



# ANNUAL REPORT

**2021-22**

**SHAPING THE  
FUTURE**

## CEINSYS OFFERINGS



Ceinsys Tech Ltd is an emerging and evolving IT & ITES Company with a proven expertise in varied domains. Established in 1998, Ceinsys Tech Ltd is the IT arm of flagship Meghe Group which has a prominent presence in Central India. ”

Ceinsys is a CMMI SVC & DEV Level 3 BSE listed company and has built a strong reputation as one of the premier Geospatial, Engineering and IT solution provider in the country. Armed with highly energetic & passionate team of employees, Ceinsys is in position to deliver high volume turnkey solutions to its esteemed clients on a Pan India basis.

Our offerings include high end technology solutions comprising of Enterprise Geospatial Solutions & Services which primarily includes Data Creation, Data Analytics, Decision Support System (DSS) and Enterprise Web Solutions and dashboards.

Data Creation has evolved from traditional methodologies to new-age technologies and Ceinsys has transitioned and adopted both simultaneously. Ceinsys continues to provide its services in Cadastral Mapping, Natural Resources, Municipal GIS, Health & Sanitation, Enterprise Assets & Utilities, etc. along with Web-GIS Solutions comprising Decision Support Systems & Enterprise Administrative Portals.

With the advent of new technology like UAS, Lidar and Photogrammetry for Data Creation, Ceinsys has been able to offer 3D Solutions in GIS as well as Engineering space. This is being augmented through latest technology interventions namely Digital Twin Engineering & AI/ML based solutioning.

Ceinsys is delivering its Engineering Solutions in domains of Water, Electrical and Transportation. For Water - Consulting Services in i) Non-revenue Water(NRW), ii) Urban / Rural Water Supply and Sewerage Schemes(DPRs) iii) Irrigations Scada iv) Smart Water Solutions & Metering Infrastructure (AMI), For Electrical – Consultation and implementation in SCADA & Automation for Transmission & Distribution.

For Transportation – Consulting Services for Roads & Highways(DPRs), Road Asset Management System, Corridor Mapping, 5DBIM & CDE.

To complement its capabilities and to cater to the expanding need for providing quality and state of art technology solutions, Ceinsys has signed up technology partnerships with globally acclaimed technology giants namely Autodesk, Bentley, Digital Globe, ESRI, Hexagon, Aveva, Siemens, etc.

Over the past few years, Ceinsys has established a proven track record for delivering end-to-end solutions to its customers and is positioned as a “Complete Solutioning Company”.

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## LETTER FROM CHAIRMAN

### Sagar Meghe

Non-Executive  
Non-Independent Director  
Cum Chairman

"The past is a source of knowledge, and the future is a source of hope. Love of the past implies faith in the future."

– Stephen Ambrose

#### ***Dear valued Stakeholders,***

The year 2021-2022 has been volatile as well as unique. The threat of the pandemic has greatly reduced and special thanks for the various state and centre level initiatives taken collaboratively to carry out one of the largest country wide vaccinations to contain the situation.

The economic activities have gradually regained momentum and operating environment this year continued to remain challenging and volatile.

Against this backdrop, Ceinsys has transformed to a robust company capable of acclimatizing and steering to the new normal. We have taken cautious yet confident steps to benefit from the changing and emerging trends. This determined efforts from all has set us on a journey towards achieving our future goals. It is thus an honor to share with you the Annual Report FY 2021-22.

I want to express my gratitude to our clients for their trust and confidence in us which has helped us to grow year on year. I am happy to state that despite the continuous upheaval of the last FY, effectively we had business opportunities only for 3 quarters in FY 2022 and we have continued to grow. Financially, we have continued demonstrated our ability to generate steady cashflows. During the year, the company achieved revenue of Rs. 19,750.58 Lakhs in 2021-22 at standalone basis as against revenue of Rs.18,740.96 Lakhs in 2020-21 registering increase of 5.39%. The Profit before tax at Standalone basis showed increase of 247.17% and is at Rs. 1,113.89 Lakhs in comparison to an amount of Rs.320.85 Lakhs for 2020-21. At Consolidated the company achieved a revenue of Rs.20,456.32 Lakhs in 2021-22 in comparison to revenue of Rs.18,677.95 Lakhs for 2020-21 registering an increase of 9.52%. In terms of Profit before tax registering increase of 453.34% and is at Rs.1,347.76 Lakhs in comparison to an amount of Rs.243.57 Lakhs for 2020-21.

The last year laid the foundation for some very important initiatives which shall take the Company to its next level. We have been focusing on overseas business to further expand our

business operations and leverage the upside of our presence across multiple geographies. The aim is to harness and augment our capabilities and competence to a wide audience in the overseas markets thereby strengthening the market reach and its overall revenues.

On the above premise, your Company acquired Allygrow Technologies Private Limited, a technology driven organization that focuses on core engineering design, development and manufacturing engineering services having presence in US, Europe and India. This acquisition will provide a unique positioning of your company as an Indian brand with wide exposure and competencies in Geospatial and Engineering segments and will help expand Ceinsys business domain globally through Allygrow's International presence. It also expands Ceinsys ability to serve global clients across various industries with their core expertise in Automotive and Aerospace Engineering.

As we enter our 25th year of operations, we will continue to scale, innovate and accelerate the growth into newer domains as well as make disciplined investments to work towards our global expansion, improve our go-to-market, expand our capabilities to address new market opportunities.

I owe a huge thanks to all the talented and dedicated employees of Ceinsys who have made our achievements possible despite challenging pandemic situation over the past 2 years. Our business model is designed and primary objective is to ensure sustainable value creation for all our stakeholders.

I also thank our stakeholders, customers, investors, creditors, bankers, advisors and suppliers who have been a constant support to build our future.

Best Regards,

Sd/-

**Sagar Meghe**

Non-Executive Non-Independent Director  
Cum Chairman



## LETTER FROM VICE CHAIRMAN AND CEO

### Prashant Kamat

Vice Chairman & CEO

#### ***Dear valued Stakeholders,***

We sincerely hope you and your loved ones are safe, healthy, and happy.

In fiscal 2021-22, we had grown through an unprecedented and uncertain period and delivered value beyond clients' ask. In the face of widespread change, we had persisted in our efforts for Shaping the Future with a focus on innovation that influences the basic aspects of human lives.

In 2021-22, your company continued as per the conceived business continuity plan and made sure the smooth functioning of all the business verticals. Your company had a fool-proof fallback plan for the functioning of each Business Unit. Starting from the Business Unit Head to the Program Manager and cascading down to each team member, processes were institutionalized to take care of human resource contingencies. Business risk analysis was performed for every domain and its effects were evaluated with respect to response time for business functioning.

