ("Warrant Issue Price") Of Face Value Of Rs 10/- (Rupees Ten Only) Each Of The Company ("Equity Shares") at a Premium Of Rs 40/- (Rupees Forty Only) and received Rs. 12.50/- per Warrant in March, 2023 and remaining amount will be received within the period of 18 Months from the Date Of Allotment of Warrants (i.e., 17th March, 2023).

As per our report of even date

Date: 29.05.2023  
Place: Hyderabad



By Order of the Board  
for Cadsys (India) Limited

N.C.V. RANGACHARYA  
Managing Director  
DIN: 01067596

**CADSYS (INDIA) LIMITED**  
3-6-262, 2nd Floor, Tirumala Estates  
Himayathnagar, Hyderabad, Telangana-500029  
CIN No. L72200TG1992PLC014558

**STANDALONE CASH FLOW STATEMENT FOR YEAR ENDED 31st MARCH 2023**

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
	Rs. in Lakhs	Rs. in Lakhs
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before Tax as per Statement of Profit and Loss	145.93	59.08
<i>Adjustments For :</i>		
Depreciation and Amortisation Expense	69.81	42.40
Finance Costs	84.38	49.76
Interest Income	(23.74)	(21.93)
Dividend Income	-	-
	130.45	70.22
<b>Operating Profit before Working Capital Changes</b>	<b>276.38</b>	<b>129.30</b>
<b>Adjustments for Changes in Working Capital :</b>		
<b>Adjustments for (Increase) / Decrease in operating assets</b>		
Long-term loans and advances	(13.27)	1.08
Trade Receivables	(929.89)	(188.73)
Short Term Loans & Advances	(26.83)	69.53
Other Current Assets	(89.62)	(47.11)
<b>Adjustments for Increase / (Decrease) in operating liabilities</b>		
Long Term Provisions	5.10	16.30
Short Term Provisions	(7.32)	7.32
Trade Payables	17.04	(4.98)
Other Current Liabilities	154.90	98.73
	<b>(889.90)</b>	<b>(47.87)</b>
<b>Cash from Operations</b>	<b>(613.52)</b>	<b>81.43</b>
Income Tax Paid	(34.34)	(34.39)
<b>Net Cash Generated from Operating Activities (A)</b>	<b>(647.85)</b>	<b>47.04</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Payments for Purchase of Fixed Assets	(1.07)	(18.60)
Mutual Funds	-	19.24
Payments for Non Current Investments	28.38	(38.94)
Interest Income	23.74	21.93
Sale of Assets	-	-
<b>Net Cash Used in Investing Activities (B)</b>	<b>51.06</b>	<b>(16.36)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of Short Term Borrowings	389.64	130.86
Repayment of Long Term Borrowings	63.32	(42.37)
Dividend income	-	-
Finance Costs Paid	(84.38)	(49.76)
Dividend and Dividend Distribution Tax Paid	-	-
Convertible Warrants	312.50	-
<b>Net Cash Generated from Financing Activities (C)</b>	<b>681.08</b>	<b>38.74</b>
<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>84.28</b>	<b>69.42</b>
<b>Add: Cash &amp; Cash Equivalents As at 31st March</b>	<b>563.89</b>	<b>494.46</b>
<b>Cash &amp; Cash Equivalents As at 31st Mar, 2022 / 31st Mar, 2023</b>	<b>648.18</b>	<b>563.89</b>

**As per our report of even date**

For DARAPANENI & Co.

Chartered Accountants

Firm's registration no. 000685S

*Sree Rama Chandra Murthy Ch*  
Partner  
Membership No. 233010  
Place: Hyderabad  
Date: 29.05.2023

**For and on behalf of the Board of Directors**

*N.C.V. Rangacharya*  
N.C.V. RANGACHARYA  
Managing Director

*N.C. Padmaja*  
N.C. PADMAJA  
Chief Financial Officer







**INDEPENDENT AUDITOR'S REPORT**

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, 2023, 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, 2023, 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**

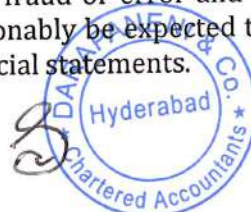
The Company's Board of directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting 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.







