

## **MACHINT SOLUTIONS PRIVATE LIMITED NOTICE**

Notice is hereby given that the 3<sup>rd</sup> Annual General Meeting of the Members of **MACHINT SOLUTIONS PRIVATE LIMITED** will be held on Tuesday, 30<sup>th</sup> November, 2021 at 11.00 A.M. at the Registered office of the Company situated at Plot No 76 & 76A, 2<sup>nd</sup> Floor, Ramkrupa Towers, Jubilee Enclave, Madhapur, Hyderabad, Rangareddi, Telangana - 500081 India to transact the following business (With Shorter Notice).

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statement for the year ended 31<sup>st</sup> March, 2021 together with the Reports of the Board of Directors and the Auditors thereon.

### **SPECIAL BUSINESS:**

2. **Appointment of Mr. Anuj Yamali (DIN: 09300800) as Director of the Company:**

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

**"RESOLVED THAT** pursuant to the provisions of Sec. 152 (2) and all other applicable provisions if any, of the Companies Act, 2013 read with the rules made there under, Mr. Anuj Yamali (DIN: 09300800) who was appointed as an Additional Director of the Company with effect from 1<sup>st</sup> September, 2021 and who holds office as such up to the date of this Annual General Meeting, be and is hereby appointed as the Director of the Company."

By order of the Board  
**MACHINT SOLUTIONS PRIVATE LIMITED**

*S. Chakravarthy Sanakkayala*

**Kalyan Chakravarthy Sanakkayala**  
**Managing Director**  
**(DIN: 08104981)**

**Place: Hyderabad**  
**Date: 29.11.2021**



**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Proxy(ies) in order to be effective shall be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights.
4. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
5. The relevant Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 in respect of the Special Business set out above is annexed hereto.

**STATEMENT TO BE ANNEXED TO THE NOTICE**  
Statement Pursuant to Section 102 of the Companies Act, 2013

Item No.2:

Pursuant to the provisions of Section 161 and other applicable provisions of the Companies Act, 2013 read with the rules made there under, Mr. Anuj Yamali (DIN: 09300800) was appointed as Additional Director of the Company w.e.f 1<sup>st</sup> September, 2021. He continues to hold office until the conclusion of the ensuing AGM.

He is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given her consent to act as a Director.

Save and except Mr. Anuj Yamali (DIN: 09300800) and his relatives to the extent of their shareholding interest if any in the Company, may be deemed to be concerned or interested in the said resolutions.

None of the other Directors / Key Managerial Personnel /Managers of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board recommends the resolutions for your approval.

# MACHINT SOLUTIONS PRIVATE LIMITED

CIN: U74999TG2018PTC127147

Registered Office: Plot No 76 & 76A, 2<sup>nd</sup> Floor, Ramkrupa Towers, Jubilee Enclave, Madhapur,  
Hyderabad, Rangareddi, Telangana - 500081 India.

## PROXY FORM

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

I/We, being the member(s) of \_\_\_\_\_ shares of the above named company, hereby appoint:

|  |  |  |  |
|--|--|--|--|
| Name of the member(s):<br>Registered address:                    |  | Email id:<br>Folio No./ Client id<br>No:<br>DP id No:            |  |
| 1.Name:<br>Address:<br>Email id:<br>Signature:<br>Or failing him | 2.Name:<br>Address:<br>Email id:<br>Signature:<br>Or failing him | 3.Name:<br>Address:<br>Email id:<br>Signature:<br>Or failing him |  |

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 3<sup>rd</sup> Annual General Meeting of the company, to be held on Tuesday, 30<sup>th</sup> November, 2021 at 11.00 A.M. at the Registered office of the Company situated at Plot No 76 & 76A, 2<sup>nd</sup> Floor, Ramkrupa Towers, Jubilee Enclave, Madhapur, Hyderabad, Rangareddi, Telangana - 500081 India and at any adjournment thereof in respect of such resolutions as are indicated below:

| S. No | Resolution   |
|-------|--|
| 1     | Adoption of Audited Financial Statement, Board's Report and Auditor's Report for the Financial Year ended 31 <sup>st</sup> March, 2021 |
| 2     | Appointment of Mr. Anuj Yamali (DIN: 09300800) as Director of the Company  |

Signed this.....day of.....2021

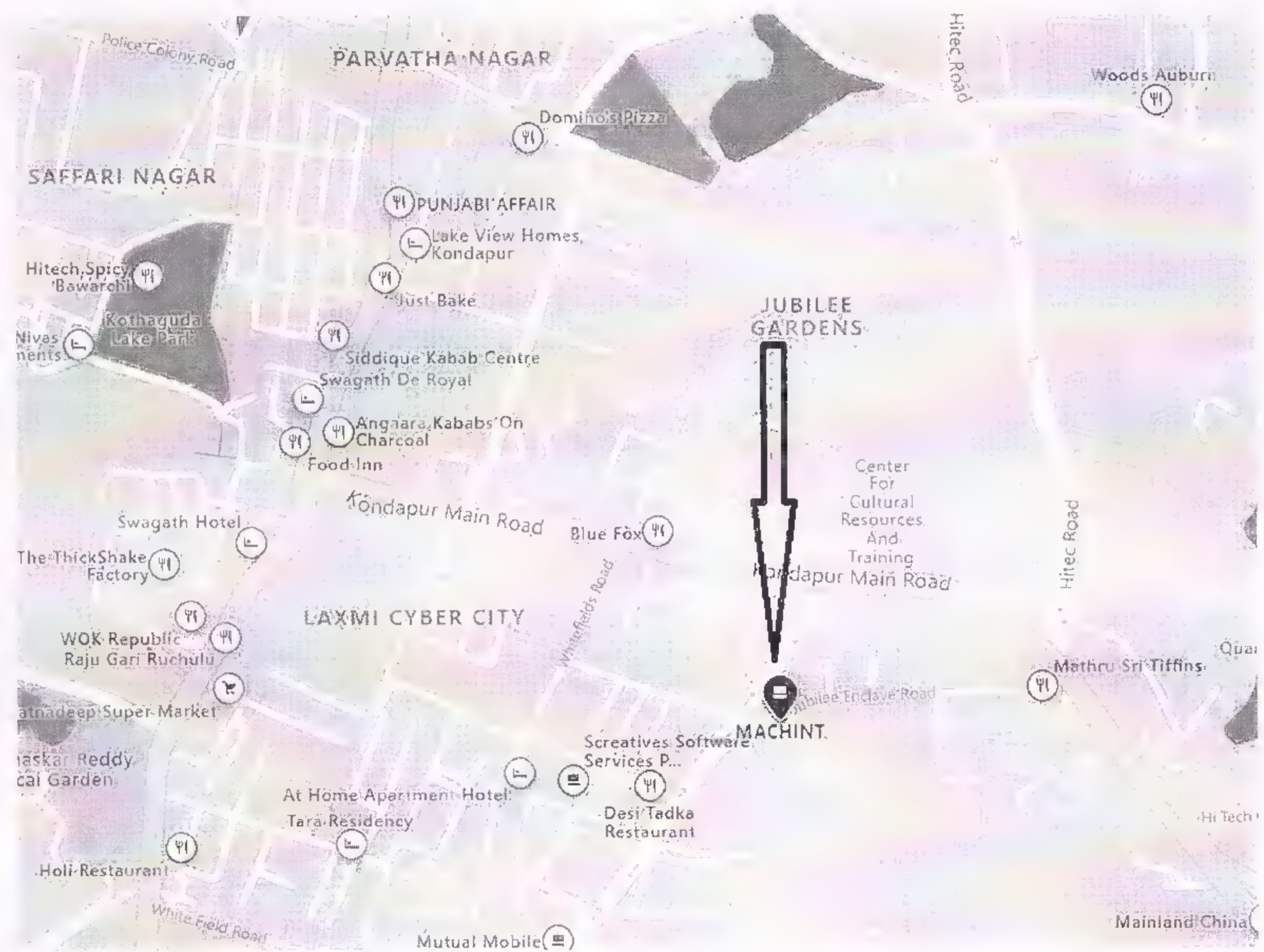
Signature of shareholder:

Signature of Proxy holder(s):

Affix  
Re.1/-  
Revenue  
stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

## Route Map



**BOARD'S REPORT**

To  
The members,  
**MACHINT SOLUTIONS PRIVATE LIMITED**

Your Director's are pleased to present the 3<sup>rd</sup> ANNUAL REPORT together with audited accounts for the financial year ended 31<sup>st</sup> March 2021.

**FINANCIAL SUMMARY/HIGHLIGHTS, OPERATIONS, STATE OF AFFAIRS:**

|                          | (Amount in Rs.)           |                            |
|--------------------------|---------------------------|----------------------------|
|                          | Current Year<br>(2020-21) | Previous Year<br>(2019-20) |
| Gross Income             | 14,12,24,542              | 5,93,58,063                |
| Total Expenditure        | 12,62,84,624              | 5,21,74,711                |
| Profit/(loss) before Tax | 1,49,39,918               | 71,83,352                  |
| Tax Expense              | 37,11,665                 | 19,18,007                  |
| Profit/(loss) after Tax  | 1,12,28,253               | 52,65,345                  |

**PERFORMANCE REVIEW:**

During the financial year, your Company has recorded a net profit of Rs. 1,12,28,253/- as against the net profit of Rs. 52,65,345/- in the previous year.

**CHANGE IN THE NATURE OF BUSINESS:**

In pursuance to Rule 8(5) of Companies (Accounts) Rules, 2014, there is no change in the nature of business of the Company.

**HOLDING/ SUBSIDIARIES/ JOINT VENTURES/ ASSOCIATE COMPANIES:**

The Company does not have any Subsidiary, Joint venture or Associate Company during the year under the review.