Your Company continued to consistently strive for ensuring sustainability in its operations and offered solutions that were critical for global sustainability efforts for clients across domains like Water, Utility, Transport, and Others. We integrated the fundamentals of sustainability in every project that we delivered – a) Our work in the management of non-revenue water ensured sustainable use of resources and introduced transparency in the usage of valuable resources, b) Our indigenously designed and implemented unified GIS solution established transparency in the system and supported sustainable asset management policies for an energy distribution utility and an energy transmission provider, c) Going beyond operational sustainability and business imperatives, initiatives like the solar power plant for a rural hospital have enriched human lives through sustained power availability.

On an ongoing basis, we continue to measure our success in how we create value for our clients and other stakeholders. Our results reflect the dedication and hard work of our more than 1000 talented resources. In terms of the fiscal year 2021-22, I must say it was truly a testing year and at the end of it, we have emerged stronger with a renewed zeal for excellence. We fared well across all key operational parameters throughout the year and have delivered 9.52% year-on-year (Y-o-Y) growth with INR 1778.37 Lakhs in FY 2021-22 revenue at a consolidated level. Our ongoing operational discipline also helped us continue to improve our Earnings Before Interest and Taxes (EBIT) margin, ending March 31, 2022 shows an increase of 46.75% Y-o-Y at a consolidated level. In terms of Segment revenue the revenue for Enterprise Geospatial & Engineering Services has increased by 7.87% Y-o-Y in comparison to 2020-21 at a consolidated level. In terms of amount there is an increase of Rs.1,272.32 Lakhs in 2021-22 in comparison to 2020-21 at a consolidated level. Our Net Profit stood at Rs.951.91 Lakhs with an increase of 377.42% Year on Year compare to last financial year at a consolidate level. We continue to focus on large and strategic deals in the domestic market with key government and non-government organizations. Additionally, now we will explore opportunities in the overseas market for more sustained growth in the future.

#### **Shaping the Future**

"The best way to predict the future is to create it," says Peter Drucker. Going forward drawing upon our expertise in core domains of geospatial & data processing, your Company aspires to Shape the Future of the Digital Industry. Combining geospatial core competence with the latest technologies, your Company is well poised to deliver state-of-the-art solutions in the global marketplace.

As you are aware the pandemic has accelerated the advent of digital ecosystems for workplace interaction and has greatly expedited the arrival of digital workplaces for various industries. By investing in developing competence and relevant talent for



the new age technologies such as GeoAI, Spatial Analytics, Digital Twins, HD navigation, thematic maps, and AR/VR we intend to underscore a strong foundation of innovation. In this exciting journey into the future, your Company will be backed by Allygrow Technologies Private Limited (a pureplay ESP which we acquired in FY22) global presence. Visionary leadership, the goodwill of our clients, the dedication of employees, and timely guidance from board members will help us in shaping the future and rise ahead of our peers. Acquiring, nurturing, and developing talent and helping our employees to transform themselves as the evangelist of digital transformation will be our key differentiator.

On the year of the 75th anniversary of the independence of our nation, your Company would like to mark the year of "Azadi Ka Amrit Mahotsav" by embarking on this exciting journey of shaping its future for the years to come. We will pay our respects to the nation by highlighting the resilience and technological authority of our youth. Your Company intends to flourish by leveraging the unrelenting Indian spirit of innovation and inquiry that the world has come to respect over the past two and a half decades.

#### Outlook

As mentioned earlier, in FY 22, your Company acquired and brought onboard Allygrow Technologies, a company that specializes in Automotive Engineering Services and has its presence in the US, Europe & Asia. Broadening the horizons of your Company's offerings and growing your Company's business beyond the domestic boundaries is the key focus in the coming years. Besides our acquisition, we are strengthening our people strategy and have fortified our leadership team to fuel our endeavors of growth.

Amidst various disrupting events over the past two years, your Company has emerged as a trusted partner for its clients. Your Company's adherence to quality and meticulous business execution has resulted in it being recognized as a preferred partner in government empanelment as well as for recurrent B2B engagements with international clients. I am confident in our strength as a company and its capabilities to mark its presence to stand uniquely amongst all.

The world remains unpredictable. Just when it seemed that the turbulent times are behind us, the pandemic is showing signs of resurgence, and a big-scale armed conflict has broken out in Eastern Europe. These events have reversed the expectations of rapid global recovery. Amid all this disorder, the leaps in technological innovation open up new possibilities in business, irrevocably shaping the way businesses of the future will be conducted. Anticipating the future, creating a niche for

ourselves, and preparing for the future global needs while maintaining stable organic growth is what your Company will focus on.

Last but not least I would like to thank our employees, our customers, and supply chain partners for their contribution, directly and indirectly, to our growth. I also thank my fellow Board Members for their invaluable support in guiding the Company through turbulent times. My special thanks to all our shareholders for the trust you have reposed in us. You remain an invaluable pillar of strength, and I look forward to your continued support as we embark on an accelerated growth journey.

Best Regards,

Sd/-

**Prashant Kamat**

Vice Chairman & CEO



## LETTER FROM MANAGING DIRECTOR

**Abhay Kimmatkar**

Managing Director

"One can choose to go back toward safety or forward toward growth. Growth must be chosen, again and again, fear must be overcome again and again."

- Abraham Maslow

Ceinsys as an organization has demonstrated its ability to evolve and grow. The year 2021-22 has been eventful on many fronts. The disruptions caused by Covid-19 pandemic has triggered a dynamic landscape of innovation and has dramatically accelerated the use of digital technology to reshape the business.

We have successfully adapted and leveraged the change in business environment to be more efficient and serve our customers conscientiously in the challenging market. There were a lot of opportunities and learnings from the pandemic that opened new horizons and avenues of Business.

During the year, we have demonstrated a great resilience and ability to respond to the needs of our clients. This has been achieved through our deep industry expertise and distinctive capabilities and footprints to cater to complex customer requirements. Our strong technology backbone has made a substantial difference during the pandemic, meeting the copious requirements of our customers.

India is undergoing rapid digital transformation and is evolving at a rapid pace than expected. New age technologies are transforming the landscape and bringing in new opportunities for the companies to address and grow. We at Ceinsys constantly strive to stay atop the technological curve by imbibing the global best practices and best in-class technologies. We have managed to drive down the costs through continuous improvements and proactive decision making. We have been addressing the ever-evolving customer needs through our wide array of offerings.

Our robust technological know-how and capabilities along with untiring efforts have aided us in creating "Customer Delight". Even during the pandemic situation, we have thrived and been agile to work swiftly by delivering innovative solutions and services to our customers. We are focussing on building sound and robust systems which can withstand any form of disruptions. Our business model is designed for flexibility to appropriately pursue our actions in line with evolving situations.