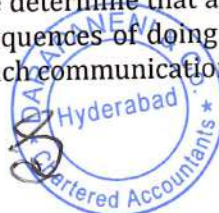
As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- 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.





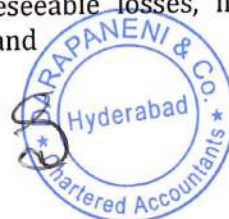


**Report on other legal and regulatory requirements**

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, 2023 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2023 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 public 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 March 2023.
  - 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.

Place: Hyderabad  
Date: 29-05-2023

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

*Sree Rama Chandra Murthy*

Sree Rama Chandra Murthy.Ch

**Partner**

M.No.:233010

UDIN:23333010BGV50D7741



**Annexure "A" to the Independent Auditor's Report on the Financial Statements of Cadsys (India) Limited for the year ended 31 March 2023**

(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

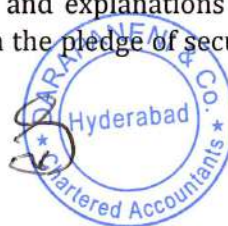






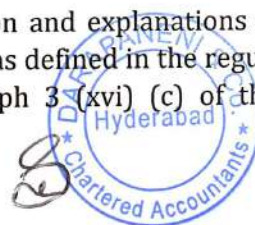
and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

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 March 2023 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 raised money by way of preferential allotment during the year.
- (b) In our opinion and according to the information and explanations given to us, nothing has come to our attention adversely which need to be reported under this clause.
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.




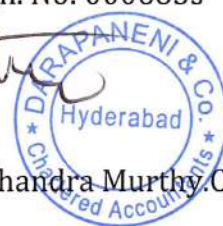




(d) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) and it does not have any other companies in the Group. Accordingly, paragraph 3 (xvi) (d) of the Order is not applicable.

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. The provisions of Section 135 of the Companies Act, 2013 relating to Corporate Social responsibility are not applicable to the company. Therefore, the provisions of paragraph 3(xx) of the order are not applicable.
21. In our opinion and according to the information and explanations given to us, the Company does not have any unfavourable answers or qualifications or adverse marks, which are required to be reported under this clause. Accordingly, paragraph 3 (xxi) of the Order is not applicable.

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

Sree Rama Chandra Murthy.Ch

Place: Hyderabad

Date: 29-05-2023

**Partner**

M.No.:233010

UDIN: 23233010BQV50D7741



**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, 2023, 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 March 2023, 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, 2023, 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

  
Hyderabad  
Sree Rama Chandra Murthy, Ch

Place: Hyderabad

Date: 29-05-2023

**Partner**

M.No.:233010

UDIN: 23233010 B6V50D7741

**Consolidated Statement of Assets and Liabilities as at March 31st, 2023**

(₹ in Lakhs.)		
Particulars	Audited	Audited
	Year ended 31.03.2023	Year ended 31.03.2022
<b>A. EQUITY AND LIABILITIES</b>		
<b>1. Shareholders funds</b>		
(a) Share Capital	750.25	750.25
(b) Reserves and surplus	3,988.17	4,262.11
(c) Money received against share warrants	312.50	-
	<b>5,050.92</b>	<b>5,012.36</b>
<b>2. Share application money pending allotment</b>	-	-
<b>3. Minority interest</b>	2,346.43	1,578.23
	<b>2,346.43</b>	<b>1,578.23</b>
<b>4. Non-Current liabilities</b>		
(a) Long-term borrowings	6,249.33	2,890.60
(b) Deferred tax liabilities (net)	-	-
(c) Other long-term liabilities	614.93	128.33
(d) Long-term provisions	105.53	100.44
	<b>6,969.79</b>	<b>3,119.36</b>
<b>5. Current liabilities</b>		
(a) Short-term borrowings	1,249.56	722.63
(b) Trade payables	2,106.51	332.92
(c) Other current liabilities	1,563.59	897.56
(d) Short-term provisions	38.52	20.76
	<b>4,958.18</b>	<b>1,973.89</b>
<b>Total</b>	<b>19,325.32</b>	<b>11,683.83</b>
<b>B. ASSETS</b>		
<b>1. Non-current assets</b>		
(a) Fixed assets	7,892.28	6,118.66
(b) Goodwill on consolidation*	-	-
	<b>7,892.28</b>	<b>6,118.66</b>
(c) Non-current investments	10.22	58.29
(d) Deferred tax assets (net)	72.92	72.55
(e) Long-term loans and advances	68.10	66.60
(f) Other non-current assets	262.01	298.74
	<b>413.25</b>	<b>496.18</b>
<b>2. Current assets</b>		
(a) Current investments	-	-
(b) Inventories	-	-
(c) Trade receivables	6,147.30	2,659.24
(d) Cash and cash equivalents	1,010.30	1,385.47
(e) Short-term loans and advances	60.11	51.12
(f) Other current assets	3,802.08	973.16
	<b>11,019.79</b>	<b>5,069.00</b>
<b>Total</b>	<b>19,325.32</b>	<b>11,683.83</b>