**SHARE CAPITAL:**

The authorized share capital of the company as on 31<sup>st</sup> march, 2021 was Rs. 1,25,00,000/- (Rupees One Crore Twenty Five Lakhs only) divided into 12,50,000 equity shares of Rs. 10/- each and paid up share capital of the company as on 31<sup>st</sup> March, 2021 was Rs. 1,25,00,000/- (Rupees One Crore Twenty Five Lakhs only) divided into 12,50,000 equity shares of Rs. 10/- each.

During the year the authorized share capital of the company was increased from Rs. 1,00,00,000/- (Rupees One Crore only) divided into 10,00,000 (Ten Lakhs) Equity shares of Rs. 10/- each to Rs. 1,25,00,000/- (Rupees One Crore Twenty Five Lakhs only) divided into 12,50,000 equity shares of Rs. 10/- each vide resolution passed at the Extra Ordinary General held on 27<sup>th</sup> July, 2020.

During the year under review, the board at its meeting held on 5<sup>th</sup> November, 2020 has allotted 2,50,000 equity shares of Rs. 10/- each on rights issue basis to its shareholders.

**TRANSFER TO RESERVES:**

The Company has not transferred any amount to the General Reserve for the financial year ended 31<sup>st</sup> March 2021.

**DIVIDEND:**

The Directors of your Company has not recommended any dividend for the financial year ended 31<sup>st</sup> March 2021.

**BOARD MEETINGS:**

Fourteen (15) Board meetings were held during the financial year ended 31<sup>st</sup> March 2021. The dates on which the said meetings were held are

1. 21<sup>st</sup> May, 2020
2. 26<sup>th</sup> June, 2020
3. 27<sup>th</sup> June, 2020
4. 2<sup>nd</sup> July, 2020
5. 30<sup>th</sup> July, 2020
6. 14<sup>th</sup> August, 2020
7. 3<sup>rd</sup> September, 2020
8. 17<sup>th</sup> September, 2020
9. 21<sup>st</sup> September, 2020
10. 5<sup>th</sup> November, 2020
11. 12<sup>th</sup> January, 2021
12. 19<sup>th</sup> January, 2021
13. 1<sup>st</sup> March, 2021
14. 27<sup>th</sup> March, 2021
15. 31<sup>st</sup> March, 2021

| Name of the Director                | No. of Meetings Attended |
|-------------------------------------|--------------------------|
| Mr. Kalyan Chakravarthy Sanakkayala | 15                       |
| Mrs. Padmavathi Chillara            | 15                       |
| Mr. Srinivasa Rao Goli              | 15                       |
| Mr. Sri Rama SubbaRao Kopparthi     | 15                       |
| Mr. Rajesh Sanakkayala              | 3                        |

## DIRECTORS & KMP:

The Board of Directors has been duly constituted with the following Directors:

| SI | Name of the Director                | Designation         |
|----|-------------------------------------|---------------------|
| 1  | Mr. Kalyan Chakravarthy Sanakkayala | Managing Director   |
| 2  | Mrs. Padmavathi Chillara            | Director            |
| 3  | Mr. Srinivasa Rao Goli              | Director            |
| 4  | Mr. Sri Rama SubbaRao Kopparthi     | Whole Time Director |

The following were changes in composition of Board of Directors during the year under review:

- Mr. Srinivasa Rao Goli was Appointed as Additional Director w.e.f 21<sup>st</sup> May, 2020 and regularized as Director at the AGM held on 19<sup>th</sup> September, 2020.
- Mr. Rajesh Sanakkayala resigned as Director of the Company w.e.f. 27<sup>th</sup> June, 2020.
- Mr. kalyan Chakravarthy Sanakkayala, was appointed as Managing Director w.e.f. 26<sup>th</sup> June, 2020.
- Mr. Sri Rama Subba Rao Kopparthi was appointed as Additional Director w.e.f 30<sup>th</sup> July, 2020 and regularized as Director at the AGM held on 19<sup>th</sup> September, 2020.
- Mr. Sri Rama Subba Rao Kopparthi appointed as Whole Time Director w.e.f 27<sup>th</sup> March, 2021.

Company is not mandatorily required to appoint any whole time Key Managerial Personnel (KMP).

## PARTICULARS OF EMPLOYEES:

Since the Company is a Private Limited Company, the disclosures under Section 197(12) are not applicable to the Company.

## DIRECTORS' RESPONSIBILITY STATEMENT:

In pursuance of section 134 (5) of the Companies Act, 2013, the Directors hereby confirm that:

- (a) In the preparation of the annual accounts for the financial year ended on 31<sup>st</sup> March 2021, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year 31<sup>st</sup> March, 2021 and of the profit and loss of the company for that period;
- (c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The directors had prepared the annual accounts on a going concern basis;

(e) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### STATUTORY AUDITORS & AUDITORS REPORT:

M/s. NSVR & Associates LLP, Chartered Accountants (Reg No: 008801S/S200060) were appointed as statutory auditors of the company for a term of 5 years i.e., from the conclusion of this 1<sup>st</sup> Annual General Meeting till the conclusion of 6<sup>th</sup> Annual General Meeting.

The Notes on financial statements referred to in the Auditor's Report are self-explanatory and do not call for, further comments.

#### CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS/OUTGO:

The details regarding Energy Conservation, Technology, Absorption, Foreign Exchange Earnings and Outgo as required under Section 134 (3) (m) of the Companies Act, 2013 is given below:

##### (A) Conservation of energy:

- (i) Steps taken or impact on conservation of energy: NIL.
- (ii) Steps taken by the Company for utilizing alternate sources of energy: NIL
- (ii) Capital investment on energy conservation equipment: NIL

##### (B) Technology absorption:

- (i) Efforts, in brief, made towards technology absorption: NIL
- (ii) Benefits derived as a result of the above efforts: NIL
- (iii) Technology imported during the financial year 2020 – 2021: NIL
- (iv) Expenditure incurred on Research and Development: NIL

##### (C) Foreign exchange earnings and outgo:

- (i) Foreign exchange earnings: Rs. 3,70,28,160/-
- (ii) Foreign exchange outgo: Nil

#### EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS IN THEIR REPORT:

There are no qualifications, reservations or adverse remarks made by the Auditors in their report.

#### PUBLIC DEPOSITS:

The Company has not accepted any public deposits under Sections 73 & 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 during the year under review.

#### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The company has not made any loans, guarantees or investments as per the Provisions of Section 186 of Companies Act, 2013 during the financial year 2020-2021.

#### SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS:

There are no significant and material orders passed by the regulators or Courts or Tribunals impacting the going concern status and the company's operations in future.

#### RELATED PARTY TRANSACTIONS:

All related party transactions that have been entered into by the Company, if any, during the year under review are in the ordinary course of business and on arm's length basis and are in compliance with the applicable provisions of the Companies Act, 2013. There are no materially significant Related Party Transactions entered into by the Company with Promoters, Directors, Key Managerial Personnel, which may have a potential conflict with the interest of the Company at large.

#### CORPORATE SOCIAL RESPONSIBILITY:

As the Company is not falling under the criteria, the provisions of section 135 of the Companies Act, 2013, the Corporate Social Responsibility were not applicable to the Company.

#### MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relate on the date of this report.

#### RISK MANAGEMENT POLICY:

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. At present the company has not identified any element of risk which may threaten the existence of the company.

#### MAINTENANCE OF COST RECORDS:

The Company does not fall under the criteria as specified by the Central Government under Sub Section (1) of Section 148 of the Companies Act, 2013 for maintenance of cost records and hence is not required to maintain the cost records.

#### DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:

The Company has adopted the policy for Prevention of Sexual Harassment (POSH) in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act 2013. During the year under the review, the Company has not received any complaint under these provisions.

The Company has complied with the provisions relating to constitution of Internal Complaints Committee under the Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) Act 2013.

#### DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF THE SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT:

No fraud has been reported by the Auditors under Sub-Section (12) of the Section 143.

#### DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:

The Company has adequate systems of internal financial controls of safeguard and protect the Company from loss, unauthorised use or disposition of its assets. All the transactions are properly authorised, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements.

#### EQUITY SHARES WITH DIFFERENTIAL RIGHTS:

The Company did not issue any equity shares with differential rights during the year which requires disclosure under Rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014.

#### SWEAT EQUITY SHARES:

The Company did not issue any Sweat Equity Shares which requires disclosure under Rule 8 of the Companies (Share Capital and Debentures) Rules, 2014.

#### EMPLOYEE STOCK OPTIONS:

During the year under review, the shareholders of the company at their meeting held on 8<sup>th</sup> March, 2021 has approved the "Employee Stock Option Scheme, 2021." The disclosures required under Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 has been annexed as a part of this Annual Report as Annexure I.

#### VIGIL MECHANISM:

The Company has not accepted any deposits. The Company has not borrowed monies in excess of Rs. 50 crores or more from banks and financial institutions; hence the provisions of Section 177(9) relating to Vigil Mechanism are not applicable to the Company.

#### AUDIT COMMITTEE:

The provisions of Section 177 of the Companies Act 2013 with respect to Audit Committee are not applicable to the Company.

#### SECRETARIAL STANDARDS:

The Company has complied with the applicable secretarial standards issued by the Institute of Company Secretaries of India.

#### ACKNOWLEDGEMENT:

Your directors take this opportunity to thank the dedicated employees of the Company and all others who are continuing to help and support the Company. The directors wish to place on record their appreciation of the continued cooperation and assistance of the Central Government, State Government and the Bankers, Customers and the valuable advice and support received from the shareholder.