During the year, we have bagged significant and large value deals notably from Municipal Corporation of Greater Mumbai, Mumbai for carrying out GIS and Remote Sensing Consultancy Services, State Water and Sanitation Mission, Uttar Pradesh wherein Ceinsys shall

carry out Third Party Inspection and Monitoring of Physical and Financial Progress of various Rural Water Supply Projects in the state of Uttar Pradesh. Other notable wins were from Navi Mumbai Municipal Corporation, Chandrapur Municipal Corporation, Madhya Pradesh Agency for promotion of Information Technology, to name a few.

The Company has built long-standing relationships with customers and has been a benefactor to receive repeat businesses over the years. These enduring relationships have ensured company's stability and deepened sustainability especially during uncertain times.

Ceinsys is well positioned to take advantage of growth opportunities and deliver world class client experience all around the globe. Ceinsys is aiming to become a leading global tech company and has planned to expand in newer global markets. In line with this vision, Ceinsys has recently acquired Allygrow Technology Private Limited, company having its operations in Americas and Europe. It provides us a unique opportunity to position and expand our AEC and Geospatial services in those markets. This would give us a much larger addressable market and create exciting opportunities for growth.

The company is primarily focusing on imbibing New Age Technologies namely Lidar & High-Resolution Imagery Processing, 3D City Modelling using Digital Twins & GeoBim, Decision Support System using 5D BIM Dashboards & WebGis applications in its offerings to provide a comprehensive solution to its customers across multiple geographies.

We are looking forward to another exciting year and will remain focussed on long-term growth as well as invest in strengthening our competitive capabilities and stay diligent in our pursuit of efficiencies. We are geared up for the future and remain committed in our ambition of becoming a Global Solution Company.

We believe that the times ahead are exuberant and Ceinsys is perfectly placed to achieve its next level of growth.

With best wishes

Sd/-

**Abhay Kimmatkar**

Managing Director

# THE CEINSYS

## BOARD OF DIRECTORS



**Mr. Sagar Meghe**

Non-Executive Non-Independent  
Director Cum Chairman



**Mr. Prashant Kamat**

Whole Time Director,  
Vice Chairman & CEO



**Dr. Abhay Kimmatkar**

Managing Director



**Mr. Rahul Joharapurkar**

Joint Managing Director



**Mrs. Renu Challu**

Non-Executive &  
Independent Director



**Mr. Dhruv Kaji**

Non-Executive &  
Independent Director



**Dr. Satish Wate**

Non-Executive &  
Independent Director



**Mr. Kishore Dewani**

Non-Executive &  
Independent Director



# THE CEINSYS

## BOARD COMMITTEE

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### Audit Committee

**Mr. Kishore Dewani**

Chairman (Non-Executive & Independent Director)

**Mr. Dhruv Kaji**

Member (Non-Executive & Independent Director)

**Mrs. Renu Challu**

Member (Non-Executive & Independent Director)

### Stakeholders Relationship and Grievance Committee

**Dr. Satish Wate**

Chairman (Non-Executive & Independent Director)

**Dr. Abhay Kimmatkar**

Member (Managing Director)

**Mr. Rahul Joharapurkar**

Member (Joint Managing Director)

### Nomination and Remuneration Committee

**Mr. Dhruv Kaji**

Chairman (Non-Executive & Independent Director)

**Mrs. Renu Challu**

Member (Non-Executive & Independent Director)

**Mr. Kishore Dewani**

Member (Non-Executive & Independent Director)

### Corporate Social Responsibility Committee

**Mr. Sagar Meghe**

Chairman (Non-Executive Non-Independent Director  
Cum Chairman)

**Mr. Dhruv Kaji**

Member (Non-Executive & Independent Director)

**Mrs. Renu Challu**

Member (Non-Executive & Independent Director)

### Management Committee

**Mr. Prashant Kamat**

Chairman (Vice Chairman & CEO)

**Dr. Abhay Kimmatkar**

Member (Managing Director)

**Mr. Rahul Joharapurkar**

Member (Joint Managing Director)

# CORPORATE INFORMATION

CIN: L72300MH1998PLC114790

Ceinsys Tech Limited

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## Registered Office - Nagpur

Ceinsys Tech Ltd, 10/5, IT Park, Nagpur- 440022.  
Maharashtra, India  
EPABX: +91 712 2249033/358/930  
Fax: +91 712 2249605

## Corporate Office - Mumbai

Ceinsys Tech Ltd, 1601, Lodha Supremus, Senapati Bapat  
Marg, Lower Parel West, Mumbai-400013, Maharashtra,  
India EPABX: +91 22 49472200

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## Branch Offices

### Mumbai

414, Tantia Jogani Estate, Opp. Lodha Excelus,  
N.M. Joshi Marg, Lower Parel East, Mumbai - 400001,  
Maharashtra, India  
Ph. +91 22 65252235

### Lucknow

603, Titanium Shalimar Corporate Park,  
Vibhuti Khand, Gomti Nagar, Lucknow - 226010,  
Uttar Pradesh, India  
Ph. +91 522 6900846

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## Auditors

### Statutory Auditors

Statutory Auditors  
Chaturvedi & Shah, LLP Chartered Accountants  
714-715, Tulsiani Chambers, 212, Nariman Point,  
Mumbai – 400021 India  
Tel.: +91 22 3021 8500, F: +91 22 3021 8595

### \*Internal Auditors

PriceWaterhouseCoopers Pvt. Ltd.  
7<sup>th</sup> Floor, Tower A -Wing 1, Business Bay,  
Airport Road, Yerawada, Pune 411006  
MH India

### Secretarial Auditor

Sushil Kawadkar  
63, Income Tax Colony, Pratap Nagar,  
Nagpur- 440022 Maharashtra, India

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## Bankers

### State Bank of India,

Industrial Financial Branch  
5, Sai Complex, Bharat Nagar, Amravati Road,  
Nagpur- 440010. Maharashtra, India

### Abhyudaya Co-operative Bank Limited

House Plot No. - 1/A Wardha Road,  
Ajni Square Nagpur- 440015  
Maharashtra, India