\*Applicable in the year of consolidated statement of assets and Liabilities

As per our report of even date



By Order of the Board  
for Cadsys (India) Limited

N.C.V.RANGACHARYA  
Managing Director  
DIN: 01067596

Date: 29.05.2023  
Place: Hyderabad



**Audited Consolidated Financial Statements for the Year ended on March 31st, 2023**

Particulars	(₹ in Lakhs.)					
	For Half Year Ended	For Half Year Ended	For Half Year Ended	For Half Year Ended	For the Year Ended	For the Year Ended
	31-03-2023	30-09-2022	31-03-2022	30-09-2021	31-03-2023	31-03-2022
	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Audited)
Revenue from Operations (I)	10,102.25	7,313.21	5,122.51	1,582.27	17,415.46	6,704.78
Other Income (II)	303.14	175.24	78.86	23.03	478.39	101.89
<b>III. Total Revenue (I+II)</b>	<b>10,405.39</b>	<b>7,488.45</b>	<b>5,201.37</b>	<b>1,605.30</b>	<b>17,893.84</b>	<b>6,806.67</b>
<b>IV. Expenses</b>						
(a) Cost of materials consumed	-	-	-	-	-	-
(b) Purchase of Stock-in-trade	-	-	-	-	-	-
(c) Changes in inventories of finished goods	-	-	-	-	-	-
(d) Work in progress and Stock-in-Trade	-	-	-	-	-	-
(e) Employee benefits expense	4,446.72	4,475.08	2,865.75	1,188.93	8,921.80	4,054.69
(f) Finance Costs	208.70	129.40	114.03	41.99	338.10	156.02
(g) Depreciation and amortization expense	265.46	201.73	179.83	146.54	467.19	326.37
(h) Other expenses	4,000.61	3,380.06	2,419.06	579.16	7,380.67	2,998.23
<b>Total Expenses</b>	<b>8,921.49</b>	<b>8,186.28</b>	<b>5,578.67</b>	<b>1,956.62</b>	<b>17,107.76</b>	<b>7,535.31</b>
<b>V. Profit / (Loss) before exceptional and extraordinary items and tax (III-IV)</b>	<b>1,483.90</b>	<b>(697.82)</b>	<b>(377.29)</b>	<b>(351.32)</b>	<b>786.08</b>	<b>(728.63)</b>
<b>VI. Exceptional Items</b>	-	-	(293.50)	-	-	(293.50)
<b>VII. Profit / (Loss) before extraordinary items and tax (V-VI)</b>	<b>1,483.90</b>	<b>(697.82)</b>	<b>(83.80)</b>	<b>(351.32)</b>	<b>786.08</b>	<b>(435.14)</b>
<b>VIII. Extraordinary Items</b>	-	-	-	-	-	-
<b>Profit / (Loss) before tax (VII- VIII)</b>	<b>1,483.90</b>	<b>(697.82)</b>	<b>(83.80)</b>	<b>(351.32)</b>	<b>786.08</b>	<b>(435.14)</b>
<b>X. Tax expense</b>						
(1) Current tax	0.99	37.53	34.39	-	38.52	34.39
(2) Deferred tax	(12.38)	12.02	(9.79)	1.91	(0.36)	(7.88)
(3) Earlier Year Taxes	(1.97)	2.72	15.09	23.17	0.76	38.26
<b>XI. Profit / (Loss) for the period from continuing Operations (IX-X)</b>	<b>1,497.26</b>	<b>(750.09)</b>	<b>(123.49)</b>	<b>(376.40)</b>	<b>747.17</b>	<b>(499.91)</b>
<b>XII. Profit / (Loss) from discontinuing operations</b>	-	-	-	-	-	-
<b>XIII. Tax expense of discontinuing operations</b>	-	-	-	-	-	-
<b>XIV. Profit / (Loss) from discontinuing operations(after tax) (XII-XIII)</b>	-	-	-	-	-	-
<b>XV. Profit / (Loss) For Period Before Minority Interest (XI+XIV)</b>	<b>1,497.26</b>	<b>(750.09)</b>	<b>(123.49)</b>	<b>(376.40)</b>	<b>747.17</b>	<b>(499.91)</b>
<b>XVI. Profit/(Loss) Of Minority Interest</b>	601.32	(322.96)	(44.76)	(0.10)	278.36	(44.86)
<b>XVII. Profit(Loss) For Period after Minority Interest (XI+XIV)</b>	<b>895.93</b>	<b>(427.13)</b>	<b>(78.74)</b>	<b>(376.31)</b>	<b>468.80</b>	<b>(455.05)</b>
<b>XVIII. Earnings Per Share</b>						
(a) Basic	11.94	(5.69)	(1.05)	(5.02)	6.25	(6.07)
(b) Diluted	11.94	(5.69)	(1.05)	(5.02)	6.25	(6.07)