For and on behalf of the Board  
MACHINT SOLUTIONS PRIVATE LIMITED

*S. Ch. Kalyan Chakravarthy*  
Kalyan Chakravarthy Sanakkayala  
DIN: 08104981  
Managing Director

*ch. Padmavathi*

Padmavathi Chillara  
DIN: 08160329  
Director



Place: Hyderabad  
Date: 29.11.2021

# Annexure I

## Employee Stock Option Scheme, 2021

[As per Rule 12(9) of The Companies (Share Capital and Debentures) Rules, 2014]

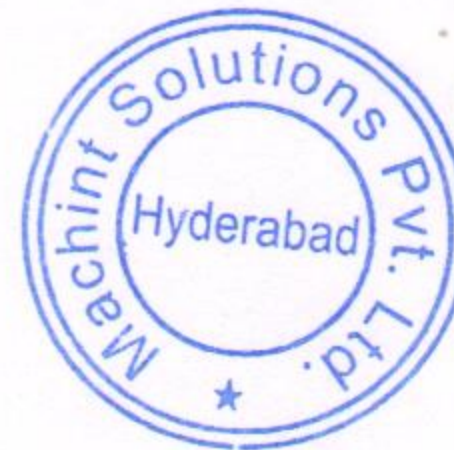
| SI | Particulars  | Particulars  |
|----|--|--|
| 1  | Options granted  | 8345 (Eight Thousand Three Hundred and Forty Five Only) Employee Stock Options were granted. |
| 2  | Options vested   | --   |
| 3  | Options exercised  | --   |
| 4  | Total number of shares arising as a result of exercise of option   | --   |
| 5  | Options lapsed   | --   |
| 6  | Exercise price   | Exercise price shall be at par value of the shares. (i.e., Rs. 10/- per share)               |
| 7  | Variation of terms of options  | --   |
| 8  | Money realized by exercise of options  | --   |
| 9  | Total number of options in force   | 8345 (Eight Thousand Three Hundred and Forty Five Only) Employee Stock Options               |
| 10 | Employee wise details of options granted to;-<br>(i) key managerial personnel;<br><br>(ii) any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year.<br><br>(iii) identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant; | NA<br><br>NA<br><br>NA   |

For and on behalf of the Board  
MACHINT SOLUTIONS PRIVATE LIMITED

Place: Hyderabad  
Date: 29.11.2021

S. ch. Kalyan Chakravarthy K7  
Kalyan Chakravarthy Sanakkayala  
DIN: 08104981  
Managing Director

ch. Padmavathi  
Padmavathi Chillara  
DIN: 08160329  
Director





**INDEPENDENT AUDITOR'S REPORT**

To the Members of **M/s. Machint Solutions Private Limited**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the accompanying financial statements of **M/s. Machint Solutions Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the 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 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 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 independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made 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 audit opinion on the financial statements.

**Key Audit Matters**

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



**Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

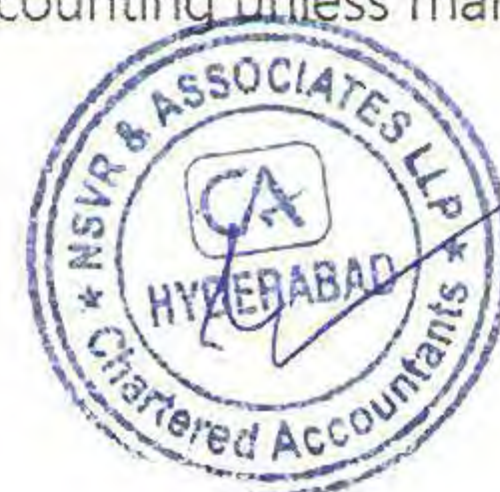
In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears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

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

**Management's Responsibility for the 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 financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards referred to in Section 133 of Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either



intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the Accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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



**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016, issued by the department of company affairs, in terms of section 143 (11) of the companies Act, 2013, and on the basis of our examination of the books and records as we considered appropriate and according to the information and explanation given to us, we give in the "Annexure A" a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Companies Act 2013, we report that:
  - a) 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 and Statement of Profit and Loss and Cash flow Statement dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid financials comply with the Accounting Standards specified under of Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014
  - e) On the basis of written representations received from the directors as on March 31, 2021, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021, from being appointed as a director in terms of sub section (2) of section 164 of the Companies Act, 2013.
  - f) Since the Company's turnover as per last audited financial statements is less than Rs.50 Crores and its borrowings from banks and financial institutions at any time during the year is less than Rs.25 Crores, the Company is exempted from getting an audit opinion with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls vide notification dated June 13, 2017; and
  - f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i) There are no pending litigations for or against the Company which would impact its financial position.
    - ii) The Company does not have any derivatives contracts. Further there are no long term contracts for which provisions for any material foreseeable losses is required to be made.



iii) There are no amounts pending that are required to be transferred to Investor Education and Protection Fund.

**For NSVR & ASSOCIATES LLP.**

Chartered Accountants

(FRN No.0088015/S200060)

  
CA. Rangababu.M

(Partner)

M.no:218544

UDIN : 21218544AAAADP7943



Date: 26.11.2021

Place: Hyderabad

**ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Machint Solutions Private Limited of even date)

i. In respect of the Company's fixed assets:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

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

(c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising all the Immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the financial statements, the lease agreements are in the name of the Company.

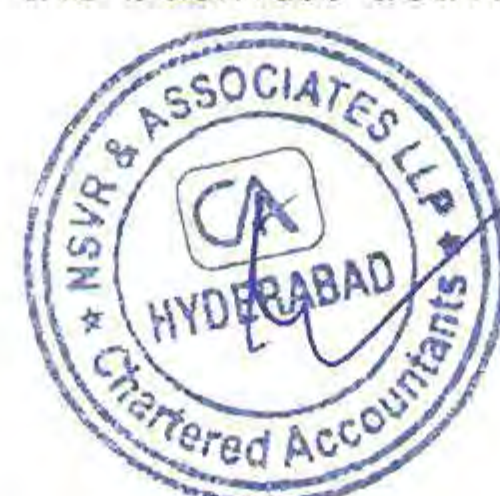
ii. The Company is in the business of providing software services and does not have any physical inventories. Accordingly, reporting under clause 3(ii) of the Order is not applicable to the Company.

iii. The Company has not granted any loans, secured or unsecured to companies, firms or other Parties covered in the register maintained under section 189 of the Companies Act. Thus, Clause 3(iii) of the Order is not applicable.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

v. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2020 and therefore, the provisions of the clause 3(v) of the Order are not applicable to the Company.

vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by



the Company. Thus, reporting under clause 3(vi) of the order is not applicable to the Company.

vii. According to the information and explanations given to us, in respect of statutory dues:

a. The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.

b. There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.

viii. Based on our Audit procedures and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to a financial institutions, banks or debenture holders.

ix. Money raised by way of term loan were applied for the purpose for which it was raised.

x. The Company has not raised moneys by way of initial public offer or further public offer, hence this clause is not applicable.

xi. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

xii. Based upon the audit procedures performed and the information and explanations given by the management, the no managerial remuneration has been paid. Hence mandated by the provisions of section 197 read with schedule V to the Companies Act not applicable.

xiii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.

xiv. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.



xv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3(xv) of the Order is not applicable to the Company.

xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For NSVR & ASSOCIATES LLP.,**  
Chartered Accountants  
(FRNo.008801S/S200060)

  
CA. Rangababu  
Partner  
M.no.218544



UDIN: 21218544AAAADF7943

Date: 26.11.2021  
Place: Hyderabad.

**M/s. MACHINT SOLUTIONS PRIVATE LIMITED**  
 PLOT NO 76 & 76A, 2nd Floor, RAMKRUPA TOWERS, JUBILEE ENCLAVE, MADILAPUR, HYDERABAD, Raagareddi, TG 500081, INDIA  
 CIN : U74999TG2018PTC127147  
**BALANCE SHEET FOR THE YEAR ENDED AS ON 31.03.2021**

|           | PARTICULARS   | Note No. | As at 31.03.2021 |                     | As at 31.03.2020 |                    |
|-----------|---|----------|------------------|---------------------|------------------|--------------------|
|           |   |          | Rs.              | Rs.                 | Rs.              | Rs.                |
| <b>I</b>  | <b><u>EQUITY AND LIABILITIES</u></b>                  |          |                  |                     |                  |                    |
| 1.        | Shareholders' funds                                   |          |                  |                     |                  |                    |
|           | (a) Share Capital                                     | 1        | 1,25,00,000      |                     | 1,00,00,000      |                    |
|           | (b) Reserves and Surplus                              | 2        | 1,84,45,582      |                     | 72,17,329        |                    |
|           | (c) Money received against share warrants             |          |                  | 3,09,45,582         |                  | 1,72,17,329        |
| 2.        | Share application money pending allotment             |          |                  |                     |                  |                    |
| 3.        | Non-current liabilities                               |          |                  |                     |                  |                    |
|           | (a) Long-term borrowings                              | 3        | 1,84,12,586      |                     | 16,46,845        |                    |
|           | (b) Deferred Tax liabilities (Net)                    | 4        | 4,45,623         |                     | 57,944           |                    |
|           | (c) Other Long term liabilities                       |          |                  | 1,88,58,209         |                  | 17,04,789          |
|           | (d) Long-term Provisions                              |          |                  |                     |                  |                    |
| 4.        | Current Liabilities                                   |          |                  |                     |                  |                    |
|           | (a) Short term borrowings                             | 5        | 2,99,03,673      |                     | -                |                    |
|           | (b) Trade payables                                    | 6        | 1,36,39,619      |                     | 98,28,797        |                    |
|           | (c) Other current liabilities                         | 7        | 2,97,00,242      |                     | 2,67,75,726      |                    |
|           | (d) Short term provisions                             | 8        | 37,13,012        |                     | 18,69,135        |                    |
|           |   |          |                  | 7,69,56,547         |                  | 3,84,73,657        |
|           | <b>TOTAL</b>  |          |                  | <b>12,67,60,338</b> |                  | <b>5,73,95,775</b> |
| <b>II</b> | <b><u>ASSETS</u></b>                                  |          |                  |                     |                  |                    |
| 1.        | Non-current assets                                    |          |                  |                     |                  |                    |
|           | (a) Fixed assets                                      | 9        |                  |                     |                  |                    |
|           | (i) Tangible assets                                   |          | 25,00,580        |                     | 28,32,092        |                    |
|           | (ii) Intangible assets                                |          | 2,03,17,574      |                     | 20,47,594        |                    |
|           | (iii) Capital work-in-progress                        |          | -                |                     | -                |                    |
|           | (iv) Intangible assets under                          |          | -                |                     | -                |                    |
|           | (b) Non-current investments                           |          | -                |                     | -                |                    |
|           | (c) Deferred tax assets (net)                         |          | -                |                     | -                |                    |
|           | (d) Long-term loans and advances                      |          | -                |                     | -                |                    |
|           | (e) Other non-current assets                          | 10       | 13,70,500        |                     | 20,80,800        |                    |
|           |   |          |                  | 2,41,88,653         |                  | 69,60,487          |
| 2.        | Current assets  |          |                  |                     |                  |                    |
|           | (a) Current investments                               |          | -                |                     | -                |                    |
|           | (b) Inventories                                       | 11       | -                |                     | 18,95,782        |                    |
|           | (c) Trade receivables                                 | 12       | 8,30,37,068      |                     | 4,33,72,242      |                    |
|           | (d) Cash and Bank Balances                            | 13       | 1,38,80,149      |                     | 3,76,998         |                    |
|           | (e) Short-term loans and advances                     | 14       | 18,09,458        |                     | 29,41,356        |                    |
|           | (f) Other current assets                              | 15       | 38,45,010        |                     | 18,48,910        |                    |
|           |   |          |                  | 10,25,71,685        |                  | 5,04,35,288        |
|           | <b>TOTAL</b>  |          |                  | <b>12,67,60,338</b> |                  | <b>5,73,95,775</b> |
|           | Significant Accounting policies and Notes to Accounts | 23       |                  |                     |                  |                    |

