

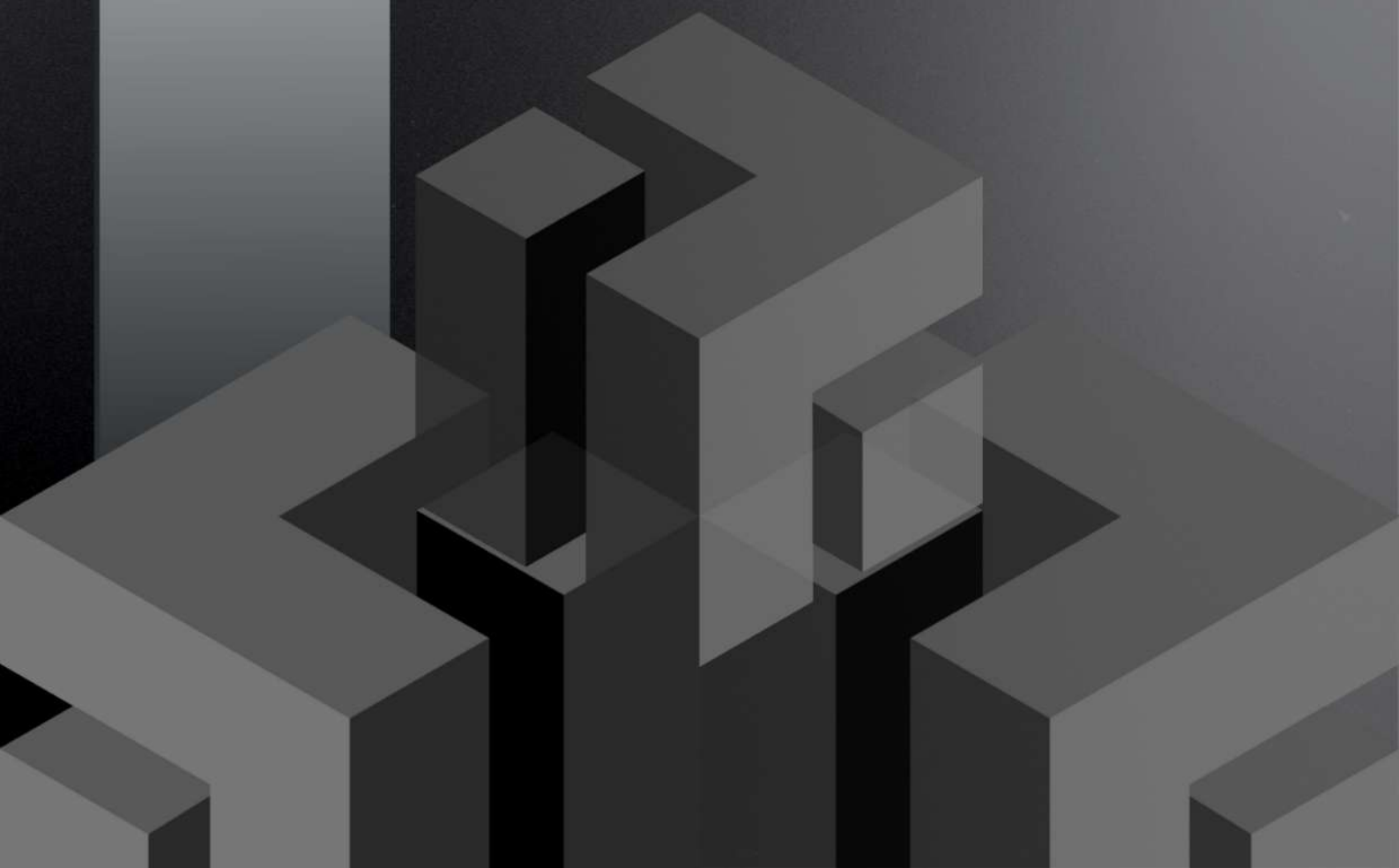
2021-2022



Speed
Reliability
Value Performance

COMPUAGE INFOCOM LTD

ANNUAL REPORT





Speed
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COMPUAGE INFOCOM LTD.

Annual Report FY 2021-2022

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CORPORATE INFORMATION

BOARD OF DIRECTORS

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

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

Mr. Ganesh S. Ganesh
Independent Director
DIN: 00010877

Mr. Vijay Agarwal
Independent Director
DIN: 00058548

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

Ms. Hetal Kudecha
Independent Director (Appointed w.e.f. 07.02.2022)
DIN: 09148116

Mrs. Fatima Hussaini Nasab
Independent Director (Resigned w.e.f. 07.02.2022)
DIN: 08507217

KEY MANAGERIAL PERSONNEL

Mr. Sunil Mehta
Chief Financial Officer (Resigned w.e.f. 28.02.2022)

Ms. Anmol Jolly
Company Secretary (Resigned w.e.f. 29.03.2022)

Ms. Hasti Pala
Company Secretary (Appointed w.e.f. 29.03.2022)

STATUTORY AUDITORS

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

SECRETARIAL AUDITORS

BNP & Associates
Practising Company Secretaries

REGISTRAR AND SHARE TRANSFER AGENT

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

CIN

L99999MH1999PLC135914

BSE CODE

532456

NSE SYMBOL

COMPINFO

DIVIDEND RECOMMENDED

Rs. 0.20/- per share

AGM DATE

30th August, 2022

DIRECTORS' REPORT

Dear Members,

Your Directors hereby present the 23rd Annual Report on the business and operations of your Company along with the Audited Financial Statements for the financial year ended 31st March, 2022.

FINANCIAL HIGHLIGHTS:

The highlights of the Financial Results are as tabulated below:

(Rs. in Lakh)

| Particulars | Standalone | | Consolidated | |
|---|------------------------------|------------------------------|------------------------------|------------------------------|
| | 31 st March, 2022 | 31 st March, 2021 | 31 st March, 2022 | 31 st March, 2021 |
| Revenue from Operations & Other Income | 4,22,395.14 | 3,74,695.09 | 4,22,395.14 | 3,74,718.21 |
| Less: Expenses | 4,10,945.25 | 3,65,272.52 | 4,10,947.38 | 3,65,274.93 |
| Profit before Interest, Taxation & Depreciation | 11449.89 | 9422.57 | 11,447.76 | 9,443.28 |
| Less: Finance Costs | 7442.99 | 6294.71 | 7442.99 | 6294.71 |
| Less: Depreciation | 340.69 | 359.31 | 340.69 | 359.31 |
| Profit before Tax | 3666.21 | 2768.55 | 3,664.08 | 2,789.26 |
| Less: Tax Expense | 989.23 | 721.11 | 989.23 | 721.11 |
| Profit after Tax Provision | 2,676.98 | 2,047.44 | 2,674.85 | 2,068.15 |
| Less: Other Comprehensive Income | 2.10 | 82.04 | 2.10 | 82.04 |
| Balance brought forward | 16,913.44 | 14,913.91 | 16,985.73 | 14,965.49 |
| Amount available for Appropriation: | 19,588.32 | 17,043.39 | 19,658.48 | 17,115.68 |
| Less: Provision for Gratuity | | | | |
| Dividend for Financial year 2018-2019 | (129.95) | (129.95) | (129.95) | (129.95) |
| Dividend Tax for Financial year 2018-2019 | 0 | 0 | - | - |
| Less: Minority Interest | - | - | - | - |
| Balance Carried to Balance Sheet | 19,458.37 | 16,913.44 | 19,528.53 | 16,985.73 |
| EPS (Basic) | 4.12 | 3.28 | 4.11 | 3.31 |
| EPS (Diluted) | 4.12 | 3.28 | 4.11 | 3.31 |

BUSINESS PERFORMANCE:

Standalone:

The Company's Net Comprehensive Income has increased by 25.62%, standing at Rs. 2674.88 Lakh, as compared to Rs.2129.48 Lakh in the previous year. The Company registered an increase in revenue by 12.73%, to Rs.4,22,395.14 Lakh as compared to Rs. 3,74,695.09 Lakh in the previous year.

Consolidated:

The Company's Net Comprehensive Income has increased by 24.31% as the Net Profit after Tax stood at Rs.2,672.75 Lakh as compared to Rs.2,150.19 Lakh in the previous year. The consolidated revenue was up by 12.73%. Our consolidated revenue has increased to Rs.4,22,395.14 Lakh as compared to Rs. 3,74,718.21 Lakh in the previous year.

DIVIDEND:

For the financial year 2021-22, your Directors have recommended a dividend of Rs.0.20/- per share on face value of Rs. 2.00/- per share of the Company, i.e., 10% of the face value. The said dividend on Equity Shares is subject to the approval of the shareholders at the ensuing 23rd Annual General Meeting of the Company (hereinafter referred to as "AGM").

TRANSFER TO RESERVES:

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

BUSINESS STRATEGY:

Your Company is one of the prominent providers of IT and mobility products and services. The Company's strategies serve as an important link between our channel partners and ultimately benefitting the end-customers. The Company's road map has been spread across the length and breadth of the nation with a remarkable presence across the metro cities as well as Tier II and Tier III cities. This would assist in accelerating the volume for the distribution intermediaries. Different product segments are catered through separate sales channels, establishing dedicated focus and better service quality for the end-users.

Continuous training and support is provided to the downstream distributors to keep them updated about the latest products and offerings, guiding them in sustaining and growing their businesses. Various credit schemes are exercised to smoothen their financial operations. A frequent turnaround of inventory gets exercised to make the resellers available with a wide range of offerings towards the end users. They also serve the end users during the warranty period by servicing their needs.

Covid-19 had an impact on the businesses throughout the world across the industries. FY2022 was a challenging year for the industry. It began with the deadly second wave of Covid-19 which brought back the lockdown restrictions to prevent the spread of the virus. As the year progressed, the lockdown restrictions were eased before the country was again hit by the third wave of the virus. Thankfully, the third wave did not prove to be a deadlier one and lasted for a short period of time. Another major disruption faced during the year was on account of shortage of semi-conductors. The production timelines for the manufacturers who were dependent on semi-conductors were impacted and hence the supply of the end finished product were affected.

Positive impact of Covid-19 on the IT Distribution Industry has been the emergence of working from home. Work from home led to a new set of demand for IT products such as laptops, desktops and accessories which improves work efficiency. It also led to increased demand for enterprise, cyber security and cloud software which are essential for efficient and safe working environment for the corporates. In FY2022, the demand was led by restarting of offices and while some of the demand continued to come from work from home segments. We believe the future of work will be a mix of work from office and home. This will require new additional investments by the corporates in the areas of remote working and cloud services. The demand for mobiles and laptops has also increased for personal use for efficient communication, education and entertainment purposes. All these factors collectively will lead to sustainable demand.

Employees' health and safety have been the priority for the Company. The Company undertook all the necessary measures for effective social distancing and sanitization to provide a safe working environment to its employees. Despite of these challenging conditions, the Company continued to progress on its business strategy. The most important focus area for the Company continues to be brand addition for growth. The Company has added newer brands, improved its operating efficiency with better product mix and undertook cost efficiency initiatives to maintain the profitability. These partnerships will enable us to scale up our business in the more profitable business segments leading to better return on its capital and at the same time provide better reach to these brands in terms of customers especially into the Tier II and Tier III cities.

IT products, in the long term, have to grow on sustainable basis, given the need for digitalization, especially in our country. The world is moving in a rapid space towards complete digitalization, and this is not possible without an extensive use of IT products and its services. Along with the rising adoption of IT products, distributors like us will play a very crucial role for this journey to be successful.

Going forward, the Company's focus will continue to keep on adding new brands to its portfolio, penetrate newer regions to increase the scale of the business, improve the product mix and optimize the cost structure to drive the profitability and thus, create value for all its stakeholders.

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

- Partner with newer marquee brands to widen its product portfolio.
- Focus on higher profitable business segments to efficiently allocate capital and hence improve the overall return on investment.
- Continue the cost efficiency initiatives to improve the profitability of the Company.
- Increase its reach and penetration from 600 cities and 12,000 partners to 1000 cities and 20,000 partners.
- Launch of online purchase model for Channel Partners which will help to tap larger market share.
- Materially enhance the efficiency of its work delivery processes through good planning, flexibility amongst its workforce and utilising available technology and field tools.

- Ensuring the overall safety of its people, recruiting, training and retaining the best people and delivering on shareholder value.
- To deliver differentiated offerings to the clients which in turn will enhance their productivity and thus brings overall efficiency and effectiveness of the business.
- Periodically optimise various operational parameters to bring in effectiveness of organisational structure and processes which helps in aligning and meeting strategic goals.

SUBSIDIARY COMPANY:

Compuage Infocom (S) Pte. Ltd.:

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

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

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

OVERSEAS OPERATIONS:

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

CONSOLIDATED FINANCIAL STATEMENTS:

The Consolidated Financial Statements of the Company and its subsidiary, prepared in accordance with the Act and applicable Accounting Standards along with all relevant documents and the Auditors’ Report, form part of the Annual Report.

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

SHARE CAPITAL:

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

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

Further, the Board of Directors of your Company, in its Meeting held on 16th February, 2022, had approved the offer and issuance of fully paid-up equity shares of the Company for an amount not exceeding Rs. 50 Crore (Rupees Fifty Crore Only) by way of a rights issue to the eligible equity shareholders of the Company as on the record date (to be determined and notified subsequently), in accordance with applicable laws, including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, subject to such approvals, as may be required under the applicable laws (hereinafter referred to as “Rights Issue”). For the purposes of giving effect to the Rights Issue, the detailed terms in relation to the Rights Issue, including but not limiting to the issue price, rights entitlement ratio, record date, timing and terms of payment will be determined in due course.

LIQUIDITY:

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

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Directors:

The current composition is an appropriate mix of Executive and Non-Executive Directors to maintain the independence of the Board and separate its functions of governance and management. As on 31st March, 2022, the Board of Directors consists of 6 members, 2 of whom are Executive Directors and 4 are Non-Executive Directors.

Mr. Virendra G. Bhatt (DIN: 02343351), who had been appointed as the Additional Non-Executive Independent Director of the Company with effect from 25th February, 2021, was appointed as a Non-Executive Independent Director to hold office for a consecutive term of 5 (Five) years, commencing from 6th July, 2021 to 22nd February, 2026, with shareholders' approval via Special Resolution through Postal Ballot dated 5th July, 2021.

Further, Mrs. Fatima Hussaini Nasab (DIN: 08507217), resigned from the post of Non-Executive Independent Director, expressing her inability to continue to hold office of her directorship due to health issues and certain other pre-occupations with effect from 7th February, 2022. Furthermore, based on the recommendation of the Nomination and Remuneration Committee of the Company, the Board had appointed Ms. Hetal Kudecha (DIN: 09148116) as an Additional Non-Executive Independent Director of the Company with effect from 7th February, 2022. Ms. Hetal Kudecha was then appointed as the Non- Executive Independent Director to hold office for a consecutive term of 5 (Five) years, commencing from 7th February, 2022 to 6th February, 2027, with shareholders' approval via Special Resolution through Postal Ballot dated 28th March, 2022.

Key Managerial Personnel:

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

- Mr. Atul H. Mehta – Managing Director
- Mr. Bhavesh H. Mehta – Whole-Time Director
- Ms. Hasti Pala - Company Secretary

During the financial year 2021-22, Mr. Sunil Mehta resigned from the position of Chief Financial Officer with effect from 28th February, 2022 due to prolonged health issues. Further, Ms. Hasti Pala was appointed as the Company Secretary and Compliance Officer of the Company with effect from 29th March, 2022, consequent to the resignation of Ms. Anmol Jolly from the said position on account of changes in her role and responsibilities within the Company with effect from 29th March, 2022.

BOARD EVALUATION:

The Board of Directors has carried out an annual evaluation of its own performance, Board, Committees and Individual Directors pursuant to the provisions of the Act and the Corporate Governance requirements as prescribed in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “**Listing Regulations**”).

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of the criteria such as the Board composition and structure, roles and responsibilities, monitoring of programs, execution and performance of duties and obligations, etc.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee Members on the basis of the criteria such as the composition of Committees, comprehensiveness of the discussions, effectiveness of Committee's recommendation for the decision making of the Board, etc.

The Board and the Nomination and Remuneration Committee reviewed the performance of the Individual Directors on the basis of criteria such as the contribution of the Individual Director to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, knowledge acquired with regard to the Company's business, understanding of industry and global trends, etc.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

The outcome of Board and Directors' evaluation showed positive ratings in terms of level of commitment and engagement by all the Directors.

BOARD MEETINGS:

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

DECLARATION BY INDEPENDENT DIRECTORS:

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

Further, they have duly registered themselves with the Independent Directors Databank of the Ministry of Corporate Affairs. The requirement of appearing for the prescribed Online Proficiency Self-Assessment Test is not applicable on Mr. Ganesh S. Ganesh (DIN: 00010877) and Mr. Vijay Agarwal (DIN: 00058548), Non-Executive Independent Directors of the Company. Mr. Virendra G. Bhatt (DIN: 02343351) and Ms. Hetal Kudecha (DIN: 09148116), Non-Executive Independent Directors of the Company, have appeared for and passed the prescribed Online Proficiency Self-Assessment Test.

During the financial year 2021-22, all the Independent Directors have worked with utmost integrity and their expertise and experience in their respective fields have been of great importance to the growth of the Company in the opinion of the Board.

CORPORATE SOCIAL RESPONSIBILITY:

The Corporate Social Responsibility (hereinafter referred to as "CSR") initiatives of the Company were under the thrust area of healthcare and sanitation and promoting education to underprivileged children. The brief outline of the CSR Policy and revised format of CSR Report as prescribed in the Companies (CSR Policy) Amendment Rules, 2021, is appended as Annexure B to the Directors' Report. The CSR Policy including CSR list of projects undertaken during financial year 2021-22 is also available on the Company's website at www.compuageindia.com. For other details regarding the CSR Committee, please refer to the Corporate Governance Report appended as Annexure C to the Directors' Report.

ANNUAL RETURN:

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, copy of the Annual Return of the Company prepared in accordance with Section 92(1) of the Act read with Rule 11 of the Companies (Management and Administration) Rules, 2014 is placed on the website of the Company at www.compuageindia.com.

CORPORATE GOVERNANCE:

Your Company has a rich legacy of ethical governance practices, commitment towards transparency and places high emphasis on business ethics. A Report on Corporate Governance duly approved by the Board of Directors in accordance with the Listing Regulations, along with a certificate from the Statutory Auditors of the Company confirming the compliance with the conditions of Corporate Governance is appended to the Directors' Report as Annexures C and F respectively.

MANAGEMENT DISCUSSION AND ANALYSIS:

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

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

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

A. Conservation of energy:

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

B. Technology absorption:

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

C. Earnings And Outgo in Foreign Exchange:

(Rs. in Lakh)

| Particulars | Standalone and Consolidated | |
|---------------------------|-----------------------------|------------------------|
| | Current Year (in Rs.) | Previous Year (in Rs.) |
| Foreign Exchange Earnings | 0.00 | 10,788.74 |
| Foreign Exchange Outgo | 2.37 | 10,681.92 |

PREVENTION AND REDRESSAL OF SEXUAL HARASSMENT AT WORK PLACE:

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

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

HUMAN RESOURCES:

Human Resource has always been one of the most valued stakeholder and a key differentiator for your Company. The Company is committed to hiring and retaining the best talent which creates a combination of commitment, leadership and culture in workforce. It has also put concerted efforts in talent management and succession planning practices, strong performance management, learning and training initiatives. The Company has a structured induction process for all locations. During the year under review, your Company has focused on promoting a collaborative, transparent, participative organization culture and rewarding high performance employees with recognition and which in turn allows the employees to develop their skills and grow.

The determined and persisted efforts of employees have improved the Company's efficiency and productivity during the year under review. The Company has a workforce of 704 employees as on 31st March, 2022.

PERFORMANCE OF EMPLOYEES:

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

i) Details of the ratio of remuneration of each Director to the median remuneration of the employees for the financial year 2021-22:

| Sr. No. | Name of the Directors | Designation | Ratio to median remuneration of the employees |
|---------|-----------------------|------------------------------------|---|
| 1. | Mr. Atul H. Mehta | Chairman and Managing Director | 65.67:1 |
| 2. | Mr. Bhavesh H. Mehta | Whole-Time Director | 65.67:1 |
| 3. | Mr. Ganesh S. Ganesh | Non-Executive Independent Director | NA |
| 4. | Mr. Vijay Agarwal | Non-Executive Independent Director | 3.28:1 |

COMPUAGE INFOCOM LTD.

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| | | | |
|----|------------------------------|------------------------------------|--------|
| 5. | Mr. Virendra G. Bhatt* | Non-Executive Independent Director | 3.83:1 |
| 6. | Mrs. Fatima Hussaini Nasab** | Non-Executive Independent Director | 2.74:1 |
| 7. | Ms. Hetal Kudecha*** | Non-Executive Independent Director | 1.10:1 |

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

**Resigned as Non-Executive Independent Director w.e.f. 7th February, 2022

***Appointed as Non-Executive Independent Director w.e.f. 7th February, 2022

ii) The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year 2021-22:

| Sr. No. | Name of the Directors | Designation | % increase in remuneration |
|---------|------------------------------|------------------------------------|----------------------------|
| 1. | Mr. Atul H. Mehta | Chairman and Managing Director | - |
| 2. | Mr. Bhavesh H. Mehta | Whole-Time Director | - |
| 3. | Mr. Ganesh S. Ganesh | Non-Executive Independent Director | NA |
| 4. | Mr. Vijay Agarwal | Non-Executive Independent Director | - |
| 5. | Mr. Virendra G. Bhatt* | Non-Executive Independent Director | 600 |
| 6. | Mrs. Fatima Hussaini Nasab** | Non-Executive Independent Director | - |
| 7. | Ms. Hetal Kudecha*** | Non-Executive Independent Director | - |
| 8. | Mr. Sunil Mehta# | Chief Financial Officer | 26.07 |
| 9. | Ms. Anmol Jolly## | Company Secretary | 239.42 |
| 10. | Ms. Hasti Pala### | Company Secretary | - |

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

**Resigned as Non-Executive Independent Director w.e.f. 7th February, 2022

***Appointed as Non-Executive Independent Director w.e.f. 7th February, 2022

#Resigned as Chief Financial Officer w.e.f. 28th February, 2022

##Resigned as Company Secretary w.e.f. 29th March, 2022

###Appointed as Company Secretary w.e.f. 29th March, 2022

iii) The percentage increase in the median remuneration of employees in the financial year 2021-22: 0.84%

iv) The number of permanent employees on the rolls of Company: 704

v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

There was 0.95% increase in the median percentage for the salaries of employees other than the managerial personnel.

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

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

| Particulars | Name: Atul H. Mehta Age: 62 | Name: Bhavesh H. Mehta Age: 49 |
|--|--|--|
| Designation, Nature of duties and Date of commencement of Employment | Chairman and Managing Director, Specialized in Finance and Strategic Planning (08.09.2008) | Whole-time Director, Specialized in Imports and Logistics (18.10.2000) |
| Qualification / Experience | MBA – U.S.A (32) | M.Com (25) |
| Gross Remuneration Rs. | 1,20,00,000/- | 1,20,00,000/- |
| Nature of employment | Contractual | Contractual |
| Relationship | Brother of Mr. Bhavesh H. Mehta, Whole-Time Director | Brother of Mr. Atul H. Mehta, Chairman and Managing Director |
| Previous Employment | Business | Business |
| Percentage of Equity shares held in the Company | 23.02% | 23.02% |

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

Note:

- Neither Managing Director or Whole-Time Director or any other directors of the Company have received any remuneration or commission from subsidiary of the Company.

INTERNAL AUDIT AND INTERNAL FINANCIAL CONTROLS:

The Company has an in-house Internal Audit function. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board. The Internal Audit department have also carried out adequate due diligence of the internal control system, its compliance with operating systems and financial control, policies of the Company at all locations of the Company. Robust and continuous internal monitoring mechanisms have been ensured and assessed during the year under review and no material weaknesses were observed.

The Board of Directors of the Company is responsible for ensuring that internal control system and processes which have been laid down by the Company are adequate and operating effectively. Additionally, the Board had appointed Malvika & Associates, Chartered Accountants, (Firm Reg. No. 123635W), for financial year 2021-22 in accordance with Section 138 of the Act to have internal financial control checks and ensure adequate transparency.

The Audit Committee of the Board of Directors periodically reviews the audit plans, internal audit reports and adequacy of internal controls. In order to ensure that internal audit is conducted in a fair and transparent manner, the Board has appointed Mr. Divyakant Nandwana, Chartered Accountant, as Internal Auditor of the Company for financial year 2022-23.

STATUTORY AUDITORS:

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

Further, consequent upon termination of their first tenure as Statutory Auditors of the Company, M/s. Bhogilal C. Shah & Co., Chartered Accountants, are eligible to be re-appointed for a second term of 5 (five) consecutive years, in terms of provisions of Section 139 and 141 of the Act.

Accordingly, on the recommendation of Audit Committee, the Board of Directors of the Company at its meeting held on 28th July, 2022, have approved the re-appointment of M/s. Bhogilal C. Shah & Co., Chartered Accountants, having Firm Registration No. 101424W, as the Statutory Auditors of the Company for a second term of 5 (five) consecutive years, from the conclusion of 23rd AGM till the conclusion of 28th AGM of the Company to be held in 2027, subject to the approval of the shareholders of the Company at the ensuing 23rd AGM. Detailed terms of appointment are mentioned in the Notice of the ensuing 23rd AGM of the Company which forms part of the Annual Report.

AUDITORS' REPORT, DISCLAIMER AND MANAGEMENT'S REPLY:

The Auditors have issued an unmodified opinion on the Financial Statements, both standalone and consolidated for the financial year ended 31st March, 2022. The Auditors' Report does not contain any qualifications, reservations or adverse remarks. Hence, the report is self-explanatory. The Auditors' Report forms part of the Annual Report.

SECRETARIAL AUDITOR:

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed BNP & Associates, Company Secretaries, Firm Registration No. P2014MH037400, to conduct Secretarial Audit of the Company for the financial year 2021-22.

There are no major qualifications, reservations or adverse remarks made by the Secretarial Auditor, in their report for the financial year ended 31st March, 2022. Hence, the report is self-explanatory.

The Secretarial Audit Report in form MR-3, for the financial year 2021-22, forms part of the Directors' Report, appended as Annexure H.

Further, the Annual Secretarial Compliance Report for the financial year ended 31st March, 2022, in relation to compliance of all applicable SEBI Regulations / circulars / guidelines issued thereunder, pursuant to requirement of Regulation 24A of the Listing Regulations was duly submitted to the stock exchanges and is available on the website of the Company at www.compuageindia.com.

REPORTING OF FRAUDS BY AUDITORS:

During the year under review, the Statutory Auditor, Secretarial Auditor and Internal Auditor have not reported any instances of frauds committed in the Company to the Audit Committee under Section 143(12) of the Act.

DISCLOSURE REQUIREMENTS:

As per the Listing Regulations, the Corporate Governance Report with the Auditors' Certificate thereon, and the Management Discussion and Analysis Report form part of the Annual Report. There are adequate systems and processes in place in the Company which is commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meetings and Listing Regulations as applicable to the Company.

RELATED PARTY:

During the year under review, all related party transactions were periodically placed before the Audit Committee and also before the Board of Directors of the Company. An omnibus approval from the Audit Committee is obtained for the related party transactions which are of a foreseeable and repetitive in nature. All the related party transactions were in the ordinary and normal course of business and at arm's length basis.

In line with the provisions of the Act and the Listing Regulations, the Policy for determining RPT and their Materiality was suitably amended and approved by the Board which is placed on the website of the Company at www.compuageindia.com.

There are no materially significant related party transactions that may have potential conflict with interest of the Company at large. There were no transactions of the Company with any person or entity belonging to the Promoter(s) / Promoter(s) Group which individually holds 10% or more shareholding in the Company.

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

LOANS, GUARANTEES AND INVESTMENTS:

The particulars of loans, guarantees and investments under the provisions of Section 186 of the Act have been disclosed in Notes to the Financial Statements provided in this Annual Report.

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

The Company has not raised any funds through preferential allotment or Qualified Institutional Placement during the financial year 2021-22.

AUDIT COMMITTEE:

The Company has in place an Audit Committee in terms of the requirements of the Act read with the rules made thereunder and Regulation 18 of the Listing Regulations.

The primary function of the Audit Committee is to monitor and provide an effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting.

The Audit Committee meets regularly to review reports, including significant audit observations and follow-up actions thereon. The Audit Committee also reviews the financial reporting system, compliance to accounting policies and procedures.

The details pertaining to Audit Committee and its composition are included in the Corporate Governance Report appended as Annexure C to the Directors' Report.

NOMINATION AND REMUNERATION COMMITTEE:

The Company has in place a Nomination and Remuneration Committee in accordance with the requirements of the Act read with the rules made thereunder and Regulation 19 of the Listing Regulations.

The Company follows a Policy for Nomination and Remuneration of Directors, Key Managerial Personnel and senior management employees. The Policy is approved by the Nomination and Remuneration Committee and the Board. The main objective of the said policy is to assist the Board in identifying the individuals who are qualified to serve as Directors or Key Managerial Personnel or senior management employees and to ensure the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the Directors, Key Managerial Personnel and senior management employees. The Remuneration Policy for the Directors, Key Managerial Personnel and senior management employees is stated in the Corporate Governance Report appended as Annexure C to the Directors' Report.

STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Company has in place a Stakeholders' Relationship Committee in accordance with the requirements of the Act read with the rules made thereunder and Regulation 20 of the Listing Regulations.

The details pertaining to composition and role of the Stakeholders' Relationship Committee are included in the Corporate Governance Report appended as Annexure C to the Directors' Report.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The Company has in place a CSR Committee in accordance with the requirements of the Act read with the rules made thereunder.

The details pertaining to composition and role of the CSR Committee are included in the Corporate Governance Report appended as Annexure C to the Directors' Report.

FAMILIARIZATION PROGRAMME:

Pursuant to Regulation 25(7) of the Listing Regulations, the Company has imparted familiarization programmes for its Independent Directors with review of business strategy of the Company, industry trends and regulatory updates covering changes with respect to the Act and the Listing Regulations and other allied matters.

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

The policy on Familiarization Programme for Independent Directors and Familiarization Programme details of Independent Directors undertaken by the Company have been disclosed on the website of the Company at www.compuageindia.com.

DIRECTORS' RESPONSIBILITY STATEMENT:

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

- i. That in preparation of the annual accounts for the year ended 31st March, 2022, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- ii. That the Directors had selected such accounting policies and applied consistently and made judgments and estimates that were reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year ended 31st March, 2022, and the profits of the Company for the year under review;
- iii. That proper and sufficient care has been taken for the maintenance of adequate accounting records for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. That the annual accounts for the year ended 31st March, 2022, have been prepared on a 'Going Concern Basis';
- v. That proper internal financial controls were in place and that such internal financial controls are adequate and were operating effectively;
- vi. That proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

INSURANCE AND RISK MANAGEMENT:

Risk Management is integral to your Company's strategy and for the achievement of our long-term goals. The Company regularly identifies uncertainties and after assessing them, devises short and long term actions to mitigate any risk which could materially impact your Company's goals.

The risk assessment includes review of strategic risks at domestic and international level including sectoral developments, risks related to market competition, financial, geographical, political and reputational issues, environment, social and governance risks and cyber security risks. The Company is well aware of these risks and challenges and has put in place mechanisms to ensure that they are managed and mitigated with adequate timely actions.

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

FIXED DEPOSIT:

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

During the year under review, the Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014.

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

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

VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Company promotes ethical behavior in all its business activities and in line with the best governance practices. For this purpose, a policy has been laid down through which Directors, employees and business associates can report unethical behavior, malpractices, wrongful conduct, fraud, violation of Company's Code of Conduct without fear of reprisal and have provision for direct access to the Chairman of the Audit Committee.

The Whistle-Blower Protection Policy aims to:

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

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

MATERIAL CHANGES AND COMMITMENTS, IF ANY:

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

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

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

EPSS Infotech Private Limited, an IT / Technology Services business entity, having leading business in Enterprise Resource Planning Computer Software Developer, has appointed your Company as its Value Added Distributor to provide Enterprise Resource Planning solutions to the channel partners and expand your Company's portfolio.

Your Company has entered into Distributorship Agreement with Micro-Star Int'l Co., Limited, a Taiwanese organization. It is a world leading gaming brand which provides its users with a plethora of products and services such as computer hardware including laptops, desktops, motherboards, graphics cards, All-in-One PCs, servers, industrial computers, PC peripherals, car infotainment products and many more. This tie-up will enable your Company to introduce laptops with latest technology, creating higher accessibility for customers across the country.

Further, Your Company has entered into an Authorized Service Provider Agreement, for provision of services with respect to Single-Function and Multifunction Laser Printers all over the territory of India, with Lexmark International (India) Private Limited, which is recognized as global leader in print hardware, service, solutions and security by many of the technology industry's leading market analyst firms, having headquarters in Lexington, Kentucky and has a revenue of around USD 3.5 Billion, helping customers in more than 170 countries.

Furthermore, a Distributor Agreement was entered by your Company with Velox Solutions Private Limited for offering a comprehensive range of next gen-security products in the area of Cyber Security and IT Operation Management to a wide range of customers and partners by combining the extensive distribution network of both the Parties. This tie-up shall provide your Company, an opportunity to significantly enhance its brand visibility by jointly working on digital marketing initiatives with Velox.

Lastly, your Company has entered into Distributorship Agreement with Zoho Technologies Private Limited for placing the Zoho product portfolio in front of as many potential channel partners through your Company's widespread distribution network. With over nearly 10,000 employees and 12 offices worldwide, having headquarters in Chennai, products of Zoho include Customer Relationship Management, mail, project management, invoicing, email marketing and social media management applications. Being a Distributor for Zoho would help your Company in adding multiple software solution and selling versatile products in the market giving edge to the partners towards offering versatile solution with its Tier II and Tier III markets.