**Note: 1** The Financial Results are prepared in accordance with Accounting Standards prescribed under Section 133 of Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and other recognised practices and policies, as applicable.

**Note: 2** The above results were reviewed by the Audit committee and were thereafter approved by the board of directors at their respective meeting held on 29th May 2023. There are no qualifications in the audit report issued for the year ended 31st March 2023.

**Note: 3** The figures of the previous year are re-grouped / rearranged and / or recast wherever found necessary.

**Note: 4** The Company is engaged in the business of Information Technology and Information Technology Enabled Services.

The revenue of the Company is generated from the aforementioned single segment. Therefore, disclosure of segment wise information as per AS-17 is not applicable.

**Note: 5** The figures of half year ended March 31, 2023 are the balancing figures between audited figures in respect of full financial year and the unaudited published year to date figures upto the half year ended 30th September 2022.

**Note: 6** Investment by AATF Holdings LLC a private equity fund in the Foreign Subsidiary of Cadsys (India) Limited. As a result of this investment share holding of Cadsys (India) Limited was diluted to 64%.

**Note:** Issued Upto 25,00,000 (Twenty Five Lakhs) Convertible Warrants ("Warrants") at a Price Of Rs 50/- (Rupees Fifty Only) Per Warrant ("Warrant Issue Price") Of Face Value Of Rs 10/- (Rupees Ten Only) Each Of The Company ("Equity Shares") at a Premium Of Rs 40/- (Rupees Forty Only) and received Rs. 12.50/- per Warrant in March, 2023 and remaining amount will be received within the period of 18 Months from the Date Of Allotment of Warrants (i.e., 17th March, 2023).

As per our report of even date



By Order of the Board  
for Cadsys (India) Limited

N.C.V.RANGACHARYA  
Managing Director  
DIN: 01067596

**CADSYS (INDIA) LIMITED**  
3-6-262, 2nd Floor, Tirumala Estates  
Himayathnagar, Hyderabad, Telangana-500029  
CIN No. L72200TG1992PLC014558