### Registrar & Share Transfer Agent

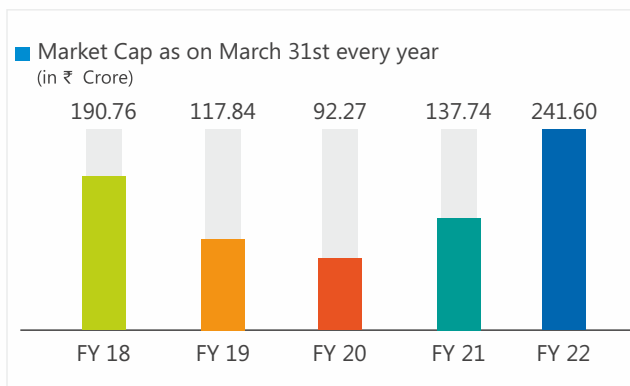
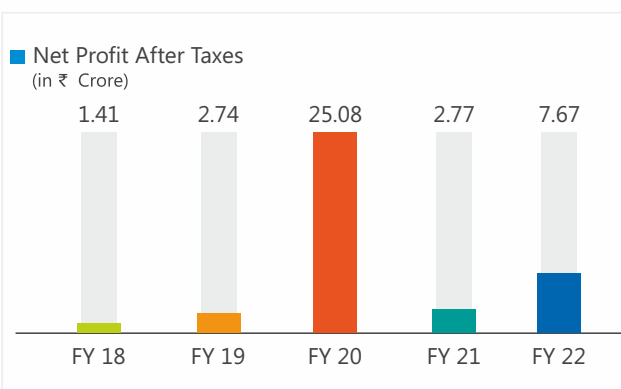
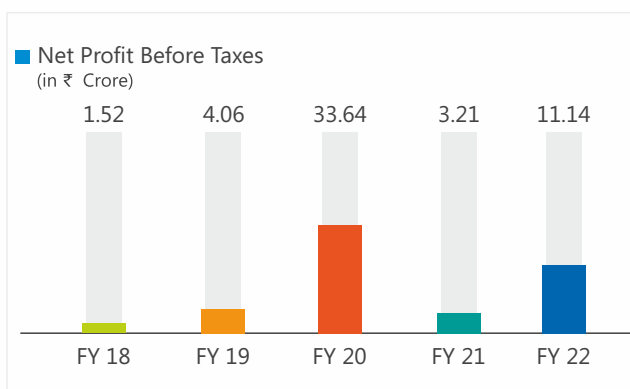
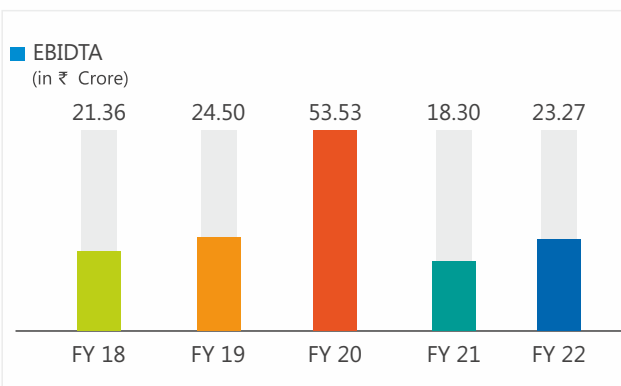
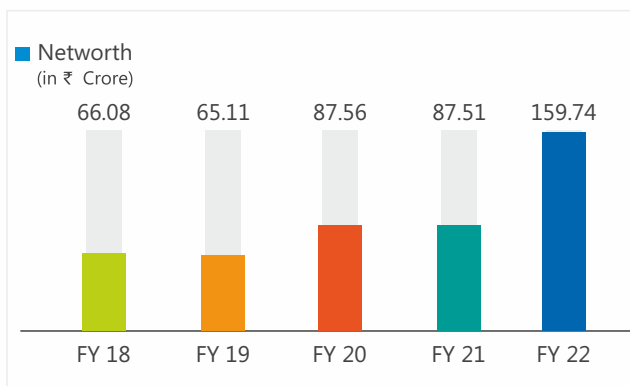
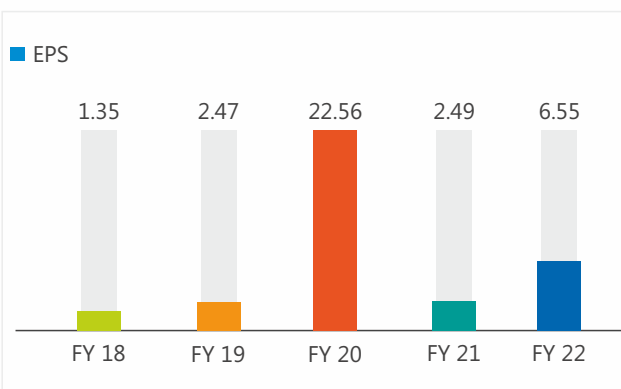
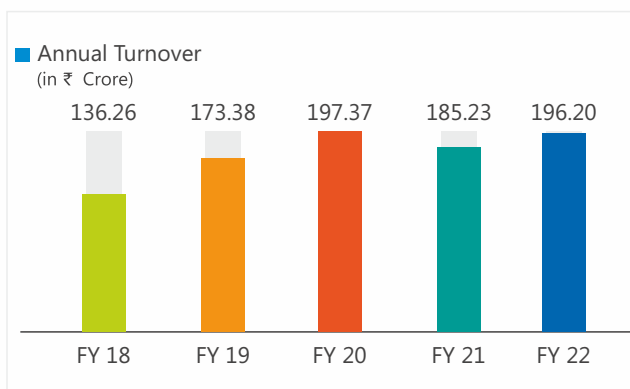
Bigshare Services Private Limited  
Bharat Tin Works Building, 1st Floor, Opp. Vasant Oasis  
Makwana Road, Marol Andheri – East Mumbai – 400059  
Maharashtra, India  
Tel: 022 – 62638200

### Company Secretary & Compliance Officer

CS Pooja Karande

\* Appointed on August 13,2022

# KEY TRENDS



# GOVERNANCE REPORT

## BOARD REPORT

**Dear Members,**

Your Board of directors have pleasure in submitting 24<sup>th</sup> (Twenty-Fourth) Board's Report on the business and operations of your Company for the financial year ended March 31, 2022.

### Results of Your Company's operations and Company's Performance

(Rs. In Lakhs)

Particulars	Standalone		Consolidated	
	For the year ended March 31		For the year ended March 31	
	2022	2021	2022	2021
I. Revenue from Operations	19,619.55	18,523.19	20,288.64	18,523.19
II. Other Income	131.03	217.77	167.68	154.76
<b>III. Total income (I + II)</b>	<b>19,750.58</b>	<b>18,740.96</b>	<b>20,456.32</b>	<b>18,677.95</b>
<b>IV. Expenses</b>				
Operating Expenses	11,912.84	12,246.19	11,912.84	12,246.19
Employee Benefits Expenses	3,215.74	2,881.16	3,620.90	2,891.57
Finance Costs	922.63	1,172.39	922.95	1,172.39
Depreciation and Amortisation Expenses	291.11	337.20	302.53	337.59
Admin & Other Expenses	2,294.37	1,783.17	2,535.42	1,786.64
<b>Total Expenses (IV)</b>	<b>18,636.69</b>	<b>18,420.11</b>	<b>19,294.64</b>	<b>18,434.38</b>
<b>V. Profit/(Loss) Before Exceptional Items and Tax (III-IV)</b>	<b>1,113.89</b>	<b>320.85</b>	<b>1,161.68</b>	<b>243.57</b>
Share of net profit of joint venture accounted for using the equity method	-	-	186.08	-
VI. Exceptional item	-	-	-	-
<b>VII. Profit/(Loss) before tax (V+VI)</b>	<b>1,113.89</b>	<b>320.85</b>	<b>1,347.76</b>	<b>243.57</b>
VIII. Tax expenses	(346.89)	(44.21)	(395.85)	(44.18)
<b>IX. Profit/(Loss) for the period/year after tax (VII + VIII)</b>	<b>767.00</b>	<b>276.64</b>	<b>951.91</b>	<b>199.39</b>
<b>X. Total Other Comprehensive Income</b>	<b>(24.09)</b>	<b>(3.36)</b>	<b>(27.58)</b>	<b>(3.36)</b>
<b>XI. Total Comprehensive Income for the year (IX+X)</b>	<b>742.91</b>	<b>273.28</b>	<b>924.33</b>	<b>196.03</b>
XII. Paid-up Equity Share Capital (Face value of Rs. 10/-each)	1,543.14	1,111.71	1,543.14	1,111.71
XIII. Earnings Per Equity Share of Rs.10/- each:	6.55	2.49	8.12	1.79