**Note:** Figures of Previous period/year have been regrouped wherever necessary to make them comparable with the current periods figures

In terms of our report attached.

For NSVR & ASSOCIATES LLP

Chartered Accountants

FRN : 008801S/S200074


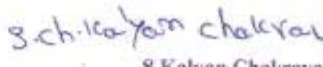
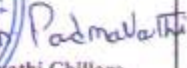
*M. Ranga Babu*  
 (M Ranga Babu)  
 Partner  
 M.No. 218544  
 UDIN : 21218544AAAAADF7943

Place : Hyderabad  
 Date : 26.11.2021

For on behalf of Board of Directors

*S. Kalyan Chakravarthy*  
 S Kalyan Chakravarthy  
 Managing Director  
 DIN : 08104981

*Ch. Padmavathi*  
 Ch. Padmavathi  
 Director  
 DIN : 08160329

| <b>M/s. MACHINT SOLUTIONS PRIVATE LIMITED</b><br>PLOT NO 76 & 76A, 2nd Floor, RAMKRUPA TOWERS, JUBILEE ENCLAVE, MADHAPUR, HYDERABAD, Rangareddi, TG 500081, INDIA<br>CIN : U74999TG2018PTC127147<br><b>PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31.03.2021</b>   |          |                               |                     |                               |                    |
|--|----------|-------------------------------|---------------------|-------------------------------|--------------------|
| PARTICULARS  | Note No. | For the Year Ended 31.03.2021 |                     | For the Year Ended 31.03.2020 |                    |
|  |          |                               |                     | Rs.                           | Rs.                |
| <b>Revenue from operations:</b>  |          |                               |                     |                               |                    |
| Sale of Goods  |          |                               |                     |                               |                    |
| Sale of Services   | 16       | 14,12,24,542                  | 14,12,24,542        | 5,93,58,063                   | 5,93,58,063        |
| <b>Other Income</b>  |          |                               |                     |                               |                    |
| <b>Total Revenue (I + II)</b>  |          |                               | <b>14,12,24,542</b> |                               | <b>5,93,58,063</b> |
| <b>Expenses</b>  |          |                               |                     |                               |                    |
| Purchases  | 17       | 73,86,906                     |                     | 37,91,564                     |                    |
| Changes in Inventory   | 18       | 18,95,782                     |                     | (18,95,782)                   |                    |
| Direct Expenses  | 19       | 2,63,94,420                   |                     | 1,16,63,988                   |                    |
| Employee benefits expense  | 20       | 7,05,71,806                   |                     | 2,90,20,958                   |                    |
| Finance Costs  | 21       | 26,77,439                     |                     | 5,01,414                      |                    |
| Depreciation and amortization expense  | 9        | 22,39,237                     |                     | 6,30,972                      |                    |
| Other expense  | 22       | 1,51,19,034                   |                     | 84,61,597                     |                    |
| <b>Total Expense</b>   |          |                               | <b>12,62,84,624</b> |                               | <b>5,21,74,711</b> |
| <b>Profit before exceptional and extraordinary items and tax (III-IV)</b>  |          |                               | <b>1,49,39,918</b>  |                               | <b>71,83,352</b>   |
| <b>Exceptional Items</b>   |          |                               |                     |                               |                    |
| <b>Profit before extraordinary items and tax (V-VI)</b>  |          |                               | <b>1,49,39,918</b>  |                               | <b>71,83,352</b>   |
| <b>Extraordinary items</b>   |          |                               |                     |                               |                    |
| <b>Profit before tax (VII-VIII)</b>  |          |                               | <b>1,49,39,918</b>  |                               | <b>71,83,352</b>   |
| <b>Tax expense:</b>  |          |                               |                     |                               |                    |
| (1) Current tax  |          | 33,23,985                     |                     | 18,69,135                     |                    |
| (2) Deferred tax   |          | 3,87,679                      |                     | 48,873                        |                    |
| <b>Profit/(Loss) for the period from continuing operations (IX - X)</b>  |          |                               | <b>37,11,665</b>    |                               | <b>19,18,007</b>   |
| <b>Profit/(Loss) for the period from discontinuing operations</b>  |          |                               | <b>1,12,28,253</b>  |                               | <b>52,65,345</b>   |
| <b>Tax expense of discontinuing operations</b>   |          |                               | <b>-</b>            |                               | <b>-</b>           |
| <b>Profit/(Loss) from discontinuing operations (after tax) (XII-XIII)</b>  |          |                               | <b>-</b>            |                               | <b>-</b>           |
| <b>Profit/(Loss) for the period (XI + XIV)</b>   |          |                               | <b>1,12,28,253</b>  |                               | <b>52,65,345</b>   |
| <b>Earnings per equity share:</b>  |          |                               |                     |                               |                    |
| (1) Basic  |          |                               | 10.17               |                               | 43.16              |
| (2) Diluted  |          |                               | 10.17               |                               | 43.16              |
| Significant Accounting policies and Notes to Accounts  | 23       |                               |                     |                               |                    |
| In terms of our report attached.<br><br><div> <div> <b>For N S V R &amp; ASSOCIATES LLP</b><br/>           Chartered Accountants<br/>           FRN : 008801S&amp;S89080<br/> <br/> <b>(M Ranga Babu)</b><br/>           Partner<br/>           M.No. 218544<br/>           UDIN : 21218544AAAAAD79943<br/>           Place : Hyderabad<br/>           Date : 26.11.2021         </div> <div> <b>For on behalf of Board of Directors</b><br/><br/> <br/> <b>S Kalyan Chakravarthy</b><br/>           Managing Director<br/>           DIN : 08104981         </div> <div> <br/> <b>Padmayathi Chillara</b><br/>           Director<br/>           DIN : 08160329         </div> </div> |          |                               |                     |                               |                    |