**CONSOLIDATED CASH FLOW STATEMENT FOR YEAR ENDED 31ST MARCH 2023**

Rs. in Lakhs

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit Before Tax as per Statement of Profit and Loss	786.08	(435.14)
<u>Adjustments For :</u>		
Depreciation and Amortization Expense	467.19	326.37
Finance Costs	338.10	156.02
Interest Income	(24.32)	(21.93)
Dividend Income	-	-
Debit Balances Written Off	-	-
<b>Operating Profit before Working Capital Changes</b>	<b>1,567.05</b>	<b>25.33</b>
<b>Adjustments for Changes in Working Capital :</b>		
<b>Adjustments for (Increase) / Decrease in operating assets</b>		
Long-term loans and advances	(1.50)	(8.20)
Trade Receivables	(3,488.30)	(1,127.25)
Short Term Loans & Advances	(9.01)	56.04
Other Current Assets	(2,827.31)	(479.22)
<b>Adjustments for Increase / (Decrease) in operating liabilities</b>		
Other Current Liabilities	389.22	945.37
Long Term Provisions	5.10	16.30
Trade Payables	1,773.59	224.50
Other Long Term Liabilities	486.61	128.33
Other Non-Current Assets	36.73	97.64
Short Term Provision	17.76	20.76
<b>Cash from Operations</b>	<b>(2,050.07)</b>	<b>(100.41)</b>
Income Tax Paid	(39.28)	(72.65)
<b>Net Cash Generated from Operating Activities (A)</b>	<b>(2,089.34)</b>	<b>(173.06)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Payments for Purchase of Fixed Assets & Goodwill others	(2,572.53)	(2,739.33)
Mutual Funds (non current investments)	46.47	(19.80)
Interest Income	24.32	21.93
Sale of Assets	331.72	-
Convertible Warrants	312.50	-
Change in Minority Interest	48.49	2,163.60
<b>Net Cash Used in Investing Activities (B)</b>	<b>(1,809.03)</b>	<b>(573.61)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Long Term Borrowings	3,635.77	935.49
Shortterm Borrowings	526.92	662.27
Finance Costs Paid	(338.10)	(156.02)
Dividend and Dividend Distribution Tax Paid	-	-
<b>Net Cash Generated from Financing Activities (C)</b>	<b>3,824.59</b>	<b>1,441.74</b>
Effect of Exchange Differences on translation of foreign currency cash and Cash Equivalents	(300.89)	(171.20)
<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>(375.17)</b>	<b>523.37</b>
<b>Add: Cash &amp; Cash Equivalents As at 31st March, 2022</b>	<b>1,385.47</b>	<b>862.10</b>
<b>Cash &amp; Cash Equivalents As at 31st March, 2023</b>	<b>1,010.30</b>	<b>1,385.47</b>

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

Firm Registration Number: 0006835

Sree Rama Chandra Murthy, Ch.  
Partner

Membership No. 233010

Place: Hyderabad

Date: 29.05.2023

For and on behalf of the Board of Directors

N.C.V. RANGACHARYA  
Managing Director

N.C. PADMAJA  
Chief Financial Officer







# DARAPANENI & Co.,

## CHARTERED ACCOUNTANTS

Flat No 1A, Rama Apartments, Plot No.84, Srinagar Colony, Hyderabad - 500073.

Tel: 040-23735095, 23736487

E-mail: darapaneni1986@gmail.com

### INDEPENDENT AUDITOR'S REPORT

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, 2023, 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, 2023, 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: -

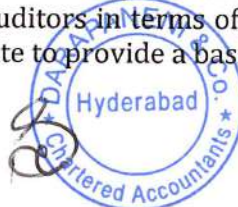
<u>Name of Entity</u>	<u>Relationship</u>
Apex Engineers (India) Private Limited	Subsidiary Company
Apex Advanced Technology LLC, USA	Subsidiary Company
Cadsys Technologies LLC, USA	Subsidiary Company

(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, 2023.

### **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.





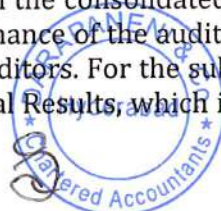


### **Auditor's Responsibilities for the Audit of the Consolidated Financial Results**

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:

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- 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.
- 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.
- 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.
- Perform procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations to the extent applicable.
- 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,







**DARAPANENI & Co.,**

**CHARTERED ACCOUNTANTS**

Continuation Sheet...

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.

- 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.1,93,25,31,573 as at 31st March, 2023, group's share of total operating revenue of Rs.1,74,15,45,510 and Rs.4,68,80,245 group's share of total net profit/(loss) after tax of for the year ended 31st March, 2023 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.