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

DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016:

The details of applications made by your Company under the Insolvency and Bankruptcy Code, 2016 during the year alongwith their status as at the end of the financial year are as follows:

| Sr. No. | Respondent | Case No. | Total Value (in Rs.) | Status as on 31 st March, 2022 |
|---------|--------------------------------------|-------------|----------------------|---|
| 1 | Presto Infosolutions Private Limited | IB/244/2021 | 1028,13,536.72 | Arguments closed, Order pending |
| 2 | Future Netwings Private Limited | IB/134/2021 | 3,90,52,760.00 | Respondent to reply against your Company's Notice |

COMPUAGE INFOCOM LTD.

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| | | | | |
|---|----------------------------------|------------|----------------|---------------|
| 3 | Zenica Lifetsyle Private Limited | IB/40/2022 | 1,01,34,210.00 | Order awaited |
|---|----------------------------------|------------|----------------|---------------|

Further, during the year under review, there were no applications made against your Company under the Insolvency and Bankruptcy Code, 2016.

OTHER DISCLOSURES:

1. There has been no change in the nature of business of your Company.
2. During the year under review, there were no transactions relating to Issue of Sweat Equity Shares to its Directors or employees of the Company.
3. There are no significant or material orders passed by the Regulators or Courts or Tribunals which impact the going concern status and the Company's operation in future.
4. The provisions of Section 148 of the Act are not applicable to the Company and accordingly the Company is not required to maintain cost accounts and records for the financial year ended 31st March, 2022.
5. The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable to the Company.

APPRECIATION:

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

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

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

Date: 28th July, 2022
Place: Mumbai

Sd/-
Atul H. Mehta
Chairman and Managing Director

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

FORM AOC-I

Statement containing salient features of the Financial Statements of Subsidiary

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

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

1. Name of the Subsidiary : Compuage Infocom (S) Pte. Ltd.
2. Turnover
 - Current Period : NIL
 - Previous Period : NIL
 - Growth (%) : Not applicable
3. Profit/(Loss) Before Tax
 - Current Period : Rs. (2.13) Lakh
 - Previous Period : Rs. 19.91 Lakh
 - Growth (%) : 111%
4. Profit/(Loss) After Tax
 - Current Period : Rs. (2.13) Lakh
 - Previous Period : Rs. 19.91 Lakh
 - Growth (%) : 111%

PART “A”: SUBSIDIARIES

| Sr. No. | Particulars | Details |
|---------|--|--------------------------------|
| 1. | Sl. No. | 1 |
| 2. | Name of the Subsidiary | Compuage Infocom (S) Pte. Ltd. |
| 3. | The date since when subsidiary was acquired | 2009-2010 |
| 4. | Reporting period for the subsidiary concerned, if different from the holding Company's reporting period | Same as Parent Co. |
| 5. | Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries. | USD 1USD = 75.90 INR |
| 6. | Share Capital | Rs.75.90 Lakh |
| 7. | Reserves and Surplus | Rs.43.62 Lakh |
| 8. | Total Assets | Rs.637.33 Lakh |
| 9. | Total Liabilities | Rs.637.33 Lakh |
| 10. | Investments | NIL |
| 11. | Turnover | NIL |
| 12. | Profit before taxation | Rs.(2.13)Lakh |
| 13. | Provision for taxation | Nil |
| 14. | Profit after taxation | Rs.(2.13) Lakh |
| 15. | Proposed Dividend | NIL |
| 16. | Extent of shareholding (in %) | 100 |

Notes:

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



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PART “B”: ASSOCIATES AND JOINT VENTURES

(Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures)

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

For Compuage Infocom Limited,

Date: 28th July, 2022

Place: Mumbai

Sd/-

Atul H. Mehta

Chairman and Managing Director

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

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

Corporate Social Responsibility (hereinafter referred to as “CSR”) has been an integral part of your Company’s philosophy. Your Company is committed to its social responsibilities and takes initiatives to serve the society as a good corporate citizen. The CSR Policy *inter-alia* provides the approach, direction and guiding principles given by the Board of Directors of the Company, taking into account the recommendations of the CSR Committee, for selection, implementation and monitoring of CSR activities as well as formulation of the Annual Action Plan. Your Company focuses its CSR activities in the areas of (i) Education and Skill Development (ii) Promotion of Health Care and Sanitation and (iii) Community Development. The CSR Policy sets out your Company’s commitment and approach towards CSR under Section 135 of the Companies Act, 2013 (hereinafter referred to as “Act”). The objective of this Policy is to promote a unified and strategic approach to CSR.

2. Composition of the CSR Committee:

The Members of the CSR Committee as on 31st March, 2022, are as under:

| Sr. No. | Name | Designation / Nature of Directorship | No. of Meetings of the CSR Committee held during the year | No. of Meetings of the CSR Committee attended during the year |
|---------|----------------------|---|---|---|
| 1 | Mr. Ganesh S. Ganesh | Chairman - Non-Executive Independent Director | 5 | 5 |
| 2 | Mr. Vijay Agarwal | Member - Non-Executive Independent Director | 5 | 3 |
| 3 | Mr. Bhavesh H. Mehta | Member - Whole-Time Director | 5 | 5 |

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

www.compuageindia.com

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

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

| Sr. No. | Financial Year | Amount available for set-off from preceding financial years (in Rs.) | Amount required to be set-off for the financial year, if any (in Rs.) |
|---------|----------------|--|---|
| 1 | 2021-22 | 2,94,000 | 2,94,000 |

6. Average net profit of the Company as per Section 135(5): Rs. 3387.56 Lakh

7(a) Two percent of average net profit of the Company as per Section 135(5): Rs. 67.75 Lakh

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

7(c) Amount required to be set-off for the financial year, if any: Rs. 2.94 Lakh

7(d) Total CSR obligation for the financial year (7a+7b-7c): Rs. 64.81 Lakh

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

| Total Amount Spent for the Financial Year (in Rs.) | Amount Unspent (in Rs.) | | | | |
|--|---|------------------|---|--------|------------------|
| | Total Amount transferred to Unspent CSR Account as per section 135(6) | | Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5) | | |
| | Amount | Date of Transfer | Name of the Fund | Amount | Date of Transfer |
| 65.85 Lakh | Not Applicable | | Not Applicable | | |

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

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

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

| (1) | (2) | (3) | (4) | (5) | | (6) | (7) | (8) | |
|---------|---------------------|---|---------------------|-------------------------|-------|---------------------------------------|---|--|-------------------------|
| Sr. No. | Name of the Project | Item from the list of activities in schedule VII to the Act | Local area (Yes/No) | Location of the project | | Amount spent for the project (in Rs.) | Mode of implementation - Direct (Yes/No) | Mode of implementation - Through implementing agency | |
| | | | | District | State | | | Name | CSR registration number |
| 1. | Health / Medical | | Yes | Mumbai, Maharashtra | | 800000 | Through NGOs/Charitable houses | Inga Health Foundation | CSR00001727 |
| | | | | Mumbai, Maharashtra | | | | Lion Tarachand Bapa Hospital and Research Centre | CSR00007832 |
| 2. | Education | | No | Radhanpur, Gujarat | | 75000 | Directly | NA | NA |
| 3. | Social | | Yes | Mumbai, Maharashtra | | 5710000 | Directly and through NGOs/Charitable houses | Utkarsh Global Foundation | CSR00003183 |
| | | | | Mathura, Uttar Pradesh | | | | Jan Jagrati Sevarth Sansthan | CSR00006903 |
| | | | | Ahmedabad, Gujarat | | | | Azad Foundation | CSR00022956 |
| | | | | Nagpur, Maharashtra | | | | Life Care and Peace Mission | CSR00025491 |
| Total | | | | | | 6585000 | | | |

8(d) Amount spent in Administrative Overheads: NIL

8(e) Amount spent on Impact Assessment, if applicable: Not Applicable

8(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 65.85 Lakh

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

| Sr. No. | Particulars | Amount (in Rs.) |
|---------|---|---|
| (i) | Two percent of average net profit of the Company as per section 135(5) | 67.75 Lakh (The total obligation for the Financial Year is Rs. 64.81 as the additional Rs. 2.94 Lakh pertain to the excess amount available for set-off from previous financial year) |
| (ii) | Total amount spent for the Financial Year | 65.85 Lakh |
| (iii) | Excess amount spent for the Financial Year [(ii)-(i)] | 1.04 Lakh |
| (iv) | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | NIL |
| (v) | Amount available for set-off in succeeding financial years [(iii)-(iv)] | 1.04 Lakh |

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

| Particulars of Unspent CSR Amount for the Preceding Financial Year | | | | | | | |
|--|--------------------------|---|---|---|----------------|------------------|---|
| Sr. No. | Preceding Financial Year | Amount transferred to Unspent CSR Account under section 135(6) (in Rs.) | Amount spent in the reporting Financial Year (in Rs.) | Amount transferred to any fund specified under Schedule VII as per section 135(6), if any | | | Amount remaining to be spent in succeeding financial years (in Rs.) |
| | | | | Name of the Fund | Amount (in Rs) | Date of transfer | |
| Not Applicable | | | | | | | |

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

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

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

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

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

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

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

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

For Compuage Infocom Limited,

Sd/-

Atul H. Mehta

Chairman and Managing Director

Sd/-

Ganesh S. Ganesh

Chairman - CSR Committee

Date: 28th July, 2022

Place: Mumbai

CORPORATE GOVERNANCE REPORT

The report on Corporate Governance in compliance with Regulation 34 read with Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “**Listing Regulations**”) is as follows:

1. COMPANY’S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance is all about ethical conduct, openness, integrity and accountability of an entity. Effective Corporate Governance is the creation and enhancement of long-term sustainable value for our stakeholders, comprising regulators, employees, customers, vendors, investors, and the society at large, through ethically driven business practices. At Compuage Infocom Limited (hereinafter referred to as “**CIL / Company**”), we believe that a strong corporate ethical culture and effective governance practices are the foundation of business sustainability. Our Corporate Governance framework ensures effective engagement with our stakeholders and rests on the pillars of integrity, fairness, reliability, value performance, commitment, transparency, maintaining ethical standards and environmental responsibility that confirm fully with laws, regulations and guidelines. The Company’s policies focus on the highest standards of governance in operations, striving to manage our affairs in a fair and transparent manner. The leaders of the Company set the tone through their actions and this ensures that the organization remains true to its culture and values in letter and spirit.

The Company has established systems and procedures to ensure that its Board of Directors is well-informed and well-equipped to discharge its overall responsibilities and provide the management with a strategic direction catering to exigency of long term shareholders value. Its initiatives towards adhering to highest standards of governance include self-governance, professionalization of the Board, fair and transparent processes and reporting systems. CIL regards Corporate Governance as not just a destination, but a journey to constantly improve sustainable value creation. It is an upward-moving target that we collectively strive towards achieving. The Company has adopted a Code of Conduct for its employees, Executive Directors as well as for its Non-Executive Directors and their duties as stipulated under the Companies Act, 2013 (hereinafter referred to as “**Act**”).

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

2. APPROPRIATE GOVERNANCE STRUCTURE WITH DEFINED ROLES AND RESPONSIBILITIES

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

The Corporate Governance structure at CIL is as follows:

1. Board of Directors:

CIL believes that a dynamic, well-informed and independent Board is essential to ensure highest standards of Corporate Governance. The Board of Directors of the Company, being in a fiduciary position, is empowered to oversee the management functions with a view to ensuring its effectiveness and enhancement of shareholder value. The Board has ultimate responsibility for the management, general affairs, strategic direction, performance, risk management and long-term success of business as a whole.

2. Committees of the Board:

The Committees of the Board play a significant role in the governance structure of the Company and have been constituted to transact / approve the matters as mandated by applicable rules and regulations, which concern the Company. Each committee is guided by its terms of reference, which provide for the composition, scope, powers, duties and responsibilities. The Board has four committees, viz., Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Stakeholders’ Relationship Committee.

The Chairperson of the respective committee(s) briefs the Board about the summary of the discussions held at the committee meetings. The minutes of the meetings of all committees are placed before the Board for its review and noting. During the year under review, all recommendations of the committees of the Board which were mandatorily required have been duly accepted by the Board. CIL's Company Secretary acts as the Secretary to all the Committees.

3. BOARD OF DIRECTORS

The Company believes in a well-balanced and diverse Board which enriches discussions and enables effective decision-making. The Board of the Company is formed with an optimum combination of Executive and Non-Executive Directors, and the same is also in line with the applicable provisions of the Act and the Listing Regulations. The Board is diverse in terms of qualification, competence, skills and expertise which ensure long term value creation for all the stakeholders. Further, the Board while discharging its responsibilities, provides effective leadership to the business, upholds the corporate value, promotes the ethical culture, endorses sustainability and leverages innovation. Independent Directors play a pivotal role in upholding Corporate Governance norms and ensuring fairness in decision-making. Being experts in various fields, they also bring independent judgment on matters of strategy, risk management, controls and business performance.

The composition of the Board of Directors of your Company is in conformity with Regulation 17 of the Listing Regulations read with Section 149 of the Act, consisting of 2 (two) Executive Directors and 4 (four) Non-Executive Independent Directors.

In terms of the requirements of the Listing Regulations, the Board has identified the following skills / expertise / competencies of the Directors as given below:

| Skills/Expertise/Competence and their details | Mr. Atul H. Mehta | Mr. Bhavesh H. Mehta | Mr. Ganesh S. Ganesh | Mr. Vijay Agarwal | Mr. Virendra G. Bhatt* | Ms. Hetal Kudecha** |
|---|-------------------|----------------------|----------------------|-------------------|------------------------|---------------------|
| Business Development Planning and developing strategies that enable sustainable growth | ✓ | ✓ | | | | |
| Industry Experience Experience and knowledge of the industry in which the organization operates, technical competencies resulting in knowledge of how to anticipate technological trends, generate innovation, and extend or create new business models | ✓ | ✓ | | | | |
| Sales and Marketing Building brand awareness, identifying the business strengths, weaknesses, opportunities and threats and thereby enhancing overall enterprise reputation | ✓ | ✓ | | | | |
| Financial Management Management of financial function of the Company resulting in proficiency in complex financial management, capital allocation and financial reporting processes and experience in actively supervising principal accounting and auditing and performing similar functions | ✓ | ✓ | ✓ | ✓ | ✓ | |
| Leadership Extending leadership experience in the organizations, strategic planning and risk management. Developing talent and driving change for long term growth | ✓ | ✓ | | | | ✓ |

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| | | | | | | |
|---|---|---|--|--|---|---|
| Business Judgement Ability to identify key risks to the organization in a wide range of areas including legal and regulatory compliance and monitor risk and compliance management frameworks and systems | ✓ | ✓ | | | ✓ | |
| Human Resource Management Developing strategies to manage human resources and achieve change. | ✓ | ✓ | | | | ✓ |

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

**Appointed as Non-Executive Independent Director w.e.f 7th February, 2022

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

The tenure of the Independent Directors is in compliance with the Act. Mrs. Fatima Hussaini Nasab (DIN: 08507217), resigned from the post of Non-Executive Independent Director due to ill health and certain other pre-occupation with effect from 7th February, 2022, and has also confirmed that there were no other material reasons other than those provided.

All the Independent Directors of the Company have given their respective declarations and disclosures under Section 149(7) of the Act and Regulation 25(8) of the Listing Regulations. Further, the Board, after taking these declarations and disclosures on record, concluded that the Independent Directors fulfill the conditions prescribed in the applicable regulations and are independent of the Management.

As required under Regulation 46 of the Listing Regulations, as amended, the terms and conditions of appointment of the Independent Directors including their role, responsibility and duties are available on the website of the Company at www.compuageindia.com. Also, the Company through its Familiarization Programme, as stated on the website of the Company at www.compuageindia.com, familiarizes not only the Independent Directors but any new appointee on the Board, with a brief background of the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model, operations of the Company, etc. They are also informed of the important policies of the Company.

Membership, Attendance and Other Directorships:

The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and the number of Directorships and Committee Chairmanships / Memberships held by them in other Companies as on 31st March, 2022, are given below:

| Name of Director | Designation | Number of Directorship in other Public Limited Companies | Number of Committee positions held in other Public Limited Companies | | List of Directorship held in Other Listed Companies and Category of Directorship |
|---|---|--|--|--------------|--|
| | | | Membership | Chairmanship | |
| Mr. Atul H. Mehta (DIN: 00716869) | Promoter, Executive, Chairman and Managing Director | Nil | Nil | Nil | Nil |
| Mr. Bhavesh H. Mehta (DIN: 00740861) | Promoter, Executive and Whole-Time Director | Nil | Nil | Nil | Nil |
| Mr. Ganesh S. Ganesh (DIN: 00010877) | Non-Executive Independent Director | Nil | Nil | Nil | Nil |

| | | | | | |
|---|--|-----|-----|-----|--|
| Mr. Vijay Agarwal (DIN: 00058548) | Non-Executive Independent Director | 7 | 8 | 2 | <ul style="list-style-type: none"> • Themis Medicare Limited (Non-Executive Independent Director) • Gujarat Themis Biosyn Limited (Non-Executive Independent Director) |
| Mr. Virendra G. Bhatt (DIN: 02343351)* | Non-Executive Independent Director | Nil | Nil | Nil | Nil |
| Mrs. Fatima Hussaini Nasab (DIN: 08507217)** | Non-Executive Independent Director | Nil | Nil | Nil | Nil |
| Ms. Hetal Kudecha (DIN: 09148116)*** | Non-Executive Independent Director | Nil | Nil | Nil | Nil |

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

**Resigned as Non-Executive Independent Director w.e.f. 7th February, 2022

***Appointed as Non-Executive Independent Director w.e.f. 7th February, 2022

Notes:

1. The directorship held by Directors as mentioned above, do not include directorships in CIL and of foreign companies, companies incorporated under Section 8 of the Act and private limited companies.
2. In accordance with the Listing Regulations, memberships / chairmanships of only Audit Committee and Stakeholders' Relationship Committee of all public limited companies have been considered.
3. As required by the Act (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Listing Regulations, none of the Directors hold directorships in more than ten public limited companies or in seven equity listed entities; or hold Independent Directorship either in more than seven equity listed entities or in three equity listed entities (in case he / she serves as a Whole-time Director / Managing Director in any listed entity). Further, none of the Directors hold membership of Board Committees (Audit Committees / Stakeholders' Relationship Committee) in excess of ten and chairmanship of Board Committees as aforesaid in excess of five.
4. The requirements of Regulation 17 and Regulation 26 of the Listing Regulations have been duly complied with.
5. Except Mr. Atul H. Mehta, Chairman and Managing Director and Mr. Bhavesh H. Mehta, Whole-Time Director, who are related to each other as brothers, none of the other present Director is related to any other Director on the Board in terms of definition of 'relative' as per the Act (including any statutory modification(s) or re-enactment thereof for the time being in force).

BOARD MEETINGS

The Board plays a critical role in the strategic development of the Company. To enable itself to discharge its duties and responsibilities effectively and take informed decisions, the Board meets at regular intervals to discuss and decide on business strategies / policies including performance of the Company, business operations, employee relations, review the financial performance, etc., of the Company.

The Board Meetings are scheduled well in advance and notice and detailed agenda along with the relevant notes and other material information is circulated to the Directors well in advance to facilitate the Directors to plan their schedule. The Company adheres to the provisions of the Act read with the rules issued thereunder, Secretarial Standards and Listing Regulations with respect to convening and holding the meetings of the Board of Directors and its Committees.

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

In the financial year 2021-22, the Board met nine times. The interval between two consecutive Board Meetings was well within the maximum period mentioned under Section 173 of the Act and the Listing Regulations.

The details of dates on which the Board Meetings were held and attendance of the Board of Directors at the same held during the financial year 2021-22 and at the last Annual General Meeting held are as follows:

29th May, 2021 :: 10th June, 2021 :: 13th August, 2021 :: 30th September, 2021 :: 12th November, 2021 :: 28th December, 2021 :: 7th February, 2022 :: 16th February, 2022 :: 29th March, 2022

| Name of the Directors | Relationship with other Directors | No. of Board Meetings Held | No. of Board Meetings Attended | Attendance at last AGM |
|---|-----------------------------------|----------------------------|--------------------------------|------------------------|
| Mr. Atul H. Mehta (DIN: 00716869) | Brother of Mr. Bhavesh H. Mehta | 9 | 8 | Yes |
| Mr. Bhavesh H. Mehta (DIN: 00740861) | Brother of Mr. Atul H. Mehta | 9 | 9 | Yes |
| Mr. Ganesh S. Ganesh (DIN: 00010877) | # | 9 | 9 | Yes |
| Mr. Vijay Agarwal (DIN: 00058548) | # | 9 | 6 | Yes |
| Mr. Virendra G. Bhatt (DIN: 02343351)* | # | 9 | 7 | Yes |
| Mrs. Fatima Hussaini Nasab (DIN: 08507217)** | # | 7 | 5 | Yes |
| Ms. Hetal Kudecha (DIN: 09148116)*** | # | 2 | 2 | NA |

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

**Resigned as Non-Executive Independent Director w.e.f. 7th February, 2022

***Appointed as Non-Executive Independent Director w.e.f. 7th February, 2022

#There is no relationship among any of the Directors

The Board has granted leave of absence to the Directors who were absent at the respective Board Meeting(s) at their request. The necessary quorum was present for all the meetings.

Separate meeting of the Independent Directors:

In compliance with Regulation 25(3) of the Listing Regulations and Schedule IV of the Act, separate meeting of the Independent Directors was held on 29th March, 2022, for FY 2021-22, without the presence of Non-Independent Directors and in the said meeting, the Independent Directors, inter-alia, considered the following:

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

Compliance Framework:

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

Code of Conduct:

The Board has formulated a Code of Conduct (hereinafter referred to as “Code”) for the Board Members, Senior Management and all Employees of the Company. The Company believes in “Zero Tolerance” to any ethical violations, in all forms or manner. The Code provides guiding principles of conduct to promote ethical conduct of business, confirms to equitable treatment of all stakeholders and to avoid unethical practices or behaviour. Also, the Code lays emphasis on avoiding and disclosing actual or potential conflict of interest, integrity at the workplace and in business practices, honest and ethical personal conduct, diversity, fairness, and respect, etc. The Code is available on the website of the Company at www.compuageindia.com.

In respect of financial year 2021-22, all Board members and Senior Management personnel of the Company have affirmed the compliance with the Code as applicable to them and a declaration to this effect signed by the Managing Director is enclosed as Annexure G at the end of this Report.

COMMITTEES OF THE BOARD

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

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders’ Relationship Committee
- Corporate Social Responsibility Committee

A. AUDIT COMMITTEE

a) Composition of Audit Committee:

The Audit Committee comprises of three Members viz. Mr. Ganesh S. Ganesh, Mr. Vijay Agarwal and Mr. Virendra G. Bhatt, Non-Executive Independent Directors of the Company, who are financially literate and bring in expertise in the fields of finance, accounting, development, strategy and management. All the members of the Committee are Independent Directors of the Company. Mr. Ganesh S. Ganesh chairs the Committee. Ms. Hasti Pala, Company Secretary, acts as a Secretary to the Committee.

The Committee is entrusted with the responsibility to monitor and supervise the Company's internal controls and financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting. The Chairman of the Committee regularly interacts with the Internal Auditors and Statutory Auditors of the Company to have independent discussions with them. At the previous Annual General Meeting of the Company which was held on 15th September, 2021, Mr. Ganesh S. Ganesh, being the Chairman of the Committee, was present thereat, to answer the queries of the Shareholders.

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

b) Terms of Reference of Audit Committee:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommending to the Board, the appointment, re-appointment, terms of appointment and, if required, the replacement or removal of the Statutory Auditors and the fixation of audit fees;
- Approval of payment to Statutory Auditors for any other services rendered by them;
- Reviewing with the Management, the Annual Financial Statements and Auditors' Report before submission to the Board for approval, with particular reference to:
 - Matters to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of Section 134 of the Act.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by the Management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of any Related Party Transactions.
 - Modified opinion(s) in the draft audit report, if any.
- Reviewing with the Management, the Quarterly Financial Statements before submission to the Board for approval;
- Reviewing, with the Management, the statement of uses / application of funds raised through an issue (public issue, right issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency, monitoring the utilisation of proceeds of public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the Management, performance of Statutory and Internal Auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with Internal Auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- Establish a vigil mechanism for Directors and employees to report genuine concerns in such manner as may be prescribed;
- To review the functioning of Whistle Blower mechanism;

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- Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- To allow Auditors and Key Managerial Personnel, a right to be heard while considering the Auditor's Report;
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;
- Reviewing the utilization of loans and / or advances from / investment by the holding company in the subsidiary exceeding rupees 100 crore (One Hundred Crore) or 10% (Ten Percent) of the asset size of the subsidiary, whichever is lower, including existing loans / advances / investments, if applicable;
- Considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;
- To mandatorily review the following information:
 - To define significant related party transactions.
 - Management discussion and analysis of financial condition and results of operations.
 - Management letters / letters of internal control weaknesses issued by the Statutory Auditors.
 - Internal audit reports relating to internal control weaknesses.
 - The appointment, removal and terms of remuneration of the Chief Internal Auditor.
 - Statement of deviations, if applicable:
 - ❖ Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to the stock exchange(s) in terms of Regulation 32(1) of the Listing Regulations.
 - ❖ Annual statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice in terms of Regulation 32(7) of the Listing Regulations.

c) **The composition of the Committee along with the details of the Meetings held and attended by its Members during the financial year 2021-22 are given below:**

| Name of Director | Category | Position | No. of Meetings | |
|-----------------------------|------------------------|----------------------|-----------------|----------|
| | | | Held | Attended |
| Mr. Ganesh S. Ganesh | Non-Executive Director | Independent Chairman | 5 | 5 |
| Mr. Vijay Agarwal | Non-Executive Director | Independent Member | 5 | 4 |
| Mrs. Fatima Hussaini Nasab* | Non-Executive Director | Independent Member | 4 | 4 |
| Mr. Virendra G. Bhatt** | Non-Executive Director | Independent Member | 1 | 1 |

*Ceased to be a Member of the Committee w.e.f. 7th February, 2022

**Appointed as Member of the Committee w.e.f. 7th February, 2022

In the financial year 2021-22, the Committee met five times. The interval between two Meetings was well within the maximum period mentioned under Regulation 18 of the Listing Regulations.

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

29th May, 2021 :: 13th August, 2021 :: 12th November, 2021 :: 7th February, 2022 :: 29th March, 2022

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

B. NOMINATION AND REMUNERATION COMMITTEE

a) Composition of Nomination and Remuneration Committee:

The Nomination and Remuneration Committee comprises of three Members, viz. Mr. Ganesh S. Ganesh, Mr. Vijay Agarwal and Mr. Virendra G. Bhatt, Non-Executive Independent Directors of the Company. Mr. Ganesh S. Ganesh chairs the Committee. Ms. Hasti Pala, Company Secretary, acts as a Secretary to the Committee. At the previous Annual General Meeting of the Company which was held on 15th September, 2021, Mr. Ganesh S. Ganesh, being the Chairman of the Committee, was present thereat, to answer the queries of the Shareholders.

The role of the Committee is to oversee the selection of Directors and Senior Management Personnel based on criteria related to the expertise, qualifications, independence and experience. The Committee reviews and approves the annual salaries, performance commissions, service agreements and other employment conditions for Directors and Senior Management Personnel of the Company.

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The composition, quorum, powers, role and scope are in accordance with Section 178 of the Act and the provisions of Regulation 19 of the Listing Regulations. The Committee functions in accordance with its terms of reference which define its authority, responsibility and reporting function.

b) Terms of Reference of Nomination and Remuneration Committee:

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

c) The composition of the Committee along with the details of the Meetings held and attended by its Members during the financial year 2021-22 are given below:

| Name of Director | Category | Position | No. of Meetings | |
|-----------------------------|------------------------|----------------------|-----------------|----------|
| | | | Held | Attended |
| Mr. Ganesh S. Ganesh | Non-Executive Director | Independent Chairman | 6 | 6 |
| Mr. Vijay Agarwal | Non-Executive Director | Independent Member | 6 | 4 |
| Mrs. Fatima Hussaini Nasab* | Non-Executive Director | Independent Member | 4 | 4 |
| Mr. Virendra G. Bhatt** | Non-Executive Director | Independent Member | 2 | 2 |

*Ceased to be a Member of the Committee w.e.f. 7th February, 2022

**Appointed as Member of the Committee w.e.f. 7th February, 2022

In the financial year 2021-22, the Committee met six times.

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

29th May, 2021 :: 13th August, 2021 :: 12th November, 2021 :: 7th February, 2022 :: 16th February, 2022 :: 29th March, 2022

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

Performance Evaluation:

Pursuant to the provisions of the Act and the applicable provisions of the Listing Regulations, the annual performance evaluation was carried out for FY 2021-22 by the Board in respect of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration, Stakeholders' Relationship and Corporate Social Responsibility Committees. A structured questionnaire covering various aspects such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance was prepared. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board who were evaluated on parameters such as guidance / support to management outside Board /

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Committee meetings, degree of fulfillment of key responsibilities, the effectiveness of meetings, etc. The performance evaluation of the Independent Directors was carried out by the entire Board excluding the Directors being evaluated. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors.

Remuneration Policy:

Your Company has a well-defined Policy for Remuneration of the Directors, Key Managerial Personnel and other Employees (hereinafter referred to as “Policy”) which is in compliance with Section 178 of the Act and Regulation 19 read with Schedule II of the Listing Regulations.

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

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

Remuneration to Executive Directors:

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

Remuneration to Non-Executive Directors:

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

| Name | Sitting Fees | Commission |
|------------------------------|----------------|------------|
| Mr. Vijay Agarwal | Rs. 6,00,000/- | 0 |
| Mr. Virendra G. Bhatt* | Rs. 7,00,000/- | 0 |
| Mrs. Fatima Hussaini Nasab** | Rs. 5,00,000/- | 0 |
| Ms. Hetal Kudecha^ | Rs. 2,00,000/- | 0 |

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

**Resigned as Non-Executive Independent Director w.e.f. 7th February, 2022

^Appointed as Non-Executive Independent Director w.e.f. 7th February, 2022

None of the Non-Executive Independent Directors of the Company are in receipt of any commission or have been granted any stock options during the financial year 2021-22.

Shareholding of Non-Executive Directors:

Details of the Equity Shares held by Non-Executive Directors as on 31st March, 2022, is as under:

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

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

**Resigned as Non-Executive Independent Director w.e.f. 7th February, 2022

***Appointed as Non-Executive Independent Director w.e.f. 7th February, 2022

C. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

a) Composition of Stakeholders' Relationship Committee:

The Stakeholders' Relationship Committee comprises of three members viz. Mr. Ganesh S. Ganesh, Mr. Virendra G. Bhatt, Non-Executive Independent Directors and Mr. Atul H. Mehta, Chairman and Managing Director of the Company. Mr. Ganesh S. Ganesh chairs the Committee. Ms. Hasti Pala, Company Secretary, is designated as the "Compliance Officer" who oversees the redressing of the investors' grievances and acts as a Secretary to the Committee. At the previous Annual General Meeting of the Company which was held on 15th September, 2021, Mr. Ganesh S. Ganesh, being the Chairman of the Committee, was present thereat, to answer the queries of the Shareholders.

The Committee looks into various aspects of interest of shareholders. The Committee ensures cordial investor relations and oversees the mechanism for redressal of investors' grievances.

The composition, quorum, powers, role and scope are in accordance with Section 178 of the Act and the provisions of Regulation 20 of the Listing Regulations. The Committee functions in accordance with its terms of reference which define its authority, responsibility and reporting function.

b) Terms of Reference of Stakeholders' Relationship Committee:

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

c) The Composition of the Committee along with the details of the Meetings held and attended by its Members during the financial year 2021-22 are given below:

| Name of Director | Category | Position | No. of Meetings | |
|-----------------------------|------------------------------------|----------|-----------------|----------|
| | | | Held | Attended |
| Mr. Ganesh S. Ganesh | Non-Executive Independent Director | Chairman | 4 | 4 |
| Mr. Atul H. Mehta | Chairman and Managing Director | Member | 4 | 4 |
| Mrs. Fatima Hussaini Nasab* | Non-Executive Independent Director | Member | 4 | 4 |
| Mr. Virendra G. Bhatt** | Non-Executive Independent Director | Member | NA | NA |

*Ceased to be a Member of the Committee w.e.f. 7th February, 2022

**Appointed as Member of the Committee w.e.f. 7th February, 2022

a) In the financial year 2021-22, the Stakeholders' Relationship Committee met four times.

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

29th May, 2021 :: 13th August, 2021 :: 12th November, 2021 :: 7th February, 2022.

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

d) The Company has appointed Link Intime India Private Limited, Mumbai, to act as Registrar and Share Transfer Agent of the Company. The Committee also oversees the performance of the Registrar and Share Transfer Agent and recommends measures for overall improvement of the quality of investor services as and when the need arises.

e) Details of investor complaints received and redressed during the year 2021-2022 are as follows:

| Opening Balance | Received during the year | Resolved during the year | Closing Balance |
|-----------------|--------------------------|--------------------------|-----------------|
| Nil | 2 | 2 | Nil |

D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

a) Composition of Corporate Social Responsibility Committee:

The Corporate Social Responsibility (hereinafter referred to as “CSR”) Committee comprises of three members viz. Mr. Ganesh S. Ganesh and Mr. Vijay Agarwal, Non-Executive Independent Directors, and Mr. Bhavesh H. Mehta, Whole-Time Director of the Company. Mr. Ganesh S. Ganesh chairs the Committee. Ms. Hasti Pala, Company Secretary, acts as a Secretary to the Committee. At the previous Annual General Meeting of the Company which was held on 15th September, 2021, Mr. Ganesh S. Ganesh, being the Chairman of the Committee, was present thereat, to answer the queries of the Shareholders.