**M/s. MACHINT SOLUTIONS PRIVATE LIMITED**

CIN : U74999TG2018PTC127147

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2021**

| PARTICULARS   | As at 31.03.2021 |                      | As at 31.03.2020 |                    |
|---|------------------|----------------------|------------------|--------------------|
|   | Amount Rs.       | Amount Rs.           | Amount Rs.       | Amount Rs.         |
| <b><u>A. CASH FLOW FROM OPERATING ACTIVITIES</u></b>            |                  |                      |                  |                    |
| Net profit / (Loss) before tax & adjustments                    |                  | 1,12,28,253          |                  | 52,65,345          |
| Adjustments for :   |                  |                      |                  |                    |
| Depreciation  | 22,39,237        |                      | 6,30,972         |                    |
| Interest Received   | -                |                      | -                |                    |
|   |                  | 22,39,237            |                  | 6,30,972           |
| <b>Operating Profit before Working Capital Change</b>           |                  | <b>1,34,67,491</b>   |                  | <b>58,96,317</b>   |
| Adjustments for :   |                  |                      |                  |                    |
| Inventories   | 18,95,782        |                      | (18,95,782)      |                    |
| Trade & Other Receivables                                       | (3,96,64,826)    |                      | (3,75,20,926)    |                    |
| Changes in other Current Liabilities                            | 3,84,82,889      |                      | 3,13,83,731      |                    |
| Loans & Advance and other current assets                        | 11,31,898        |                      | (19,60,658)      |                    |
| Change in Other Current Assets                                  | (19,96,099)      | (1,50,356)           | (8,30,792)       | (1,08,24,427)      |
| <b>Cash flow Before Tax and Extra Ordinary Items</b>            |                  | <b>1,33,17,135</b>   |                  | <b>(49,28,110)</b> |
| Tax Paid  |                  | -                    |                  | -                  |
| Add: Prior Period Item (Bonus)                                  |                  | -                    |                  | -                  |
| Less: Prior Period Expenses                                     |                  | -                    |                  | -                  |
| <b>Net Cash flow from Operations before tax</b>                 |                  | <b>1,33,17,135</b>   |                  | <b>(49,28,110)</b> |
| Less: Taxes Paid  |                  |                      |                  |                    |
| MAT   |                  |                      |                  | -                  |
| <b>Cash Flow from Operating Activities</b>                      |                  | <b>1,33,17,135</b>   |                  | <b>(49,28,110)</b> |
| <b><u>B. CASH FLOW FROM INVESTING ACTIVITIES</u></b>            |                  |                      |                  |                    |
| Fixed Assets Purchased  | (2,01,77,703)    |                      | (51,27,158)      |                    |
| Advances for fixed Assets                                       | -                |                      | -                |                    |
| Decrease/Increase in Deposits                                   | 7,10,300         |                      | (13,20,000)      |                    |
| <b>Cash Flow from Investing activities</b>                      |                  | <b>(1,94,67,403)</b> |                  | <b>(64,47,158)</b> |
| <b><u>C. CASH FLOW FROM FINANCING ACTIVITIES</u></b>            |                  |                      |                  |                    |
| Change in Share Capital   | 25,00,000        |                      | 99,00,000        |                    |
| Share Application money   | -                |                      | -                |                    |
| Borrowings Increase/Decrease                                    | 1,67,65,741      |                      | 16,46,846        |                    |
| Others  | 3,87,679         |                      | 48,673           |                    |
| <b>Cash Flow from Financing Activities</b>                      |                  | <b>1,96,53,420</b>   |                  | <b>1,15,95,719</b> |
| <b>Net Increase in Cash &amp; Cash Equivalents</b>              |                  | <b>1,35,03,151</b>   |                  | <b>2,20,451</b>    |
| <b>Cash &amp; Cash equivalents at the beginning of the year</b> |                  | <b>3,76,998</b>      |                  | <b>1,56,547</b>    |
| <b>Cash &amp; Cash equivalents at the end of the year</b>       |                  | <b>1,38,80,149</b>   |                  | <b>3,76,998</b>    |

In terms of our report attached.

For NSVR & ASSOCIATES LLP  
Chartered Accountants  
FRN : 008801S/520000

M. Ranga Babu  
Partner  
M. No. 218544  
UDIN : 21218544AAAAD77913

Place : Hyderabad  
Date : 26.11.2021

For and on behalf of the Board of Directors

S. Kalyan Chakravarthy

S Kalyan Chakravarthy  
Managing Director  
DIN : 08104981



Ch. Padmavathi  
Director  
DIN : 08160329

# NOTES FORMING PART OF ACCOUNTS

| NOTE '1': SHARE CAPITAL                                    |                  |                    |                  |                    |
|--|------------------|--------------------|------------------|--------------------|
| Particulars  | As at 31.03.2021 |                    | As at 31.03.2020 |                    |
|  | Rupees           | Rupees             | Rupees           | Rupees             |
| <b>-Authorised Capital</b>                                 |                  |                    |                  |                    |
| 12,50,000 Equity Shares of Rs. 10/- each                   |                  | 1,25,00,000        |                  | 1,00,00,000        |
| (Previous Year : 10,00,000 Equity shares of Rs. 10/- Each) |                  |                    |                  |                    |
| <b>-Issued, Subscribed and Paid up Capital</b>             |                  |                    |                  |                    |
| 12,50,000 Equity Shares of Rs. 10/- each fully paid-up.    |                  | 1,25,00,000        |                  | 1,00,00,000        |
| Previous Year : 10,00,000 Equity Shares of Rs. 10/- Each)  |                  |                    |                  |                    |
| <b>TOTAL</b>   |                  | <b>1,25,00,000</b> |                  | <b>1,00,00,000</b> |
| <b>- Reconciliation of Shares:</b>                         | <b>Nos</b>       | <b>Amt(Rs)</b>     | <b>Nos</b>       | <b>Amt(Rs)</b>     |
| Opening Share Capital                                      | 10,00,000        | 1,00,00,000        | 10,000           | 1,00,000           |
| Add: Shares issued During the year                         | 2,50,000         | 25,00,000          | 9,90,000         | 99,00,000          |
| Add: Rights/Bonus Shares Issued                            | -                | -                  | -                | -                  |
| Total  | 12,50,000        | 1,25,00,000        | 10,00,000        | 1,00,00,000        |
| Less: Buy back of Shares                                   | -                | -                  | -                | -                  |
| Less Reduction in Capital                                  | -                | -                  | -                | -                  |
| Closing Share Capital                                      | 12,50,000        | 1,25,00,000        | 10,00,000        | 1,00,00,000        |

## 1.1 Rights, preferences and restriction relating to each class of share capital :

**Equity shares:** The Company has one class of equity shares having a face value of 'Rs.10/- each . Each shareholder is eligible for one vote per share held.

## 1.2 Share Holding 5% or more of the shares : As at 31 Mar 2021

- Kalyan Chakravarthy Sanakkayala Managing Director held 4,72,011 equity shares of 'Rs.10/- each fully paid-up representing 37.76% of the paid up capital.
- Rajesh Sanakkayala CEO of the company held 5,28,489 equity shares of 'Rs.10/- each fully paid-up representing 42.28% of the paid up capital.
- Sri Rama Subbarao Kopparthi and Pratap Sanakkayala held 62,500 equity shares each of Rs. 10/- fully paid up respectively representing 5% of the paid up capital of the company

| NOTE '2': RESERVES AND SURPLUS       |                  |                    |                  |                  |
|--------------------------------------|------------------|--------------------|------------------|------------------|
| Particulars                          | As at 31.03.2021 |                    | As at 31.03.2020 |                  |
|                                      | Rupees           | Rupees             | Rupees           | Rupees           |
| <b>Capital Reserve</b>               |                  |                    |                  |                  |
| <b>General Reserve</b>               |                  |                    |                  |                  |
| <b>Profit and Loss Account</b>       |                  |                    |                  |                  |
| Opening Balance                      | 72,17,329        |                    | 19,51,984        |                  |
| Add: Profit During The Year          | 1,12,28,253      |                    | 52,65,345        |                  |
| Less: Proposed Dividend (Incl .Tax)  |                  |                    |                  |                  |
| (Disclose Amt of Dividend Per Share) |                  |                    |                  |                  |
| Transfer to Reserves                 |                  |                    |                  |                  |
| Bonus Shares                         |                  |                    |                  |                  |
| Closing Balance                      |                  | 1,84,45,582        |                  | 72,17,329        |
| <b>TOTAL</b>                         |                  | <b>1,84,45,582</b> |                  | <b>72,17,329</b> |



S.Ch.Kalyan Chakravarthy



| NOTE '3' : LONG TERM BORROWINGS         |                  |                    |                  |                    |
|---|------------------|--------------------|------------------|--------------------|
| Particulars                             | As at 31.03.2021 |                    | As at 31.03.2020 |                    |
|   | Rupees           | Rupees             | Rupees           | Rupees             |
| Vehicle loan from kotak bank            | -                | 13,57,217          | -                | 16,46,845          |
| Unsecured Loans from Directors & Others | -                | 1,70,55,368        | -                | 2,32,01,508        |
| <b>TOTAL</b>                            |                  | <b>1,84,12,586</b> |                  | <b>2,48,48,353</b> |

Note:

(i) Vehicle Loan: Secured by hypothecation of Vehicle with kotak Mahindra Bank Limited at a fixed rate of Interest of 8.75% Pa for 60 Months

| NOTE '4' : DEFERRED TAX LIABILITY |                  |                 |                  |               |
|-----------------------------------|------------------|-----------------|------------------|---------------|
| Particulars                       | As at 31.03.2021 |                 | As at 31.03.2020 |               |
|                                   | Rupees           | Rupees          | Rupees           | Rupees        |
| Net deferred tax liability        | -                | 4,45,623        | -                | 57,944        |
| <b>TOTAL</b>                      |                  | <b>4,45,623</b> |                  | <b>57,944</b> |

| NOTE '5' : SHORT TERM BORROWINGS                |                  |                    |                  |          |
|---|------------------|--------------------|------------------|----------|
| Particulars                                     | As at 31.03.2021 |                    | As at 31.03.2020 |          |
|   | Rupees           | Rupees             | Rupees           | Rupees   |
| Cash Credit Facility from Bandhan Bank(Secured) |                  | 2,99,03,673        | -                | -        |
| <b>TOTAL</b>                                    |                  | <b>2,99,03,673</b> |                  | <b>-</b> |

Note:

1. Primary security: Secured by exclusive charge on current assets including stock, book debts and personal guarantee of all the directors of the company as on the date of sanction
2. Collateral Security : Mortgage of personal Assets of Mr. Rama Subba Rao Koppurthi (Director) and his wife Smt. Sirisha Koppurthi and Director Mr. Gopi Srinivasa Rao.

| NOTE '6' : TRADE PAYABLES          |                  |                    |                  |                  |
|------------------------------------|------------------|--------------------|------------------|------------------|
| Particulars                        | As at 31.03.2021 |                    | As at 31.03.2020 |                  |
|                                    | Rupees           | Rupees             | Rupees           | Rupees           |
| Amount payable to sundry creditors |                  |                    |                  |                  |
| For Services                       |                  | 1,30,93,868        |                  | 95,38,104        |
| For Others                         |                  | 5,45,751           |                  | 2,90,693         |
| <b>TOTAL</b>                       |                  | <b>1,36,39,619</b> |                  | <b>98,28,797</b> |

\* There is no interest outstanding to Micro Small and Medium Enterprises as on 31/03/2021