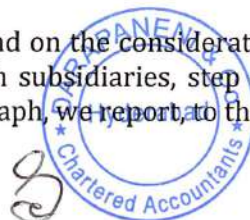
The two subsidiaries being M/s Cadsys Technologies LLC and M/s. Apex Advanced Technology LLC which were located outside India whose financial statements have been prepared in accordance with accounting principles generally accepted in their respective countries. The Holding Company's Management has converted 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, 2023 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, 2023 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 public 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 March 2023.
- 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, 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.
- 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.

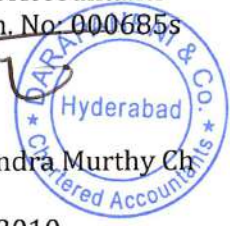
Place: Hyderabad  
Date: 29-05-2023

For DARAPANENI & CO  
Chartered Accountants  
Firm Regn. No. 000685s

  
Sree Rama Chandra Murthy Ch  
Partner

M.No.: 233010

UDIN: 23833010BGVSE6175







**Annexure "A" to the Independent Auditor's Report on the Financial Statements of Cadsys (India) Limited for the year ended 31 March 2023**

(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.

Place: Hyderabad  
Date: 29-05-2023

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

*Sree Rama Chandra Murthy.Ch*  
Hyderabad  
Chartered Accountants

Sree Rama Chandra Murthy.Ch  
Partner

M.No.:233010

UDIN:23233010B6V50E6175





**Annexure "B" to the Independent Auditor's Report on the Consolidated Financial Statements of Cadsys (India) Limited for the year ended 31 March 2023**

**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 March 2023, 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 March 2023, 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").

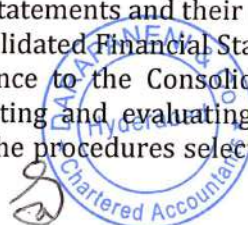
**Management's responsibility for internal financial controls**

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 authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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


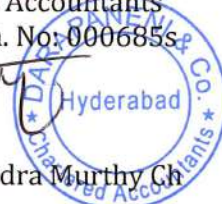
Because of the inherent limitations of internal financial controls with respect to consolidated financial statements, including the possibility of collusion or improper management of override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of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

### **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.

Place: Hyderabad  
Date: 29-05-2023

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

  
  
Sree Rama Chandra Murthy Ch  
Partner

M.No.:233010

UDIN: 23033010B6V50E6175





## CADSYS (INDIA) LTD

Regd. Office: 3-6-262, 2nd Floor,  
Tirumala Estates, Himayath Nagar,  
Hyderabad - 500 029, Telangana.  
Phone: 040 - 23224110  
URL: www.cadsystech.com  
CIN No. L72200TG1992PLC014558

To,

Date: May 29<sup>th</sup> 2023

The Manager - Listing Department,  
The National Stock Exchange of India Limited - EMERGE,  
Exchange Plaza, NSE Building,  
Bandra Kurla Complex,  
Mumbai - 400 051.

NSE Symbol: CADSYS

ISIN No.: INE090Y01013

Dear Sir/Madam,

**Subject: Declaration pursuant to Regulation 33 (3) (d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

In compliance of Regulation 33 (3) (d) of the SEBI (LODR), 2015 and SEBI Circular No. CIR/CFD/CMD/56/2016 dated: 27<sup>th</sup> May, 2016, we hereby confirm that the Statutory Auditors of the Company M/s Darapaneni & Associates, Chartered Accountants having Firm No. 005905S has issued an Audit Report with Unmodified opinion on the Audited Standalone & Consolidated Financial Results for the half year and Full year ended on March 31<sup>st</sup>, 2023.

Request you to kindly take note of the same.

Thanking You,

For and on behalf of Cadsys (India) Limited

**Babladi Shailaja**

**Company Secretary and Compliance Officer**

Membership No. A42918





## CADSYS (INDIA) LTD

Regd. Office: 3-6-262, 2nd Floor,  
Tirumala Estates, Himayath Nagar,  
Hyderabad - 500 029, Telangana.  
Phone: 040-23224110  
URL: www.cadsystech.com  
CIN No. L72200TG1992PLC014558

### Certificate from Chief Finance Officer

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 March 31<sup>st</sup>, 2023 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: May 29<sup>th</sup> 2023

Place: Hyderabad



Nallani Chakravarthi Padmaja

Whole-Time Director cum Chief Finance Officer