The scope of functions of Committee is to formulate and recommend to the Board, an Annual Action Plan in pursuance of CSR Policy of the Company including CSR projects or programmes to be undertaken, manner of execution of such projects or programmes, modalities of utilization of funds and its implementation, monitoring and reporting mechanism for the projects undertaken by the Company.

The composition, quorum, powers, role and scope are in accordance with Section 135 read with Schedule VII of the Act. The Committee functions in accordance with its terms of reference which define its authority, responsibility and reporting function.

b) Terms of Reference of CSR Committee:

- Formulate and recommend to the Board, a CSR policy indicating the activities to be undertaken by the Company in areas or subject, as specified in Schedule VII of the Act;
- Recommend the amount of expenditure to be incurred on the activities referred to above;
- Monitor the CSR Policy of the Company from time to time;
- Formulate and recommend to the Board, an Annual Action Plan and projects or programmes to be undertaken for the next financial year;
- Monitor the implementation of CSR Annual Action Plan of the Company from time to time.

c) The Composition of the Committee along with the details of the Meetings held and attended by its Members during the financial year 2021-22 are given below:

| Name of Director | Category | Designation | No. of Meetings attended | |
|----------------------|------------------------------------|-------------|--------------------------|----------|
| | | | Held | Attended |
| Mr. Ganesh S. Ganesh | Non-Executive Independent Director | Chairman | 5 | 5 |
| Mr. Vijay Agarwal | Non-Executive Independent Director | Member | 5 | 3 |
| Mr. Bhavesh H. Mehta | Whole-Time Director | Member | 5 | 5 |

In the financial year 2021-22, the Committee met five times.

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

29th May, 2021 :: 13th August, 2021 :: 12th November, 2021 :: 7th February, 2022 :: 29th March, 2022

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

The CSR Policy of the Company along with CSR projects or programmes to be undertaken is displayed on the website of the Company at www.compuageindia.com. A CSR Report giving details of the CSR activities undertaken by the Company during the year along with the amount spent on CSR activities is appended to the Directors' Report as Annexure B.

Subsidiary Companies:

Compuage Infocom (S) Pte. Ltd. is a wholly-owned subsidiary of the Company, incorporated as per laws of Singapore located at 50, Genting Lane, #04-02 Cideco Industrial Complex, Singapore (349558).

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

The Audit Committee reviews the financial statements including investments.

4. GENERAL BODY MEETINGS

Annual General Meetings:

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

| Year | AGM/ EGM | Date | Time | Venue | Special Business |
|---------|-------------------------|------------|---------------|---|--|
| 2020-21 | 22 nd AGM | 15.09.2021 | 11:30 a.m. | Video Conferencing / Other Audio Visual Means | 1. Appointment of Branch Auditors and fix their remuneration. |
| 2019-20 | 21 st AGM | 18.08.2020 | 11:00 a.m. | Video Conferencing / Other Audio Visual Means | 1. Appointment of Branch Auditors and fix their remuneration; 2. Re-appointment of Mr. Atul H. Mehta (DIN: 00716869) as a Managing Director; 3. Re-appointment of Mr. Bhavesh H. Mehta (DIN: 00740861) as a Whole-Time Director; 4. Appointment of Mr. Ajay H. Mehta (DIN: 00686327) as a Director. |
| 2018-19 | 20 th AGM | 21.08.2019 | 10:00 a.m. | Hotel Bawa International, Near Domestic Airport, Next to Orchid Hotel, Vile Parle East, Mumbai – 400 099 | 1. Appointment of Branch Auditors and fix their remuneration; 2. Re-appointment of Mr. Ganesh Shiva Ganesh (DIN: 00010877) as an Independent Director; 3. Re-appointment of Mr. Vijay Agarwal (DIN: 00058548) as an Independent Director; 4. Appointment of Mrs. Fatima Hussaini Nasab (DIN: 08507217) as an Independent Director; 5. Amendment of Articles of Association of the Company. |
| 2018-19 | EGM | 01.03.2019 | 10:00 a.m. | Victoria Memorial School for the Blind, 73 Tardeo Road, Opp. Film Centre, Tardeo, Mumbai – 400 034 | 1. Increase in Authorised Share Capital and consequential alteration of Capital Clause of Memorandum of Association; 2. Issue upto 62,35,811 Equity Shares on Preferential Issue basis; 3. Issue upto 1,00,00,000 Optionally Convertible Preference Shares on Preferential Issue basis. |

Postal Ballot:

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

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Further, the Board at its Meeting held on 16th February, 2022, recommended to the Members to approve appointment of Ms. Hetal Kudecha (DIN: 09148116) as Non-Executive Independent Director of the Company for a consecutive term of 5 (Five) years commencing from 7th February, 2022 to 6th February, 2027, by way of a Special Resolution through Postal Ballot. The Postal Ballot commenced on 24th February, 2022 and concluded on 26th March, 2022. Mr. B. Narasimhan, Partner, BN & Associates, failing whom, Mr. Avinash Bagul, Partner, BNP & Associates, Practicing Company Secretaries, was appointed as Scrutinizer to conduct the said Postal Ballot process in a fair and transparent manner. He submitted the results of e-Voting through Postal Ballot alongwith his report on 28th March, 2022, to Mr. Atul H. Mehta, Chairman and Managing Director (DIN: 00716869) and the results were declared on the same day. The date of passing the special resolution was 28th March, 2022.

There were no other special resolutions passed through Postal Ballot other than above mentioned Resolutions as on the date of this Report.

Procedure followed for Postal Ballot:

Pursuant to the Sections 108, 110 and other applicable provisions, if any, of the Act, (including any statutory modification or re-enactment thereof for the time being in force) read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014, read with the General Circular No. 14/ 2020 dated 8th April 2020, General Circular No. 17/ 2020 dated 13th April 2020, General Circular No. 22/2020 dated 15th June, 2020, General Circular No. 33/2020 dated 28th September, 2020, General Circular No. 39/2020 dated 31st December, 2020, General Circular No. 10/2021 dated 23rd June, 2021 and General Circular No. 20/2021 dated 8th December, 2021, issued by the Ministry of Corporate Affairs (hereinafter referred to as “MCA Circulars”) and pursuant to other applicable laws and regulations, the Company provided only the remote e-Voting facility to its Members, to enable them to cast their votes electronically.

The Company engaged the services of National Securities Depository Limited (hereinafter referred to as “NSDL”) for facilitating remote e-Voting to enable the Members to cast their votes electronically. Due to non-availability of postal and courier services, on account of the threat posed by Covid-19 and in terms of the MCA Circulars, the Company sent the Postal Ballot Notices in electronic form only to its registered shareholders whose e-mail IDs were registered / available with the Depository Participants / Registrars and Share Transfer Agents as on a cut-off date.

Voting rights were reckoned on the paid-up value of the shares registered in the names of the Members as on the cut-off date as fixed for above mentioned resolutions. Members desiring to exercise their votes by electronic mode were requested to vote before close of business hours on the last date of remote e-Voting. The scrutinizer, after the completion of scrutiny, submitted his report to Mr. Atul H. Mehta, Chairman & Managing Director (DIN: 00716869) who was authorised to accept, acknowledge and countersign the Scrutinizer’s Report as well as declare the voting results in accordance with the provisions of the Act, the Rules framed thereunder and the Secretarial Standard - 2 on General Meetings.

The results of the remote e-Voting were then announced by Mr. Atul H. Mehta, Chairman & Managing Director (DIN: 00716869). The results were displayed on the Company’s website at www.compuageindia.com besides being communicated to the stock exchanges where the equity shares of the Company are listed viz. BSE Limited (hereinafter referred to as “BSE”) and National Stock Exchange of India Limited (hereinafter referred to as “NSE”).

5. MEANS OF COMMUNICATION

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

The Company promptly discloses information on material corporate developments and other events as required under the Listing Regulations. The information is disseminated by means of multiple channels of communications through the online portal of the stock exchanges, press releases, annual reports and by placing relevant information on its website.

- I. Quarterly / Half Yearly / Annual Results:** The quarterly / half yearly / annual financial results are usually published in Business Standard having nationwide circular and in Mumbai Lakshadeep have regional circular. The results are also submitted to the stock exchanges where the shares of the Company are listed, in accordance with the Listing Regulations.
- II. Website:** The website of the Company www.compuageindia.com contains a separate section ‘Investor Relations’ for use of investors. The quarterly, half yearly and annual financial results, press releases, investor presentations and schedules and transcripts of analyst calls are promptly and prominently displayed on the website. Annual Reports, Quarterly Corporate Governance Report, Shareholding Pattern and other Corporate Communications made to the stock exchanges are also available on the website. The details of unclaimed dividends are also available in the Investor Relations section, to help the shareholders to claim their dividend. In addition, various downloadable forms required to be executed by the shareholders have been also provided on the website.

- III. Communication to Shareholders on email:** As mandated by the Ministry of Corporate Affairs, documents like Notices, Annual Report, etc., were sent to the Shareholders at their email address, as registered with their Depository Participants / Registrar and Transfer Agents. This helped in prompt delivery of document, reduce paper consumption, save trees and avoid loss of documents in transit.
- IV. NEAPS (NSE Electronic Application Processing System), BSE Corporate Compliance & Listing Centre Portal:** NSE and BSE have developed web based applications for corporates. All compliances like Financial Results, Shareholding Pattern and Corporate Governance Report, and other material price sensitive information etc., are filed electronically on NEAPS and BSE Listing Centre.
- V. Annual Report:** Annual Report containing, inter alia, Audited Annual Accounts, Consolidated Financial Statements, Directors' Report, Auditors' Report and other important information is circulated to Members and others entitled thereto. The Management Discussion and Analysis Report forms part of the Annual Report. The Annual Report is also available on the website of the Company at www.compuageindia.com.
- VI. Analyst presentations:** The presentations on performance of the Company are placed on the Company's website for the benefit of the institutional investors, analysts and other shareholders immediately after the financial results are communicated to the stock exchanges. The Company also conducts calls / meetings with investors after declaration of financial results to brief them on the performance of the Company. These calls are attended by the Chairman and Managing Director. The Company promptly uploads on its website, the audio recordings and the transcripts of such calls in compliance with the Listing Regulations.

6. GENERAL SHAREHOLDERS INFORMATION

1. Annual General Meeting:

Date and Time: 30th August, 2022 at 11:30 Hours IST

2. Board Meeting for considering of Audited Accounts: 16th May, 2022

3. Book Closure Date: 24th August, 2022 to 30th August, 2022 (both days inclusive)

4. Dividend Payment Date: On or after 31st August, 2022

5. Financial year: 1st April, 2021 to 31st March, 2022

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

7. Listed on Stock Exchange:

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

➤ BSE Limited

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

➤ National Stock Exchange of India Limited

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

8. Stock Exchanges Code:

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

9. Stock Price Data:

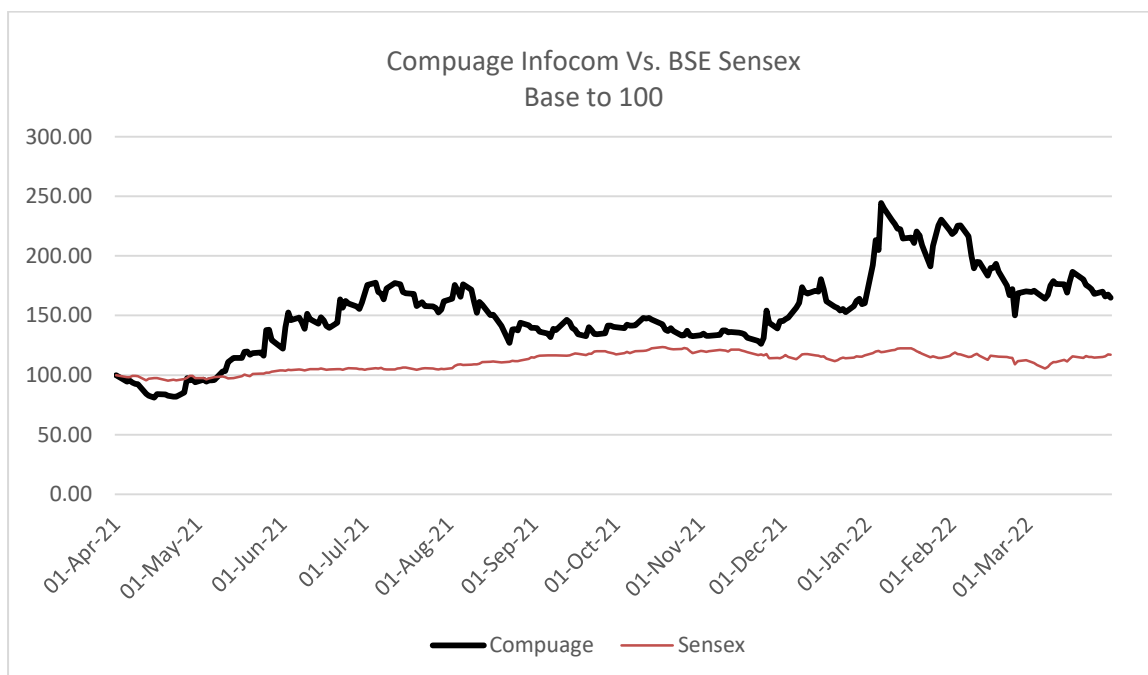
The monthly movement of equity share prices during the year at BSE and NSE is summarized below:

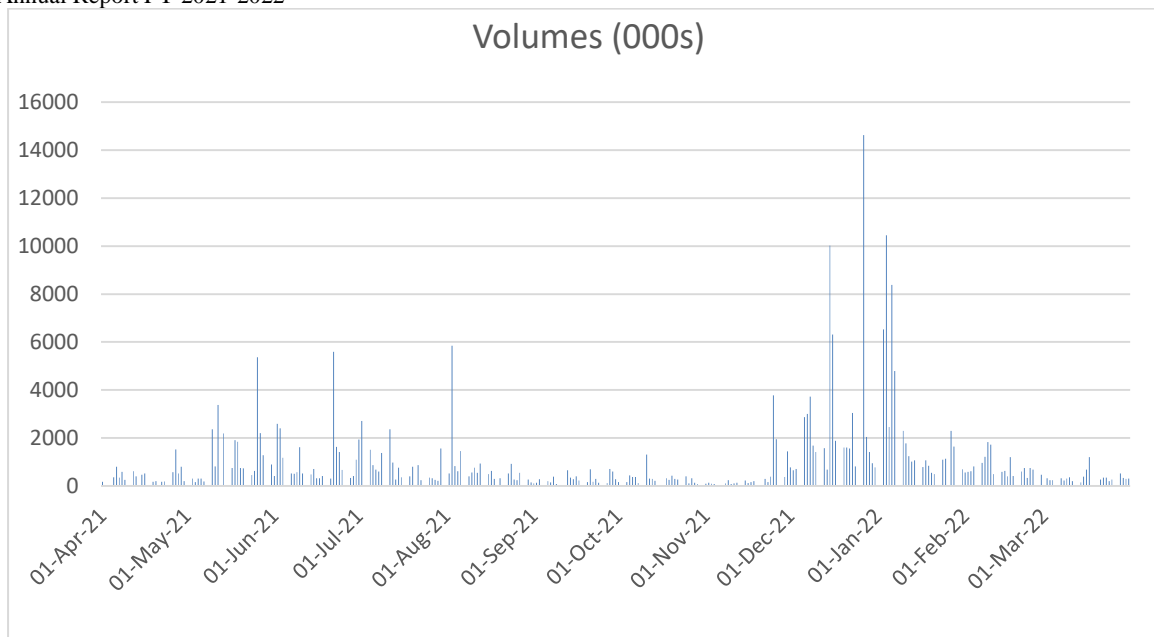
| Month | Monthly Share Price movement during the financial year ended 31 st March, 2022 at BSE | | Monthly Share Price movement during the financial year ended 31 st March, 2022 at NSE | |
|----------------|--|-------|--|-------|
| | *BSE | | *NSE | |
| | High | Low | High | Low |
| April 2021 | 19.45 | 14.50 | 19.30 | 14.40 |
| May 2021 | 27.00 | 17.15 | 26.90 | 17.00 |
| June 2021 | 31.75 | 21.90 | 31.75 | 22.00 |
| July 2021 | 35.00 | 27.70 | 35.00 | 27.65 |
| August 2021 | 34.25 | 22.30 | 34.25 | 22.70 |
| September 2021 | 27.80 | 23.80 | 27.90 | 23.80 |
| October 2021 | 30.80 | 24.00 | 30.95 | 23.65 |
| November 2021 | 29.20 | 23.00 | 29.50 | 21.70 |
| December 2021 | 36.75 | 26.40 | 36.75 | 26.50 |
| January 2022 | 47.20 | 30.05 | 47.15 | 29.90 |
| February 2022 | 43.55 | 27.50 | 43.50 | 27.50 |
| March 2022 | 35.20 | 29.65 | 35.50 | 29.55 |

*Source: BSE Website and NSE Website

10. Stock Performance:

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





11. Corporate Identity Number (CIN):

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

12. Payment of Depository Fees and Listing Fees:

Annual Custody / Issuer fees for the year 2022-23 has been paid by the Company to NSDL and Central Depository Services (India) Limited (hereinafter referred to as “CDSL”).

Annual Listing Fees for the year 2022-23 has been paid by the Company to BSE and NSE.

13. Registrar and Transfer Agents:

| | | |
|----------------|---|---|
| Name & Address | : | Link Intime India Private Limited C 101, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai: 400 083. |
| Phone No. | : | 022 49186200, 022 49186270 |
| Fax No. | : | 022 49186060 |
| E-Mail | : | mt.helpdesk@linkintime.co.in |

14. Share Transfer System and Registrar and Transfer Agent:

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

15. (i) Distribution of Shareholding as on 31st March, 2022:

| Shareholding of Nominal Value | Shareholders | | Shares Amount | |
|-------------------------------|--------------|---------------|---------------------|---------------|
| Nos. | Nos. | % | Nos. | % |
| 1 - 1,000 | 24873 | 77.8132 | 73,40,008 | 5.65 |
| 1,001 - 2,000 | 3457 | 10.8150 | 58,45,566 | 4.50 |
| 2,001 - 4,000 | 1719 | 5.3778 | 53,86,130 | 4.14 |
| 4,001 - 6,000 | 645 | 2.0178 | 33,97,858 | 2.61 |
| 6,001 - 8,000 | 290 | 0.9072 | 20,88,178 | 1.61 |
| 8,001 - 10,000 | 274 | 0.8572 | 26,26,664 | 2.02 |
| 10,001 - 20,000 | 376 | 1.1763 | 57,52,656 | 4.43 |
| 20,001 and above | 331 | 1.0355 | 9,75,14,552 | 75.04 |
| Total | 31965 | 100.00 | 12,99,51,612 | 100.00 |

(ii) Category of Shareholdings as on 31st March, 2022:

| Category | No. of shares | % of Shareholding |
|--|-----------------|-------------------|
| Promoters & Promoters Group | 37902990 | 58.3340 |
| Clearing Member | 218527 | 0.3363 |
| Foreign Company | 164175 | 0.2527 |
| Foreign Portfolio Investor (Corporate) | 164967 | 0.2539 |
| Hindu Undivided Family | 1170069 | 1.8008 |
| Investor Education and Protection Fund | 584505 | 0.8996 |
| Directors | 1255 | 0.0019 |
| Nationalised Banks | 320 | 0.0005 |
| Non Resident (Non Repatriable) | 159625 | 0.2457 |
| Non Resident Indians | 812896 | 1.2511 |
| Other Bodies Corporate | 1032650 | 1.5893 |
| Public | 22763827 | 35.0343 |
| Total | 64975806 | 100.00 |

16. Financial Release Dates:

| Quarter | Release Date (Tentative and subject to change) |
|---|---|
| 1 st Quarter ending 30 th June | Mid of August 2022 |
| 2 nd Quarter ending 30 th September | Mid of November 2022 |
| 3 rd Quarter ending 31 st December | Mid of February 2023 |
| 4 th Quarter ending 31 st March | Mid of May 2023 |

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

(a) Dematerialization position as on 31st March, 2022:

| Total No. of fully paid up Shares | No. of Listed Shares | Shares in Demat Form of the listed shares | Percentage % | Shares in Physical Form of the listed shares | Percentage % |
|-----------------------------------|----------------------|---|--------------|--|--------------|
| 6,49,75,806 | 6,49,75,806 | 6,44,84,896 | 99.24 | 4,90,910 | 0.76 |

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

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

(b) Details of Locked-in Shares:

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

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

18. Outstanding Global Depository Receipts / American Depository Receipts:

The Company has not issued any Global Depository Receipts (hereinafter referred to as “GDRs”) / American Depository Receipts (hereinafter referred to as “ADRs”), hence there are no outstanding GDRs / ADRs, etc., as at the end of 31st March, 2022.

19. Address for Correspondence:

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

The Company Secretary

Compuage Infocom Limited

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

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

(i) Registrar & Share Transfer Agent:

LINK INTIME INDIA PRIVATE LIMITED

C 101, 247 Park, L.B.S Marg,
Vikhroli West,
Mumbai- 400 083.
Tel: 022 49186200, 022 49186270 ;
Fax: 022 49186060;
Email: mt.helpdesk@linkintime.co.in

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

(ii) Any query on Annual Report:

Registered office of the Company as mentioned aforesaid.

20. Details with respect to unclaimed suspense account and due dates for transfer of unclaimed dividend to IEPF Account:

Pursuant to Regulation 39(4) read with Para F of Schedule V of the Listing Regulations, following are the details of the unclaimed shares of the Company, voting rights of which shall remain frozen till the rightful owner of such shares claims the shares.

Aggregate number of shareholders – 244 (Two Hundred Forty Four)

Outstanding shares at the beginning and at the end of the financial year– 341115 (Three Lakh Forty One Thousand One Hundred and Fifteen)

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

| Dividend | Date of declaration of Dividend | Due for transfer to IEPF |
|-----------------|---------------------------------|--------------------------|
| 2014-15 (Final) | 25.09.2015 | 23.10.2022 |
| 2015-16 (Final) | 24.09.2016 | 29.10.2023 |
| 2016-17(Final) | 23.09.2017 | 25.10.2024 |
| 2017-18 (Final) | 28.09.2018 | 02.11.2025 |
| 2018-19 (Final) | 21.08.2019 | 23.09.2026 |
| 2019-20 (Final) | 18.08.2020 | 18.09.2027 |
| 2020-21 (Final) | 15.09.2021 | 20.10.2028 |

21. Vigil Mechanism / Whistle Blower Policy:

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

Ethics is at the core of any business. Your Company, in staying true ethically and connected to its values of strength, performance and passion, has established a Vigil Mechanism / Whistle Blower Policy to deal with instances of fraud and mismanagement, if any, pursuant to the Act and the Listing Regulations. Accordingly, the Whistle Blower Policy has been formulated in compliance with the provisions of Section 177 of the Act and Regulation 22 of the Listing Regulations for Directors and employees of the Company to report to the management, instances of unethical behavior, actual or suspected, fraud or violation of the Company’s Code of Conduct. Adequate safeguards have been provided in the policy to prevent victimization of anyone who is using this platform and direct access to the Chairman of the Audit Committee is also available in exceptional cases. The policy is also posted on the website of the Company at www.compuageindia.com. The Audit Committee has ensured that neither any complaint has been lodged against vigil mechanism nor has any personnel been denied access to the Audit Committee.

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

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

23. Below are the details of the credit rating obtained during the financial year 2021-22:

| Facility | Rating |
|--|--|
| Long Term Fund Based – Cash Credit / OD / WCDL | IVR A- / Credit Watch with Developing Implication |
| Non-Fund Based – LC /BG | IVR A- / Credit Watch with Developing Implication / IVR A2+ Credit Watch with Developing Implication |

7. OTHER DISCLOSURES:

- Transactions with related parties are disclosed in notes to accounts annexed to the financial statements.
- There are no materially significant transactions with the related parties, viz., Promoters, Directors or the Management, or their relatives or subsidiaries that had potential conflict with the Company’s interest. Required disclosure has been made in the Annual Report. The Policy for determining Related Party Transactions and their Materiality as approved by the Board is uploaded on the website of the Company at www.compuageindia.com.
- No penalties or strictures have been imposed on the Company by stock exchange or SEBI or any statutory authority on any matter related to capital markets during the last three years under review. The Company has in place a mechanism to inform the Board Members about the risk assessment and mitigation plans and periodical reviews to ensure that the critical risks are controlled by the executive management.
- During the financial year ended 31st March, 2022, the Company did not have any material listed / unlisted subsidiary companies as defined in Regulation 16 of the Listing Regulations. The Company has framed the policy for determining material subsidiary and the same is disclosed on the website of the Company at www.compuageindia.com.

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- e) In the preparation of the financial statements, the Company has followed the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules thereunder. The significant accounting policies which are consistently applied have been set out in the notes to the financial statements.
- f) The Company has not raised any funds through preferential allotment or Qualified Institutional Placement during the financial year 2021-22.
- g) None of the Directors are interested in the Loans and Advances made by the Company or its Subsidiary Company.
- h) During the financial year 2021-22, there has been no such case where any recommendation of any Committee of the Board was not accepted by the Board.
- i) The total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm / network entity of which the statutory auditor is a part, are disclosed in notes to accounts annexed to the financial statements.
- j) There was no complaint filed or pending as on end of the financial year 2021-22 in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- k) The Company has implemented the mandatory requirements of Corporate Governance as set out in the Listing Regulations. In respect of compliance with the non-mandatory requirements, the internal auditor reports directly to the Audit Committee as well as the Board.
- l) A certificate from a Company Secretary in practice is appended to the Directors' Report as Annexure D that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Board / Ministry of Corporate Affairs or any such statutory authority.
- m) Compliance Certificate as required under as stipulated in Chapter IV of the Listing Regulations obtained from Practicing Chartered Accountant, certifying the Compliance by the Company with the provisions of Corporate Governance of the Listing Regulations is appended to the Directors' Report as Annexure F.

The Company has given disclosures specified in Regulation 17 to 27 and clause (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

CERTIFICATE OF NON- DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

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

We have examined the relevant books, papers, minutes books, forms and returns filed, notices received from the Directors for the financial year 2021-22 and other records maintained by the **Compuage Infocom Limited** having CIN: **L99999MH1999PLC135914** (hereinafter referred to as the 'the Company') having its registered office at D-601/602&G-601/602, Lotus Corporate Park, Steel Compound, Western Express Highway, Goregaon (East), Mumbai-400063 and also the information provided by the officers, agents and authorised representatives of the Company for the purpose of issue of Certificate, in accordance with Regulation 34 (3) read with Schedule V Para-C sub clause 10 (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended vide notification no SEBI/ LAD/ NRO/GN/2018/10 dated 09th May 2018 issued by SEBI.

In our opinion and to the best of our information and according to the verifications [including verification of Directors Identification Number (DIN) status as per the portal of Ministry of Corporate Affairs (MCA) i.e. www.mca.gov.in] as considered necessary and explanations furnished to us by the Company & its Officers, we hereby certify that none of the Directors on the Board of the Company as stated below, for the financial year ending on 31st March 2022, have been debarred or disqualified from being appointed or continuing to act as Director of the Company by Securities and Exchange Board of India, Ministry of Corporate Affairs, Government of India or by any such other statutory regulatory authority.

| Sr. No | DIN | Name of the Director | Designation | Date of Appointment * |
|--------|----------|---------------------------|---|-----------------------|
| 1 | 00010877 | Ganesh Shiva | Non-Executive – Independent Director, Employee Director | 18/10/2000 |
| 2 | 00058548 | Vijay Gopi Kishan Agarwal | Non-Executive - Independent Director, Employee Director | 24/06/2006 |
| 3 | 00716869 | Atul Harkishandas Mehta | Chairman and Managing Director | 08/09/2008 |
| 4 | 00740861 | Bhaves Mehta | Whole-Time Director | 18/10/2000 |
| 5 | 02343351 | Virendra Gunvantrai Bhatt | Non-Executive - Independent Director, Employee Director | 25/02/2021 |
| 6 | 09148116 | Hetal Rajendra Kudecha | Non-Executive - Independent Director, Employee Director | 07/02/2022 |

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



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

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

Sd/-
Avinash Bagul
Partner
FCS No.:-5578
COP No.:-19862
PR No.:- 637 / 2019
UDIN: F005578D000678877

Date: 28th July, 2022
Place: Mumbai

COMPLIANCE CERTIFICATE

To,

The Board of Directors

Compuage Infocom Limited

D-601/602 & G-601/602, Lotus Corporate Park, Graham Firth,

Steel Compound, Western Express Highway, Goregaon (E),

Mumbai – 400 063.

- A. We have reviewed the Audited Financial Statements and the Cash Flow Statements for the year ended 31st March, 2022 and that to the best of their knowledge and belief:
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the period which are fraudulent, illegal or violative of the listed entity's code of conduct.
- C. We accept the responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee that:
1. There were no significant changes in internal control over financial reporting during the year;
 2. There was no change in accounting policies, during the year; and
 3. There were no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Compuage Infocom Limited,

Date: 28th July, 2022

Place: Mumbai

Sd/-

Atul H. Mehta

Chairman and Managing Director

Sd/-

Bhavesh H. Mehta

Whole-Time Director

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of Compuage Infocom Limited

We have examined the compliance of conditions of Corporate Governance by Compuage Infocom Limited, (hereinafter referred to as "**Company**"), for the year ended on 31st March, 2022 as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, pursuant to the Listing Agreement of the Company with stock exchange.

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

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

We, further, state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

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

Sd/-
Suril Shah
Partner

Date: 28th July, 2022
Place: Mumbai

Membership No.: 42710
UDIN: 22042710ANUXJG5757



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Annexure G

DECLARATION REGARDING CODE OF CONDUCT

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

For Compuage Infocom Limited,

Date: 28th July, 2022

Place: Mumbai

Sd/-

Atul H. Mehta

Chairman and Managing Director

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022
[Pursuant to section 204(1) of the companies Act, 2013 and Rule 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
COMPUAGE INFOCOM LIMITED
D-601/602 & G-601/602,
Lotus Corporate Park,
Steel Compound,
Western Express Highway,
Goregaon (E),
Mumbai – 400 063

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **COMPUAGE INFOCOM LIMITED** having **CIN: L99999MH1999PLC135914** (hereinafter called the 'Company') for the financial year ended on 31st March, 2022 (the "audit period"/ the period under review').

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

We are issuing this report based on:

- (i) Our **verification** of the Company's books, papers, minutes books, soft copies of various records, scanned copies of minutes of the Board, its Committees, forms and returns filed and other records through virtual data room /physically maintained by the Company during the financial year ended 31st March, 2022, as well as before the date of issue of this report;
- (ii) Our **observations** pursuant to visit to the office of the Company.
- (iii) **Compliance certificates** confirming compliance with all laws applicable to the Company as given by the Key Managerial Personnel / Senior Managerial Personnel of the Company and taken on record by the Audit Committee / Board of Directors; and
- (iv) **Representations** made, documents shown and information provided by the Company, its officers, agents and authorized representatives during our conduct of Secretarial Audit.

We hereby report that, in our opinion, during the audit period covering the financial year ended on 31st March, 2022, the Company has:

- (i) Complied with the statutory provisions listed hereunder; and
- (ii) Board processes and compliance mechanisms are in place to the extent, in the manner and subject to the reporting made hereinafter.

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

1. Compliance with specific statutory provisions

We further report that:

- 1.1 We have examined the books, papers, minutes books, forms, and returns filed and other records maintained by the Company during the year according to the applicable provisions / clauses of:
 - (i) The Companies Act, 2013 ('Act') and the Rules made thereunder;
 - (ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - (iii) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment;
 - (iv) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;

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

1.2 During the period under review:

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

The Company appointed an Additional Non-Executive Director who had attained the age of seventy-five years without passing a special resolution to that effect as required under Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For the aforesaid violation BSE Limited ('BSE') vide its e-mail communications dated 17th May, 2021, 20th August, 2021 and 22nd November, 2021 levied a fine of Rs. 82,600, Rs.2,14,760 and Rs. 9,440 (including GST @ 18%) respectively, and the Company has made payments of fine amount to BSE.

Also, the National Stock Exchange of India Limited ('NSE') vide its letters dated 17th May, 2021, 20th August, 2021 and 22nd November, 2021 levied a fine of Rs. 82,600, Rs.2,14,760 and Rs. 9,440 (including GST @ 18%) respectively and the Company has made payments of fine amount to NSE.

The Company is in compliance with the said requirement. The Special Resolution has been passed by the shareholders of the Company through Postal Ballot, result of which was declared on 5th July, 2021.

- (ii) Generally complied with the applicable provisions / clauses of:
 - (a) The Act and Rules mentioned under paragraph 1.1 (i)
 - (b) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment as mentioned under paragraph 1.1 (iii) and
 - (c) The Secretarial Standards on meetings of Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) mentioned under paragraph 1.1 (vi) above, which are applicable to the meetings of the Board, Committees constituted by the Board held during the year, the Annual General Meeting held on 15th September, 2021 and the postal ballots conducted by the Company during the year. The compliance of the provisions of the Rules made under the Act with regard to participation of Directors through video conference for the Board/Committee meeting(s) held during the year, were verified based on the minutes of the meetings provided by the Company.

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

- (i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
- (ii) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018;
- (iii) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; and
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of External Commercial Borrowings.

2. Board processes:

We further report that:

2.1 The Board of Directors of the Company as on 31st March, 2022 comprised of:

- (i) Two Executive Directors - Mr. Atul H. Mehta (DIN: 00716869) (Chairman and Managing Director) and Mr. Bhavesh H. Mehta (DIN: 00740861) (Whole-Time Director) and;
- (ii) Four Non-Executive Independent Directors - Mr. Virendra G. Bhatt (DIN: 02343351), Mr. Ganesh Shiva Ganesh (DIN: 00010877), Mr. Vijay Gopi Kishan Agarwal (DIN: 00058548) including Ms. Hetal Kudecha (DIN: 09148116) a Woman Independent Director.