S-Chitra Ram Chakrabarti



Ch. Padmalathi

| NOTE '7' : OTHER CURRENT LIABILITIES |                  |                    |                  |                  |
|--------------------------------------|------------------|--------------------|------------------|------------------|
| Particulars                          | As at 31.03.2021 |                    | As at 31.03.2020 |                  |
|                                      | Rupees           | Rupees             | Rupees           | Rupees           |
| Salaries Payable                     | 84,50,725        |                    | 7,89,502         |                  |
| Audit Fee Payable                    | 95,000           |                    | 45,000           |                  |
|                                      |                  | 85,45,725          |                  | 8,34,502         |
| <b>Statutory Liabilities :</b>       |                  |                    |                  |                  |
| TDS on Rent                          | 5,08,551         |                    | 2,14,066         |                  |
| TDS On Interest                      | 70,425           |                    | 47,250           |                  |
| TDS on Professionals                 | 18,63,397        |                    | 10,40,591        |                  |
| TDS on Salaries                      | 66,26,463        |                    | 6,40,427         |                  |
| ESI Payable                          | 2,47,376         |                    | 20,955           |                  |
| PF Payable                           | 52,32,651        |                    | 4,22,917         |                  |
| GST Payable                          | 63,86,486        |                    | 2,92,941         |                  |
| Professional Tax Payable             | 2,19,168         | 2,11,54,517        | 60,568           | 27,39,716        |
| <b>TOTAL</b>                         |                  | <b>2,97,00,242</b> |                  | <b>35,74,218</b> |

| NOTE '8' : SHORT TERM PROVISIONS |                  |                  |                  |                  |
|----------------------------------|------------------|------------------|------------------|------------------|
| Particulars                      | As at 31.03.2021 |                  | As at 31.03.2020 |                  |
|                                  | Rupees           | Rupees           | Rupees           | Rupees           |
| Provision for Income Tax         | 33,23,985        |                  | 18,69,135        |                  |
| Provision for Expenses           | 3,89,027         |                  | -                |                  |
| <b>TOTAL</b>                     |                  | <b>37,13,012</b> |                  | <b>18,69,135</b> |

| NOTE '10' : OTHER NON CURRENT ASSETS |                  |                  |                  |                  |
|--------------------------------------|------------------|------------------|------------------|------------------|
| Particulars                          | As at 31.03.2021 |                  | As at 31.03.2020 |                  |
|                                      | Rupees           | Rupees           | Rupees           | Rupees           |
| Rental deposit                       | 13,70,500        |                  | 20,80,800        |                  |
| <b>TOTAL</b>                         |                  | <b>13,70,500</b> |                  | <b>20,80,800</b> |

| NOTE '11' : INVENTORIES           |                  |          |                  |                  |
|-----------------------------------|------------------|----------|------------------|------------------|
| Particulars                       | As at 31.03.2021 |          | As at 31.03.2020 |                  |
|                                   | Rupees           | Rupees   | Rupees           | Rupees           |
| Appian Software License Inventory | -                | -        |                  | 18,95,782        |
| <b>TOTAL</b>                      |                  | <b>-</b> |                  | <b>18,95,782</b> |



S. Ch. Ka. Yam Chakrabarti



Ch. P. H. H.

| NOTE '12' : TRADE RECEIVABLES        |                  |                    |                  |                    |
|--------------------------------------|------------------|--------------------|------------------|--------------------|
| Particulars                          | As at 31.03.2021 |                    | As at 31.03.2020 |                    |
|                                      | Rupees           | Rupees             | Rupees           | Rupees             |
| Trade Receivables morethan 6 Months  | 1,31,96,193      | -                  |                  |                    |
| Trade Receivables less than 6 Months | 6,98,40,875      | -                  |                  | 4,33,72,242        |
| <b>TOTAL</b>                         |                  | <b>8,30,37,068</b> |                  | <b>4,33,72,242</b> |

| NOTE '13' : CASH AND BANK BALANCES |                  |                    |                  |                 |
|------------------------------------|------------------|--------------------|------------------|-----------------|
| Particulars                        | As at 31.03.2021 |                    | As at 31.03.2020 |                 |
|                                    | Rupees           | Rupees             | Rupees           | Rupees          |
| <b>-Cash and Cash Equivalents</b>  |                  |                    |                  |                 |
| Cash on Hand                       | 8,85,278         |                    | 15,930           |                 |
| Balance with Banks                 |                  |                    |                  |                 |
| In Current Accounts                | 1,29,84,871      |                    | 3,61,068         |                 |
| In Fixed Deposit Accounts          | 10,000           |                    |                  |                 |
| As Margin Money                    |                  |                    |                  |                 |
| <b>TOTAL</b>                       |                  | <b>1,38,80,149</b> |                  | <b>3,76,998</b> |

| NOTE '14' : SHORT TERM LOANS AND ADVANCES                 |                  |                  |                  |                  |
|---|------------------|------------------|------------------|------------------|
| Particulars   | As at 31.03.2021 |                  | As at 31.03.2020 |                  |
|   | Rupees           | Rupees           | Rupees           | Rupees           |
| <b>Loans and advances ( Secured/ Unsecured/ Doubtful)</b> |                  |                  |                  |                  |
| Loans and Advance to Directors                            | -                |                  |                  |                  |
| Others  | -                |                  |                  |                  |
| Advance paid to suppliers                                 | 18,09,458        |                  | 29,38,855        |                  |
| Loans to Employees  | -                |                  | 2,501            |                  |
| <b>TOTAL</b>  |                  | <b>18,09,458</b> |                  | <b>29,41,356</b> |

| NOTE '15' : OTHER CURRENT ASSETS |                  |                  |                  |                  |
|----------------------------------|------------------|------------------|------------------|------------------|
| Particulars                      | As at 31.03.2021 |                  | As at 31.03.2020 |                  |
|                                  | Rupees           | Rupees           | Rupees           | Rupees           |
| Prepaid Expenses                 | 5,10,909         |                  | -                |                  |
| TDS receivables                  | 33,34,101        |                  | 16,54,836        |                  |
| TCS receivables                  | -                |                  | 17,520           |                  |
| GST input                        | -                |                  | 1,76,555         |                  |
| <b>TOTAL</b>                     |                  | <b>38,45,010</b> |                  | <b>18,48,910</b> |



S. Ch. Ica'kam Chakravarthy

| NOTE '16' : REVENUE FROM OPERATIONS |                  |                     |                  |                    |
|-------------------------------------|------------------|---------------------|------------------|--------------------|
| Particulars                         | As at 31.03.2021 |                     | As at 31.03.2020 |                    |
|                                     | Rupees           | Rupees              | Rupees           | Rupees             |
| <b>Export Services</b>              |                  |                     |                  |                    |
| Export Software Development         | 2,03,08,744      |                     | 3,07,08,703      |                    |
| Export Software License             | 51,08,200        |                     | 67,73,900        |                    |
| Export Contract Staffing Services   | 1,16,11,216      | 3,70,28,160         | 30,23,861        | 4,05,06,464        |
| <b>Domestic Services</b>            |                  |                     |                  |                    |
| Domestic Contract Staffing Services | 2,60,86,795      |                     | 57,75,238        |                    |
| Technical Training                  | 1,95,00,000      |                     |                  |                    |
| Domestic Software Development       | 5,86,09,587      | 10,41,96,382        | 1,30,76,361      | 1,88,51,599        |
| <b>TOTAL</b>                        |                  | <b>14,12,24,542</b> |                  | <b>5,93,58,063</b> |

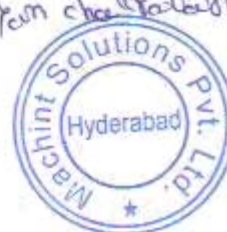
| NOTE '17' : PURCHASES |                  |                  |                  |                  |
|-----------------------|------------------|------------------|------------------|------------------|
| Particulars           | As at 31.03.2021 |                  | As at 31.03.2020 |                  |
|                       | Rupees           | Rupees           | Rupees           | Rupees           |
| Blue Prism            | 29,09,584        | -                | -                | 37,91,564        |
| Appian                | 44,77,322        |                  | -                |                  |
| <b>TOTAL</b>          |                  | <b>73,86,906</b> |                  | <b>37,91,564</b> |

| NOTE '18' : CHANGES IN INVENTORY   |                  |                  |                  |                    |
|------------------------------------|------------------|------------------|------------------|--------------------|
| Particulars                        | As at 31.03.2021 |                  | As at 31.03.2020 |                    |
|                                    | Rupees           | Rupees           | Rupees           | Rupees             |
| Opening Stock of Software Licence  | 18,95,782        |                  | -                |                    |
|                                    | -                | -                | -                | -                  |
| Closing Stock of Software Licences | -                |                  | 18,95,782        |                    |
| <b>TOTAL</b>                       |                  | <b>18,95,782</b> |                  | <b>(18,95,782)</b> |

| NOTE '19' : DIRECT EXPENSES         |                  |                    |                  |                    |
|-------------------------------------|------------------|--------------------|------------------|--------------------|
| Particulars                         | As at 31.03.2021 |                    | As at 31.03.2020 |                    |
|                                     | Rupees           | Rupees             | Rupees           | Rupees             |
| Consultancy Charges                 | 1,72,92,439      |                    | 51,13,283        |                    |
| Foreign Travel Expenses             | 73,836           |                    | 14,43,847        |                    |
| Visa Processing Charges             | 31,663           |                    | 1,01,549         |                    |
| Contract Staffing Service           | 66,31,440        |                    | 50,05,310        |                    |
| Software - Cloud Space/Subscription | 23,65,042        |                    | -                |                    |
| <b>TOTAL</b>                        |                  | <b>2,63,94,420</b> |                  | <b>1,16,63,989</b> |