### Financial Position

(Rs. In Lakhs)

Particulars	Standalone		Consolidated	
	For the year ended March 31		For the year ended March 31	
	2022	2021	2022	2021
<b>Equity</b>				
Equity Share Capital	1,543.14	1,111.71	1,543.14	1,111.71
Other Equity	14,430.89	7,639.22	14,743.07	7,801.83
Non-controlling Interest	-	-	795.74	-
<b>Total Equity</b>	<b>15,974.03</b>	<b>8,750.93</b>	<b>17,081.95</b>	<b>8,913.54</b>
Non-Current Liabilities	39.86	118.56	183.09	118.56
Current Liabilities	12,144.53	16,582.25	12,775.38	16,588.70
<b>Total Liabilities</b>	<b>12,184.39</b>	<b>16,700.81</b>	<b>12,958.47</b>	<b>16,707.26</b>
Equity + Liabilities	28,158.42	25,451.74	30,040.42	25,620.80
Property, Plant and Equipment	2,098.44	2,171.18	2,184.74	2,172.90

Particulars	Standalone		Consolidated	
	For the year ended March 31		For the year ended March 31	
	2022	2021	2022	2021
Intangible Assets	55.39	85.53	2,083.00	91.10
Other Non-Current Assets	7,238.45	1,049.03	3,773.20	1,206.42
Current Assets	18,766.14	22,146.00	21,999.48	22,150.38
<b>Total Assets</b>	<b>28,158.42</b>	<b>25,451.74</b>	<b>30,040.42</b>	<b>25,620.80</b>

## 1. Financial Performance

### Revenue – Standalone

On a standalone basis in financial year 2021-22, our Revenue from operations has shown an increase of 5.92% which resulted increase of Revenue to Rs. 19,619.55 lakhs in FY 2021-22 as compared to previous FY 2020-21 which was Rs. 18,523.19.

### Revenue – Consolidated

On consolidated basis in financial year 2021-22, our Revenue from operations has shown an increase of 9.53% which resulted increase of Revenue to Rs. 20,288.64 Lakhs in FY 2021-22 as compared to financial year 2020-21 which was Rs. 18,523.19.

### Profits – Standalone

On a standalone basis in financial year 2021-22, the profit before tax and exceptional items has shown an increase of 247.17% in current FY 2021-22 and stood at Rs. 1,113.89 Lakhs and Profit after exceptional items and tax stood at Rs. 767.00 lakhs. Whereas, in FY 2020-21 the profit before tax and exceptional items stood at Rs. 320.85 Lakhs and Profit after exceptional items and tax at Rs. 276.64 lakhs.

### Profits – Consolidated

On consolidated basis in financial year 2021-22, the profit before tax and exceptional items has shown a increase of 453.34%, and stood at Rs. 1,347.76 lakhs in FY 2021-22. Profit after exceptional items and tax is Rs 951.91 lakhs in FY 2021-22. Whereas, in FY 2020-21 the profit before tax and exceptional items stood at Rs. 243.57 Lakhs and Profit after exceptional items and tax at Rs. 199.39 lakhs.

### EPS- Standalone

On Standalone basis, basic earnings per share increased to Rs.6.55 for financial year 2021-22 as compared to basic earnings per share of Rs. 2.49 for last financial year 2020-21.

### EPS- Consolidated

On Consolidated basis, basic earnings per share increased to Rs.8.12 for financial year 2021-22 as compared to basic earnings per share of Rs. 1.79 for last financial year 2020-21.

## 2. COVID-19

The second wave of the COVID-19 pandemic hit India during the first two quarters of the year. Your Company prioritized the safety, enablement, and engagement of all its employees and partners. Building on the efforts from the preceding year, the Company realigned its work processes, strengthened security postures, continued focus on talent sourcing and skilling through remote skill development initiatives, and revamped its HR processes to align with the “People First” approach.

Your Company provided robust systems for employee welfare amidst the second wave of COVID-19. These included setting up voluntary teams and covid-related helplines, information support related to the availability of hospital beds and oxygen concentrators, and vaccination drives for employees and family members. Priority was given to the mental and physical well-being of employees. Leaders conducted regular sessions to interact, resolve concerns and motivate employees. The first-line managers were coached to answer employees’ questions. In the later part of the year, your Company explored various models to ensure that the employees can safely come back to the office.

The business continuity plans and measures that were taken during the first wave had proven effective and ensured business continuity during the second wave as well. Despite over half of the workforce supporting business virtually, your Company’s business continuity model ensured timely deliveries and retained the confidence of its clients. Past the second wave, your Company is now set on its path to grow and shape a new future for itself and a stable, sustained recovery of business has started. During the second half of the year, the projects which were put on hold due to the imposed lockdowns were re-initiated. As the whole country recovers back to its pre-pandemic status, the pace of business and intensity is gradually increasing.

## 3. Dividend

Your directors have recommended a final dividend of Rs. 2.25 per Equity share for financial year 2021-22 aggregating to Rs.347.21 Lakhs subject to approval of Shareholders at the ensuing Annual General Meeting of the Company to be held on September 30, 2022.

## 4. Share Capital

### Equity Shares

The Authorised Share Capital of the company as on March 31, 2022 was Rs. 20,00,00,000/- (Rupees Twenty Crores) comprising of 2,00,00,000 (Two crore) equity shares of ₹ 10/- each.

The Paid-up Share Capital of the Company was increased from Rs. 11,11,70,850 to Rs. 15,43,13,970 pursuant to fresh issue of 43,14,312 equity shares on preferential basis, wherein issuance of upto 36,07,530 Equity shares was made to the existing shareholders of Target Company (Allygrow Technologies Private Limited) as consideration other than cash pursuant to the Share Purchase Agreement ('SPA') dated December 22, 2021, and issuance upto 7,06,782 Equity shares was made to Mr. Sagar Meghe and Mrs. Devika Meghe, persons belonging to promoter or promoter group of the Company.