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

- (i) Appointment of Mr. Virendra G. Bhatt (DIN: 02343351) as a Non-Executive Independent Director of the Company for a period of five consecutive years with effect from 6th July, 2021 till 22nd February, 2026, the appointment is approved by the Members of the Company through postal ballot, the results of which were declared on 5th July, 2021.
- (ii) Re-appointment of Mr. Atul H. Mehta (DIN: 00716869) as a Director of the Company by the shareholders, who was liable to retire by rotation, at the Annual General Meeting held on 15th September, 2021.
- (iii) Cessation of Mrs. Fatima Hussaini Nasab (DIN:08507217) as a Non-Executive Independent Director of the Company pursuant to her resignation dated 7th February, 2022, which was noted by the Board in its Meeting held on 7th February, 2022.
- (iv) Appointment of Ms. Hetal Kudecha (DIN: 09148116) as a Non-Executive Independent Director of the Company for a period of five consecutive years with effect from 7th February, 2022 to 6th February, 2027, the appointment is approved by the Members of the Company through postal ballot, the results of which was declared on 28th March, 2022.
- (v) Resignation of Mr. Sunil Mehta as Chief Financial Officer of the Company with effect from 28th February, 2022.
- (vi) Resignation of Ms. Anmol Jolly as Company Secretary and Compliance Officer of the Company with effect from 29th March, 2022.
- (vii) Appointment of Ms. Hasti Pala as the Company Secretary and Compliance Officer of the Company with effect from 29th March, 2022 by the Board of Directors of the Company at its meeting held on 29th March, 2022.

2.3 Adequate notice of the meetings of the Board and its Committees were sent to all the directors to enable them, to plan their schedule for the meetings of the Board, at least seven days in advance except for few meetings which were convened at a shorter notice with the consent of the Board to transact urgent business, at which more than one independent director were present as required under Section 173 (3) of the Act and SS-1.

2.4 Agenda and detailed notes on agenda were sent to the directors at least seven days before the meetings of the Board and its Committees, other than in respect of few meetings which were convened at a shorter notice to transact urgent business, and necessary compliance as required under Section 173 (3) of the Act and SS-1 was in place.

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

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

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

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

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

3. Compliance mechanism

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

4. Specific events / actions

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

1. The Company declared final dividend of 20 paise per Equity Share i.e., 10% on face value of Rs. 2/- each, out of the profits of the financial year ending on 31st March, 2021, on 6,49,75,806 Equity Shares of Rs. 2/- each fully paid-up aggregating to Rs. 1,29,95,161.20/-, subject to deduction of tax at source.
2. The Company redeemed 9% Cumulative Non-Convertible Compulsorily Redeemable Preference Shares, by making payment of the Put Option Price to its Redeemable Preference Shareholders in three tranches on 19th June, 2021, 19th July, 2021 and 19th August, 2021.
3. The Board of Directors at its meeting held on 16th February, 2022, pursuant to Section 62, Section 23(1)(c) and other applicable provisions of the Act read with Rules made thereunder, and in accordance with the provisions of the Memorandum of Association and Articles of Association of the Company, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, the Securities Contracts (Regulation) Act, 1956 and the Rules made thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder and any other provisions of any other applicable laws, approved to offer, issue and allot equity shares of the face value of Rs. 2.00/- each by way of rights to the existing shareholders of the Company, terms and conditions and record date of which shall be decided later, for an aggregate amount not exceeding Rs. 50,00,00,000/- (Fifty Crore Rupees).

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

Sd/-
Avinash Bagul
Partner
FCS No.: -5578
COP No.: -19862
PR No.: - 637 /2019
UDIN: F005578D000678943

Date: 28th July, 2022
Place: Mumbai

**Annexure A to the Secretarial Audit Report for the financial year ended
31st March, 2022**

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

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

1. The Company's management is responsible for maintenance of secretarial records and compliance with the provisions of corporate and other applicable laws, rules, regulations and standards. Our responsibility is to express an opinion on the secretarial records produced for our audit.
2. We have followed such audit practices and processes as we considered appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records.
3. We have considered compliance related actions taken by the Company based on independent legal /professional opinion obtained as being in compliance with law.
4. We have verified the secretarial records furnished to us on a test basis to see whether the correct facts are reflected therein. We have also examined the compliance procedures followed by the Company on a test basis. We believe that the processes and practices we followed, provide a reasonable basis for our opinion.
5. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
6. We have obtained the management's representation about the compliance of laws, rules and regulations and happening of events, wherever required.
7. Our Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

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

Sd/-
Avinash Bagul
Partner

FCS No.: -5578

COP No.: -19862

PR No.: - 637 /2019

UDIN: F005578D000678943

Date: 28th July, 2022
Place: Mumbai

FORM NO. AOC -2

[Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 20]

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

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

For Compuage Infocom Limited,

Date: 28th July, 2022

Place: Mumbai

Sd/-
Atul H. Mehta
Chairman and Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS

Global Economy

Global growth, according to the International Monetary Fund, is expected to slow from 6.1% in 2021 to 3.6% in 2022 and 2023. Over the medium term, global growth is expected to slow to around 3.3% after 2023. Importantly, this forecast assumes that the conflict continues to remain contained within Ukraine, that additional sanctions on Russia are not imposed on the energy sector (although the impact of European countries' decisions to wean themselves off Russian energy and embargoes announced through 31st March, 2022 are factored into the baseline), and that the pandemic's health and economic effects fade over the course of 2022.

Ukraine's war has triggered a costly humanitarian crisis that must be resolved peacefully. The conflict's economic costs will contribute to a significant slowdown in global growth in 2022. A severe double-digit drop in gross domestic product for Ukraine and a significant contraction in Russia are almost certain, as are global spillovers through commodity markets, trade and financial channels. Even if the war slows growth, it will increase inflation. Fuel and food prices have risen rapidly, affecting vulnerable populations, particularly those in low-income countries. As central banks tighten policy, interest rates are expected to rise, putting pressure on emerging market and developing economies.

Inflation is expected to remain high for a longer period of time than expected, owing to war-induced commodity price increases and broadening price pressures. Further to that, the conflict worsens the economic strains caused by the pandemic. Despite the fact that many parts of the world appear to have passed the acute phase of the Covid-19 crisis, deaths remain high, particularly among the unvaccinated. Beyond the immediate challenges of the war and the pandemic, policymakers must keep long-term objectives in mind. The productivity of new ways of working has been highlighted by pandemic disruptions. Governments should look for opportunities to harness positive structural change wherever possible, embracing technological change and retooling and reskilling workers to meet its challenges.

Indian Economy

According to the provisional estimates released by the National Statistical Office on 31st May, 2022, India's real gross domestic product growth in 2021-22 was 8.7%. This works out to 1.5% above the pre-pandemic level (2019-20).

The recovery in domestic economic activity is gathering strength. Rural consumption should benefit from the likely normal south-west monsoon and the expected improvement in agricultural prospects. A rebound in contact-intensive services is likely to bolster urban consumption, going forward. Investment activity is expected to be supported by improving capacity utilisation, the government's capex push and strengthening bank credit. Growth of merchandise and services exports is set to sustain the recent buoyancy. Spillovers from prolonged geopolitical tensions, elevated commodity prices, continued supply bottlenecks and tightening global financial conditions nevertheless weigh on the outlook. Taking all these factors into consideration, the real gross domestic product growth projection for 2022-23 is retained at 7.2%, with Q1 at 16.2%; Q2 at 6.2%; Q3 at 4.1%; and Q4 at 4.0%, with risks broadly balanced.

The geopolitical tensions have exacerbated at a time when the global economy was grappling with a sharp rise in inflation and consequent monetary policy normalisation in major advanced economies. It is not just India, but almost all emerging economies are reeling under these external shocks. We, however, believe that India's underlying economic fundamentals are strong and despite the short-term turbulence, the impact on the long-term outlook will be marginal. The results of growth-enhancing policies and schemes (such as production-linked incentives and government's push toward self-reliance) and increased infrastructure spending will start kicking in from 2023, leading to a stronger multiplier effect on jobs and income, higher productivity, and more efficiency - all leading to accelerated economic growth.

Furthermore, the emphasis on manufacturing in India, various government incentives such as lower taxes, and rising services exports on the back of stronger digitization and technology transformation drive across the world will aid in growth. Also, several spillover effects of geopolitical conflicts could enhance India's status as a preferred alternate investment destination. On the health front, a large vaccinated population will likely help contain the impact of subsequent infections waves, if any.

The Government of India has the twin objective of inclusive growth and financial empowerment as the centre piece of its policy agenda for the country's growth. It has implemented a range of policy initiatives in the areas of sustainable development, infrastructural improvements, ease of doing business, banking and financial services, job creation, digital transformation, manufacturing and services industries in an effort to build a strong base for the Indian economy.

Compuage Infocom Limited

Compuage Infocom Limited (hereinafter referred to as “**Company / Compuage**”), a Fortune 500 company in India, has developed as one of India's major IT and Mobility products distribution intermediaries over the course of more than three decades. The Company has established a robust network of resellers to extend the wave of digital connectivity throughout the nation and beyond. Our product line consists of PCs, components, and peripherals, cloud computing, mobility devices, enterprise solutions, and physical safety and security. The Company is based in Mumbai and has 46 offices, partnerships with 28 global brands, 25 warehouses and 69 service centres in 600+ cities across the country with a network of over 12,000 resellers assures the smooth delivery of the products. The Company has its global footprints over 7 countries across SAARC nations. The Company handles the entire supply chain, including procurement, warehousing, bulk breaking, technical assistance, material transfer and credit distribution.

The business has been divided into four distinct product segments: IT Consumer, IT Enterprise Solutions, Cloud Computing, and Hardware Services. IT Consumer majorly deals in PCs, audio / video products, peripherals, mobiles and accessories, etc., and brands associated here are Asus, HP, SanDisk, Samsung and various other brands. IT Enterprise segment deals in products related to security, software, power and network infrastructure, etc., and some of the major brands here are Cisco, Microsoft, etc.

These 2 divisions have been in existence for a long while, while cloud computing and hardware services divisions are of recent past. Cloud computing products include business applications, cloud management services, etc., of Microsoft, SAP and many others, while under hardware services, the Company provides warranty services which include basic and chip level repairs for brands like HP, Asus, Vertiv and few others. Compuage with its PAN India network and efficient supply chain provides immense value to its vendors taking care of their distribution angle and providing a wider reach to their products while they can focus on their core competency.

Financial Year 2021-22

FY22 was a challenging year for the industry. It began with the deadly second wave of Covid-19 which brought back the lockdown restrictions to prevent the spread of the virus. As the year progressed, the lockdown restrictions were eased before the country was again hit by the third wave of Covid-19 which didn't prove to be a deadlier one and lasted for a short period of time. Another major disruption faced during the year was on account of shortage of semi-conductors. The production timelines for the manufacturers who were dependent on semi-conductors were impacted and hence the supply of the end finished product.

Emergence of work from home on account of Covid-19 has increased the overall market size. Work from home led to a new set of demand for IT products such as laptops, desktops and accessories which improves work efficiency. It also led to increased demand for enterprise, cyber security and cloud software which are essential for efficient and safe working environment for the corporates.

In FY22, the demand was led by restarting of offices while some of the demand continued to come from work from home segments. We believe the future of work will be a mix of work from office and home. This will require new additional investments by the corporates in the areas of remote working and cloud services. The demand for mobiles and laptops has also increased for personal use for efficient communication, education and entertainment purposes. All these factors collectively will lead to sustainable demand.

The most important focus area for the Company continues to be brand addition for growth. The Company added newer brands, improved its operating efficiency with better product mix and undertook cost efficiency initiatives to maintain the profitability. New partnerships will enable the Company to scale up its business in the more profitable business segments



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leading to better return on its capital and at the same time provide better reach to these brands in terms of customers especially into the Tier II & Tier III cities.

IT products in the long term have to grow on sustainable basis given the need for the digitalization especially in our country. The world is moving in a rapid space towards complete digitalization, and this is not possible without an extensive use of IT products and its services.

Even during this challenging year, the Company managed to sign distribution partnership with 7 new brands.

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

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

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

EPSS Infotech Private Limited, an IT / Technology Services business entity, having leading business in Enterprise Resource Planning Computer Software Developer, has appointed your Company as its Value Added Distributor to provide Enterprise Resource Planning solutions to the channel partners and expand your Company's portfolio.

Your Company has entered into Distributorship Agreement with Micro-Star Int'l Co., Limited, a Taiwanese organization. It is a world leading gaming brand which provides its users with a plethora of products and services such as computer hardware including laptops, desktops, motherboards, graphics cards, All-in-One PCs, servers, industrial computers, PC peripherals, car infotainment products and many more. This tie-up will enable your Company to introduce laptops with latest technology, creating higher accessibility for customers across the country.

Further, Your Company has entered into an Authorized Service Provider Agreement, for provision of services with respect to Single-Function and Multifunction Laser Printers all over the territory of India, with Lexmark International (India) Private Limited, which is recognized as global leader in print hardware, service, solutions and security by many of the technology industry's leading market analyst firms, having headquarters in Lexington, Kentucky and has a revenue of around USD 3.5 Billion, helping customers in more than 170 countries.

Furthermore, a Distributor Agreement was entered by your Company with Velox Solutions Private Limited for offering a comprehensive range of next gen-security products in the area of Cyber Security and IT Operation Management to a wide range of customers and partners by combining the extensive distribution network of both the Parties. This tie-up shall provide your Company, an opportunity to significantly enhance its brand visibility by jointly working on digital marketing initiatives with Velox.

Lastly, your Company has entered into Distributorship Agreement with Zoho Technologies Private Limited for placing the Zoho product portfolio in front of as many potential channel partners through your Company's widespread distribution network. With over nearly 10,000 employees and 12 offices worldwide, having headquarters in Chennai, products of Zoho include Customer Relationship Management, mail, project management, invoicing, email marketing and social media management applications. Being a Distributor for Zoho would help your Company in adding multiple software solution and selling versatile products in the market giving edge to the partners towards offering versatile solution with its Tier II and Tier III markets.

Product Segments

IT Consumer & Lifestyle Products

IT Consumer mostly deals in PCs, audio / video goods and peripherals, amongst other products. The demand for these items was high across all client sectors, including corporates and individuals. The demand for these products was driven by employees working from home, reopening of offices, students studying at home and customers looking for general

entertainment and communication. With Covid-19 not yet fully out of the picture, the demand of these products is expected to be resilient in the next year as well. With growing awareness for health and fitness, lifestyle products have witnessed a sudden surge in demand by people across the world. Penetration of IT Consumer and lifestyle products in India remains much lower when compared to the developed world giving the long-term growth visibility for this segment.

It is undeniable that mobiles have become the most important accessory for any individual and especially smart phones is a must have for everyone now. Smart phones are now being used by each and every class of people irrespective of their age. Mobiles division will keep on growing every year as people have been upgrading their phones faster than ever to keep up with the trend and newer technology.

Enterprise Solutions

The IT Enterprise segment deals in a variety of items, including those related to network and power infrastructure, software, and cyber security, etc. Need for the companies to have a robust IT infrastructure was never as felt as during the last year. Companies realised that in order to ensure their business continuity, they need to have an adequate and modern IT infrastructure. Hence, during the year, companies have started planning out investments in cyber security, communication networks and supporting IT infrastructure. Since all the businesses will need to continually invest in newer technology to keep themselves updated and secure, the demand for these items will continue to expand year after year and will likely continue to do so for the foreseeable future.

Cloud Computing

The use of cloud computing services is rapidly becoming standard practise in many types of businesses. In order to prevent disruptions to their operations, businesses have a responsibility to guarantee that all their staff members can access the essential data they need from anywhere in the world. As working remotely becomes the norm, it is more important than ever to have a solid cloud infrastructure in place. As a result, businesses have begun investing in cloud services in order to ensure that their operations are not negatively impacted.

Hardware Services

As a part of its hardware services, the Company takes care of warranty work and repairs for businesses that it has partnered with. The world is getting more specialised and businesses would prefer to concentrate their efforts on the areas in which they are particularly strong. Because of this, an increasing number of businesses are now outsourcing the service component to businesses just the Company so they may continue to concentrate on product development. The Company is concentrating on this market sector because it is a lucrative business sector with strong margins and a considerable number of prospects for expansion.

Outlook

Companies all over the world are increasingly putting an emphasis on specialisation, while at the same time, they are continuing to outsource the services that are not important to their business. This has two advantages over other options. First, it enables the organisation to concentrate on its core business, so that both the management team's available bandwidth and the company's resources may be redirected toward the areas that truly count. Second, it enables them to reduce expenses by outsourcing their non-core operations and delegating them to businesses that are specialised in those areas and are able to do the same functions at a reduced cost. In other words, it enables them to cut costs by reducing their overhead.

The industry of distribution is likewise going through this shift at the moment. Compuage, as a top distribution player, delivers great value to our vendor partners by taking care of its vendor partners' distribution angle and offering a larger reach to their products. This helps free up our vendor partners to focus on their primary expertise, which is producing innovative products.

Going forward, the Company's focus will continue to keep on adding new brands to its portfolio, penetrate newer regions to increase the scale of the business, improve the product mix and optimize the cost structure to drive the profitability and thus create value for all its stakeholders.

Opportunities

A growing number of foreign brands wish to enter the Indian market in order to capitalise on its potential. Such brands often desire a sophisticated distribution system covering the country's geographical borders and reaching customers across India, which would accelerate their brand's growth.

Current and emerging product lines are witnessing expansion, resulting in the emergence of numerous new product concepts. This affords the opportunity to not only expand existing product lines, but also enter new product categories to meet the wants of consumers.

Compuage believes that IT products in the long term are going to witness strong and sustainable demand from corporates, employees working from home, students learning from home and lastly for personal entertainment and use. All these factors collectively will lead to sustainable demand generation across the segments such as laptops, network devices, cyber security software, smartphones and personal devices in the long run expanding the overall market size.

Threats

Spread of B2C businesses in competition with B2B business

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

Capital-intensive business and stressed working capital

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

Human Resources

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

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

The Company relies on its human capital's skillsets to generate value. Its employees are skilled across a range of industry related competencies to provide exceptional client services and functions. The Company has a workforce of 704 employees as on 31st March, 2022.

Internal control systems and their adequacy

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

- The Company has an adequate system of internal control in place to ensure that assets are safeguarded against loss from unauthorised use or disposition, and that transactions are authorised, recorded, and reported correctly.

- Periodic audits are conducted by the business for sound quality management, service management, information security, etc.
- Compuage's internal audit function is empowered to examine the adequacy, relevance and effectiveness of control systems, compliance with laws, regulations and policies, plans and statutory requirements.
- It has an exhaustive budgetary control system. Actual performance is reviewed with reference to the budget by the management on an ongoing basis.

Disclaimer

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

For **Compuage Infocom Limited,**

Sd/-

Atul H. Mehta

Chairman and Managing Director

Date: 28th July, 2022

Place: Mumbai



COMPUAGE INFOCOM LTD.

Annual Report FY 2021-2022

BHOGILAL C. SHAH & CO.

CHARTERED ACCOUNTANTS

2A, Shree Pant Bhuvan, 1st floor, Sandhurst Bridge, Mumbai 400 007.

Phone : 2361 0939

PARTNERS :

SNEHAL V. SHAH

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

SURIL V. SHAH

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

INDEPENDENT AUDITOR'S REPORT

To,
The Members of
Compuage Infocom Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Compuage Infocom Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed u/s 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2022, its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

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

| S. No. | Key Audit Matter | Auditor's Response |
|--------|---|---|
| 1. | Recoverability of Balances with Government Authorities Balances with Government Authorities have been disclosed under Other Current Assets. | Principal Audit Procedures We have reviewed the status of the applications and other corresponding documentation to check whether the balances with Government Authorities are likely to be recovered within the next financial year. |
| 2. | Allowance for credit losses All trade receivables have been considered good. | Principal Audit Procedures We have reviewed the status of the cases filed in the courts for recovery of outstanding dues from various customers. Customer's confirmations and financial standing have been verified and the likelihood of recoverability has been examined. |

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon. These reports are expected to be made available to us after the date of our auditor's report.

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

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

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

Responsibility of Management for the standalone financial statements

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

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

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

Auditor's responsibilities for the audit of the Standalone Financial Statements

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

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

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

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

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

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

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

Other Matter

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

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

The financial statements and other financial information of the foreign branch which is located outside India whose financial statements and other financial information has been prepared in accordance with accounting principles generally accepted in that country and which has been audited by other auditors under generally accepted auditing standards applicable in that country. The Company's management has converted the financial statements of this branch located outside India from accounting principles generally accepted in its respective country to accounting principles generally accepted in India. We

have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of the branch located outside India is based on the reports of other auditors and the conversion adjustments prepared by the Management of the Company and audited by us.

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

Report on legal and other regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143 (3) of the Act, based on our audit and on the consideration of the report of the other auditors on separate financial statements and the other financial information of its foreign branch, as noted in the "other matters" paragraph, we report, to the extent applicable that :
 - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) the Balance Sheet, Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) in our opinion the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) on the basis of the written representations received from the directors, as on 31st March 2022, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 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 over financial reporting of the Company and operating effectiveness of such controls, refer to our separate report in Annexure B;
 - (g) With respect to the other matter to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act;
 - (h) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us :
 - (i) the Company has disclosed the impact on pending litigations on its financial position in its standalone financial statements;
 - (ii) the Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
 - (iii) there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - (iv) (a) The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity ("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;

- (b) The management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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; and
- (c) Based on the audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under subclause (a) and (b) above, contain any material mis-statement.
- (v) The dividend declared or paid during the year by the Company is in compliance with section 123 of the Act.

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

Sd/-
Suril Shah
Partner
Membership No. 42710
UDIN: 22042710ALXFSD3796
Mumbai, 16th May, 2022

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure A referred to in our Independent Auditor's Report to the members of the Company on the standalone financial statements for the period ended 31st March 2022, We report that:

- (i)
 - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.
(B) The Company has maintained proper records showing full particulars of intangible assets.
 - (b) As explained to us, the Property, Plant & Equipment have been physically verified by the management in accordance with a phased programme of verification, which in our opinion, is reasonable, considering the size and nature of its business. As explained to us, no material discrepancies were noticed on such verification.
 - (c) As explained to us, 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) As explained to us, the Company has not revalued its Property, Plant & Equipment or intangible assets during the year. Therefore, the provisions of clause 3(i)(d) of the Order are not applicable to the Company.
 - (e) As explained to us, no proceedings have been 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 thereunder. Therefore, the provisions of clause 3(i)(e) of the Order are not applicable to the Company.
- (ii)
 - (a) As explained to us, physical verification of inventory has been conducted at reasonable intervals by the management. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure of such verification by the management is appropriate. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed.
 - (b) As explained to us, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. Based on the records examined by us in the normal course of audit, in our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.
- (iii) The Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Therefore the provisions of clause 3(iii) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act in respect of loans, investments, guarantees and security, as applicable.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public during the year within the meaning of Sections 73 and 76 of the Act. In respect of unclaimed deposits, the Company has complied with the provisions of Sections 74 and 75 or any other relevant provisions of the Act. We are informed by the management that no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- (vi) As explained to us, the Central Government has not prescribed the maintenance of Cost Records under section 148(1). Therefore the provisions of clause 3(vi) of the Order are not applicable to the Company.
- (vii)
 - (a) According to the information and explanations given to us, the Company has been generally regular in depositing 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 to the appropriate authorities during the year except for Income Tax.

According to the information and explanations given to us, no undisputed amounts payable in respect of 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 material statutory dues were in arrears, as at 31st March 2022 for a period of more than six months from the date they became payable except for Income Tax for A. Y. 2021-22 amounting to Rs. 3,41,69,670/-. The Company has made an application to the Income Tax Department to adjust this tax payable against refund due for A. Y. 2020-21 amounting to Rs. 4,29,62,590/- as determined by Intimation u/s 143(1) of the Income Tax Act, 1961.

- (b) According to the information and explanations given to us, the amounts which have not been deposited as on 31st March 2022 on account of any dispute, are as follows :

| Name of the statute | Nature of Dues | Amount (Rs. in lakhs) | Period to which the amount relates | Forum where the dispute is pending |
|---|----------------------------|--------------------------|---------------------------------------|---------------------------------------|
| Sales Tax & Entry Tax Acts of respective states | Sales Tax and Entry Tax | 3.67 | 2014-2015 | A.C. Appeal |
| | | 10.17 | 2008-09 & 2009-10 | Commissioner |
| | | 18.94 | 2007-2013 | D.C. Appeal |
| | | 4.82 | 2009-2010 | D.C. Appeal |
| | | 9.82 | 2010-2011 | D.C. Appeal |
| | | 24.50 | 2011-2012 | D.C. Appeal |
| | | 8.08 | 2012-2013 | D.C. Appeal |
| | | 15.00 | 2013-2014 | D.C. Appeal |
| | | 31.71 | 2014-2015 | D.C. Appeal |
| | | 7.34 | 2015-2016 | D.C. Appeal |
| | | 5.12 | 2016-2017 | D.C. Appeal |
| Goods and Service Tax Act, 2017 | Goods and Service Tax | 36.43 | 2015-2016 | J.C. Appeal |
| The Customs Act, 1962 | Custom Duty | 82.30 | 2017-2018 | |
| | | 873.47 | 2009-2022 | Departmental Authorities / CESTAT |

- (viii) As explained to us, there are no transactions which were not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) As explained to us, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us, term loans were applied for the purpose for which the loans were obtained.
- (d) In our opinion and according to the information and explanations given to us, funds raised on short term basis have not been utilized for long term purpose.
- (e) In our opinion and according to the information and explanations given to us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) In our opinion and according to the information and explanations given to us, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x) (a) The Company has not raised moneys by way of initial public offering or further public offer (including debt instruments) during the year. Therefore the provisions of clause 3(x)(a) of the Order are not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Therefore the provisions of clause 3(x)(b) of the Order are not applicable to the Company.
- (xi) (a) According to the information and explanations given to us, no material fraud by the Company or on the Company 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 Companies Act, has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
 - (c) As represented to us by the management, there were no whistle-blower complaints received during the year by the Company.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore the provisions of clause 3(xii) of the Order are not applicable to the Company.
- (xiii) To the best of our knowledge and belief and according to the information and explanations given to us, all transactions with related parties are in compliance with Sections 177 and 188 of the Act where applicable and details have been disclosed in the financial statements, as required by the applicable accounting standards.
- (xiv)
 - (a) To the best of our knowledge and belief and according to the information and explanations given to us, the Company has an internal audit system commensurate with the size and nature of its business.
 - (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
 - (xv) To the best of our knowledge and belief and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them. Therefore the provisions of clause 3(xv) of the Order are not applicable to the Company.
 - (xvi)
 - (a) To the best of our knowledge and belief and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Therefore the provisions of clause 3(xvi)(a) of the Order are not applicable to the Company.
 - (b) To the best of our knowledge and belief and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities. Therefore the provisions of clause 3(xvi)(b) of the Order are not applicable to the Company.
 - (c) To the best of our knowledge and belief 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. Therefore the provisions of clause 3(xvi)(c) of the Order are not applicable to the Company.
 - (d) To the best of our knowledge and belief and according to the information and explanations given to us, there is no CIC as part of the Group. Therefore the provisions of clause 3(xvi)(d) of the Order are not applicable to the Company.
 - (xvii) To the best of our knowledge and belief and according to the information and explanations given to us, the Company has not incurred cash losses in the financial year and in the immediately preceding financial year.
 - (xviii) There has been no resignation of the statutory auditors during the year. Therefore the provisions of clause 3(xviii) of the Order are not applicable to the Company.
 - (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not 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. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
 - (xx)
 - (a) To the best of our knowledge and belief and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act in respect of other than ongoing projects. Therefore the provisions of clause 3(xx)(a) of the Order are not applicable to the Company.

- (b) To the best of our knowledge and belief and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any ongoing project. Therefore the provisions of clause 3(xx)(b) of the Order are not applicable to the Company.

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

Sd/-
Suril Shah
Partner
Membership No. 42710
UDIN: 22042710ALXFSD3796
Mumbai, 16th May, 2022

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

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 Compuage Infocom Limited ("the Company") as of 31st March 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's responsibility for Internal Financial Controls

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

Auditor's responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 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 **Bhogilal C. Shah & Co.**
Chartered Accountants
Firm's registration No. 101424W

Sd/-
Suril Shah
Partner
Membership No. 42710
UDIN: 22042710ALXFSD3796
Mumbai, 16th May, 2022

Compuage Infocom Limited
Balance Sheet as at 31st March, 2022

(₹ In Lakh)

| Particulars | Note | 31-Mar-22 | 31-Mar-21 |
|--|------|--------------------|--------------------|
| A. ASSETS | | | |
| 1. Non-current assets | | | |
| a) Property, plant and equipment | 2 | 4,855.19 | 4,711.35 |
| b) Intangible assets | 2 | 0.65 | 0.74 |
| c) Financial assets | | | |
| (i) Investments | 3 | 158.22 | 171.23 |
| (ii) Others financial assets | 4 | 448.05 | 488.54 |
| Total non-current assets | | 5,462.11 | 5,371.86 |
| 2. Current assets | | | |
| a) Inventories | 5 | 43,697.63 | 31,938.80 |
| b) Financial assets | | | |
| (i) Trade receivables | 6 | 52,083.26 | 55,475.90 |
| (ii) Cash and cash equivalents | 7 | 507.21 | 779.34 |
| (iii) Bank balances other than (ii) above | 8 | 7,958.35 | 6,376.32 |
| (iv) Loans | 9 | 393.12 | 1,070.22 |
| (v) Other financial assets | 10 | 804.00 | 1,626.58 |
| c) Current tax assets (net) | 11 | - | 185.12 |
| d) Other current assets | 12 | 6,805.37 | 10,132.01 |
| Total current assets | | 1,12,248.94 | 1,07,584.29 |
| TOTAL ASSETS | | 1,17,711.05 | 1,12,956.15 |
| B. EQUITY AND LIABILITIES | | | |
| Equity | | | |
| a) Equity share capital | 13 | 1,299.52 | 1,299.52 |
| b) Other equity | 14 | 23,427.09 | 20,882.16 |
| Total equity | | 24,726.61 | 22,181.68 |
| Liabilities | | | |
| 1. Non-current liabilities | | | |
| a) Financial liabilities | | | |
| (i) Borrowings | 15 | 4,779.81 | 7,110.46 |
| b) Provisions | 16 | 206.91 | 184.57 |
| c) Deferred tax liabilities (net) | 17 | 421.77 | 387.78 |
| Total non-current liabilities | | 5,408.49 | 7,682.81 |
| 2. Current liabilities | | | |
| a) Financial liabilities | | | |
| (i) Borrowings | 18 | 45,608.12 | 50,180.74 |
| (ii) Trade payables | 19 | | |
| Total outstanding dues of micro and small enterprises | | - | - |
| Total outstanding dues of creditors other than micro and small enterprises | | 33,970.80 | 24,373.60 |
| (iii) Other financial liabilities | 20 | 6,014.18 | 4,925.55 |
| b) Other current liabilities | 21 | 1,783.81 | 3,581.77 |
| c) Provisions | 22 | 30.00 | 30.00 |
| d) Current tax liabilities (net) | 17 | 169.04 | - |
| Total current liabilities | | 87,575.95 | 83,091.66 |
| Total liabilities | | 92,984.44 | 90,774.47 |
| TOTAL EQUITY AND LIABILITIES | | 1,17,711.05 | 1,12,956.15 |
| Significant accounting policies | 1 | | |

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

As per our report of even date
For Bhogilal C. Shah & Co.
Firm Reg. No.: 101424W
Chartered Accountants
Sd/-
(CA. S. V. Shah)
Partner
Membership No. : 042710

Place : Mumbai
Dated: 16th May, 2022

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

Sd/-
G. S Ganesh
Independent Director

DIN: 00010877

Sd/-
Bhavesh H. Mehta
Whole Time
Director

DIN: 00740861

Sd/-
Atul H. Mehta
Chairman & Managing
Director
Sd/-
Hasti Pala
Company Secretary

Compuage Infocom Limited
Statement of Profit and Loss for the year ended 31st March, 2022

(₹ in Lakhs except EPS)

| Particulars | Note | 2021-22 | 2020-21 |
|--|------|--------------------|--------------------|
| Revenue from operations | 23 | 4,20,750.18 | 3,72,978.67 |
| Other income | 24 | 1,644.96 | 1,716.42 |
| Total Income | | 4,22,395.14 | 3,74,695.09 |
| Expenses | | | |
| Purchase of stock-in-trade | 25 | 4,14,912.46 | 3,55,867.11 |
| Changes in inventories of stock in trade | 26 | (11,758.83) | 1,856.46 |
| Employee benefits expense | 27 | 3,476.85 | 3,485.37 |
| Finance costs | 28 | 7,442.99 | 6,294.71 |
| Depreciation and amortisation expenses | 2 | 340.69 | 359.31 |
| Other expenses | 29 | 4,314.77 | 4,063.58 |
| Total Expenses | | 4,18,728.93 | 3,71,926.54 |
| Profit before exceptional items and tax | | 3,666.21 | 2,768.55 |
| Profit before tax | | 3,666.21 | 2,768.55 |
| Tax expense | | | |
| Current tax | 17 | 954.53 | 772.14 |
| Tax for Earlier Years | 17 | - | - |
| Deferred tax | 17 | 34.70 | (51.03) |
| Total tax expense | | 989.23 | 721.11 |
| Profit for the year | | 2,676.98 | 2,047.44 |
| Other Comprehensive Income | | | |
| a) Items that will not be reclassified to profit and loss | | | |
| - Remeasurment of Defined Employee Benefit Plans | | 17.80 | 43.81 |
| - Income Tax relating to above items | | (4.48) | (11.02) |
| b) Items that will be reclassified to profit and loss | | | |
| - Foreign Currency Translation difference | | (20.61) | 65.81 |
| - Income Tax relating to above items | | 5.19 | (16.56) |
| Other Comprehensive Income, net of tax | | (2.10) | 82.04 |
| Total Comprehensive Income for the year | | 2,674.88 | 2,129.48 |
| Earnings per Equity share attributable to owners of the Company | | | |
| No. of shares | | 649.76 | 649.76 |
| Basic and diluted earnings per Equity share of ₹2 each | | 4.12 | 3.28 |

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

As per our report of even date
For Bhogilal C. Shah & Co.
Firm Reg. No.: 101424W
Chartered Accountants

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

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

Sd/-
G.S Ganesh
Independent Director

Sd/-
Bhavesh H. Mehta
Whole Time Director

Sd/-
Atul H. Mehta
Chairman & Managing Director

DIN:00010877

DIN: 00740861

DIN: 00716869

Place : Mumbai
Dated : 16th May, 2022

Sd/-
Hasti Pala
Company Secretary

COMPUAGE INFOCOM LIMITED
Statement of Cash Flows for the year ended 31st March, 2022

| | | (₹ In Lakhs) | |
|-----------|---|------------------------------|------------------------------|
| | Particulars | 31 st March, 2022 | 31 st March, 2021 |
| A. | Cash Flows From Operating Activities | | |
| | Profit before tax | 3,666.21 | 2,768.55 |
| | Adjustment For: | | |
| | Depreciation and amortisation expenses | 340.69 | 359.31 |
| | Unrealised Exchange Rate Difference (Net) | (23.40) | 68.12 |
| | Finance costs | 7,442.99 | 6,294.71 |
| | Interest income from financial assets measured at amortised cost | (1,627.95) | (1,656.72) |
| | Loss / (Gain) on Sale of Property, Plant & Equipment | - | (1.65) |
| | Operating Profit Before Working Capital Changes | 9,798.54 | 7,832.32 |
| | Changes in working capital: | | |
| | Decrease/(Increase) In Inventories | (11,758.83) | 1,856.46 |
| | Decrease/(Increase) In Trade Receivables | 3,392.64 | (50.13) |
| | Decrease/(Increase) In Current Loans | 677.10 | (563.76) |
| | Decrease/(Increase) In Other Current Assets | 3,326.64 | (893.12) |
| | Decrease/(Increase) In Other Financial Assets | 822.58 | (504.38) |
| | Increase / (Decrease) In Trade Payables | 9,597.20 | (14,887.38) |
| | Increase / (Decrease) In Other Financial Liabilities | 1,088.63 | 1,436.23 |
| | Increase / (Decrease) In Other Current Liabilities | (1,797.96) | 104.16 |
| | Increase / (Decrease) In Non-Current provisions | 40.14 | 43.50 |
| | Total | 5,388.14 | (13,458.42) |
| | Income tax paid (net of refund) | (600.37) | (399.25) |
| | Net Cash Inflow/(Outflow) From Operating Activities (A) | 14,586.31 | (6,025.35) |
| B. | Cash Flows From Investing Activities | | |
| | Purchase of Property, plant and equipment | (484.44) | (61.41) |
| | Sale of Property, plant and equipment | - | 1.96 |
| | Sale/(Purchase) of Non-Current Investments | 15.80 | (24.99) |
| | Proceeds from / (Payment of) fixed deposits | (1,541.54) | 188.96 |
| | Interest received on financial assets measured at amortised cost | 1,627.95 | 1,656.72 |
| | Net Cash Inflow/(Outflow) From Investing Activities (B) | (382.23) | 1,761.24 |
| C. | Cash Flows From Financing Activities | | |
| | Proceeds from / (Repayment of) Current Borrowings | (4,572.62) | 5,582.28 |
| | Proceeds from / (Repayment of) Non-Current Borrowings | (2,330.65) | 4,974.33 |
| | Interest Paid | (7,442.99) | (6,294.71) |
| | Dividend on Equity shares | (129.95) | (129.95) |
| | Net Cash Inflow/(Outflow) From Financing Activities (C) | (14,476.21) | 4,131.95 |
| | Net Increase/(Decrease) In Cash And Cash Equivalents (A+B+C) | (272.13) | (132.16) |
| | Cash And Cash Equivalents as at beginning of the year | 779.34 | 911.50 |
| | Cash And Cash Equivalents as at end of the year | 507.21 | 779.34 |

- i) The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Ind AS 7 – Statement of Cash Flows as notified under the Companies (Indian Accounting Standards) Rules, 2015.