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| NOTE '20' : EMPLOYEE BENEFIT EXPENSES |                  |                    |                  |                    |
|---------------------------------------|------------------|--------------------|------------------|--------------------|
| Particulars                           | As at 31.03.2021 |                    | As at 31.03.2020 |                    |
|                                       | Rupees           | Rupees             | Rupees           | Rupees             |
| Staff Salaries                        | 6,50,99,230      |                    | 2,51,98,945      |                    |
| Staff Welfare Expenses                | 1,81,000         |                    | 1,14,810         |                    |
| Perdiems Expenses                     | 22,80,570        |                    | 25,01,491        |                    |
| Employee Medical Expenses             | 2,16,000         |                    | -                |                    |
| ESI Contribution                      | 2,44,998         |                    | 1,28,897         |                    |
| EPF Contribution                      | 25,50,008        |                    | 10,76,815        |                    |
| <b>TOTAL</b>                          |                  | <b>7,05,71,806</b> |                  | <b>2,90,20,958</b> |

| NOTE '21' : FINANCIAL CHARGES |                  |                  |                  |                 |
|-------------------------------|------------------|------------------|------------------|-----------------|
| Particulars                   | As at 31.03.2021 |                  | As at 31.03.2020 |                 |
|                               | Rupees           | Rupees           | Rupees           | Rupees          |
| Interest on Vehicle Loan      | 1,36,154         | -                |                  | 28,914          |
| Interest On OD                | 16,02,285        | -                |                  | 4,72,500        |
| Interest On Others            | 9,39,000         |                  |                  | -               |
| <b>TOTAL</b>                  |                  | <b>26,77,439</b> |                  | <b>5,01,414</b> |

| NOTE '22' : OTHER EXPENSES      |                  |                    |                  |                  |
|---------------------------------|------------------|--------------------|------------------|------------------|
| Particulars                     | As at 31.03.2021 |                    | As at 31.03.2020 |                  |
|                                 | Rupees           | Rupees             | Rupees           | Rupees           |
| <b>OTHER EXPENSES</b>           |                  |                    |                  |                  |
| Audit Fee                       | 50,000           |                    | 50,000           |                  |
| Rent                            | 80,65,743        |                    | 46,99,656        |                  |
| Conveyance Charges              | 39,771           |                    | 31,823           |                  |
| Printing & Stationary           | 1,28,689         |                    | 54,291           |                  |
| Petrol & Diesel                 | 64,544           |                    | 26,215           |                  |
| Postage & Courier               | 27,315           |                    | 18,213           |                  |
| Recruitment Service Charges     | 2,93,779         |                    | 84,990           |                  |
| Bank charges                    | 5,39,461         |                    | 2,00,159         |                  |
| ROC Charges                     | 98,766           |                    | 2,55,900         |                  |
| Office Maintenance              | 7,80,459         |                    | 3,14,883         |                  |
| Lodging And Boarding            | 3,43,915         |                    | 1,83,021         |                  |
| Web Maintenance Charges         | 27,793           |                    | 71,357           |                  |
| Software Subscription Charges   | 14,88,089        |                    | 4,04,303         |                  |
| Computer Maintenance            | 1,43,079         |                    | 3,89,859         |                  |
| Domestic Travelling Expenses    | 48,526           |                    | 1,00,287         |                  |
| Insurance Expenses              | 1,86,813         |                    | 4,31,150         |                  |
| Telephone Charges               | 60,205           |                    | 26,975           |                  |
| Internet Charges                | 2,82,228         |                    | 1,76,262         |                  |
| Employee Certification Expenses | -                |                    | 29,562           |                  |
| Electricity Charges             | -                |                    | 7,814            |                  |
| Legal Expenses                  | 6,90,000         |                    | 55,000           |                  |
| Registration Charges            | 2,500            |                    | 51,059           |                  |
| Vehicle Maintenance             | 31,424           |                    | 25,637           |                  |
| Foreign Exchange Loss           | 2,77,737         |                    | 99,549           |                  |
| Professional Tax                | 10,000           |                    | 7,500            |                  |
| Business Promotion Expenses     | 5,72,515         |                    | 1,92,250         |                  |
| ESI, PF Charges                 | 8,825            |                    | 1,59,095         |                  |
| ETDS late filing fee            | 14,600           |                    | 98,200           |                  |
| Interest on TDS                 | 1,81,242         |                    | 95,400           |                  |
| GST Late filing fee             | 39,100           |                    | 56,710           |                  |
| Other Expenses                  | 6,21,914         |                    | 64,477           |                  |
| <b>TOTAL</b>                    |                  | <b>1,51,19,034</b> |                  | <b>84,61,597</b> |



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M/s. MACHINT SOLUTIONS PRIVATE LIMITED

| DEPRECIATION SCHEDULE AS PER INCOME TAX ACT, 1961 |      |                         |                              |                               |           |             |                         |
|---|------|-------------------------|------------------------------|-------------------------------|-----------|-------------|-------------------------|
| Particulars                                       | Rate | WDV as at<br>01.04.2020 | Additions upto<br>30.09.2020 | Additions after<br>30.09.2020 | Deletions | Total       | WDV as at<br>31.03.2021 |
| Computers & Peripherals                           | 40%  | 11,98,748               | 3,33,989                     | 6,97,258                      | 0         | 22,29,995   | 14,77,449               |
| Office Equipments                                 | 10%  | 36,555                  | 1,01,942                     | 83,233                        | 0         | 2,21,730    | 2,03,719                |
| Vehicles  | 15%  | 15,94,851               | -                            | -                             | 0         | 15,94,851   | 13,55,623               |
| Software licences                                 | 25%  | 18,26,674               | -                            | 1,89,61,281                   | 0         | 2,07,87,955 | 1,79,61,126             |
| Total   |      | 11,98,748               | 4,35,931                     | 1,97,41,773                   | -         | 2,48,34,531 | 2,09,97,917             |



Ch. Padmalathi



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NOTE: 8 Fixed Assets

**MACHINT SOLUTION PRIVATE LIMITED**

| STATEMENT OF FIXED ASSETS AND DEPRECIATION FOR THE YEAR ENDED 31st MARCH, 2021 |                               |                              |          |        |                                 |                             |                                 |                                  |                                  |
|--|-------------------------------|------------------------------|----------|--------|---------------------------------|-----------------------------|---------------------------------|----------------------------------|----------------------------------|
| Particulars  | GROSS BLOCK                   |                              |          | Rate % | DEPRECIATION BLOCK              |                             |                                 | NET BLOCK<br>As On<br>31.03.2021 | NET BLOCK<br>As On<br>31.03.2020 |
|  | Opening Balance<br>01.04.2020 | Additions During<br>The Year | Del      |        | Depreciation Upto<br>31.03.2020 | Depreciation For<br>2020-21 | Depreciation<br>Upto 31.03.2021 |                                  |                                  |
| <b>1</b>   |                               |                              |          |        |                                 |                             |                                 |                                  |                                  |
| <i>tangible assets</i>   |                               |                              |          |        |                                 |                             |                                 |                                  |                                  |
| Furniture  | -                             | -                            | -        | 25.89% | -                               | -                           | -                               | -                                | -                                |
| Office Equipments  | 39,687                        | 1,85,175                     | -        | 45.07% | 11,964                          | 50,852                      | 62,816                          | 1,62,046                         | 27,723                           |
| Computers  | 17,11,449                     | 10,31,247                    | -        | 63.16% | 5,35,333                        | 9,88,574                    | 15,23,927                       | 12,18,770                        | 11,76,096                        |
| Software   | -                             | -                            | -        | 63.16% | -                               | -                           | -                               | -                                | -                                |
| Delivery Van   | -                             | -                            | -        | 31.23% | -                               | -                           | -                               | -                                | -                                |
| Codown   | -                             | -                            | -        | 9.50%  | -                               | -                           | -                               | -                                | -                                |
| Vehicles   | 17,24,163                     | -                            | -        | 31.23% | 95,889                          | 5,08,510                    | 6,04,399                        | 11,19,764                        | 16,28,274                        |
| <b>Total (a)</b>   | <b>34,75,299</b>              | <b>12,16,422</b>             | <b>-</b> |        | <b>6,43,206</b>                 | <b>15,47,936</b>            | <b>21,91,142</b>                | <b>25,00,580</b>                 | <b>28,32,093</b>                 |
| <b>2</b>   |                               |                              |          |        |                                 |                             |                                 |                                  |                                  |
| <i>Intangible Assets</i>   |                               |                              |          |        |                                 |                             |                                 |                                  |                                  |
| Software licences  | 20,87,627                     | -                            | -        | 33.33% | 40,033                          | 6,82,463                    | 7,22,496                        | 13,65,131                        | 20,47,594                        |
| Software Products  | -                             | 1,89,61,281                  | -        | 18.10% | -                               | 8,838                       | 8,838                           | 1,89,52,443                      | -                                |
| <b>Total (b)</b>   | <b>20,87,627</b>              | <b>1,89,61,281</b>           | <b>-</b> |        | <b>40,033</b>                   | <b>6,91,302</b>             | <b>7,31,335</b>                 | <b>2,03,17,574</b>               | <b>20,47,594</b>                 |
| <b>Grand Total (a+b)</b>   | <b>55,62,926</b>              | <b>2,01,77,703</b>           | <b>-</b> |        | <b>6,83,239</b>                 | <b>22,39,237</b>            | <b>29,22,476</b>                | <b>2,28,18,153</b>               | <b>48,79,687</b>                 |
| <b>Previous Year</b>   |                               | <b>51,27,158</b>             |          |        |                                 | <b>6,30,972</b>             | <b>6,83,239</b>                 | <b>48,79,687</b>                 |                                  |

Ch. Padmalathi



S.Ch. 100 Year chartered accountants

**M/s MACHINT SOLUTIONS PRIVATE LIMITED**  
**Significant Accounting Policies**

**Note No. 23 :**

**1. Company Overview**

M/s. MACHINT SOLUTIONS PRIVATE LIMITED ('the Company'), is a Private Company incorporated under the Provisions of the Indian Companies Act, 2013 (CIN : U74999TG2018PTC127147) The Company is mainly engaged in the business of comprehensive technology solutions with a robust Intelligent Automation technologies portfolio under the name of Machint Solutions, headquartered at HITEC City, Hyderabad

**2. Significant accounting policies**

**a. Basis of preparation**

The financial statements have been prepared under the historical cost convention on an accrual basis of accounting and in accordance with the provisions of the Companies Act, 2013 and the accounting standards issued by the Institute of Chartered Accountants of India (Indian GAAP) as adopted consistently by the Company. All income and expenditure having a material effect on financial statements are recognized on accrual basis.