### Employee Stock Options

In terms of Rule 12(9) of Companies (Share Capital and Debenture Rules,

2014), the Company has not issued any Employee Stock Options during the year. However, the Board at its Meeting held on March 31, 2022 approved 'Ceinsys Employee Stock Option Scheme 2022 - Plan 1' ("Plan 1"), and Ceinsys Employee Stock Option Scheme 2022 - Plan 2' ("Plan 2") which was subsequently amended by Board at its meeting held on April 14, 2022, subject to receipt of approval from shareholders of the Company by way of Special Resolution and was eventually approved by the shareholders through Postal Ballot on May 16, 2022.

### 5. Transfer to Reserves

Your Company has not transferred any amount to the general reserve account during the reporting period.

### 6. Capital Expenditure on Assets

During financial year 2021-22 the company incurred capital expenditure of Rs. 189.15 Lakhs as compared Rs. 41.67 Lakhs in the last financial year 2020-21.

### 7. Annual Return

Pursuant to Section 92(3) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return for FY 2021-22 is available on Company's website <https://www.ceinsys.com/investor/>.

### 8. Particulars of Loans, Guarantee and Investment

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 forms part of the Notes to the Standalone Financial Statements provided in this Annual Report.

### 9. Public Deposits

Your Company has not accepted deposits within the meaning of the provision of Chapter V of the Companies Act, 2013 read with the relevant Rules.

### 10. Maintenance of Cost Records

Your company is not required to maintain cost records under sub-section (1) of section 148 of the Companies Act, 2013.

### 11. Particulars of Contracts or Arrangements made with Related Parties

All contracts/ arrangements/transactions entered into by the Company during the financial year with the related party were in its ordinary course of business and were at arm's length basis. Suitable disclosure as required by the Indian Accounting Standards (IND AS 24) has been made in the notes to the Standalone Financial Statements under Note No. 38 which forms part of the Annual Report.

As per the provisions of regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has amended Policy on Related Party Transactions to give effect to the amendments in Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021; details of the same are provided in [Annexure-6](#) to the Board's Report.

During the reporting year, the Company had entered into a contract/ arrangement/ transaction on arm's length basis with one related party- Primus Finance Private Limited which is considered material in accordance with the definition of materiality as included in the Company's Related Party Transaction Policy. The Company has taken proper approval of Shareholders for entering into this transaction. However, all related party transactions were made on arms' length basis

and have no potential conflict with the interest of the Company.

Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is appended as [Annexure-2](#) to this Board's Report.

### 12. Material Events occurred after Balance Sheet date:

No material event except as mentioned below has occurred after the Balance Sheet date to be reported:

- Pursuant to the Share Purchase Agreement (SPA) dated December 22, 2021 executed amongst Ceinsys Tech Limited ("the Company"), Allygrow Technologies Private Limited ("Target Company") and the existing shareholders of the Target Company ("Sellers"), the Company on June 9, 2022, completed the part of second tranche of acquisition by further acquiring 28,503 equity shares of Rs. 10/- each of the Target Company from five out of seven Sellers for cash consideration of Rs. 7,68,58,139/- (Rupees Seven Crores Sixty-Eight Lakhs Fifty-Eight Thousand One-Hundred and Thirty-Nine Only) and on August 2, 2022 completed final part of acquisition by further acquiring 15,228 equity shares of Rs. 10/- each of the Target Company from remaining two sellers for cash consideration of Rs. 4,10,61,479/- (Rupees Four Crores Ten Lakhs Sixty-One Thousand Four Hundred and Seventy-Nine Only). With this Allygrow Technologies Private Limited has become wholly owned subsidiary of the Company.
- The Shareholders on May 16, 2022 through postal ballot process approved, increase in Authorised Share Capital of the Company and consequential amendment in Memorandum of Association of the Company;
- The Shareholders on May 16, 2022 through postal ballot process approved appointment of Mr. Prashant Kamat (DIN: 07212749) as Director of the Company and also approved his appointment as the Whole Time Director and Chief Executive Officer (CEO) with nomenclature as the Vice Chairman and CEO of the Company for the period from February 17, 2022 to February 16, 2025;
- The Shareholders on May 16, 2022 through postal ballot process approved Ceinsys Employee Stock Option Scheme 2022 - Plan 1 for the Employees of the Company and also approved extension of the Ceinsys Employee Stock Option Scheme 2022 - Plan 1 to the Employees of the Subsidiary and/or Associate Company (ies), if any, of the Company.
- The Shareholders on May 16, 2022 through postal ballot process approved Ceinsys Employee Stock Option Scheme 2022 - Plan 2 for Mr. Prashant Kamat, Vice Chairman and Chief Executive Officer of the Company.
- The Board at its meeting held on May 30, 2022 approved resignation of Mr. Rajesh Joshi from the post of Deputy Chief Financial Officer of the Company with effect from June 1, 2022 and approved appointment of Mr. Sudhir Gupta as Deputy Chief Financial Officer of the Company with effect from June 1, 2022.
- The Company granted 1,66,188 stock options to eligible employees of Subsidiary Company under Ceinsys Employee Stock Option Scheme 2022 - Plan 1 and 7,41,812 stock options to Mr. Prashant Kamat, Vice Chairman and CEO of the Company under Ceinsys Employee Stock Option Scheme 2022 - Plan 2 on June 17, 2022 respectively.



- The Board of Directors at its meeting held on July 12, 2022, based on the recommendations of Nomination and Remuneration Committee approved re-appointment of Mr. Dhruv Kaji and Dr. Satish Wate as Non-Executive Independent Directors of the Company for 2<sup>nd</sup> consecutive term of 5 years with effect from July 14, 2022 to July 13, 2027, subject to approval of Shareholders at the ensuing Annual General Meeting.
- The Board at its meeting held on August 13, 2022 approved resignation of Mr. Krishnan Rathnam from the post of Chief Financial Officer (CFO) of the Company with effect from October 1, 2022 and approved re-designation of Mr. Sudhir Gupta from Deputy Chief Financial Officer to Chief Financial Officer (CFO) of the Company with effect from August 13, 2022.
- The Board of Directors at its meeting held on August 30, 2022, based on the recommendations of Nomination and Remuneration Committee approved re-appointment of Mrs. Renu Challu as Non-Executive Independent Director of the Company for 2<sup>nd</sup> consecutive term of 5 years with effect from August 31, 2022 to August 30, 2027, and approved re-appointment of Mr. Kishore Dewani as Non-Executive Independent Director of the Company for 2<sup>nd</sup> consecutive term of 5 years with effect from January 15, 2023 to January 14, 2028 subject to approval of Shareholders at the ensuing Annual General Meeting.