As per our report of even date
For Bhogilal C. Shah & Co.

Firm Reg. No.: 101424W
Chartered Accountants

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

Membership No. : 042710

Place : Mumbai
Dated : 16th May, 2022

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

Sd/-
G. S Ganesh
Director

DIN: 00010877

Sd/-
Bhavesh H. Mehta
Whole Time Director

DIN: 00740861

Sd/-
Atul H. Mehta
Chairman & Managing
Director

DIN: 00716869

Sd/-
Hasti Pala Company
Secretary

Compuage Infocom Limited

Statement of Changes in Equity for the year ended 31st March, 2022

(₹ in Lakh unless otherwise stated)

A. Equity Share Capital

| Particulars | Note | Amount |
|---|------|----------|
| As at April 01, 2020 | 13 | 1,299.52 |
| Changes in Equity share capital during the year | | - |
| As at March 31, 2021 | 13 | 1,299.52 |
| Changes in Equity share capital during the year | | - |
| As at March 31, 2022 | 13 | 1,299.52 |

B. Other Equity

| Particulars | Reserves and Surplus | | | | | Total other Equity |
|--|----------------------------|-----------------|-----------------|----------------------------|-------------------|--------------------|
| | Securities Premium Reserve | General Reserve | Capital reserve | Capital redemption reserve | Retained Earnings | |
| As at April 01, 2021 | 3,668.80 | 35.36 | 134.84 | 129.72 | 16,913.44 | 20,882.16 |
| Profit for the year | - | - | - | - | 2,676.98 | 2,676.98 |
| Other Comprehensive Income | - | - | - | - | (2.10) | (2.10) |
| Total comprehensive income for the year | - | - | - | - | 2,674.88 | 2,674.88 |
| Transactions with owners in their capacity as owners: | | | | | | |
| Dividend paid (including dividend distribution tax) | - | - | - | - | (129.95) | (129.95) |
| As at 31st March, 2022 | 3,668.80 | 35.36 | 134.84 | 129.72 | 19,458.37 | 23,427.09 |

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

Summary of Significant accounting policies to financial statements for the year ended 31st March, 2022

Corporate Information

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

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

NOTE 1: NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2022

A. Significant Accounting Policies:

i) Basis of Preparation:

(a) Compliance with Ind AS:

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

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

(b) Use of Estimates:

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

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

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

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

(d) Historical Cost Convention:

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each

reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

ii) Current/ Non-Current classification:

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

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

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

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

iii) Tangible Assets /Property, plant and equipment:

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

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

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

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

iv) Depreciation on tangible fixed assets:

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

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

v) Intangible Assets:

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

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

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

vi) Derecognition:

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

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

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

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

Reversal of impairment of Goodwill is not recognized.

viii) Lease:

The Company as a Lessee

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

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

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

The Company as a Lessor

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

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

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

ix) Borrowing costs:

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

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

x) Revenue Recognition:

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

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

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

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

Sale of products:

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

Rendering of services:

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

Interest:

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

Dividend:

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

xi) Foreign Currency Transactions /translations:

Functional and presentation Currency:

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

Initial Recognition:

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

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

Measurement of foreign currency items at reporting date:

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

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

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

xii) Derivative financial instruments and hedge accounting:

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

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

xiii) Inventories:

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

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

xiv) Investments and other financial assets:

Classification:

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

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

ii) Those measured at amortised cost.

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

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

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

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

Initial recognition and measurement:

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

Subsequent measurement:

After initial recognition, financial assets are measured at:

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

Debt instruments:

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

Measured at amortised cost:

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

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

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

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

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

Equity instruments:

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

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

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

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

Impairment of financial assets:

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

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

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

De-recognition:

A financial asset is de-recognized only when the Company

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

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

Financial liabilities:

i) Classification as debt or equity

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

ii) Initial recognition and measurement

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

iii) Subsequent measurement

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

iv) De-recognition

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

Offsetting financial instruments:

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

xv) Retirement and other employee benefits:

Short term employee benefits:

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

Defined contribution plan:

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

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

xvi) Income Taxes:

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

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

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. However, deferred tax liabilities are not recognized if they arise from the initial recognition of Goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit / (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the Balance Sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

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

xvii) Cash and cash equivalents:

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

xviii) Segment reporting:

The Company operates only in one reportable segment.

xix) Earnings per Share:

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

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

xx) Provisions and contingent liabilities:

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

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

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

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

As per our report of even dated attached

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Lakh unless otherwise stated)

NOTE 2: PROPERTY, PLANT AND EQUIPMENT

| Particulars | Buildings | IT Equipment | Vehicles | Office Equipment | Furniture and Fixture | Total Property, plant and equipment | Intangible Assets |
|------------------------------------|-----------|--------------|----------|------------------|-----------------------|-------------------------------------|-------------------|
| Gross carrying amount | | | | | | | |
| As at April 1st, 2021 | 4,291.62 | 1,839.77 | 117.29 | 789.93 | 1,607.79 | 8,646.40 | 11.99 |
| Additions | - | 468.07 | - | 12.47 | 3.90 | 484.44 | - |
| Disposals | - | - | - | - | - | - | - |
| As at March 31, 2022 | 4,291.62 | 2,307.84 | 117.29 | 802.40 | 1,611.69 | 9,130.84 | 11.99 |
| Depreciation Amortisation | | | | | | | |
| As at March 31, 2021 | 327.87 | 1,739.88 | 84.58 | 626.94 | 1,155.78 | 3,935.05 | 11.25 |
| Charge For the year | 75.39 | 68.28 | 6.76 | 61.82 | 128.35 | 340.60 | 0.09 |
| Disposals | - | - | - | - | - | - | - |
| up to March 31, 2022 | 403.26 | 1,808.16 | 91.34 | 688.76 | 1,284.13 | 4,275.65 | 11.34 |
| Net carrying amount | | | | | | | |
| As at 31-03-2021 | 3,963.75 | 99.89 | 32.71 | 162.99 | 452.01 | 4,711.35 | 0.74 |
| As at 31-03-2022 | 3,888.36 | 499.68 | 25.95 | 113.64 | 327.56 | 4,855.19 | 0.65 |

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

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Lakh unless otherwise stated)

NOTE 3: NON CURRENT INVESTMENTS

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|-------------------------|-------------------------|
| a) Investment in equity instruments of Subsidiary company measured at cost 1,50,000 Ordinary Shares of Compuage Infocom Pte.Ltd - Singapore | 75.90 | 73.11 |
| Sub-total (a) | 75.90 | 73.11 |
| b) Investment in equity instruments of Other Company measured at FVTPL - Unquoted 274416 Equity Shares of Bombay Mercantile Co- Op. Bank Ltd of ₹30 Each. (Previous year: 327083, Equity Shares). | 82.32 | 98.12 |
| Sub-total (b) | 82.32 | 98.12 |
| Total | 158.22 | 171.23 |

NOTE 4 : OTHER NON-CURRENT FINANCIAL ASSETS

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|-------------------------|-------------------------|
| Fixed Deposits with Banks, with maturity beyond 12 months | 448.05 | 488.54 |
| Total | 448.05 | 488.54 |

NOTE 5 : INVENTORIES

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|----------------|-------------------------|-------------------------|
| Stock in trade | 43,697.63 | 31,938.80 |
| Total | 43,697.63 | 31,938.80 |

NOTE 6 : TRADE RECEIVABLES

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|----------------------------|-------------------------|-------------------------|
| Unsecured, considered good | 52,083.26 | 55,475.90 |
| Total | 52,083.26 | 55,475.90 |

Ageing for trade receivables outstanding as at 31st March, 2022

| Particulars | Outstanding for following periods from due dates of payment | | | | | | Total |
|---|---|--------------------|-----------------|-------------|-------------|-------------------|-----------|
| | Not due | Less than 6 months | 6 months-1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| Undisputed trade receivables-considered good. | 24,858.24 | 23,883.89 | 867.49 | 552.36 | 22.84 | 85.77 | 50,270.59 |
| Undisputed trade receivables-which have significant increase in credit risk . | - | - | - | - | - | - | - |
| Undisputed trade receivables-credit impaired. | - | - | - | - | - | - | - |
| Disputed trade receivables-considered good. | - | 426.76 | 685.42 | 644.16 | 0.38 | 55.95 | 1,812.67 |

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| | | | | | | | |
|---|------------------|------------------|-----------------|-----------------|--------------|---------------|------------------|
| Disputed trade receivables-which have significant increase in credit risk . | - | - | - | - | - | - | - |
| Disputed trade receivables-credit impaired. | - | - | - | - | - | - | - |
| Less: Provision fordoubtfull debts-credit impaired | - | - | - | - | - | - | - |
| Total | 24,858.24 | 24,310.65 | 1,552.91 | 1,196.52 | 23.22 | 141.72 | 52,083.26 |

Ageing for trade receivables outstanding as at 31st March, 2021

| Particulars | Outstanding for following periods from due dates of payment | | | | | | Total |
|---|---|--------------------|-----------------|---------------|--------------|-------------------|------------------|
| | Not due | Less than 6 months | 6 months-1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| Undisputed trade receivables-considered good. | 36,231.30 | 18,105.47 | 352.16 | 125.15 | 21.34 | 92.99 | 54,928.41 |
| Undisputed trade receivables-which have significant increase in credit risk . | - | - | - | - | - | - | - |
| Undisputed trade receivables-credit impaired. | - | - | - | - | - | - | - |
| Disputed trade receivables-considered good. | - | 426.85 | 75.56 | - | - | 45.08 | 547.49 |
| Disputed trade receivables-which have significant increase in credit risk . | - | - | - | - | - | - | - |
| Disputed trade receivables-credit impaired. | - | - | - | - | - | - | - |
| Less: Provision fordoubtfull debts-credit impaired | - | - | - | - | - | - | - |
| Total | 36,231.30 | 18,532.32 | 427.72 | 125.15 | 21.34 | 138.07 | 55,475.90 |

NOTE 7 : CASH AND CASH EQUIVALENTS

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|--|-------------------------|-------------------------|
| Bank balances | | |
| In current accounts | 431.38 | 308.41 |
| In unpaid dividend accounts | 19.34 | 20.15 |
| Cheques on hand | - | 265.00 |
| Cash on hand | 14.54 | 6.44 |
| Fixed deposits with original maturity less than 3 months | 41.95 | 179.34 |
| Total | 507.21 | 779.34 |

NOTE 8 : OTHER BANK BALANCES

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|--|-------------------------|-------------------------|
| Fixed deposits with remaining maturity less than 12 months | 7,958.35 | 6,376.32 |
| Total | 7,958.35 | 6,376.32 |

NOTE 9 : CURRENT LOANS

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|--------------------|-------------------------|-------------------------|
| Security deposits | 370.99 | 499.20 |
| Loans to employees | 22.13 | 571.02 |
| Total | 393.12 | 1,070.22 |

**NOTE 10 : OTHER CURRENT
FINANCIAL ASSETS**

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---------------------------------|-------------------------|-------------------------|
| Fixed deposits other than Banks | 735.00 | 670.00 |
| Interest accrued | 69.00 | 956.58 |
| Total | 804.00 | 1,626.58 |

**NOTE 11 : CURRENT TAX ASSETS
(NET)**

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|--|-------------------------|-------------------------|
| Advance income tax (net of provisions) | - | 185.12 |
| Total | - | 185.12 |

NOTE 12 : OTHER CURRENT ASSETS

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|--------------------------------------|-------------------------|-------------------------|
| Prepaid expenses | 478.10 | 1,103.88 |
| Advances to staffs | 1.65 | 146.86 |
| Advances to supplier | - | 1,278.73 |
| Balances with Government authorities | 6,325.62 | 7,602.54 |
| Other Assets | - | - |
| Total | 6,805.37 | 10,132.01 |

NOTE 13 : EQUITY SHARE CAPITAL

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|-------------------------|-------------------------|
| Authorised | | |
| 9,62,70,000 Equity shares of ₹2.00 each | 1,925.40 | 1,925.40 |
| 46,65,600 Preference shares of ₹0.10 (Ten paise) each | 4.67 | 4.67 |
| 1,10,00,000 Preference shares of ₹10.00 each | 1,100.00 | 1,100.00 |
| Total | 3,030.07 | 3,030.07 |
| Issued, subscribed and fully paid-up | | |
| 6,49,75,806 Equity shares of ₹2.00 each fully paid | 1,299.52 | 1,299.52 |
| Total | 1,299.52 | 1,299.52 |

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

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|-------------------------|-----------------|-------------------------|-----------------|
| | No. in lakh | ₹ In lakh | No. in lakh | ₹ In lakh |
| At the beginning of the Period | 649.76 | 1,299.52 | 649.76 | 1,299.52 |
| Add : Preferential allotment | - | - | - | - |
| Outstanding at the end of the period | 649.76 | 1,299.52 | 649.76 | 1,299.52 |

Terms / rights attached to equity shares

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

In the event of liquidation of the company, the holder of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts.

The distribution will be in proportion to the number of equity shares held by shareholders.

The Dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting. During the year ended 31st March 2022, the amount of per share final dividend proposed as distribution to the Equity Shareholders is ₹0.20 per share (31st March 2021 : ₹0.20 per share)

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

| Name of Shareholder | As at March 31, 2022 | | As at March 31, 2021 | |
|-------------------------------|-------------------------|-------------|-------------------------|-------------|
| | Holding % | No. in lakh | Holding % | No. in lakh |
| 1. Atul Harkishandas Mehta | 23.02% | 149.54 | 23.02% | 149.54 |
| 2. Bhavesh Harkishandas Mehta | 23.02% | 149.54 | 23.02% | 149.54 |
| 3. Ajay Harkishandas Mehta | 12.30% | 79.94 | 12.30% | 79.94 |

d) Disclosure of shareholding of promoters:

**Disclosure of shareholding of promoters as at
31st March, 2022:**

| Name of Shareholder | As at March 31, 2022 | | As at March 31, 2021 | | % Change during the year |
|-------------------------------|-------------------------|-------------|-------------------------|-------------|--------------------------------|
| | Holding % | No. in lakh | Holding % | No. in lakh | |
| 1. Atul Harkishandas Mehta | 23.02% | 149.54 | 23.02% | 149.54 | - |
| 2. Bhavesh Harkishandas Mehta | 23.02% | 149.54 | 23.02% | 149.54 | - |
| 3. Ajay Harkishandas Mehta | 12.30% | 79.94 | 12.30% | 79.94 | - |

**Disclosure of shareholding of promoters as at
31st March, 2021:**

| Name of Shareholder | As at March 31, 2022 | | As at March 31, 2021 | | % Change during the year |
|-------------------------------|-------------------------|-------------|-------------------------|-------------|--------------------------------|
| | Holding % | No. in lakh | Holding % | No. in lakh | |
| 1. Atul Harkishandas Mehta | 23.02% | 149.54 | 23.02% | 149.54 | - |
| 2. Bhavesh Harkishandas Mehta | 23.02% | 149.54 | 23.02% | 149.54 | - |
| 3. Ajay Harkishandas Mehta | 12.30% | 79.94 | 12.30% | 79.94 | - |

NOTE 14 : OTHER EQUITY

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|-------------------------------|----------------------------|----------------------------|
| a) Capital reserve | 134.84 | 134.84 |
| b) Capital redemption reserve | 129.72 | 129.72 |

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| | | |
|--|------------------|------------------|
| c) Securities premium reserve | 3,668.80 | 3,668.80 |
| d) General reserve | 35.36 | 35.36 |
| e) Retained Earnings | | |
| Balance at the beginning of the year | 16,913.44 | 14,913.91 |
| Add: Profit for the year | 2,676.98 | 2,047.44 |
| Add: Add Other Comprehensive Income | (2.10) | 82.04 |
| Less: Dividend on Equity shares | (129.95) | (129.95) |
| Balance as at the end of the year | 19,458.37 | 16,913.44 |
| Total | 23,427.09 | 20,882.16 |

NOTE 15 : NON-CURRENT BORROWINGS

| Particulars | As at 31-03-2022 | As at 31-03-2021 |
|--|---------------------|---------------------|
| Term loans from banks, secured | 4,136.71 | 4,481.94 |
| Term loans from others, unsecured | 643.10 | 1,628.52 |
| 9% Cumulative Non-Convertible Redeemable Preference Shares | - | 1,000.00 |
| Total | 4,779.81 | 7,110.46 |
| Term loan from Indian Bank (secured by hypothecation of office premises) carried interest of 11.15% pa and was repayable in 20 equal quarterly instalments of 125 lakh each along with interest. The Term loan has been fully repaid and balance as on 31st March 2022 is nil. | | |
| Cumulative Non-Convertible Redeemable Preference Shares carried Interest of 9% (Effective Rate 10.85%) and were redeemable on the expiry of 96 months of Deemed Date of Allotment or one month from the time of exercise of put option. Put option could be exercised any time after the end of 24 months from the deemed date of allotment. Put option has been exercised during the year and balance as on 31st March 2022 is nil. | | |
| The company has not defaulted on repayment of loans and interest during the year. | | |

NOTE 16 : NON-CURRENT PROVISIONS

| Particulars | As at 31-03-2022 | As at 31-03-2021 |
|------------------------|---------------------|---------------------|
| Provision for gratuity | 206.91 | 184.57 |
| Total | 206.91 | 184.57 |

NOTE 17:- CURRENT AND DEFERRED TAX

The major components of income tax expense for the years ended March 31, 2022, March 31, 2021 are:

a) Income tax expense

| Particulars | As at 31-03-2022 | As at 31-03-2021 |
|---|---------------------|---------------------|
| i) Current tax | | |
| Current tax on profits for the year | 954.53 | 772.14 |
| Adjustments for current tax of prior period | - | - |
| Total current tax expense | 954.53 | 772.14 |
| ii) Deferred tax | | |
| (Decrease) Increase in deferred tax liabilities | 34.70 | (51.03) |
| Decrease (Increase) in deferred tax assets | - | - |

| | | |
|--|---------------|----------------|
| Total deferred tax expense(benefit) | 34.70 | (51.03) |
| Income tax expense | 989.23 | 721.11 |

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

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

d) Current tax liabilities (net)

| Particulars | As at 31-03-2022 | As at 31-03-2021 |
|---------------------------------------|---------------------|---------------------|
| Provision for tax (net of taxes paid) | 169.04 | - |
| Total | 169.04 | - |

e) Deferred tax liabilities (net)

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

| Particulars | As at 31-03-2022 | (Charged) Credited | As at 31-03-2021 | (Charged) Credited |
|---|---------------------|-------------------------|---------------------|-------------------------|
| Property, plant and equipment & Intangible assets p&l | 466.52 | 35.12 | 431.40 | (50.85) |
| Fair valuation of term loan p&l | - | (0.42) | 0.42 | (0.18) |
| Remeasurment of Defined Employee Benefit Plans-OCI | 22.30 | 4.48 | 17.82 | 11.02 |
| Foreign Currency Translation difference-OCI | (67.05) | (5.19) | (61.86) | 16.56 |
| Net deferred tax (asset) liability | 421.77 | 33.99 | 387.78 | (23.45) |

NOTE 18 : CURRENT BORROWINGS

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---------------------------|-------------------------|-------------------------|
| Secured | | |
| Cash credit from banks | 29,758.31 | 37,190.52 |
| Unsecured | | |
| Loan from related parties | 4,132.40 | 4,177.65 |
| Loan from others | 11,717.41 | 8,746.57 |
| Deposits | - | 66.00 |
| Total | 45,608.12 | 50,180.74 |

NOTE 19 : TRADE PAYABLES

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|--|-------------------------|-------------------------|
| Total outstanding dues of micro and small enterprises | - | - |
| Total outstanding dues of creditors other than micro and small enterprises | 33,970.80 | 24,373.60 |
| Total | 33,970.80 | 24,373.60 |

Ageing for trade payables outstanding as at 31st March, 2022

| Particulars | Outstanding for following periods from due dates of payment | | | | | Total |
|-------------|---|---------------------|-------------|-------------|----------------------|-----------|
| | Not due | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| MSME | - | - | - | - | - | - |
| Others | 24,828.69 | 9,142.11 | - | - | - | 33,970.80 |

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| | | | | | | |
|-----------------------|------------------|-----------------|----------|----------|----------|------------------|
| Disputed dues -MSME | - | - | - | - | - | - |
| Disputed dues -Others | - | - | - | - | - | - |
| | | | | | | |
| Total | 24,828.69 | 9,142.11 | - | - | - | 33,970.80 |

Ageing for trade payables outstanding as at 31st March, 2021

| Particulars | Outstanding for following periods from due dates of payment | | | | | Total |
|-----------------------|---|------------------|-------------|-------------|-------------------|------------------|
| | Not due | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| MSME | - | - | - | - | - | - |
| Others | 22,047.50 | 2,326.10 | - | - | - | 24,373.60 |
| Disputed dues -MSME | - | - | - | - | - | - |
| Disputed dues -Others | - | - | - | - | - | - |
| Total | 22,047.50 | 2,326.10 | - | - | - | 24,373.60 |

NOTE 20 : OTHER CURRENT FINANCIAL LIABILITIES

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|-------------------------|-------------------------|
| Current maturities of long term liabilities | 4,498.12 | 3,220.83 |
| Unpaid dividends | 19.34 | 20.15 |
| Amount due to subsidiary company | 200.01 | 194.46 |
| Unclaimed Deposits | 127.50 | 61.50 |
| Security Deposits | 10.00 | - |
| Other payables | 1,159.21 | 1,428.61 |
| Total | 6,014.18 | 4,925.55 |

NOTE 21 : OTHER CURRENT LIABILITIES

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|-------------------------|-------------------------|-------------------------|
| Statutory Dues | 923.56 | 1,751.19 |
| Advances from customers | 860.25 | 1,830.58 |
| Total | 1,783.81 | 3,581.77 |

NOTE 22 : CURRENT PROVISIONS

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|------------------------|-------------------------|-------------------------|
| Provision for gratuity | 30.00 | 30.00 |
| Total | 30.00 | 30.00 |

NOTE 23 : REVENUE FROM OPERATIONS

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|------------------------------|-------------------------|-------------------------|
| (a) Sale of Products | | |
| Computer Components & Others | 4,19,516.50 | 3,72,102.11 |
| Total (a) | 4,19,516.50 | 3,72,102.11 |
| (b) Sale of services | | |
| Product support services | 1,233.68 | 876.56 |
| Total (b) | 1,233.68 | 876.56 |
| Total | 4,20,750.18 | 3,72,978.67 |

NOTE 24 : OTHER INCOME

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|-------------------------------------|-------------------------|-------------------------|
| Interest from bank deposits | 374.15 | 401.09 |
| Interest from others | 1,253.80 | 1,255.63 |
| Net exchange rate difference - gain | - | 34.54 |
| Rent Income | 14.28 | - |
| Miscellaneous income | 2.73 | 25.16 |
| Total | 1,644.96 | 1,716.42 |

NOTE 25 : PURCHASE OF STOCK-IN-TRADE

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|------------------------------|-------------------------|-------------------------|
| Computer Components & Others | 4,14,912.46 | 3,55,867.11 |
| Total | 4,14,912.46 | 3,55,867.11 |

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

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|--|-------------------------|-------------------------|
| (a) Stocks at the end of the year | | |
| Stock-in-trade | 43,697.63 | 31,938.80 |
| Total (a) | 43,697.63 | 31,938.80 |
| Less : | | |
| (b) Stocks at beginning of the year | | |
| Stock-in-trade | 31,938.80 | 33,795.26 |
| Total (b) | 31,938.80 | 33,795.26 |
| (Increase) Decrease in stocks | (11,758.83) | 1,856.46 |

NOTE 27 : EMPLOYEE BENEFIT EXPENSES

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|-------------------------|-------------------------|
| Salaries, wages and bonus | 3,298.95 | 3,284.80 |
| Contribution to provident and other funds | 71.33 | 59.94 |
| Gratuity | 58.13 | 61.11 |
| Staff welfare | 48.44 | 79.52 |
| Total | 3,476.85 | 3,485.37 |

NOTE 28 : FINANCE COSTS

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|--|-------------------------|-------------------------|
| Interest on borrowings (at amortised cost) | 7,410.19 | 6,186.21 |
| Interest on Preference Shares | 32.80 | 108.50 |
| Total | 7,442.99 | 6,294.71 |

NOTE 29 : OTHER EXPENSES

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|--|-------------------------|-------------------------|
| Rent and compensation | 709.63 | 667.64 |
| Power & fuel | 34.29 | 79.61 |
| Rates and taxes | 47.75 | 20.64 |
| Insurance | 354.65 | 221.64 |
| <u>Payments to the statutory auditors:</u> | | |
| a) Audit fees | 20.42 | 15.07 |
| b) Tax matters | 2.00 | 2.00 |
| c) Other matters | 1.50 | 1.50 |
| Expenditure on Corporate Social Responsibility | 65.85 | 82.02 |
| Net exchange rate difference - loss | 48.15 | - |
| Miscellaneous expenses | 3,030.53 | 2,973.46 |
| Total | 4,314.77 | 4,063.58 |

NOTE 30: CONTINGENT LIABILITIES

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

| Particulars | As at 31-03-2022 | As at 31-03-2021 |
|--|---------------------|---------------------|
| <u>Claims against the Company not acknowledged as debts</u> | - | - |
| Disputed demands in respect of VAT/Custom Duty (Based on legal opinion, the Company does not feel any liability will arise and hence no provision has been made in the accounts.) | 1,202.44 | 1,035.76 |

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

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

NOTE 31:- EMPLOYEE BENEFIT OBLIGATIONS

Funded Scheme

a) Defined Benefit Plans:

Gratuity

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

The actuarial valuation of plan assets and the present value of the defined benefit obligation for the Gratuity were carried out as at March 31, 2022. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the projected unit credit method.

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

| A) Amount Recognized in Statement of Financial Position at Period-End | As at March 31, 2022 | As at March 31, 2021 |
|--|-------------------------|----------------------------|
| Present Value of Funded Defined Benefit Obligation | 248.51 | 230.16 |
| Fair value of Plan Assets | (11.60) | (15.59) |
| Net Defined Benefit (Asset)/Liability Recognised in Statement of Financial Position | 236.91 | 214.57 |

| B) Net Defined Benefit Cost/(Income) included in Statement of Profit & Loss at Period-End | As at March 31, 2022 | As at March 31, 2021 |
|---|-------------------------|----------------------------|
| Service Cost | 41.16 | 44.61 |
| Interest Cost on DBO (A) | 18.92 | 18.48 |
| Interest Income Plan Assets (B) | (1.95) | (1.98) |
| Net Interest Cost (A) + (B) | 16.97 | 16.50 |
| Past Service Cost | - | - |
| Total Defined Benefit Cost/(Income) included in Profit & Loss | 58.13 | 61.11 |

| C) Current / Non-Current Bifurcation | As at March 31, 2022 | As at March 31, 2021 |
|--|-------------------------|-------------------------|
| Current Liability | 30.00 | 30.00 |
| Non-Current Liability | 206.91 | 184.57 |
| (Asset)/Liability Recognised in the Balance Sheet | 236.91 | 214.57 |

| D) Actual Return on Plan Assets | As at March 31, 2022 | As at March 31, 2021 |
|-------------------------------------|-------------------------|-------------------------|
| Interest Income on Plan Assets | 1.95 | 1.98 |
| Remeasurment on Plan Assets | (5.85) | (2.32) |
| Actual Return on Plan Assets | (3.90) | (0.34) |

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| E) Analysis of Amounts Recognized in Other Comprehensive (Income) / Loss at Period-End | As at March 31, 2022 | As at March 31, 2021 |
|---|---------------------------------|---------------------------------|
| Amount recognized in OCI - Beginning of the period | (70.81) | (27.00) |
| Remeasurment due to : | | |
| Effect of change in financial assumptions (A) | (11.01) | (8.73) |
| Effect of experience adjustments (B) | (12.64) | (37.40) |
| Actuarial (Gains) / Losses (A) + (B) | (23.65) | (46.13) |
| Return on Plan Assets (excluding interest) | 5.85 | 2.32 |
| Total Remeasurment recognized in OCI | (17.80) | (43.81) |
| Amount recognized in OCI - End of the period | (88.61) | (70.81) |

| F) Total Defined Benefit Cost / (Income) included in Profit & Loss and Other Comprehensive Income | As at March 31, 2022 | As at March 31, 2021 |
|--|---------------------------------|---------------------------------|
| Amount recognized in Profit & Loss, End of Period | 58.13 | 61.11 |
| Amount recognized in OCI, End of Period | (17.80) | (43.81) |
| (Asset)/Liability Recognised in the Balance Sheet | 40.33 | 17.30 |

| G) Change in Defined Benefit Obligation during the Period | As at March 31, 2022 | As at March 31, 2021 |
|--|---------------------------------|---------------------------------|
| Defined Benefit Obligation, Beginning of the Period | 230.16 | 231.41 |
| Net Current Service Cost | 41.16 | 44.61 |
| Interest Cost on DBO | 18.92 | 18.48 |
| Actuarial (Gains) / Losses | (23.64) | (46.14) |
| Benefits Paid | (18.10) | (18.20) |
| Defined Benefit Obligation, End of Period | 248.50 | 230.16 |

| H) Change in Fair value of Plan Assets during the Period | As at March 31, 2022 | As at March 31, 2021 |
|---|---------------------------------|---------------------------------|
| Fair Value of Plan Assets, Beginning of the Period | 15.60 | 16.53 |
| Interest Income Plan Assets | 1.95 | 1.98 |
| Actual Company Contributions | 18.00 | 17.61 |
| Actuarial Gains / (Losses) | (5.85) | (2.32) |
| Benefits Paid | (18.10) | (18.20) |
| Fair value of Plan Assets, End of Period | 11.60 | 15.60 |

| I) Reconciliation of Balance Sheet Amount | As at March 31, 2022 | As at March 31, 2021 |
|--|---------------------------------|---------------------------------|
| Balance Sheet (Asset) / Liability, Beginning of the Period | 214.57 | 214.88 |
| Total Charge/(Credit) Recognised in Profit and Loss | 58.13 | 61.11 |
| Total Remeasurment Recognized in Other Comprehensive (Income) / Loss | (17.80) | (43.81) |
| Employer Contributions | (18.00) | (17.61) |
| Balance Sheet (Asset)/Liability, End of Period | 236.90 | 214.57 |

| J) Financial Assumptions Used to Determine the Defined Benefit Obligation | As at March 31, 2022 | As at March 31, 2021 |
|--|---------------------------------|---------------------------------|
| Discount Rate | 7.50% | 7.05% |
| Salary Escalation Rate | 5.00% | 5.00% |

| K) Financial Assumptions Used to Determine the Profit & Loss Charge | As at March 31, 2022 | As at March 31, 2021 |
|--|---------------------------------|---------------------------------|
| Discount Rate | 7.05% | 6.75% |
| Salary Escalation Rate | 5.00% | 5.00% |
| Expected Return on Plan Assets | 7.05% | 6.75% |

| L) Demographic Assumptions Used to Determine the Defined Benefit Obligation | As at March 31, 2022 | As at March 31, 2021 |
|--|---------------------------------|---------------------------------|
| Withdrawal Rate: | | |
| Upto age 30 | 3.00% | 3.00% |
| Age 31 to 40 | 2.00% | 2.00% |
| Above Age 40 | 1.00% | 1.00% |
| Mortality Rate | IALM (2012-14) | IALM (2012-14) |
| Retirement Age | 58 years | 58 years |

| M) Asset Category | As at March 31, 2022 | As at March 31, 2021 |
|--------------------------|---------------------------------|---------------------------------|
| Insurer Managed Funds | 11.60 | 15.60 |
| Total | 11.60 | 15.60 |

| J) Expected cash flows for the next 10 years | As at March 31, 2022 | As at March 31, 2021 |
|---|---------------------------------|---------------------------------|
| Year-2020 | - | - |
| Year-2021 | - | - |
| Year-2022 | - | 5.85 |
| Year-2023 | 52.53 | 4.57 |
| Year-2024 | 17.97 | 18.46 |
| Year-2025 | 4.37 | 5.23 |
| Year-2026 | 4.61 | 5.73 |
| Year-2027 | 9.94 | - |
| Year-2027 to 2031 | - | 94.37 |
| Year-2028 to 2032 | 85.08 | - |

| K) Defined Benefit Obligation - Sensitivity Analysis | As at March 31, 2022 | As at March 31, 2021 |
|---|---------------------------------|---------------------------------|
| Discount Rate + 100 basis points | 226.83 | 204.07 |
| Discount Rate - 100 basis points | 274.18 | 261.14 |
| Salary Escalation Rate + 100 basis points | 272.05 | 257.81 |
| Salary Escalation Rate - 100 basis points | 227.63 | 205.57 |
| Attrition Rate + 100 basis points | 253.50 | 234.93 |
| Attrition Rate - 100 basis points | 242.75 | 224.62 |

NOTE 32: SEGMENT REPORTING

The Company operates only in one reportable segment.