**b. Use of Estimates and Judgement**

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

**c. Fixed assets**

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any cost attributable to bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

**d. Depreciation**

Depreciation is provided using the Written down Value Method ("WDV") as per the useful lives Mentioned in Schedule II of Companies Act, 2013.

**e. Impairment**

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. After impairment, depreciation is provided on revised carrying amount of the asset over its remaining useful life.



*S.Ch. Kalpana Chatterjee*

*Ch. Padmakshi*



**M/s MACHINT SOLUTIONS PRIVATE LIMITED**  
**Significant Accounting Policies**

**f. Intangible Assets**

An intangible asset is recognised, only where it is probable that future economic benefits attributable to the asset will accrue to the enterprise and the cost can be measured reliably. Intangible assets are stated at cost less accumulated amortization.

**Licenses**

Costs relating to license, which are acquired, are capitalized and amortized on a straight-line basis over its useful life which has been estimated as Three years by Management.

**g. Operating lease**

Leases where the lessor effectively retains substantially all the risks and the benefits of ownership of the leased assets are classified as operating leases. Operating lease payments are recognised as an expense in the Profit and Loss Account on a straight line basis over the lease term.

**h. Investments**

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

**i. Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

**j. Borrowing Costs**

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. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

**k. Foreign currency transactions**

**i. Initial recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

**ii. Conversion**

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency



*Sch. Kalyan Chakravarty*

*Ch. Padmalathi*



**M/s MACHINT SOLUTIONS PRIVATE LIMITED**  
**Significant Accounting Policies**

are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

**iii. Exchange differences**

Exchange differences arising on the settlement of monetary items on reporting such monetary items of company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

**l. Income taxes**

Tax expense comprises current tax and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date the Company re-assesses unrecognized deferred tax assets. It recognises unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

**m. Earnings per share**

Basic earnings per share is determined by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is determined by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year as adjusted for weighted average number of potential dilutive equity shares outstanding during the year.

**n. Provisions**

A provision is recognised when the Company has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation in respect of which reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required



S. Ch. Kalyan Chaitanya

Ch. Padmalatha



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to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

**o. Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

As per our report of even date


**For NSVR & ASSOCIATES LLP,**  
Chartered Accountants  
Firm Regn. No. 008804S/S200060

  
**M. Ranga Babu**  
Partner  
Membership No. 218544  
UDIN: : 21218544AAAADF7943:

Place: Hyderabad  
Date: 26.11.2021

For and on behalf of the Board  
**Machint Solutions Private Limited**

  
**S. Kalyan Chakravarthy**  
Managing Director  
DIN: 08104981

  
**C. Padmavathi**  
Director  
DIN: 08160329



**M/s. MACHINT SOLUTIONS PRIVATE LIMITED**  
**Notes forming part of Accounts for the year ended March 31, 2021**

**NOTE No.23 (cont.):**

**A. Contingent Liabilities:**

| Particulars                    | March 31, 2021<br>Rs. | March 31, 2020<br>Rs. |
|--------------------------------|-----------------------|-----------------------|
| Bank Guarantee                 | --                    | --                    |
| Letter of Credit               | --                    | --                    |
| Guarantee given by the Company | --                    | --                    |

**B. Directors Remuneration**

|             | March 31, 2021<br>Rs. | March 31, 2020<br>Rs. |
|-------------|-----------------------|-----------------------|
| Salaries    | 60,43,680             | --                    |
| Perquisites | --                    | --                    |
|             | --                    | --                    |

**C. Foreign currency Transactions:**

|                            | 31.03.2021<br>Rs.   | 31.03.2021<br>US \$ | 31.03.2020<br>Rs.  | 31.03.2020<br>US \$ |
|----------------------------|---------------------|---------------------|--------------------|---------------------|
| Revenue                    | 3,70,28,160         | 4,98,552            | 4,05,06,464        | 5,52,609            |
| Purchase of Goods/Services | 44,77,322           | 62,185              | 37,91,564          | 53,200              |
| Advances for Capital Goods | 0                   | 0                   | 20,87,627          | 40,145(SGD)         |
| Perdiems                   | 11,93,017           | 16,570              | 25,01,490          | 34,503              |
| Foreign Travelling         | 73,836              | 1,041               | 1,26,724           | 1,748               |
| Visa Processing Exp        | 31,663              | 440                 | 56,076             | 773                 |
| <b>TOTAL</b>               | <b>14,70,00,381</b> | <b>20,41,688</b>    | <b>4,90,69,945</b> | <b>0</b>            |

**D. Related Party Transactions:**

**1. Details of Related Parties :**

| Description of relationship    | Relationship  |
|--------------------------------|---|
| Key Management Personnel (KMP) | S Kalyan Chakravarthy<br>Goli Srinivasa Rao<br>Sri Rama Subba Rao Kopparthi |
| Relatives of KMP               | S Rajesh  |



*S. Ch. Kalyan Chakravarthy*  
*ch. Padmalathi*



M/s. MACHINT SOLUTIONS PRIVATE LIMITED  
Notes forming part of Accounts for the year ended March 31, 2021

|   |  |
|---|--|
|   | Lakshmi Durga Goli<br>Girija Kumari Sanakayala |
| Entities in which KMP /Relatives of<br>KMP can exercise significant influence | RKI Innovative Solutions Private Limited       |
|   |  |

|  | KMP | Entities in Which<br>KMP /relatives of<br>KMP have<br>significant<br>influence | Total     |
|--|-----|--|-----------|
| Sale of Service                            | --  |  |           |
| Contract Staffing Expenses                 | --  | 55,80,418  | 55,80,418 |
| Purchase of software Licence               | -   | 48,00,000  | 48,00,000 |
| Rent Paid                                  | -   | 66,00,000  | 66,00,000 |
| Rental Deposit Paid                        | -   | 0  | 0         |
| Advances paid to suppliers                 | -   | 10,31,435  | 10,31,435 |
| Trade receivables                          | -   | 0  | 0         |
| Trade payables                             | -   | 48,00,000  | 48,00,000 |
| Loans and advances from<br>Related Parties |     | 35,08,961  | 35,08,961 |



S. Ch. Kalpana Chaudhary

Ch. Padmavathi



**M/s. MACHINT SOLUTIONS PRIVATE LIMITED**  
**Notes forming part of Accounts for the year ended March 31, 2021**

**Segment Reporting:**

The Company concluded that there is only one operating segment. Hence, the same becomes the reportable segment for the Company. Accordingly, the Company has only one operating and reportable segment.

**Earnings per Share**

| Particulars  | For the year ended<br>31 March 2021 | For the year ended<br>31 March 2020 |
|--|-------------------------------------|-------------------------------------|
| <b>Earnings</b>  |                                     |                                     |
| Profit attributable to equity holders (Rs in Lakhs)                  | 112.28                              | 52.65                               |
| <b>Shares</b>  |                                     |                                     |
| Number of shares at the beginning of the year                        | 10,00,000                           | 10,000                              |
| Add: Equity shares issued  | 2,50,000                            | 9,90,000                            |
| Less: Buy back of equity shares                                      | --                                  | --                                  |
| Total number of equity shares outstanding at the end of the year     | 12,50,000                           | 10,00,000                           |
| Weighted average number of equity shares outstanding during the year | 11,04,167                           | 1,21,992                            |
| Earnings per share of par value Rs.10/- – Basic (₹)                  | 10.17                               | 195.20                              |
| Earnings per share of par value Rs.10/- – Diluted (₹)                | 10.17                               | 195.20                              |



S.ch. Kalyan chakraborty

ch. Padmalathi



**M/s. MACHINT SOLUTIONS PRIVATE LIMITED**  
Notes forming part of Accounts for the year ended March 31, 2021

**Deferred tax liability :**


| Particulars  | For the year ended<br>31 March 2021 | For the year ended<br>31 March 2020 |
|--|-------------------------------------|-------------------------------------|
| <i>Earnings</i>  |                                     |                                     |
| Net WDV Value of Fixed Assets as per Companies Act , 2013  | 2,28,18,153                         | 48,79,686                           |
| Net WDV Value of Fixed Assets as per Income Tax Act , 1961 | 2,09,97,197                         | 3,48,514                            |
| Timing Differences   | 18,20,236                           | 2,22,859                            |
| Rate of Tax  | 24.48                               | 26%                                 |
| Deferred Tax Liability                                     | 4,45,623                            | 57,943                              |

- A. Based on information available with the Company, there are no suppliers who are registered as micro, medium or small enterprises under "The Micro, Small and Medium Enterprises Development Act, 2006 as at March 31, 20121.
- B. Figures are rounded off to the nearest rupee. Figures in brackets represent credits / deductions to the extent applicable.

**SIGNATORIES TO NOTES 1 TO 23**

As per our report of even date

**For NSVR & ASSOCIATES LLP,**  
Chartered Accountants  
Firm Regn. No. 008801S/S200060


  
**M. Ranga Babu**  
Partner  
Membership No: 218544




UDIN : 21218544AAAADF7943

Place: Hyderabad  
Date: 26/11/2021.

For and on behalf of the Board  
**Machint Solutions Private Limited,**

  
**S. Kalyan Chakravarthy**  
Managing Director  
DIN: 08104981

  
**C. Padmavathi**  
Director  
DIN: 08160329