### 13. Board Policies

The details of the policies approved and adopted by the board as required under Companies Act, 2013 and SEBI regulations are provided in [Annexure-6](#) to the Board's Report.

### 14. Risk Management

Your Company has sound systems to manage the risks. Management of risk is an integral and important component of Corporate Governance. This robust Risk Management system ensures adequate controls and monitoring mechanisms for a smooth and efficient running of the business.

Your Company's overall Risk Management Framework helps in identifying risks and opportunities that may have a bearing on the organization's objectives, assessing them in terms of likelihood and magnitude of impact and determining a response strategy. This framework seeks to create transparency, minimize adverse impact on the business strategy and enhance the Company's competitive advantage. During the year under review, the Company adopted a Risk Management Framework. This risk management system thus helps in managing market, credit and operational risks and quantifies potential impact at a Company level. *Management Discussion & Analysis Report* contains detailed information on the risk management process of the Company.

### 15. Business Description and State of Company's Affairs

Over the last year, your Company invested extensively in enhancing its global reach and strengthening its executive bandwidth with the intent of reimagining the way of doing business. During this period the company redesigned its offerings to move up the value chain and built enterprise-wide resilience intending to become the epitome of business excellence. With the recent acquisition of a specialized global engineering services firm - Allygrow Technologies Private Limited ('Allygrow'), your Company is set to expand the scope of its impactful presence at a global level. Concurrently, your Company continues its

endeavor to implement focused solutions based on the latest technological advancements to empower its customers in creating a strong business impact.

In terms of service offerings, your Company specializes in offering state-of-the-art Geospatial, Engineering, Automotive product design, development & IT Solutions to a wide range of customers from Water, Transportation, Telecom, Automotive, Energy, IT & GIS verticals. It brings together deep domain expertise, strong financials, and a skilled resource base. With over 23 years of experience in meeting a variety of customer needs your Company strives for adding value at each stage for customer engagement.

Over the years your Company has concentrated on providing a high-quality end-user experience while streamlining the underlying workflows and improving efficiency. Its domain expertise now includes the capabilities & skills brought onboard by Allygrow Technologies Private Limited, thereby expanding the overall span of service offerings. As of date the services offered by your Company along with its subsidiaries span across:

- Geospatial Services and solutions – including, but not limited to, mapping of cadastral terrain, natural resources such as mining, forest and agriculture, health and sanitization, enterprise assets, and utilities
- Web GIS Integrated solutions comprising decision support systems and enterprise administrative portals, along with end-to-end solution capabilities in the Utilities, Municipal, ULBS, and agriculture domains.
- Expert engineering solutions comprising consulting services for
  - o Non-revenue water (NRW)
  - o Urban/Rural water supply and sewage schemes (DPR)
  - o SCADA and automation for transmission and distribution in the water and electric domain includes management of water, water supply, and water resources, smart water solutions, metering Infrastructure (AMI)
  - o Engineering services that include Roads and Highways (DPRs), Road Asset Management System (RAMS), corridor mapping, 5DBIM and CDE for Transport, Infra and Construction industry, Project Management Consultancy (PMC), third party inspection (TPI).
- New-age technology solutions comprising of Lidar Data Capturing and Processing, UAV Data capturing and processing, Laser Scanning and 3D Modelling, Point cloud extraction, Photogrammetry Solutions, Digital Twin Engineering, and AI/ML-based solutions.
- Automotive Engineering Services encompassing
  - o Product engineering – Concept generation, Engineering, Detail design, Feasibility studies, Packaging & integration, virtual verification through CAE/FEA/CFD, and overall change management
  - o Manufacturing engineering – Consulting, Plant design and optimization, tooling design, robotics automation, and simulation
  - o Advanced technologies – IoT and IIOT for Industry 4.0, AI-based computer vision solutions.

In the process of being a world-class player, your Company is continually expanding its boundaries and positioning itself as an integrated solution provider in the Geospatial, Engineering, Automotive, and IT solutions space. During the year, your Company continued its emphasis on innovation and building an organization for "Shaping the Future" through the application of state-of-the-art technologies. The Capabilities of your Company were relied upon by several private as well

as government organizations to streamline their management for better decision-making and effective results. With the experiences over the past years and understanding of the technology innovations, your Company is now well positioned to address large opportunities on a global scale.

On the aspect of strengthening the internal process, your Company continues to audit, fine-tune, standardize, streamline and develop processes that enable it to holistically manage its organizational structure, practices, policies, infrastructure and partner/customer engagements in line with its business objectives. From an employee perspective, it is rigorously strengthening its core processes of Learning & Development, Employee Engagement and Performance Management system, thereby continually aligning them to enable engaging the employees for a long term.

Over the year, your Company has also relied on its core competencies to drive organic growth and also realigned priorities and reengineered business practices to drive profitability. Cost control measures were implemented throughout the year as the Company recovered from the business impact caused by the pandemic.

Now, with Allygrow's global presence, your Company's focus will be to tap into the international markets and gain a foothold in these markets. Aligned with this objective, your Company has planned to scale up its operations and offerings to specifically target US and European markets.

#### 16. Disclosure Requirements

As per SEBI Listing regulations, Corporate Governance Report with the Auditors Certificate thereon and the integrated Management Discussion and Analysis Report are attached herewith and forms part of this Report.

The Company has devised proper system to ensure compliance with the provisions of all Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

#### 17. Human Resource Management

Human Resource plays an instrumental role in securing the future success of the Company. In doing so, the function is guided by its long-term vision of working in partnership to create an environment where employees can thrive and are enabled to deliver sustainable organizational performance. Specifically, strategic priorities have been identified for HR: to apply its human capital expertise more assertively to support the various business/domains and in order to deliver results that amplifies business outcome; to strengthen its role as a control function for all the human capital risks; to build the capabilities of managers and employees.

Diversity is embedded in our people processes – from recruitment to leadership development – and reflected in all HR-related offerings, including parental leave, mentoring, coaching and other benefits. Managers are responsible for fostering diverse capabilities and leading inclusively, with hiring and promotion programs also reflecting key aspects of Ceinsys.

Investment in skills and accelerating employees' professional and personal development are essential components of Ceinsys People agenda. Ceinsys, is committed to strengthening the capability of managers and holding them accountable to enable employees to thrive

and meet their full potential and outshine. This is reflected in the talent and development agenda, which includes a recalibrated offering that helps to develop and nurture future leaders who are accountable, who champion the values and who inspire the best in their colleagues

Setting the standards for disciplined management of human capital risk also entails developing incentive and reward structures that reinforce Ceinsys culture. This means employees are paid for sustainable performance within a sound governance framework and with due consideration of market factors. Performance, behaviour in line with the Corporate values, and compensation have been linked more closely than before.