NOTE 33: LEASE ARRANGEMENTS

The Company procures office premises for its branches under operating lease agreements that are renewable on a periodic basis at the option of both lessor and lessee. The initial tenure of the lease is below 12 months. The lease rentals recognised in the Statement of Profit and Loss for the year are Rs.709.63 lakh (previous year Rs.667.64 lakh). The contingent rent recognised in the Statement of Profit and Loss for the year is Rs. Nil (previous year Rs. Nil).

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

| Particulars | 2021-22 | 2020-21 |
|--|-------------|-------------|
| Face value of equity share (in Rs.) | 2.00 | 2.00 |
| Weighted average number of equity shares outstanding (in Nos) | 6,49,75,806 | 6,49,75,806 |
| Profit for the year (Rs. in Lakh) | 2,674.88 | 2,129.48 |
| Weighted average earnings per share (basic and diluted) (in Rs.) | 4.12 | 3.28 |

NOTE 35: CAPITAL MANAGEMENT

Risk Management

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

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

| Particulars | As at 31/03/2022 | As at 31/03/2021 |
|---|------------------|------------------|
| Total debt | 50,387.93 | 57,291.20 |
| Less: Cash and cash equivalents & Other Bank balances | 8,465.56 | 7,155.66 |
| Net Debt | 41,922.37 | 50,135.54 |
| Total equity | 24,726.61 | 22,181.68 |
| Debt-Equity ratio | 1.70 | 2.26 |

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

A. Relationships –

Category I:

Subsidiaries:

Compuage Infocom (S) Pte Ltd

Category II: Jointly Controlled Entity: NA

Category III:

Key Management Personnel (KMP)

| | |
|--|-------------------------|
| Atul H.Mehta | Executive Director |
| Bhavesh H.Mehta | Executive Director |
| Sunil Mehta (Resigned w.e.f. 28-02-2022) | Chief Financial Officer |
| Ruchita Shah (Resigned w.e.f. 23-07-2020) | Company Secretary |
| Anmol Jolly (w.e.f. 01-10-2020 to 27-03-2022) | Company Secretary |
| Hasti Pala (w.e.f. 29-03-2022) | Company Secretary |

Non-Executive Directors

G.S. Ganesh
Vijay Agarwal
Fatima Hussain
Hetal Kudecha (w.e.f. 07-02-2022)
Virendra Bhatt (w.e.f. 25-02-2021)

Category IV:

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

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

Transactions with the related parties:

| Particulars of transactions | For the year ended 31/03/2022 | For the year ended 31/03/2021 |
|---|----------------------------------|----------------------------------|
| Interest Paid to: | | |
| Atul H.Mehta | 29.21 | 18.84 |
| Bhavesh H.Mehta | 46.79 | 49.21 |
| Bhavesh M. Mehta | - | 1.04 |
| Falguni A. Mehta | 3.85 | 3.50 |
| Forum B. Mehta | 5.81 | 5.30 |
| Ajay H. Mehta | 16.38 | 11.91 |
| Nisha S. Mehta | 0.02 | 0.07 |
| Sunil M. Mehta HUF | 0.21 | 0.91 |
| Sunil M. Mehta | 0.54 | 0.28 |
| | | |
| Remuneration Paid to: | | |
| Atul H.Mehta | 120.00 | 120.00 |
| Bhavesh H.Mehta | 120.00 | 120.00 |
| Ruchita Shah (Resigned w.e.f. 23-07- 2020) | - | 1.53 |
| Anmol Jolly (w.e.f. 01-10-2020 to 28-03-2022) | 8.12 | 2.35 |

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| | | |
|---|-------|-------|
| Sunil Mehta (Resigned w.e.f. 28-02-2022) | 71.99 | 65.44 |
| Hasti Pala (w.e.f. 29-03-2022) | 0.05 | - |
| <u>Sitting Fees to Non-Executive Directors</u> | - | - |
| Vijay Agarwal | 6.00 | 8.00 |
| Fatima Nasab | 5.00 | 8.00 |
| Virendra Bhatt (W.e.f. 25-02-2021) | 7.00 | 1.00 |
| Hetal Kudecha (w.e.f. 07-02-2022) | 2.00 | - |
| Rent Paid to: | | |
| Trillizo Holdings Ltd. | 15.00 | 18.75 |
| | | |
| Printing & Stationery Paid to: | | |
| Pristine Care Products Pvt. Ltd. | 0.53 | 6.77 |
| Sale of IPR received from: | | |
| Pristine Care Products Pvt. Ltd. | - | 1.20 |

Balances due from/to the related parties:

| Particulars of transactions | As at 31/03/2022 | As at 31/03/2021 |
|----------------------------------|------------------|------------------|
| Outstanding receivables: | | |
| Trillizo Holdings Ltd. | 138.00 | 138.00 |
| Pristine Care Products Pvt. Ltd. | 75.75 | 75.75 |

Outstanding payables:

| | | |
|------------------------------|----------|----------|
| Atul H.Mehta | 1,496.53 | 1,344.53 |
| Bhavesh H.Mehta | 1,371.16 | 1,676.16 |
| Compuage Infocom (S) Pte Ltd | 200.01 | 194.46 |
| Sunil Mehta | - | 28.25 |
| Falguni A. Mehta | 44.56 | 42.56 |
| Forum B. Mehta | 67.23 | 64.23 |
| Ajay H. Mehta | 1,152.92 | 1,021.92 |

NOTE 37: OUTSTANDING DUES OF MICRO ENTERPRISE AND SMALL ENTERPRISE

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

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

NOTE 38:

Valuation of Imports calculated on C.I.F. basis for One Year period ended 31st March 2022 is ₹17654.65 Lakh (Previous year ₹ 23,521 Lakh).

NOTE 39: FOREIGN CURRENCY TRANSACTIONS

Expenditure in Foreign currency:

| Particular | Current Period | Previous Period |
|---------------------------|----------------|-----------------|
| Travelling | 2.37 | - |
| Mercantile Trade Purchase | - | 10,681.92 |

Earnings in Foreign Currency:

| Particular | Current Period | Previous Period |
|-----------------------|----------------|-----------------|
| Mercantile Trade Sale | - | 10,788.74 |

NOTE 40: CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE

| Particular | Current Period | Previous Period |
|---|----------------|-----------------|
| a) Amount required to be spend by the company during the year | 64.81 | 76.08 |
| b) Actual amount spent by the company during the year | 65.85 | 79.02 |
| i) Construction/acquisition of any asset | - | - |
| ii) On purposes other than (i) above:- | | |
| Contribution to NGO's | 65.10 | 76.58 |
| Contribution to Companies own projects | - | - |
| Total amount spent in cash | 0.75 | 2.50 |
| c) Short fall at the end of the year | - | - |
| d) Total of the previous years short fall | - | - |
| e) Reason for short fall | NA | NA |

NOTE 41: RATIOS

| Particulars | Numerator | Denominator | Current Period | Previous Period | Variance |
|--|------------------------------------|----------------------------------|----------------|-----------------|----------|
| Current Ratio (times) | Current Assets | Current Liabilities | 1.28 | 1.29 | -0.78% |
| Debt Equity Ratio (times) | Total Debt | Shareholder's Equity | 2.22 | 2.73 | -18.68% |
| Debt Service Coverage Ratio (times) | Earning available for Debt Service | Debt Service | 0.92 | 1.05 | -12.38% |
| Return of Equity (ROE) (%) | Net Profit after Taxes | Average Shareholders Equity | 11.41% | 9.67% | 17.99% |
| Inventory Turnover Ratio (times) | COGS | Average Inventory | 10.66 | 10.88 | -2.02% |
| Trade Receivables Turnover Ratio (times) | Revenue from Operations | Average Trade Receivable | 7.82 | 6.73 | 16.20% |
| Trade Payables Turnover Ratio (times) | COGS | Average Trade Payables | 13.82 | 11.24 | 22.95% |
| Net Capital Turnover Ratio (times) | Revenue | Working Capital | 17.12 | 17.66 | -3.06% |
| Net Profit Ratio (%) | Net Profit after Taxes | Revenue from Operations | 0.64% | 0.55% | 16.36% |
| Return on Capital Employed (%) | Profit before Interest & Taxes | Total Assets-Current Liabilities | 36.86% | 30.35% | 21.45% |



COMPUAGE INFOCOM LTD.
Annual Report FY 2021-2022

BHOGILAL C. SHAH & CO.

CHARTERED ACCOUNTANTS

2A, Shree Pant Bhuvan, 1st floor, Sandhurst Bridge, Mumbai 400 007.

Phone : 2361 0939

PARTNERS :

SNEHAL V. SHAH

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

SURIL V. SHAH

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

INDEPENDENT AUDITOR'S REPORT

To,
The Members of
Compuage Infocom Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Compuage Infocom Limited (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2022, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of the Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements / consolidated financial statements and on other financial information of the subsidiary, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed u/s 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March 2022, its consolidated profit including other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

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

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

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon. These reports are expected to be made available to us after the date of our auditor's report.

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

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

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

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

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

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

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

Auditor's responsibilities for the audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material

if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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

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

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

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

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

Other Matter

We have not audited the financial statements and other financial information of the subsidiary. The subsidiary accounts for total assets of Rs. 416.94 lakhs as at 31 March 2022, net loss of Rs. 2.13 lakhs for the year ended 31 March 2022.

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

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

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

Report on legal and other regulatory requirements

1. As required by section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditors on separate financial statements and the other financial information of its subsidiary, as noted in the "other matter" paragraph, we report, to the extent applicable, that :
 - (i) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
 - (j) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Company so far as appears from our examination of those books and the report of the other auditors;
 - (k) the consolidated Balance Sheet, the consolidated Statement of Profit and Loss (including other comprehensive income), the consolidated Cash Flow Statement and consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
 - (l) in our opinion the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (m) on the basis of the written representations received from the directors of the Holding Company as on 31st March 2022, and taken on record by the Board of Directors of the Holding Company, none of the Directors of the Group Company incorporated in India is disqualified as on 31st March, 2022 from being appointed as a director, in terms of Section 164 (2) of the Act;
 - (n) with respect to the adequacy of the internal financial controls over financial reporting of the Group and operating effectiveness of such controls, refer to our separate report in Annexure A;
 - (o) with respect to the other matters to be included in the Auditor's Report in accordance with the requirement of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - (p) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements and also the other financial information of the subsidiary, as noted in the "other matter" paragraph :
 - (i) the consolidated financial statements disclose the impact on pending litigations on its financial position of the Group in its consolidated financial statements;
 - (ii) the Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses; and
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company.

- (iv) (a) The management of the Holding Company has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company to or in any other person or entity, including foreign entity ("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 Holding Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The management of the Holding Company has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Holding Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding 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; and
- (c) Based on the audit procedures that we have considered reasonable and appropriate in the circumstances performed by us on the Holding Company, nothing has come to our notice that has caused us to believe that the representations under subclause (a) and (b) above, contain any material mis-statement.
- (v) The dividend declared or paid during the year by the Company is in compliance with section 123 of the Act.

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

Sd/-
Suril Shah
Partner
Membership No. 042710
UDIN : 22042710ALXQNC2787
Mumbai, 16th May, 2022

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31st March 2022, we have audited the internal financial controls over financial reporting of Compuage Infocom Limited ("the Holding Company").

Management's responsibility for Internal Financial Controls

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

Auditor's responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Holding Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2022, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Sd/-
Suril Shah
Partner
Membership No. 042710
UDIN : 22042710ALXQNC2787
Mumbai, 16th May, 2022

Compuage Infocom Limited
Consolidated Balance Sheet as at 31st March, 2022

(₹ in Lakhs)

| Particulars | Note | 31-Mar-22 | 31-Mar-21 |
|--|------|--------------------|--------------------|
| A. ASSETS | | | |
| 1. Non-current assets | | | |
| a) Property, plant and equipment | 2 | 4,855.19 | 4,711.35 |
| b) Intangible assets | 2 | 0.65 | 0.74 |
| c) Financial assets | | | |
| (i) Investments | 3 | 82.32 | 98.12 |
| (ii) Others financial assets | 4 | 448.05 | 488.54 |
| Total non-current assets | | 5,386.21 | 5,298.75 |
| 2. Current assets | | | |
| a) Inventories | 5 | 43,697.63 | 31,938.80 |
| b) Financial assets | | | |
| (i) Trade receivables | 6 | 52,083.26 | 55,475.90 |
| (ii) Cash and cash equivalents | 7 | 510.05 | 782.36 |
| (iii) Bank balances other than (ii) above | 8 | 7,958.35 | 6,376.32 |
| (iv) Loans | 9 | 393.12 | 1,070.22 |
| (v) Other financial assets | 10 | 804.00 | 1,626.58 |
| c) Current tax assets (net) | 11 | - | 185.12 |
| d) Other current assets | 12 | 7,219.46 | 10,530.29 |
| Total current assets | | 1,12,665.87 | 1,07,985.59 |
| TOTAL ASSETS | | 1,18,052.08 | 1,13,284.34 |
| B. EQUITY AND LIABILITIES | | | |
| Equity | | | |
| a) Equity share capital | 13 | 1,299.52 | 1,299.52 |
| b) Other equity | 14 | 23,473.00 | 20,927.93 |
| Total equity | | 24,772.52 | 22,227.45 |
| Liabilities | | | |
| 1. Non-current liabilities | | | |
| a) Financial liabilities | | | |
| (i) Borrowings | 15 | 4,779.81 | 7,110.46 |
| b) Provisions | 16 | 206.91 | 184.57 |
| c) Deferred tax liabilities (net) | 17 | 421.77 | 387.78 |
| Total non-current liabilities | | 5,408.49 | 7,682.81 |
| 2. Current liabilities | | | |
| a) Financial liabilities | | | |
| (i) Borrowings | 18 | 46,101.28 | 50,655.43 |
| (ii) Trade payables | 19 | | |
| Total outstanding dues of micro and small enterprises | | - | - |
| Total outstanding dues of creditors other than micro and small enterprises | | 33,970.80 | 24,373.60 |
| (iii) Other financial liabilities | 20 | 5,816.14 | 4,733.28 |
| b) Other current liabilities | 21 | 1,783.81 | 3,581.77 |
| c) Provisions | 22 | 30.00 | 30.00 |
| d) Current tax liabilities (net) | 17 | 169.04 | - |
| Total current liabilities | | 87,871.07 | 83,374.08 |
| Total liabilities | | 93,279.56 | 91,056.89 |
| TOTAL EQUITY AND LIABILITIES | | 1,18,052.08 | 1,13,284.34 |
| Significant accounting policies | 1 | | |

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

As per our report of even date
For Bhogilal C. Shah & Co.
Firm Reg. No.: 101424W
Chartered Accountants

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

Membership No. : 042710

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

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

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

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

Place : Mumbai
Dated : 16th May, 2022

Sd/-
Hasti Pala
Company Secretary

Compuage Infocom Limited
Consolidated Statement of Profit and Loss for the year ended 31st March, 2022

(₹ in Lakh except EPS)

| Particulars | Note | 2021-22 | 2020-21 |
|--|------|--------------------|--------------------|
| Revenue from operations | 23 | 4,20,750.18 | 3,72,978.67 |
| Other income | 24 | 1,644.96 | 1,739.54 |
| Total Income | | 4,22,395.14 | 3,74,718.21 |
| Expenses | | | |
| Purchase of stock-in-trade | 25 | 4,14,912.46 | 3,55,867.11 |
| Changes in inventories of stock in trade | 26 | (11,758.83) | 1,856.46 |
| Employee benefits expense | 27 | 3,476.85 | 3,485.37 |
| Finance costs | 28 | 7,442.99 | 6,294.71 |
| Depreciation and amortisation expenses | 2 | 340.69 | 359.31 |
| Other expenses | 29 | 4,316.90 | 4,065.99 |
| Total Expenses | | 4,18,731.06 | 3,71,928.95 |
| Profit before exceptional items and tax | | 3,664.08 | 2,789.26 |
| Profit before tax | | 3,664.08 | 2,789.26 |
| Tax expense | | | |
| Current tax | 17 | 954.53 | 772.14 |
| Tax for Earlier Years | 17 | - | - |
| Deferred tax | 17 | 34.70 | (51.03) |
| Total tax expense | | 989.23 | 721.11 |
| Profit for the year | | 2,674.85 | 2,068.15 |
| Other Comprehensive Income | | | |
| a) Items that will not be reclassified to profit and loss | | | |
| - Remeasurment of Defined Employee Benefit Plans | | 17.80 | 43.81 |
| - Income Tax relating to above items | | (4.48) | (11.02) |
| b) Items that will be reclassified to profit and loss | | | |
| - Foreign Currency Translation difference | | (20.61) | 65.81 |
| - Income Tax relating to above items | | 5.19 | (16.56) |
| Other Comprehensive Income, net of tax | | (2.10) | 82.04 |
| Total Comprehensive Income for the year | | 2,672.75 | 2,150.19 |
| Earnings per Equity share attributable to owners of the Company | | | |
| No. of shares | | 649.76 | 649.76 |
| Basic and diluted earnings per Equity share of ₹2 each | | 4.11 | 3.31 |

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

As per our report of even date
For Bhogilal C. Shah & Co.
Firm Reg. No.: 101424W
Chartered Accountants

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

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

Membership No. : 042710

Sd/-
G.S Ganesh
Independent
Director

DIN: 00010877

Sd/-
Bhavesh H. Mehta
Whole Time Director

DIN: 00740861

Sd/-
Atul H. Mehta
Chairman & Managing
Director

DIN: 00716869

Place : Mumbai
Dated : 16th May, 2022

Sd/-
Hasti Pala
Company Secretary

COMPUAGE INFOCOM LIMITED

Statement of Consolidated Cash Flows for the year ended 31st March, 2022

(₹ In Lakhs)

| | Particulars | March 31, 2022 | March 31, 2021 |
|-----------|---|--------------------|--------------------|
| A. | Cash Flows From Operating Activities | | |
| | Profit before tax | 3,664.08 | 2,789.26 |
| | Adjustment For: | - | - |
| | Depreciation and amortisation expenses | 340.69 | 359.31 |
| | Unrealised Exchange Rate Difference (Net) | (18.34) | 65.02 |
| | Finance costs | 7,442.99 | 6,294.71 |
| | Interest income from financial assets measured at amortised cost | (1,627.95) | (1,656.72) |
| | Loss / (Gain) on Sale of Property, Plant & Equipment | - | (1.65) |
| | Operating Profit Before Working Capital Changes | 9,801.47 | 7,849.93 |
| | Changes in working capital: | | |
| | Decrease/(Increase) In Inventories | (11,758.83) | 1,856.46 |
| | Decrease/(Increase) In Trade Receivables | 3,392.64 | (50.13) |
| | Decrease/(Increase) In Current Loans | 677.10 | (563.76) |
| | Decrease/(Increase) In Other Current Assets | 3,310.83 | (839.41) |
| | Decrease/(Increase) In Other Financial Assets | 822.58 | (504.38) |
| | Increase/(Decrease) In Trade Payables | 9,597.20 | (14,887.38) |
| | Increase/(Decrease) In Other Financial Liabilities | 1,082.86 | 1,379.87 |
| | Increase/(Decrease) In Other Current Liabilities | (1,797.96) | 104.16 |
| | Increase/(Decrease) In Non-Current provisions | 40.14 | 43.50 |
| | Total | 5,366.56 | (13,461.07) |
| | Income tax paid (net of refund) | (600.37) | (399.25) |
| | Net Cash Inflow/(Outflow) From Operating Activities (A) | 14,567.66 | (6,010.39) |
| B. | Cash Flows From Investing Activities | | |
| | Purchase of Property, plant and equipment | (484.44) | (61.41) |
| | Sale of Property, plant and equipment | - | 1.96 |
| | Sale/(Purchase) of Non-Current Investments | 15.80 | (24.99) |
| | Proceeds from / (Payment of) fixed deposits | (1,541.54) | 188.96 |
| | Interest received on financial assets measured at amortised cost | 1,627.95 | 1,656.72 |
| | Net Cash Inflow/(Outflow) From Investing Activities (B) | (382.23) | 1,761.24 |
| C. | Cash Flows From Financing Activities | | |
| | Proceeds from / (Repayment of) Current Borrowings | (4,554.15) | 5,566.94 |
| | Proceeds from / (Repayment of) Non-Current Borrowings | (2,330.65) | 4,974.33 |
| | Interest Paid | (7,442.99) | (6,294.71) |
| | Dividend on Equity shares | (129.95) | (129.95) |
| | Net Cash Inflow/(Outflow) From Financing Activities (C) | (14,457.74) | 4,116.61 |
| | Net Increase/(Decrease) In Cash And Cash Equivalents (A+B+C) | (272.31) | (132.54) |
| | Cash And Cash Equivalents as at beginning of the year | 782.36 | 914.90 |
| | Cash And Cash Equivalents as at end of the year | 510.05 | 782.36 |

- i) The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Ind AS 7 - Statement of Cash Flows as notified under the Companies (Indian Accounting Standards) Rules, 2015.

As per our report of even date
For Bhogilal C. Shah & Co.

Firm Reg. No.: 101424W
Chartered Accountants

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

Membership No. : 042710

Place : Mumbai
Dated : 16th May, 2022

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

Sd/-
G. S Ganesh
Director

DIN: 00010877

Sd/-
Bhavesh H. Mehta
Whole Time Director

DIN: 00740861

Sd/-
Atul H. Mehta
Chairman & Managing
Director

DIN: 00716869

Sd/-
Hasti Pala
Company Secretary

Compuage Infocom Limited

Statement of Changes in Equity for the year ended 31st March, 2022

(₹ in Lakh unless otherwise stated)

A. Equity Share Capital

| Particulars | Note | Amount |
|---|------|-----------------|
| As at April 01, 2020 | 13 | 1,299.52 |
| Changes in Equity share capital during the year | | - |
| As at March 31, 2021 | 13 | 1,299.52 |
| Changes in Equity share capital during the year | | - |
| As at March 31, 2022 | 13 | 1,299.52 |

B. Other Equity

| Particulars | Reserves and Surplus | | | | Other Reserves | | | Total other Equity |
|--|----------------------------|-----------------|-----------------|----------------------------|-------------------|--------------------------|--------------------------------------|--------------------|
| | Securities Premium Reserve | General Reserve | Capital reserve | Capital redemption reserve | Retained Earnings | FVOCI equity instruments | Foreign currency translation reserve | |
| As at April 01, 2021 | 3,668.80 | 35.36 | 134.84 | 129.72 | 16,985.73 | - | (26.52) | 20,927.93 |
| Profit for the year | - | - | - | - | 2,674.85 | - | 2.27 | 2,677.12 |
| Other Comprehensive Income | - | - | - | - | (2.10) | - | - | (2.10) |
| Total comprehensive income for the year | - | - | - | - | 2,672.75 | - | 2.27 | 2,675.02 |
| Transactions with owners in their capacity as owners: | - | - | - | - | - | - | - | - |
| Dividend paid (including dividend distribution tax) | - | - | - | - | (129.95) | - | - | (129.95) |
| As at March 31, 2022 | 3,668.80 | 35.36 | 134.84 | 129.72 | 19,528.53 | - | (24.25) | 23,473.00 |

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

Compuage Infocom Limited

Summary of Significant accounting policies to consolidated financial statements for the year ended 31st March, 2022

Corporate Information

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

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

Group Overview

The Company and its subsidiary Company are referred to as the Group here under.

The group of companies are engaged in trading in Computer parts and peripherals, Software and Telecom Products.

Group Structure

| Name of Company | Country of incorporation | % of shares held by the parent company | |
|------------------------------|--------------------------|--|----------------------|
| | | As at March 31, 2022 | As at March 31, 2020 |
| Compuage Infocom (S) Pte Ltd | Singapore | 100% | 100% |

NOTE 1: NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2022

A. Significant Accounting Policies:

i) Basis of Preparation:

(a) Compliance with Ind AS

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

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

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

(b) Use of Estimates:

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

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

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

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

(d) Historical Cost Convention:

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

Principles of consolidation and equity accounting:

i) Subsidiary companies:

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

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

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

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

ii) Associate companies:

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

iii) Joint arrangements:

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

Joint venture company

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

iv) Equity method:

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

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

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

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

v) Changes in ownership interest :

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

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

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

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

ii) Current/ Non-Current classification:

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

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

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

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

iii) Tangible Assets /Property, plant and equipment:

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

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

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other nonrefundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and

rebates are deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met.

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

iv) Depreciation on tangible fixed assets:

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

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

v) Intangible Assets:

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

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

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

vi) Derecognition:

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

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

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

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

Reversal of impairment of Goodwill is not recognized.

viii) Lease:

The Company as a Lessee

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

contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

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

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

The Company as a Lessor

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

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

Transition

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

ix) Borrowing costs:

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

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

x) Revenue Recognition:

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

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

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

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

Sale of products:

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

Rendering of services:

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

Interest:

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

Dividend:

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

xi) Foreign Currency Transactions /translations:

Functional and presentation Currency:

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

Initial Recognition:

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

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

Measurement of foreign currency items at reporting date:

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

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

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

xii) Derivative financial instruments and hedge accounting:

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

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

xiii) Inventories:

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

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

xiv) Investments and other financial assets:

Classification:

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

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

ii) Those measured at amortised cost.

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

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

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

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

Initial recognition and measurement:

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

Subsequent measurement:

After initial recognition, financial assets are measured at:

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

Debt instruments:

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

Measured at amortised cost:

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

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

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

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

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

Equity instruments:

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

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

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

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

Impairment of financial assets:

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

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

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

De-recognition:

A financial asset is de-recognized only when the Group

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

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

Financial liabilities:

i) Classification as debt or equity

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

ii) Initial recognition and measurement

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

iii) Subsequent measurement

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

iv) De-recognition

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

Offsetting financial instruments:

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

xv) Retirement and other employee benefits:

Short term employee benefits:

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

Defined contribution plan:

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

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

xvi) Income Taxes:

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

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

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. However, deferred tax liabilities are not recognized if they arise from the initial recognition of Goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit / (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

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

xvii) Cash and cash equivalents:

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

xviii) Segment reporting:

The Group operates only in one reportable segment.

xix) Earnings per Share:

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

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

xx) Provisions and contingent liabilities:

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Lakh unless otherwise stated)

NOTE 2 : PROPERTY, PLANT AND EQUIPMENT

| Particulars | Buildings | IT Equipment | Vehicles | Office Equipment | Furniture and Fixture | Total Property, plant and equipment | Intangible Assets |
|------------------------------------|-----------|--------------|----------|------------------|-----------------------|-------------------------------------|-------------------|
| Gross carrying amount | | | | | | | |
| As at April 1st, 2021 | 4,291.62 | 1,845.38 | 117.29 | 797.83 | 1,611.72 | 8,663.84 | 11.99 |
| Additions | - | 468.07 | - | 12.47 | 3.90 | 484.44 | - |
| Disposals | - | - | - | - | - | - | - |
| As at March 31, 2022 | 4,291.62 | 2,313.45 | 117.29 | 810.30 | 1,615.62 | 9,148.28 | 11.99 |
| Depreciation Amortisation | | | | | | | |
| As at March 31, 2021 | 327.87 | 1,745.49 | 84.58 | 633.05 | 1,161.50 | 3,952.49 | 11.25 |
| Charge For the year | 75.39 | 68.28 | 6.76 | 61.82 | 128.35 | 340.60 | 0.09 |
| Disposals | - | - | - | - | - | - | - |
| up to March 31, 2022 | 403.26 | 1,813.77 | 91.34 | 694.87 | 1,289.85 | 4,293.09 | 11.34 |
| Net carrying amount | | | | | | | |
| As at 31-03-2021 | 3,963.75 | 99.89 | 32.71 | 164.78 | 450.22 | 4,711.35 | 0.74 |
| As at 31-03-2022 | 3,888.36 | 499.68 | 25.95 | 115.43 | 325.77 | 4,855.19 | 0.65 |

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

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Lakh unless otherwise stated)

NOTE 3 : NON-CURRENT INVESTMENTS

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|-------------------------|-------------------------|
| a) Investment in equity instruments of Other Company measured at FVTPL - Unquoted 274416 Equity Shares of Bombay Mercantile Co- Op. Bank Ltd of ₹30 Each. (Previous year: 327083, Equity Shares). | 82.32 | 98.12 |
| Total | 82.32 | 98.12 |

NOTE 4 : OTHER NON-CURRENT FINANCIAL ASSETS

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|-------------------------|-------------------------|
| Fixed Deposits with Banks, with maturity beyond 12 months | 448.05 | 488.54 |
| Total | 448.05 | 488.54 |

NOTE 5 : INVENTORIES

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|----------------|-------------------------|-------------------------|
| Stock in trade | 43,697.63 | 31,938.80 |
| Total | 43,697.63 | 31,938.80 |

NOTE 6 : TRADE RECEIVABLES

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|----------------------------|-------------------------|-------------------------|
| Unsecured, considered good | 52,083.26 | 55,475.90 |
| Total | 52,083.26 | 55,475.90 |

Ageing for trade receivables outstanding as at 31st March, 2022

| Particulars | Outstanding for following periods from due dates of payment | | | | | | Total |
|---|---|--------------------|-----------------|-----------------|--------------|-------------------|------------------|
| | Not due | Less than 6 months | 6 months-1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| Undisputed trade receivables-considered good. | 24,858.24 | 23,883.89 | 867.49 | 552.36 | 22.84 | 85.77 | 50,270.59 |
| Undisputed trade receivables-which have significant increase in credit risk . | - | - | - | - | - | - | - |
| Undisputed trade receivables-credit impaired. | - | - | - | - | - | - | - |
| Disputed trade receivables-considered good. | - | 426.76 | 685.42 | 644.16 | 0.38 | 55.95 | 1,812.67 |
| Disputed trade receivables-which have significant increase in credit risk . | - | - | - | - | - | - | - |
| Disputed trade receivables-credit impaired. | - | - | - | - | - | - | - |
| Less: Provision fordoubtfull debts-credit impaired | - | - | - | - | - | - | - |
| Total | 24,858.24 | 24,310.65 | 1,552.91 | 1,196.52 | 23.22 | 141.72 | 52,083.26 |

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Ageing for trade receivables outstanding as at 31st March, 2021

| Particulars | Outstanding for following periods from due dates of payment | | | | | | Total |
|---|---|--------------------|-----------------|---------------|--------------|-------------------|------------------|
| | Not due | Less than 6 months | 6 months-1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| Undisputed trade receivables-considered good. | 36,231.30 | 18,105.47 | 352.16 | 125.15 | 21.34 | 92.99 | 54,928.41 |
| Undisputed trade receivables-which have significant increase in credit risk . | - | - | - | - | - | - | - |
| Undisputed trade receivables-credit impaired. | - | - | - | - | - | - | - |
| Disputed trade receivables-considered good. | | 426.85 | 75.76 | | | 45.08 | 547.49 |
| Disputed trade receivables-which have significant increase in credit risk . | - | - | - | - | - | - | - |
| Disputed trade receivables-credit impaired. | - | - | - | - | - | - | - |
| Less: Provision fordoubtfull debts-credit impaired | - | - | - | - | - | - | - |
| Total | 36,231.30 | 18,532.32 | 427.72 | 125.15 | 21.34 | 138.07 | 55,475.90 |

NOTE 7 : CASH AND CASH EQUIVALENTS

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|--|-------------------------|-------------------------|
| Bank balances | | |
| In current accounts | 434.22 | 311.43 |
| In unpaid dividend accounts | 19.34 | 20.15 |
| Cheques on hand | - | 265.00 |
| Cash on hand | 14.54 | 6.44 |
| Fixed deposits with original maturity less than 3 months | 41.95 | 179.34 |
| Total | 510.05 | 782.36 |

NOTE 8 : OTHER BANK BALANCES

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|--|-------------------------|-------------------------|
| Fixed deposits with remaining maturity less than 12 months | 7,958.35 | 6,376.32 |
| Total | 7,958.35 | 6,376.32 |

NOTE 9 : CURRENT LOANS

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|--------------------|-------------------------|-------------------------|
| Security deposits | 370.99 | 499.20 |
| Loans to employees | 22.13 | 571.02 |
| Total | 393.12 | 1,070.22 |

NOTE 10 : OTHER CURRENT FINANCIAL ASSETS

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---------------------------------|-------------------------|-------------------------|
| Fixed deposits other than Banks | 735.00 | 670.00 |
| Interest accrued | 69.00 | 956.58 |
| Total | 804.00 | 1,626.58 |

NOTE 11 : CURRENT TAX ASSETS (NET)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|--|-------------------------|-------------------------|
| Advance income tax (net of provisions) | - | 185.12 |
| Total | - | 185.12 |

NOTE 12 : OTHER CURRENT ASSETS

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|--------------------------------------|-------------------------|-------------------------|
| Prepaid expenses | 478.10 | 1,103.88 |
| Advances to staffs | 1.65 | 146.86 |
| Advances to supplier | - | 1,278.73 |
| Balances with Government authorities | 6,739.71 | 8,000.82 |
| Total | 7,219.46 | 10,530.29 |

NOTE 13 : EQUITY SHARE CAPITAL

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|-------------------------|-------------------------|
| Authorised | | |
| 9,62,70,000 Equity shares of ₹2.00 each | 1,925.40 | 1,925.40 |
| 46,65,600 Preference shares of ₹0.10 (Ten paise) each | 4.67 | 4.67 |
| 1,10,00,000 Preference shares of ₹10.00 each | 1,100.00 | 1,100.00 |
| Total | 3,030.07 | 3,030.07 |
| Issued, subscribed and fully paid-up | | |
| 6,49,75,806 Equity shares of ₹2.00 each fully paid | 1,299.52 | 1,299.52 |
| Total | 1,299.52 | 1,299.52 |

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

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|-------------------------|-----------------|-------------------------|-----------------|
| | No. in lakh | ₹ In lakh | No. in lakh | ₹ In lakh |
| At the beginning of the Period | 649.76 | 1,299.52 | 649.76 | 1,299.52 |
| Add : Preferential allotment | - | - | - | - |
| Outstanding at the end of the period | 649.76 | 1,299.52 | 649.76 | 1,299.52 |

Terms / rights attached to equity shares

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

In the event of liquidation of the company, the holder of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts.

The distribution will be in proportion to the number of equity shares held by shareholders.

The Dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting. During the year ended 31st March 2022, the amount of per share final dividend proposed as distribution to the Equity Shareholders is ₹0.20 per share (31st March 2021 : ₹0.20 per share)

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

| Name of Shareholder | As at March 31, 2022 | | As at March 31, 2021 | |
|-------------------------------|-------------------------|-------------|-------------------------|-------------|
| | Holding % | No. in lakh | Holding % | No. in lakh |
| 1. Atul Harkishandas Mehta | 23.02% | 149.54 | 23.02% | 149.54 |
| 2. Bhavesh Harkishandas Mehta | 23.02% | 149.54 | 23.02% | 149.54 |
| 3. Ajay Harkishandas Mehta | 12.30% | 79.94 | 12.30% | 79.94 |

d) Disclosure of shareholding of promoters:

**Disclosure of shareholding of promoters as at
31st March, 2022:**

| Name of Shareholder | As at March 31, 2022 | | As at March 31, 2021 | | % Change during the year |
|-------------------------------|-------------------------|-------------|-------------------------|-------------|-----------------------------------|
| | Holding % | No. in lakh | Holding % | No. in lakh | |
| 1. Atul Harkishandas Mehta | 23.02% | 149.54 | 23.02% | 149.54 | - |
| 2. Bhavesh Harkishandas Mehta | 23.02% | 149.54 | 23.02% | 149.54 | - |
| 3. Ajay Harkishandas Mehta | 12.30% | 79.94 | 12.30% | 79.94 | - |

**Disclosure of shareholding of promoters as at
31st March, 2021:**

| Name of Shareholder | As at March 31, 2022 | | As at March 31, 2021 | | % Change during the year |
|-------------------------------|-------------------------|-------------|-------------------------|-------------|-----------------------------------|
| | Holding % | No. in lakh | Holding % | No. in lakh | |
| 1. Atul Harkishandas Mehta | 23.02% | 149.54 | 23.02% | 149.54 | - |
| 2. Bhavesh Harkishandas Mehta | 23.02% | 149.54 | 23.02% | 149.54 | - |
| 3. Ajay Harkishandas Mehta | 12.30% | 79.94 | 12.30% | 79.94 | - |

NOTE 14 : OTHER EQUITY

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|-------------------------|-------------------------|
| a) Capital reserve | 134.84 | 134.84 |
| b) Capital redemption reserve | 129.72 | 129.72 |
| c) Securities premium reserve | 3,668.80 | 3,668.80 |
| d) General reserve | 35.36 | 35.36 |
| e) Foreign Currency Translation Reserve | | |
| i) Exchange difference in translating the financial of a foreign operation | | |
| Balance at the beginning of the year | (26.52) | (25.73) |
| Add : Changes in foreign currency translation reserve | 2.27 | (0.79) |
| Balance at the end of the year | (24.25) | (26.52) |
| f) Retained Earnings | | |
| Balance at the beginning of the year | 16,985.73 | 14,965.49 |
| Add: Profit for the year | 2,674.85 | 2,068.15 |
| Add: Add Other Comprehensive Income | (2.10) | 82.04 |
| Less: Dividend on Equity shares | (129.95) | (129.95) |
| Balance as at the end of the year | 19,528.53 | 16,985.73 |
| Total | 23,473.00 | 20,927.93 |

NOTE 15 : NON-CURRENT BORROWINGS

| Particulars | As at 31-03-2022 | As at 31-03-2021 |
|--|---------------------|---------------------|
| Term loans from banks, secured | 4,136.71 | 4,481.94 |
| Term loans from others, unsecured | 643.10 | 1,628.52 |
| 9% Cumulative Non-Convertible Redeemable Preference Shares | - | 1,000.00 |
| Total | 4,779.81 | 7,110.46 |

Term loan from Indian Bank (secured by hypothecation of office premises) carried interest of 11.15% pa and was repayable in 20 equal quarterly instalments of 125 lakh each along with interest. The Term loan has been fully repaid and balance as on 31st March 2022 is nil.

Cumulative Non-Convertible Redeemable Preference Shares carried Interest of 9% (Effective Rate 10.85%) and were redeemable on the expiry of 96 months of Deemed Date of Allotment or one month from the time of exercise of put option. Put option could be exercised any time after the end of 24 months from the deemed date of allotment. Put option has been exercised during the year and balance as on 31st March 2022 is nil.

The company has not defaulted on repayment of loans and interest during the year.

NOTE 16 : NON-CURRENT PROVISIONS

| Particulars | As at 31-03-2022 | As at 31-03-2021 |
|------------------------|---------------------|---------------------|
| Provision for gratuity | 206.91 | 184.57 |
| Total | 206.91 | 184.57 |

NOTE 17:- CURRENT AND DEFERRED TAX

The major components of income tax expense for the years ended March 31, 2022, March 31, 2021 are:

a) Income tax expense

| Particulars | As at 31-03-2022 | As at 31-03-2021 |
|---|---------------------|---------------------|
| i) Current tax | | |
| Current tax on profits for the year | 954.53 | 772.14 |
| Adjustments for current tax of prior period | - | - |
| Total current tax expense | 954.53 | 772.14 |
| ii) Deferred tax | | |
| (Decrease) Increase in deferred tax liabilities | 34.70 | (51.03) |
| Decrease (Increase) in deferred tax assets | - | - |
| Total deferred tax expense (benefit) | 34.70 | (51.03) |
| Income tax expense | 989.23 | 721.11 |

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

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

d) Current tax liabilities (net)

| Particulars | As at 31-03-2022 | As at 31-03-2021 |
|---------------------------------------|---------------------|---------------------|
| Provision for tax (net of taxes paid) | 169.04 | - |
| Total | 169.04 | - |

e) Deferred tax liabilities (net)

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

| Particulars | As at 31-03-2022 | (Charged) Credited | As at 31-03-2021 | (Charged) Credited |
|---|---------------------|-------------------------|---------------------|-------------------------|
| Property, plant and equipment & Intangible assets p&l | 466.52 | 35.12 | 431.40 | (50.85) |
| Fair valuation of term loan p&l | - | (0.42) | 0.42 | (0.18) |
| Remeasurment of Defined Employee Benefit Plans-OCI | 22.30 | 4.48 | 17.82 | 11.02 |
| Foreign Currency Translation difference-OCI | (67.05) | (5.19) | (61.86) | 16.56 |
| Net deferred tax (asset) liability | 421.77 | 33.99 | 387.78 | (23.45) |

NOTE 18 : CURRENT BORROWINGS

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---------------------------|-------------------------|----------------------------|
| Secured | | |
| Cash credit from banks | 29,758.31 | 37,190.52 |
| Unsecured | | |
| Loan from related parties | 4,132.40 | 4,177.65 |
| Loan from others | 12,210.57 | 9,221.26 |
| Deposits | - | 66.00 |
| Total | 46,101.28 | 50,655.43 |

NOTE 19 : TRADE PAYABLES

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|--|-------------------------|----------------------------|
| Total outstanding dues of micro and small enterprises | - | - |
| Total outstanding dues of creditors other than micro and small enterprises | 33,970.80 | 24,373.60 |
| Total | 33,970.80 | 24,373.60 |

Ageing for trade payables outstanding as at 31st March, 2022

| Particulars | Outstanding for following periods from due dates of payment | | | | | T o t a l |
|--------------------------|--|------------------------|----------------|----------------|-------------------------|-----------------------|
| | Not due | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| MSME | - | - | - | - | - | - |
| Others | 24,828.69 | 9,142.11 | - | - | - | 33,970.80 |
| Disputed dues -MSME | - | - | - | - | - | - |
| Disputed dues -Others | - | - | - | - | - | - |
| Total | 24,828.69 | 9,142.11 | - | - | - | 33,970.80 |

Ageing for trade payables outstanding as at 31st March, 2021

| Particulars | Outstanding for following periods from due dates of payment | | | | | Total |
|-----------------------|---|------------------|-------------|-------------|-------------------|------------------|
| | Not due | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| MSME | - | - | - | - | - | - |
| Others | 22,047.50 | 2,326.10 | - | - | - | 24,373.60 |
| Disputed dues - MSME | - | - | - | - | - | - |
| Disputed dues -Others | - | - | - | - | - | - |
| Total | 22,047.50 | 2,326.10 | - | - | - | 24,373.60 |

NOTE 20 : OTHER CURRENT FINANCIAL LIABILITIES

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|-------------------------|----------------------------|
| Current maturities of long term liabilities | 4,498.12 | 3,220.83 |
| Unpaid dividends | 19.34 | 20.15 |
| Unclaimed Deposits | 127.50 | 61.50 |
| Security Deposits | 10.00 | - |
| Other payables | 1,161.18 | 1,430.80 |
| Total | 5,816.14 | 4,733.28 |

NOTE 21 : OTHER CURRENT LIABILITIES

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|-------------------------|-------------------------|----------------------------|
| Statutory Dues | 923.56 | 1,751.19 |
| Advances from customers | 860.25 | 1,830.58 |
| Total | 1,783.81 | 3,581.77 |

NOTE 22 : CURRENT PROVISIONS

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|------------------------|-------------------------|----------------------------|
| Provision for gratuity | 30.00 | 30.00 |
| Total | 30.00 | 30.00 |

NOTE 23 : REVENUE FROM OPERATIONS

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|------------------------------|-------------------------|-------------------------|
| (a) Sale of Products | | |
| Computer Components & Others | 4,19,516.50 | 3,72,102.11 |
| Total (a) | 4,19,516.50 | 3,72,102.11 |
| (b) Sale of services | | |
| Product support services | 1,233.68 | 876.56 |
| Total (b) | 1,233.68 | 876.56 |
| Total | 4,20,750.18 | 3,72,978.67 |

NOTE 24 : OTHER INCOME

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|-------------------------------------|-------------------------|-------------------------|
| Interest from bank deposits | 374.15 | 401.09 |
| Interest from others | 1,253.80 | 1,255.63 |
| Net exchange rate difference - gain | - | 57.66 |
| Rent Income | 14.28 | - |
| Miscellaneous income | 2.73 | 25.16 |
| Total | 1,644.96 | 1,739.54 |

NOTE 25 : PURCHASE OF STOCK-IN-TRADE

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|------------------------------|-------------------------|-------------------------|
| Computer Components & Others | 4,14,912.46 | 3,55,867.11 |
| Total | 4,14,912.46 | 3,55,867.11 |

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

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|--|-------------------------|-------------------------|
| (a) Stocks at the end of the year | | |
| Stock-in-trade | 43,697.63 | 31,938.80 |
| Total (a) | 43,697.63 | 31,938.80 |
| Less : | | |
| (b) Stocks at beginning of the year | | |
| Stock-in-trade | 31,938.80 | 33,795.26 |
| Total (b) | 31,938.80 | 33,795.26 |
| (Increase) Decrease in stocks | (11,758.83) | 1,856.46 |

NOTE 27 : EMPLOYEE BENEFIT EXPENSES

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|-------------------------|-------------------------|
| Salaries, wages and bonus | 3,298.95 | 3,284.80 |
| Contribution to provident and other funds | 71.33 | 59.94 |
| Gratuity | 58.13 | 61.11 |
| Staff welfare | 48.44 | 79.52 |
| Total | 3,476.85 | 3,485.37 |

NOTE 28 : FINANCE COSTS

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|--|-------------------------|-------------------------|
| Interest on borrowings (at amortised cost) | 7,410.19 | 6,186.21 |
| Interest on Preference Shares | 32.80 | 108.50 |
| Total | 7,442.99 | 6,294.71 |

NOTE 29 : OTHER EXPENSES

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|--|-------------------------|-------------------------|
| Rent and compensation | 709.63 | 667.64 |
| Power & fuel | 34.29 | 79.61 |
| Rates and taxes | 47.75 | 20.64 |
| Insurance | 354.65 | 221.64 |
| <u>Payments to the statutory auditors:</u> | - | - |
| a) Audit fees | 20.42 | 15.07 |
| b) Tax matters | 2.00 | 2.00 |
| c) Other matters | 1.50 | 1.50 |
| Expenditure on Corporate Social Responsibility | 65.85 | 82.02 |
| Net exchange rate difference - loss | 48.15 | - |
| Miscellaneous expenses | 3,032.66 | 2,975.87 |
| Total | 4,316.90 | 4,065.99 |

NOTE 30:- CONTINGENT LIABILITIES

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

| Particulars | As at 31-03-2022 | As at 31-03-2021 |
|--|---------------------|---------------------|
| Claims against the Company not acknowledged as debts | | |
| Disputed demands in respect of VAT/Custom Duty | | |
| (Based on legal opinion, the Company does not feel any liability will arise and hence no provision has been made in the accounts.) | 1,202.44 | 1,035.76 |

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

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

NOTE 31:- EMPLOYEE BENEFIT OBLIGATIONS

Funded Scheme

a) Defined Benefit Plans:

Gratuity

The Company operates a gratuity plan through the Life Insurance Corporation of India¹. Every Employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity

The actuarial valuation of plan assets and the present value of the defined benefit obligation for the Gratuity were carried out as at March 31, 2022. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the projected unit credit method.

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

Act, 1972 or Company scheme whichever is beneficial. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service.

(Rs.in Lakhs)

| A) Amount Recognized in Statement of Financial Position at Period-End | As at March 31, 2022 | As at March 31, 2021 |
|--|-------------------------|-------------------------|
| Present Value of Funded Defined Benefit Obligation | 248.51 | 230.16 |
| Fair value of Plan Assets | (11.60) | (15.59) |
| Net Defined Benefit (Asset)/Liability Recognised in Statement of Financial Position | 236.91 | 214.57 |

| B) Net Defined Benefit Cost/(Income) included in Statement of Profit & Loss at Period-End | As at March 31, 2022 | As at March 31, 2021 |
|---|-------------------------|-------------------------|
| Service Cost | 41.16 | 44.61 |
| Interest Cost on DBO (A) | 18.92 | 18.48 |
| Interest Income Plan Assets (B) | (1.95) | (1.98) |
| Net Interest Cost (A) + (B) | 16.97 | 16.50 |
| Past Service Cost | - | - |
| Total Defined Benefit Cost/(Income) included in Profit & Loss | 58.13 | 61.11 |

| C) Current / Non-Current Bifurcation | As at March 31, 2022 | As at March 31, 2021 |
|--|-------------------------|-------------------------|
| Current Liability | 30.00 | 30.00 |
| Non-Current Liability | 206.91 | 184.57 |
| (Asset)/Liability Recognised in the Balance Sheet | 236.91 | 214.57 |

| D) Actual Return on Plan Assets | As at March 31, 2022 | As at March 31, 2021 |
|-------------------------------------|-------------------------|-------------------------|
| Interest Income on Plan Assets | 1.95 | 1.98 |
| Remeasurment on Plan Assets | (5.85) | (2.32) |
| Actual Return on Plan Assets | (3.90) | (0.34) |

| E) Analysis of Amounts Recognized in Other Comprehensive (Income) / Loss at Period-End | As at March 31, 2022 | As at March 31, 2021 |
|--|-------------------------|-------------------------|
| Amount recognized in OCI - Beginning of the period | (70.81) | (27.00) |
| Remeasurment due to : | | |
| Effect of change in financial assumptions (A) | (11.01) | (8.73) |
| Effect of experience adjustments (B) | (12.64) | (37.40) |
| Actuarial (Gains) / Losses (A) + (B) | (23.65) | (46.13) |
| Return on Plan Assets (excluding interest) | 5.85 | 2.32 |

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| | | |
|---|----------------|----------------|
| Total Remeasurment recognized in OCI | (17.80) | (43.81) |
| Amount recognized in OCI - End of the period | (88.61) | (70.81) |

| | | |
|--|---------------------------------|---------------------------------|
| F) Total Defined Benefit Cost / (Income) included in Profit & Loss and Other Comprehensive Income | As at March 31, 2022 | As at March 31, 2021 |
| Amount recognized in Profit & Loss, End of Period | 58.13 | 61.11 |
| Amount recognized in OCI, End of Period | (17.80) | (43.81) |
| (Asset)/Liability Recognised in the Balance Sheet | 40.33 | 17.30 |

| | | |
|--|---------------------------------|---------------------------------|
| G) Change in Defined Benefit Obligation during the Period | As at March 31, 2022 | As at March 31, 2021 |
| Defined Benefit Obligation, Beginning of the Period | 230.16 | 231.41 |
| Net Current Service Cost | 41.16 | 44.61 |
| Interest Cost on DBO | 18.92 | 18.48 |
| Actuarial (Gains) / Losses | (23.64) | (46.14) |
| Benefits Paid | (18.10) | (18.20) |
| Defined Benefit Obligation, End of Period | 248.50 | 230.16 |

| | | |
|---|---------------------------------|---------------------------------|
| H) Change in Fair value of Plan Assets during the Period | As at March 31, 2022 | As at March 31, 2021 |
| Fair Value of Plan Assets, Beginning of the Period | 15.60 | 16.53 |
| Interest Income Plan Assets | 1.95 | 1.98 |
| Actual Company Contributions | 18.00 | 17.61 |
| Actuarial Gains / (Losses) | (5.85) | (2.32) |
| Benefits Paid | (18.10) | (18.20) |
| Fair value of Plan Assets, End of Period | 11.60 | 15.60 |

| | | |
|--|---------------------------------|---------------------------------|
| I) Reconciliation of Balance Sheet Amount | As at March 31, 2022 | As at March 31, 2021 |
| Balance Sheet (Asset) / Liability, Beginning of the Period | 214.57 | 214.88 |
| Total Charge/(Credit) Recognised in Profit and Loss | 58.13 | 61.11 |
| Total Remeasurment Recognized in Other Comprehensive (Income) / Loss | (17.80) | (43.81) |
| Employer Contributions | (18.00) | (17.61) |
| Balance Sheet (Asset)/Liability, End of Period | 236.90 | 214.57 |

| | | |
|--|---------------------------------|---------------------------------|
| J) Financial Assumptions Used to Determine the Defined Benefit Obligation | As at March 31, 2022 | As at March 31, 2021 |
| Discount Rate | 7.50% | 7.05% |
| Salary Escalation Rate | 5.00% | 5.00% |

| | | |
|--|---------------------------------|---------------------------------|
| K) Financial Assumptions Used to Determine the Profit & Loss Charge | As at March 31, 2022 | As at March 31, 2021 |
| Discount Rate | 7.05% | 6.75% |
| Salary Escalation Rate | 5.00% | 5.00% |
| Expected Return on Plan Assets | 7.05% | 6.75% |

| | | |
|--|---------------------------------|---------------------------------|
| L) Demographic Assumptions Used to Determine the Defined Benefit Obligation | As at March 31, 2022 | As at March 31, 2021 |
| Withdrawal Rate: | | |
| Upto age 30 | 3.00% | 3.00% |
| Age 31 to 40 | 2.00% | 2.00% |
| Above Age 40 | 1.00% | 1.00% |
| Mortality Rate | IALM (2012-14) | IALM (2012-14) |
| Retirement Age | 58 years | 58 years |

| | | |
|--------------------------|---------------------------------|---------------------------------|
| M) Asset Category | As at March 31, 2022 | As at March 31, 2021 |
| Insurer Managed Funds | 11.60 | 15.60 |
| Total | 11.60 | 15.60 |

| J) Expected cash flows for the next 10 years | As at March 31, 2022 | As at March 31, 2021 |
|---|---------------------------------|---------------------------------|
| Year-2020 | - | - |
| Year-2021 | - | - |
| Year-2022 | - | 5.85 |
| Year-2023 | 52.53 | 4.57 |
| Year-2024 | 17.97 | 18.46 |
| Year-2025 | 4.37 | 5.23 |
| Year-2026 | 4.61 | 5.73 |
| Year-2027 | 9.94 | - |
| Year-2027 to 2031 | - | 94.37 |
| Year-2028 to 2032 | 85.08 | - |

| K) Defined Benefit Obligation - Sensitivity Analysis | As at March 31, 2022 | As at March 31, 2021 |
|---|---------------------------------|---------------------------------|
| Discount Rate + 100 basis points | 226.83 | 204.07 |
| Discount Rate - 100 basis points | 274.18 | 261.14 |
| Salary Escalation Rate + 100 basis points | 272.05 | 257.81 |
| Salary Escalation Rate - 100 basis points | 227.63 | 205.57 |
| Attrition Rate + 100 basis points | 253.50 | 234.93 |
| Attrition Rate - 100 basis points | 242.75 | 224.62 |

NOTE 32: SEGMENT REPORTING

The Company operates only in one reportable segment.

NOTE 33: LEASE ARRANGEMENTS

The Company procures office premises for its branches under operating lease agreements that are renewable on a periodic basis at the option of both lessor and lessee. The initial tenure of the lease is below 12 months. The lease rentals recognised in the Statement of Profit and Loss for the year are Rs.709.63 lakh (previous year Rs.667.64 lakh). The contingent rent recognised in the Statement of Profit and Loss for the year is Rs. Nil (previous year Rs. Nil).

NOTE 34- DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 33 EARNINGS PER SHARE

| Particulars | 2021-22 | 2020-21 |
|--|----------------|----------------|
| Face value of equity share (in Rs.) | 2.00 | 2.00 |
| Weighted average number of equity shares outstanding (in Nos) | 6,49,75,806 | 6,49,75,806 |
| Profit for the year (Rs. in Lakh) | 2,672.75 | 2,150.19 |
| Weighted average earnings per share (basic and diluted) (in Rs.) | 4.11 | 3.31 |

NOTE 35: CAPITAL MANAGEMENT

Risk Management

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

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

| Particulars | As at 31/03/2022 | As at 31/03/2021 |
|---|-----------------------------|-----------------------------|
| Total debt | 50,881.09 | 57,765.89 |
| Less: Cash and cash equivalents & Other Bank balances | 8,468.40 | 7,158.68 |

| | | |
|--------------------------|------------------|------------------|
| Net Debt | 42,412.69 | 50,607.21 |
| Total equity | 24,772.52 | 22,227.45 |
| Debt-Equity ratio | 1.71 | 2.28 |

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

A. Relationships –

Category I:

Subsidiaries:

Compuage Infocom (S) Pte Ltd

Category II: Jointly Controlled Entity: NA

Category III:

Key Management Personnel (KMP)

| | |
|--|-------------------------|
| Atul H.Mehta | Executive Director |
| Bhavesh H.Mehta | Executive Director |
| Sunil Mehta (Resigned w.e.f. 28-02-2022) | Chief Financial Officer |
| Ruchita Shah (Resigned w.e.f. 23-07-2020) | Company Secretary |
| Anmol Jolly (w.e.f. 01-10-2020 to 27-03-2022) | Company Secretary |
| Hasti Pala (w.e.f. 29-03-2022) | Company Secretary |

Non-Executive Directors

G.S. Ganesh
Vijay Agarwal
Fatima Hussain
Hetel Kudecha (w.e.f. 07-02-2022)
Virendra Bhatt (w.e.f. 25-02-2021)

Category IV:

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

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

Transactions with the related parties:

| Particulars of transactions | For the year ended 31/03/2022 | For the year ended 31/03/2021 |
|--|-------------------------------|-------------------------------|
| Interest Paid to: | | |
| Atul H.Mehta | 29.21 | 18.84 |
| Bhavesh H.Mehta | 46.79 | 49.21 |
| Bhavesh M. Mehta | - | 1.04 |
| Falguni A. Mehta | 3.85 | 3.50 |
| Forum B. Mehta | 5.81 | 5.30 |
| Ajay H. Mehta | 16.38 | 11.91 |
| Nisha S. Mehta | 0.02 | 0.07 |
| Sunil M. Mehta HUF | 0.21 | 0.91 |
| Sunil M. Mehta | 0.54 | 0.28 |
| | | |
| Remuneration Paid to: | | |
| Atul H.Mehta | 120.00 | 120.00 |
| Bhavesh H.Mehta | 120.00 | 120.00 |
| Ruchita Shah (Resigned w.e.f. 23-07- 2020) | - | 1.53 |
| Anmol Jolly (w.e.f. 01-10-2020 to 28-03-2022) | 8.12 | 2.35 |
| Sunil Mehta (Resigned w.e.f. 28-02-2022) | 71.99 | 65.44 |
| Hasti Pala (w.e.f. 29-03-2022) | 0.05 | - |
| Sitting Fees to Non-Executive Directors | | |
| Vijay Agarwal | 6.00 | 8.00 |
| Fatima Nasab | 5.00 | 8.00 |
| Virendra Bhatt (w.e.f. 25-02-2021) | 7.00 | 1.00 |
| Hetal Kudecha (w.e.f. 07-02-2022) | 2.00 | - |
| Rent Paid to: | | |
| Trillizo Holdings Ltd. | 15.00 | 18.75 |
| | | |
| Printing & Stationery Paid to: | | |
| Pristine Care Products Pvt. Ltd. | 0.53 | 6.77 |
| Sale of IPR received from: | | |
| Pristine Care Products Pvt. Ltd. | - | 1.20 |

Balances due from/to the related parties:

| Particulars of transactions | As at 31/03/2022 | As at 31/03/2021 |
|----------------------------------|------------------|------------------|
| Outstanding receivables: | | |
| Trillizo Holdings Ltd. | 138.00 | 138.00 |
| Pristine Care Products Pvt. Ltd. | 75.75 | 75.75 |
| Outstanding payables: | | |
| Atul H.Mehta | 1,496.53 | 1,344.53 |
| Bhavesh H.Mehta | 1,371.16 | 1,676.16 |
| Compuage Infocom (S) Pte Ltd | 200.01 | 194.46 |
| Sunil Mehta | - | 28.25 |
| Falguni A. Mehta | 44.56 | 42.56 |
| Forum B. Mehta | 67.23 | 64.23 |
| Ajay H. Mehta | 1,152.92 | 1,021.92 |

NOTE 37: OUTSTANDING DUES OF MICRO ENTERPRISE AND SMALL ENTERPRISE

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

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

NOTE 38:

Valuation of Imports calculated on C.I.F. basis for One Year period ended 31st March 2022 is **₹17654.65 Lakh** (Previous year ₹ 23,521 Lakh).

NOTE 39: FOREIGN CURRENCY TRANSACTIONS

Expenditure in Foreign currency:

| Particular | Current Period | Previous Period |
|---------------------------|----------------|-----------------|
| Travelling | 2.37 | - |
| Mercantile Trade Purchase | - | 10,681.92 |

Earnings in Foreign Currency

| Particular | Current Period | Previous Period |
|-----------------------|----------------|-----------------|
| Mercantile Trade Sale | - | 10,788.74 |

NOTE 40: CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE

| Particular | Current Period | Previous Period |
|---|----------------|-----------------|
| a) Amount required to be spend by the company during the year | 64.81 | 76.08 |
| b) Actual amount spent by the company during the year | 65.85 | 79.02 |
| i) Construction/acquisition of any asset | - | - |
| ii) On purposes other than (i) above:- | | |
| Contribution to NGO's | 65.10 | 76.58 |
| Contribution to Companies own projects | - | - |
| Total amount spent in cash | 0.75 | 2.50 |
| c) Short fall at the end of the year | - | - |
| d) Total of the previous years short fall | - | - |
| e) Reason for short fall | NA | NA |

NOTE 41: RATIOS

| Particulars | Numerator | Denominator | Current Period | Previous Period | Variance |
|--|------------------------------------|----------------------------------|----------------|-----------------|----------|
| Current Ratio (times) | Current Assets | Current Liabilities | 1.28 | 1.3 | -1.54% |
| Debt Equity Ratio (times) | Total Debt | Shareholder's Equity | 2.24 | 2.74 | -18.25% |
| Debt Service Coverage Ratio (times) | Earning available for Debt Service | Debt Service | 0.92 | 1.05 | -12.38% |
| Return of Equity (ROE) (%) | Net Profit after Taxes | Average Shareholders Equity | 11.38% | 9.75% | 16.72% |
| Inventory Turnover Ratio (times) | COGS | Average Inventory | 10.66 | 10.88 | -2.02% |
| Trade Receivables Turnover Ratio (times) | Revenue from Operations | Average Trade Receivable | 7.82 | 6.73 | 16.20% |
| Trade Payables Turnover Ratio (times) | COGS | Average Trade Payables | 13.82 | 11.24 | 22.95% |
| Net Capital Turnover Ratio (times) | Revenue | Working Capital | 17.03 | 17.57 | -3.07% |
| Net Profit Ratio (%) | Net Profit after Taxes | Revenue from Operations | 0.64% | 0.55% | 16.36% |
| Return on Capital Employed (%) | Profit before Interest & Taxes | Total Assets-Current Liabilities | 36.80% | 30.37% | 21.17% |

NOTICE

Notice is hereby given that the Twenty Third Annual General Meeting of the Members of Compuage Infocom Limited (hereinafter referred to as “**Company**”) will be held on Tuesday, 30th day of August, 2022 at 11:30 Hours IST through Video Conferencing (“hereinafter referred to as “**VC**”) / Other Audio Visual Means (hereinafter referred to as “**OAVM**”) to transact the following business:

ORDINARY BUSINESS:

1. **To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended 31st March, 2022, along with the Reports of the Board of Directors and the Auditors thereon;**
2. **To declare dividend on Equity shares for the financial year ended 31st March, 2022.**
3. **To appoint a Director in place of Mr. Bhavesh H. Mehta (DIN: 00740861), who retires by rotation and being eligible, offers himself for re-appointment.**
4. **To consider the re-appointment of M/s. Bhogilal C. Shah & Co., Chartered Accountants (Firm Registration No. 101424W), as the Statutory Auditors of the Company and fix their remuneration, and if thought fit, to pass the following resolution as an Ordinary Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), M/s. Bhogilal C. Shah & Co., Chartered Accountants, Mumbai, having Firm Registration No. 101424W, be and is hereby re-appointed for a second term, as Statutory Auditors of the Company to hold office for a second term of 5 (Five) consecutive years from the conclusion of this 23rd Annual General Meeting of the Company till the conclusion of 28th Annual General Meeting of the Company to be held in the year 2027, on such remuneration plus reimbursement of all out-of-pocket in connection with the audit of the accounts of the Company, as may be mutually agreed upon by the Audit Committee and / or Board of Directors, in consultation with the Statutory Auditors of the Company.”

SPECIAL BUSINESS:

5. **To appoint Branch Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Section 143(8) and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Board of Directors of the Company be and are hereby authorized to appoint Branch Auditors, AAA Assurance PAC, Public Accountants and Chartered Accountants, Singapore, having Co. Registration No. 201408818E to audit the accounts in respect of the Company's branch office located at Singapore and to fix their terms and conditions of appointment and remuneration, plus taxes, as may be applicable, and reimbursement of all out-of-pocket expenses in connection with the audit of the accounts of the branch office outside India for the financial year ending 31st March, 2023, as may be mutually agreed upon by the Board of Directors and the Branch Auditors of the Company.”

6. **To increase the borrowing powers of the Company and to consider and if thought fit, to pass with or without modification, the following resolution as Special Resolution:**

“**RESOLVED THAT** in supersession of the earlier Resolution passed by the Members of the Company via Postal Ballot dated 20th January, 2015 and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) and provisions of the Memorandum and Articles of Association of the Company, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “**Board**”, which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution), to borrow, from time to time, all such money(ies) as may be deemed requisite for the purpose of business of the Company, upon

such terms and conditions as the Board may deem fit, by way of advances, loans, inter corporate deposits, facility of any nature, Commercial Papers, Issue of Debentures / Bonds, rupee term loans / foreign currency loans and / or other instruments, securities or otherwise, from anyone or more of the Company's bankers and / or from anyone or more other banks, persons, firms, companies / bodies corporate, financial institutions, institutional investor(s), mutual funds, insurance companies, pension funds and or any entity / entities or authority / authorities, notwithstanding that the money to be borrowed together with the money already borrowed by the Company (apart from cash credit arrangement, discounting of bills and other temporary loans obtained from the Company's bankers / financial institutions in the ordinary course of business) will or may exceed the aggregate of the paid-up share capital of the Company and its free reserves and securities premium, provided that the total amount up to which the money may be borrowed by the Company and outstanding at any given point of time shall not exceed the sum of **Rs. 1500 Crore** (Rupees Fifteen Hundred Crore Only).

RESOLVED FURTHER THAT the Board be and is hereby authorized, on behalf of the Company, from time to time, to arrange or settle the terms and conditions on which all such monies are to be borrowed as to interest, repayment, security or otherwise howsoever, as it may in its absolute discretion deem fit, necessary, proper, desirable and to settle any question, difficulty, doubt that may arise in respect of the borrowing(s) as aforesaid and to take decisions or steps, to do all other acts, deeds, matters and things as may be deemed fit, necessary and incidental for giving effect to the above resolution, including execution of all such documents, instruments and writings, as may be required."

7. To create mortgage / charge over the assets of the Company and to consider, and if thought fit, to pass with or without modification, the following resolution as Special Resolution:

"RESOLVED THAT in supersession of the earlier Resolution passed by the Members of the Company via Postal Ballot dated 20th January, 2015 and pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modifications or re-enactments thereof for the time being in force), as amended from time to time, provisions of the Memorandum and Articles of Association of the Company, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the **"Board"**, which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution), to create mortgage, charge and / or hypothecation, in addition to the existing mortgages, charges and hypothecation created by the Company as may be necessary on such of the assets of the Company, both present and future, in such manner as the Board may deem fit, together with power to take over the substantial assets of the Company in certain events, in favour of banks, financial institutions, non-banking finance companies, co-operative banks, insurance companies, pension funds, investment institutions and their subsidiaries, mutual funds, trusts and other bodies corporate (hereinafter referred to as the **"Lending Agencies"**) or trustees for the holders of debentures / bonds and / or other instruments or otherwise, to secure rupee term loans / foreign currency loans, debentures, bonds and other instruments (hereinafter referred to as the **"Borrowings"**) provided that the total amount of Borrowings together with interest thereon at the agreed rates, further interest, liquidated damages, premium on pre-payment or on redemption, costs, charges, expenses and all other moneys payable by the Company to the trustees under the trust deed and to the Lending Agencies under their respective agreements / loan agreements / security trustee agreements to be entered into by the Company in respect of the Borrowings for which the charge is created shall not exceed **Rs. 1500 Crore** (Rupees Fifteen Hundred Crore Only).

RESOLVED FURTHER THAT the Board be and is hereby authorized to mortgage, or otherwise offer as collateral, substantial property, assets and / or undertakings of the Company in certain events, to the lender(s) / investor(s) / agent(s) and / or trustee(s), to secure any kind of borrowings of the Company and to execute such documents / deeds / writings / papers / agreements as may be required and to do all such acts, deeds, matters and things, as they may, in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto."

By order of the Board of Directors
For **Compuage Infocom Limited**,

Date: 28th July, 2022
Place: Mumbai

Sd/-
Hasti Pala
Company Secretary

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

NOTES:

1. In view of the continuing global outbreak of the Covid-19 pandemic, social distancing is a norm to be followed. Accordingly, the Ministry of Corporate Affairs (hereinafter referred to as “MCA”) vide its General Circular No. 14/2020 dated 8th April, 2020, General Circular No. 17/2020 dated 13th April, 2020, General Circular No. 20/2020 dated 5th May, 2020, General Circular No. 02/2021 dated 13th January, 2021, General Circular No. 19/2021 dated 8th December, 2021, General Circular No. 21/2021 dated 14th December, 2021 and General Circular 02/2022 dated 5th May, 2022, (collectively referred to as “MCA Circulars”), permitted the holding of the Annual General Meeting (hereinafter referred to as “AGM”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (hereinafter referred to as “Act”), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “Listing Regulations”) and MCA Circulars, the AGM of the Company is being held through VC / OAVM. The proceedings of AGM shall be deemed to be conducted at the Registered Office of the Company situated at D-601/602 & G-601/602, Lotus Corporate Park, Graham Firth Steel Compound, Western Express Highway, Goregaon (E), Mumbai – 400 063, Maharashtra, India.
2. In compliance with the aforesaid MCA Circulars and SEBI Circular dated 12th May, 2020, SEBI Circular dated 15th January, 2021, SEBI Circular dated 13th May, 2022 (hereinafter referred to as “SEBI Circulars”), this Notice along with the Annual Report 2021-22, is being sent only through electronic mode to those Members whose email addresses are registered with the Company / depositories.
3. PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC / OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS AND THE SEBI CIRCULARS, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.
4. The Members can join the AGM through VC / OAVM mode 30 minutes before and 15 minutes after the scheduled time of the commencement of the AGM by following the procedure mentioned in this Notice. The facility of participation at the AGM through VC / OAVM shall be made available to at least 1000 Members on a first come first served basis as per the MCA Circulars. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, Auditors, etc., who are allowed to attend the AGM without restriction on account of first come first served basis.
5. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
6. B. Narasimhan, COP No.: 10440 & FCS No.: 1303, Partner, BN & Associates, Company Secretaries, failing whom, Avinash Bagul, COP No.: 19862 & FCS No.: 5578, Partner, BNP & Associates, Company Secretaries, have been appointed as the Scrutinizer for providing facility to the Members of the Company to scrutinize the e-Voting and remote e-Voting process in a fair and transparent manner.
7. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF / JPG Format) of its Board or governing body resolution / authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-Voting. The said resolution / authorization shall be sent to the Scrutinizer by email through its registered email address to bn@bnpassociates.in with a copy marked to investors.relations@compuageindia.com.
8. The Register of Members and the Share Transfer Books of the Company will remain closed from Wednesday, 24th August, 2022 to Tuesday, 30th August, 2022 (both days inclusive) (hereinafter referred to as “Book Closure”) for the purpose of the AGM.
9. The Dividend of Rs. 0.20 per equity share having face value of Rs. 2/- each (i.e. at the rate of 10%) for the year ended 31st March, 2022, as recommended by the Board, if approved by the Members at the AGM, shall be paid on or after 31st August, 2022, subject to deduction of tax at source (hereinafter referred to as “TDS”), to those Members whose names appear in the Company's Register of Members on Tuesday, 23rd August, 2022. In respect of shares in electronic form, the dividend will be payable on the basis of beneficial ownership as per the details furnished by the National Securities Depository Limited (hereinafter referred to as “NSDL”) and Central Depository Services (India) Limited (hereinafter referred to as “CDSL”) for this purpose. Members who are

unable to receive the dividend directly in their bank accounts through Electronic Clearing Service or any other means, due to non-registration of the Electronic Bank Mandate, the Company shall dispatch the dividend warrant / Bankers' cheque / demand draft to such Members, subject to availability of postal services and / or courier services.

10. Details under Regulation 36 of the Listing Regulations and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India, in respect of the Director seeking re-appointment at the AGM, form integral part of this Notice.
11. Members may note that this Notice and the Annual Report 2021-22 will also be available on the Company's website at www.compuageindia.com, websites of the stock exchanges, i.e., BSE Limited (hereinafter referred to as "BSE") and National Stock Exchange of India Limited (hereinafter referred to as "NSE") at www.bseindia.com and www.nseindia.com respectively.
12. Members seeking any information with regard to the accounts or any matter to be placed at the AGM are requested to write to the Company on or before 23rd August, 2022, through email on investors.relations@compuageindia.com. The same will be replied by the Company suitably.
13. Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of the Shareholders w.e.f. 1st April, 2020, and the Company is required to deduct TDS from dividend paid to the Members at prescribed rates in the Income Tax Act, 1961 (hereinafter referred to as "IT Act"). In general, to enable compliance with TDS requirements, Members are requested to complete and / or update their Residential Status, PAN, Category as per the IT Act with their Depository Participants (hereinafter referred to as "DPs") or in case shares are held in physical form, with the Company by sending documents by Tuesday, 23rd August, 2022, upto 17:00 Hours IST. For further details, Members are requested to refer the Finance Act, 2020 and amendments thereof.
14. Members who wish to give their mandate for receiving dividends directly in their bank accounts through Electronic Clearing System or any other means, are requested to follow the below mentioned procedure:

| | |
|------------------|--|
| Physical Holding | <p>Send a request to the Registrar and Transfer Agents of the Company, Link Intime India Pvt. Ltd. at mt.helpdesk@linkintime.co.in or at www.linkintime.co.in providing Folio No., Name of Shareholder, scanned copy of the Share Certificate (front and back), PAN (self-attested scanned copy of PAN card), Aadhar (self-attested scanned copy of Aadhar Card) for registering email address.</p> <p>Following additional details need to be provided in case of updating Bank Account Details:</p> <ol style="list-style-type: none"> a) Name and Branch of the Bank in which you wish to receive the dividend, b) the Bank Account type, c) Bank Account Number allotted by their banks after implementation of Core Banking Solutions d) 9 digit MICR Code Number, and e) 11 digit IFSC Code f) a scanned copy of the cancelled cheque bearing the name of the first shareholder. |
| Demat Holding | <p>Please contact your DPs and register your email address and bank account details in your demat account, as per the process advised by your DP.</p> |

15. Members holding shares in electronic form may please note that their bank details as furnished by the respective DPs to the Company will be considered for remittance of dividend as per the applicable regulations of the DPs and the Company will not entertain any direct request from such Members for change / addition / deletion in such bank details. Accordingly, the Members holding shares in demat form are requested to update their Electronic Bank Mandate with their respective DPs. Further, please note that instructions, if any, already given by Members in respect of shares held in physical form, will not be automatically applicable to the dividend paid on shares held in electronic form.
16. As per Regulation 40 of the Listing Regulations, as amended, requests for transfer, transmission and transposition of securities of listed companies shall be effected only in dematerialized form. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company's Registrar and Share Transfer Agent, Link Intime India Private Limited (hereinafter referred to as "RTA / LIPL") at mt.helpdesk@linkintime.co.in for assistance in this regard.
17. Members are encouraged to submit their questions in advance with regard to the financial statements or any other matter to be placed at the AGM, from their registered email address, mentioning their name, DP ID and Client ID number / Folio Number and mobile number, to reach the Company's email address at

investors.relations@compuageindia.com before 17:00 Hours IST on Tuesday, 23rd August, 2022. Queries that remain unanswered at the AGM will be appropriately responded by the Company at the earliest post the conclusion of the AGM.

18. Members are requested to :-

- Write to the Company through email at investors.relations@compuageindia.com atleast 7 days before the AGM, in case they desire any information as regards the Audited Accounts for the financial year ended 31st March, 2022.
- Intimate to the RTA of the Company immediately, about any change in their address, where the shares are held in electronic form, such change is to be informed to the DPs and not to the Company / RTA.
- Quote Registered Folio no. or DP ID / Client ID no. in all their correspondence.
- Approach the RTA of the Company for consolidation of folios.
- Avail Nomination facility by filing in form SH-13 in accordance with Section 72 of the Act and forward the same to the RTA, if not done. (Applicable for those holding shares in physical form).
- Send all share transfer lodgments (physical mode) / correspondence to the RTA of the Company, upto the date of book closure.

RTA DETAILS:

LINK INTIME INDIA PRIVATE LIMITED

C 101, 247 Park,
L.B.S Marg, Vikhroli (West),
Mumbai – 400 083.

19. The Company's shares are listed on BSE and NSE and applicable listing fees have been paid upto the date.

20. Members are requested to note that, the following dividends which remain unpaid and unclaimed for a period of seven years will be due for transfer to the Investor Education and Protection Fund (hereinafter referred to as "IEPF") of the Central Government. The shares in respect of such unclaimed dividends for a period of seven consecutive years are also liable to be transferred to the Demat account of the IEPF. In view of this, **Members / Claimants are requested to claim their unpaid / unclaimed dividends from FY 2014-15 till date, on or before 17th October, 2022.** The Members, whose unclaimed dividends / shares have been transferred to IEPF, may claim the same by making an application to the IEPF, in Form IEPF-5 available on www.iepf.gov.in.

| Dividend | Date of declaration of Dividend | Due for transfer to IEPF |
|-----------------|---------------------------------|--------------------------|
| 2014-15 (Final) | 25.09.2015 | 23.10.2022 |
| 2015-16 (Final) | 24.09.2016 | 29.10.2023 |
| 2016-17(Final) | 23.09.2017 | 25.10.2024 |
| 2017-18 (Final) | 28.09.2018 | 02.11.2025 |
| 2018-19 (Final) | 21.08.2019 | 23.09.2026 |
| 2019-20 (Final) | 18.08.2020 | 18.09.2027 |
| 2020-21 (Final) | 15.09.2021 | 20.10.2028 |

Shareholders who have not encashed the dividend draft(s) are requested to return the unclaimed / unpaid dividend draft(s) for revalidation or write to the Company's RTA at the above address to obtain duplicate dividend draft, immediately.

- Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone / mobile numbers, PAN, registering of nomination, power of attorney registration, Bank Mandate details, etc., to their DPs in case the shares are held in electronic form and to the RTA in case the shares are held in physical form, quoting their folio number and enclosing the self-attested supporting document. Further, Members may note that SEBI has mandated the submission of PAN by every participant in securities market.
- During the AGM, Members may access the electronic copy of Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act. Members desiring inspection of statutory registers and other relevant documents may send their request in writing to the Company at investors.relations@compuageindia.com, latest by 29th August, 2022 upto 15:00 Hours IST.
- To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DPs and holdings should be verified from time to time.

24. Any person, who acquires shares of the Company and becomes its Member after the sending of this Notice and holds shares as on the cut-off date for e-Voting, i.e., Tuesday, 23rd August, 2022, may obtain the Login ID and Password by sending a request to enotices@linkintime.co.in. However, if he / she is already registered with LIPL for remote e-Voting then he / she can use his / her existing User ID and password for casting the vote.

25. Voting through Electronic means:

In compliance with the provisions of Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015, and Regulation 44 of the Listing Regulations, the Company is pleased to provide the Members with facility to exercise their right to vote on resolutions proposed to be considered at the AGM by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the Members using an electronic voting system during the AGM will be provided by LIPL.

- I. The Members who have cast their vote by remote e-Voting prior to the AGM may also attend / participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.
- II. The remote e-Voting period commences on Saturday, 27th August, 2022, 9:00 Hours IST and ends on Monday, 29th August, 2022, 17:00 Hours IST. During this period, Members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date for e-Voting, i.e., on Tuesday, 23rd August, 2022, may cast their vote by remote e-Voting. The remote e-Voting module shall be disabled by LIPL for voting thereafter.
- III. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. The voting rights of the Members (for voting through remote e-Voting before the AGM and e-Voting during the AGM) shall be in proportion to their share of the paid-up equity share capital of the Company as on the cut-off date of Tuesday, 23rd August, 2022. Subject to receipt of requisite number of votes, the resolutions passed by remote e-Voting are deemed to have been passed as if they have been passed at the AGM, i.e., Tuesday, 30th August, 2022.
- IV. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date, i.e., Tuesday, 23rd August, 2022, shall be entitled to avail the facility of remote e-Voting before the AGM as well as e-Voting during the AGM. Any person holding shares in physical form and non-individual Shareholders, who acquires shares of the Company and becomes a Member of the Company after the dispatch of this Notice and holding shares as on the cut-off date, i.e., Tuesday, 23rd August, 2022, may obtain the User ID and password by duly following the procedure mentioned in Para 24 above.
- V. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting, by use of e-Voting system for all those Members who are present during the AGM through VC / OAVM but have not cast their votes by availing the remote e-Voting facility. The e-Voting module during the AGM shall be disabled by LIPL for voting 30 minutes after the conclusion of the AGM.

Remote e-Voting instructions for Shareholders are as follows:

Pursuant to SEBI circular dated 9th December, 2020, on e-Voting facility provided by listed companies, individual shareholders holding securities in demat mode can vote through their demat account maintained with Depositories and Depository Participants only post 9th June, 2021.

Shareholders are advised to update their mobile number and email ID in their demat accounts to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode/ physical mode is given below:

| Type of Shareholders | Login Method |
|---|--|
| Individual Shareholders holding securities in demat mode with NSDL | <ul style="list-style-type: none"> If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on “Access to e-voting” under e-voting services and you will be able to see e-voting page. Click on company name or e-voting service provider name and you will be re-directed to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting and voting during the meeting. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 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. Once the home page of e-voting system is launched, click on the icon “Login” which is available under ‘Shareholder / Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password / OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting and voting during the meeting. |
| Individual Shareholders holding securities in demat mode with CDSL | <ul style="list-style-type: none"> Existing user of who have opted for Easi / Easiest, they can login through their User ID and password. Option will be made available to reach e-voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi / Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-voting service provider i.e. NSDL, KARVY, LINK NTIME, CDSL. Click on e-voting service provider name to cast your vote. If the user is not registered for Easi / Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration. Alternatively, the user can directly access e-voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile and Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP where the e-voting is in progress. |
| Individual Shareholders (holding securities in demat mode) & login through their depository participants | <ul style="list-style-type: none"> You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. Once login, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting and voting during the meeting. |

Individual Shareholders holding securities in Physical mode & e-voting service Provider is LINKINTIME.

1. Open the internet browser and launch the URL: <https://instavote.linkintime.co.in>
- Click on “**Sign Up**” under ‘**SHARE HOLDER**’ tab and register with your following details: -
 - A. **User ID:** Shareholders/ members holding shares in **physical form shall provide** Event No + Folio Number registered with the Company.
 - B. **PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable).
 - C. **DOB/DOI:** Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)
 - D. **Bank Account Number:** Enter your Bank Account Number (last four digits), as recorded with your DP/Company.
 - E. Shareholders/ members holding shares in **physical form** but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above
- Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%*), at least one numeral, at least one alphabet and at least one capital letter).
- Click “confirm” (Your password is now generated).
2. Click on ‘Login’ under ‘**SHARE HOLDER**’ tab.
3. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on ‘**Submit**’.
4. After successful login, you will be able to see the notification for e-voting. Select ‘**View**’ icon.
5. E-voting page will appear.
6. Refer the Resolution description and cast your vote by selecting your desired option ‘**Favour / Against**’ (If you wish to view the entire Resolution details, click on the ‘**View Resolution**’ file link).
7. After selecting the desired option i.e. Favour / Against, click on ‘**Submit**’. A confirmation box will be displayed. If you wish to confirm your vote, click on ‘**Yes**’, else to change your vote, click on ‘**No**’ and accordingly modify your vote.

Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI, etc.) and Custodians are required to log on the e-voting system of LIIPL at <https://instavote.linkintime.co.in> and register themselves as ‘**Custodian / Mutual Fund / Corporate Body**’. They are also required to upload a scanned certified true copy of the board resolution /authority letter / power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the ‘**Custodian / Mutual Fund / Corporate Body**’ login for the Scrutinizer to verify the same.

Individual Shareholders holding securities in Physical mode and e-voting service Provider is LINKINTIME, have forgotten the password:

- Click on ‘**Login**’ under ‘**SHARE HOLDER**’ tab and further Click ‘**forgot password?**’
- Enter **User ID**, select **Mode** and Enter Image Verification (CAPTCHA) Code and Click on ‘**Submit**’.

- In case shareholders / members is having valid email address, Password will be sent to his / her registered e-mail address.
- Shareholders / members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.
- The password should contain minimum 8 characters, at least one special character (@!#\$%*), at least one numeral, at least one alphabet and at least one capital letter.

Individual Shareholders holding securities in demat mode with NSDL / CDSL have forgotten the password:

- Shareholders / members who are unable to retrieve User ID / Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.
 - It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - For shareholders / members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
 - During the voting period, shareholders / members can login any number of time till they have voted on the resolution(s) for a particular “Event”.

Helpdesk for Individual Shareholders holding securities in demat mode:

In case shareholders / members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL / CDSL, they may contact the respective helpdesk given below:

| Login type | Helpdesk details |
|--|--|
| Individual Shareholders holding securities in demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30 |
| Individual Shareholders holding securities in demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 22-23058542-43. |

Helpdesk for Individual Shareholders holding securities in physical mode / Institutional shareholders and e-voting service provider is LINKINTIME:

In case shareholders / members holding securities in physical mode / Institutional shareholders have any queries regarding e-voting, they may refer the **Frequently Asked Questions ('FAQs')** and **InstaVote e-voting manual** available at <https://instavote.linkintime.co.in>, under **Help** section or send an email to enotices@linkintime.co.in or contact on: - Tel: 022 -4918 6000.

Process and Manner for attending the Annual General Meeting through InstaMeet:

Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>

► Select the “Company” and ‘Event Date’ and register with your following details: -

- A. Demat Account No. or Folio No:** Enter your 16 digit Demat Account No. or Folio No
 - Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
 - Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
 - Shareholders / members holding shares in **physical form shall provide Folio Number** registered with the Company
- B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP) / Company shall use the sequence number provided to you, if applicable.
- C. Mobile No.:** Enter your mobile number.
- D. Email ID:** Enter your email id, as recorded with your DP/Company.

► Click “Go to Meeting” (You are now registered for InstaMeet and your attendance is marked for the meeting).

Instructions for Shareholders / Members to speak during the Annual General Meeting through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request 7 days in advance with the Company through email on investors.relations@compuageindia.com.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panelist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panelist by switching on video mode and audio of your device.

NOTE: Shareholders are requested to speak only when moderator of the meeting / management will announce the name and serial number for speaking.

Instructions for Shareholders / Members to Vote during the AGM through InstaMeet:

Once the electronic voting is activated by the scrutinizer / moderator during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-voting “Cast your vote”
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.
3. After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.
4. Cast your vote by selecting appropriate option i.e. “Favour / Against” as desired. Enter the number of shares (which represents number of votes) as on the cut-off date under ‘Favour / Against’.
5. After selecting the appropriate option i.e. Favour / Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

NOTE: Shareholders / Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting facility during the meeting. Shareholders / Members who have voted through remote e-voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders / Members are encouraged to join the Meeting through Tablets / Laptops connected through broadband for better experience.

Shareholders / Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders / members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

Guidelines to attend the AGM proceedings:

For a smooth experience of viewing the AGM proceedings of LIPL. InstaMEET, shareholders / members who are registered as speakers for the event are requested to download and install the Webex application in advance by following the instructions as under:

- a) Please download and install the Webex application by clicking on the link <https://www.webex.com/downloads.html/>, OR
- b) If you do not want to download and install the Webex application, you may join the meeting by following the process mentioned as under:
 1. Enter your First Name, Last Name and Email ID and click on Join Now
 2. If you have already installed the Webex application on your device, join the meeting by clicking on Join Now
 3. If Webex application is not installed, a new page will appear giving you an option to either Add Webex to chrome or [Run a temporary application](#). Click on [Run a temporary application](#), an exe file will be downloaded. Click on this exe file to run the application and join the meeting by clicking on Join Now.

General Guidelines for Shareholders:

- I. A Member may participate in the AGM even after exercising his right to vote through remote e-Voting but shall not be allowed to vote again at the AGM.
- II. A person, whose name is recorded in the register of Members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e., Tuesday, 23rd August, 2022, only shall be entitled to avail the facility of remote e-Voting as well as e-Voting at the AGM.

Institutional Shareholders (i.e. other than Individuals, HUF, NRI, etc.) and Custodian are required to log on to e-Voting system of LIPL: <https://instavote.linkintime.co.in> and register themselves as ‘Custodian

/ **Mutual Fund / Corporate Body**'. They are also required to upload a scanned certified true copy of the board resolution / authority letter / power of attorney, etc., together with attested specimen signature of the duly authorized representative(s) in PDF format in the '**Custodian / Mutual Fund / Corporate Body**' login for the Scrutinizer to verify the same.

- III. During the voting period, Shareholders can login any number of time till they have voted on the resolution(s) for a particular "Event".
- IV. Shareholders holding multiple folios / demat account shall choose the voting process separately for each of the folios / demat account.
- V. In case the Shareholders have any queries or issues regarding e-Voting, please refer the Frequently Asked Questions (FAQs) and Instavote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or write an email to enotices@linkintime.co.in or Call us :- Tel : +91 (022) – 4918 6000.
- VI. The Chairman shall, during the AGM / at the end of discussion / after every business item for the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by way of e-Voting system for the purpose of conducting a poll for all those Members who are present at the AGM but have not cast their votes by availing the remote e-Voting facility.
- VII. The Scrutinizer will submit his report to the Chairman or to any other person authorized by the Chairman after the completion of the scrutiny of the e-Voting (votes cast during the AGM and votes casted through remote e-Voting), not later than 2 working days from the conclusion of the AGM. The result declared along with the Scrutinizer's report shall be communicated to BSE, NSE and RTA and will also be displayed on the Company's website at www.compuageindia.com and on the RTA's website at <https://instavote.linkintime.co.in>.
- VIII. The voting results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.compuageindia.com immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the stock exchanges.

DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT AS REQUIRED UNDER REGULATION 36 OF THE LISTING REGULATIONS:

Details of Mr. Bhavesh H. Mehta (DIN: 00740861) with reference to Item No. 3 of this Notice:

Pursuant to Section 152(6) of the Act, Mr. Bhavesh H. Mehta (DIN: 00740861) is liable to retire by rotation at the ensuing 23rd AGM and being eligible, offers himself for re-appointment. Re-appointment at the ensuing 23rd AGM as a Director retiring by rotation would not constitute any break in his appointment as Whole-Time Director of the Company.

Mr. Bhavesh H. Mehta, aged 49, is a Whole-Time Director at the Company. He holds Master's degree in Commerce with a specialization in marketing with expertise in the areas of Operations and Supply Chain Management. In addition, he has wide-ranging experience and specialization in Logistics and Imports. He joined the Company on 18th October, 2000 and has experience of more than 25 years in the IT Distribution Business. He has been a part of the core team and key managerial person that has enabled the Company to expand over the years.

In his long career with the Company since joining in the year 2000, apart from being responsible for Operations and Supply Chain Management, he advises on Business and Sales Strategies which leads to the Company's growth. He has taken many challenging roles and responsibilities for driving growth in the Company which includes constant endeavor to improve the systems and process, enhancing productivity and bringing new relationships on the table for the Company. He holds 1,49,54,380 Equity Shares of the Company comprising to 23.02% of the paid up capital. He is one of the Members of Corporate Social Responsibility Committee of the Company. Upon his re-appointment as a Director, Mr. Bhavesh H. Mehta shall continue to hold office as a Whole-Time Director of the Company.

Directorship

He acts as a Director on the Board of Compuage Technologies Private Limited. He does not hold any Directorship or Chairmanship or Membership of Committees in other listed entity and he has not resigned as a Director from any listed entity in past three years.

Chairperson of Board Committees

None

Member of Board Committees

Corporate Social Responsibility Committee of CIL

Shareholding in the Company

As on 31st March, 2022, Mr. Bhavesh H. Mehta holds 1,49,54,380 Equity Shares of the Company.

Relationships between Directors inter-se

Brother of Mr. Atul H. Mehta, Chairman and Managing Director (DIN: 00716869)

Terms and conditions of re-appointment

Appointment as Whole-Time Director, liable to retire by rotation

Details of remuneration last drawn (FY 2021-22)

Rs.1,20,00,000/- p.a.

Details of proposed remuneration

As approved by the Members of the Company at the 21st AGM held on 18th August, 2020

Number of Meetings of the Board attended during the financial year 2021-22

9 out of 9

In view of the above, the Board recommends his re-appointment.

Explanatory Statement
(Pursuant to Section 102 of the Act and Regulation 36 of the Listing Regulations)

Item No. 4:

M/s Bhogilal C. Shah & Co., Chartered Accountants, having Firm Registration No. 101424W, were appointed as Statutory Auditors of the Company at the 18th Annual General Meeting for a first term to hold office for 5 (Five) consecutive years from the conclusion of 18th AGM till the conclusion of 23rd AGM of the Company to be held in the year 2022.

M/s Bhogilal C. Shah & Co., Chartered Accountants are eligible to be re-appointed for a second term of 5 (Five) consecutive years. In accordance with the provisions of the Section 139, 141, 142 and other applicable provisions, if any, of the Act read with Companies (Audit and Auditors) Rules, 2014 and Listing Regulations, M/s Bhogilal C. Shah & Co., Chartered Accountants have provided their consent and eligibility certificate to that effect that, their re-appointment, if made, would be in compliance with the applicable laws.

Subject to approval of the shareholders of the Company, the Board of Directors at its Meeting held on 28th July, 2022, based on recommendation of the Audit Committee, have approved the re-appointment of the M/s Bhogilal C. Shah & Co., Chartered Accountants, as the Statutory Auditors of the Company for a second term of 5 (Five) consecutive years, from the conclusion of this 23rd AGM till the conclusion of 28th AGM of the Company to be held in the year 2027. The proposed remuneration to be paid to the Statutory Auditors for the financial year 2022-23 is Rs.20 Lakh (Rupees Twenty Lakh Only). For the remaining period of the second term, the remuneration to be paid shall be mutually agreed between the Audit Committee and / or Board of Directors and Statutory Auditors of the Company from time to time.

None of the Directors, Key Managerial Personnel of the Company and their relatives, other than to the extent of their shareholding in the Company, if any, are concerned or interested, financially or otherwise, in the aforesaid resolution.

Item No. 6:

The Members of the Company had authorized the Board of Directors of the Company, to borrow, from time to time a sum or sums of monies not exceeding Rs. 1,000 Crore (Rupees One Thousand Crore Only), on such terms and conditions as it may deem fit under Section 180(1)(c) of the Act vide Special Resolution passed through Postal Ballot dated 20th January, 2015.

Taking into account the business operations and ambitious future growth plans of the Company and to cater to the working capital needs, it is proposed to enhance the borrowing limits to enable the Board of Directors to borrow monies, provided that the total amount so borrowed by the Board shall not at any time exceed Rs. 1500 Crore (Rupees Fifteen Hundred Crore Only).

Pursuant to the provisions of the Section 180(1)(c) of the Act and rules made thereunder, the borrowings of the Company (apart from cash credit arrangement, discounting of bills and other temporary loans obtained from the Company's bankers / financial institutions in the ordinary course of business) obtained or to be obtained in excess of the paid-up share capital of the Company, its free reserves and securities premium, require the approval of the Members of the Company by way of Special Resolution.

In light of the above, it is proposed to enhance the borrowing powers of the Company for a sum not exceeding Rs. 1500 Crore (Rupees Fifteen Hundred Crore Only).

Accordingly, the Board recommends the Special Resolution, set out at Item No. 6 of this Notice for approval of the Members.

None of the Directors, Key Managerial Personnel of the Company and their relatives, other than to the extent of their shareholding in the Company, if any, are concerned or interested, financially or otherwise, in the aforesaid resolution.

Item No. 7:

The Members of the Company had, vide Special Resolution passed through Postal Ballot dated 20th January, 2015, accorded their approval under Section 180(1)(a) of the Act, to create securities for borrowings by creation of mortgage, charge and / or hypothecation on movable and immovable assets of the Company.

The proposed borrowings of the Company may, if necessary, be secured by way of charge / mortgage / hypothecation on the Company's assets in favour of the lenders / holders of securities / trustees for the holders of the said securities as mentioned in the resolution at item No. 7. As the documents to be executed between the lenders / security holders / trustees for the holders of the said securities and the Company, may contain provisions to take over substantial assets of the Company in

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certain events, it is necessary to pass a special resolution under Section 180(1)(a) of the Act for creation of charges / mortgages / hypothecations for an amount not exceeding Rs. 1500 Crore (Rupees Fifteen Hundred Crore Only).

In view of the revision in the borrowing limit as set out in Item No. 6, the Board recommends a revision in the limit up to which charge can be created on assets / properties in line with the revised borrowing limit.

Accordingly, the Board recommends the Special Resolution, set out at Item No. 7 of this Notice for approval of the Members.

None of the Directors, Key Managerial Personnel of the Company and their relatives, other than to the extent of their shareholding in the Company, if any, are concerned or interested, financially or otherwise, in the aforesaid resolution.

By order of the Board of Directors
For **Compuage Infocom Limited**,

Date: 28th July, 2022

Place: Mumbai

Sd/-
Hasti Pala
Company Secretary

Registered Office:

D-601/602 & G-601/602, Lotus Corporate Park,
Graham Firth Steel Compound,
Western Express Highway,
Goregaon (E), Mumbai – 400 063,
Maharashtra, India.
CIN: L99999MH1999PLC135914
Email: investors.relations@compuageindia.com



*Speed
Reliability
Value Performance*

COMPUAGE INFOCOM LTD

2022



For more details, contact:

Compuage Infocom Ltd

CIN: L99999MH1999PLC135914

Regd Office: D 601 | 602 & G 601 | 602, Lotus Corporate Park
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