Hr's principles and priorities have sharpened in the face of Strategy deployed in 2021-2022. Ceinsys seeks to retain, develop and continue to attract people with the requisite skills to help shape a progressive and better performance and foster employees' engagement and motivation throughout the implementation process. As on March 31, 2022, Ceinsys has a strong employee base of 1046 employees on its roll.

#### 18. Management Discussion and Analysis

In terms of the provisions of Regulation 34 read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the **Management's Discussion and Analysis Report** is presented in a separate section forming part of this Annual Report.

#### 19. Subsidiaries including Material Subsidiaries

We, along with our subsidiaries, provide consulting, technology, outsourcing and next-generation digital services. At the beginning of the financial year, the Company had one Wholly Owned Subsidiary. During the financial year the Company as a part of its strategic growth plan acquired Allygrow Technologies Private Limited along with subsidiaries. Allygrow Technologies Private Limited is a technology-driven core engineering services company led by passionate technocrats who hold decades of rich experience in building successful strategic partnerships in the engineering services space. The company was incorporated on July 16, 2015 with its headquarters in Pune, India. Over the last 6 years, the company has built its core competencies both organically as well as inorganically in the Automotive engineering services space and has a presence in US, Europe, and India and specializes in Product design and Robotics automation (Manufacturing Engineering) services.

With this the Company as on March 31, 2022, has two direct subsidiaries i.e. ADCC Infocom Private Limited, Wholly owned subsidiary and Allygrow Technologies Private Limited and 5 step down subsidiaries i.e. Allygrow Technologies B.V, Technology Associates Inc., Allygrow Engineering Services Pvt Ltd, Allygram Systems and Technologies Private limited, Allygrow Technologies, GmbH and Allygrow Technologies Ltd., UK out of which **Allygrow Technologies Private Limited and Allygram Technologies Private Limited are Material Subsidiaries** as per the thresholds laid down under the Listing Regulations and Policy for determining material subsidiaries which is in line with the Listing Regulations as amended from time to time. However, your Company does not have any Associate Company or incorporated and registered Joint Venture.

Pursuant to provisions of Section 129(3) of the Companies Act, 2013, your Company has prepared *Consolidated financial statements* of the Company and its subsidiary, which form part of the Annual Report. Further, a statement containing the salient features of the financial

statement of your company's subsidiaries in the prescribed format AOC-1 is appended as an [Annexure-1](#) to the Board's Report.

In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the *Consolidated financial statements* and related information of the Company and audited accounts of its subsidiary are available on our website, [www.ceinsys.com](http://www.ceinsys.com).

## 20. Corporate Governance

Your Company has adopted best corporate governance practices. These are further consistently followed. Your Company believes that good governance is the basis for sustainable growth of the business and for enhancement of stakeholder value. Your directors reaffirm their continued commitment to good corporate governance practices. It is an ethically driven business process that is committed to values aimed at enhancing an organization's brand and reputation. This is ensured by taking ethical business decisions and conducting business with a firm commitment to values, while meeting stakeholders' expectations. A detailed report on Corporate Governance forms an integral part of this Annual Report and is set out as separate section therein.

## 21. Audit reports and Auditors

### Audit reports

- The Auditors' Report for FY 2021-22 provided by Statutory Auditors on Standalone and Consolidated Financial Statements ('Financial Statements') does not contain any qualification, reservation or adverse remark. The statements made by the Auditors in their report are self-explanatory and do not call for any further comments. The Auditor's Report is enclosed as separate section with the financial statements in this Annual Report.
- Statutory Auditors have also provided their independent report on effectiveness of Internal Financial Controls over Financial Reporting which does not contain any qualification, reservation or adverse remark. The Auditor's Report is enclosed as separate section with the Standalone and consolidated financial statements in this Annual Report.
- The Company's Internal Audit is being conducted by Independent Auditors on quarterly basis and they furnish their quarterly report on their observations to Audit Committee for review.
- The Secretarial Auditors' Report for FY 2021-22 does not contain any qualification, reservation or adverse remark. The statements made by the Secretarial Auditors in his report are self-explanatory and do not call for any further comments. In terms of provisions of sub-section 1 of section 204 of the Companies Act, 2013, the Company has annexed to this Board's Report as [Annexure-4](#), a Secretarial Audit Report given by the Secretarial Auditor.
- The Secretarial Auditors' Report of Material Subsidiary i.e. Allygrow Technologies Private Limited and Allygram Technologies Private Limited for FY 2021-22 are available on the website of the Company [www.ceinsys.com](http://www.ceinsys.com).
- As required under SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015, the Practicing Company Secretary's Certificate on Corporate Governance and non-disqualification of directors including KYC requirement is appended as [Annexure-8](#). The appended certificate does not contain any qualification, reservation or

adverse remarks.

### Auditors

#### • Statutory Auditors

M/s Chaturvedi & Shah LLP, Chartered Accountants (FRN: 101720W/W100355), was appointed as Statutory Auditors for a term of 5 consecutive years at the 20<sup>th</sup> Annual General Meeting held on September 29, 2018. M/s Chaturvedi & Shah LLP, Chartered Accountants has furnished a certificate of their eligibility and consent under Sections 139(1) and 141 of the Act and the Rules framed thereunder for their continuance as Statutory Auditors of the Company at the time of appointment.

#### • Internal Auditors

Your Company has appointed M/s V. K. Surana & Co. (FRN: 110634W), as an Internal Auditors of the Company for a term of 3 consecutive years with effect from August 14, 2020. However, M/s V. K. Surana & Co. (FRN: 110634W) tendered their resignation as an Internal Auditors of the Company due pre-occupations and other commitments with effect from August 2, 2022. The Board at its meeting held on August 13, 2022 appointed M/s PricewaterhouseCoopers Private Limited as an Internal Auditors in place of M/s V. K. Surana & Co. for a term of two years i.e. FY 2022-23 and to hold office up to FY 2023-24.

#### • Secretarial Auditors

Pursuant to the provisions of section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Sushil Kawadkar, Practicing Company Secretary to undertake the Secretarial Audit of the Company. In terms of provisions of sub-section 1 of section 204 of the Companies Act, 2013, the Company has annexed to this Board's Report as [Annexure-4](#), a Secretarial Audit Report given by him for financial year 2021-22.

## 22. Reporting of Fraud by Auditors

During the year under review, neither the statutory auditors nor the secretarial auditor has reported to the audit committee, under Section 143 (12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's report.

## 23. Segment Reporting

Your Company's operating segments are established on the basis of those components of the Company that are evaluated regularly by the Board in deciding how to allocate resources and in assessing performance. These have been identified taking into account nature of services, the differing risks and returns and the internal business reporting systems.

## 24. Board of Directors and its Meeting

Your Company has a professional Board with right mix of knowledge, skills and expertise with an optimum combination of Executive, Non-Executive and Independent Directors including Woman Director. The Board provides strategic guidance and direction to the Company in achieving its business objectives and protecting the interest of the stakeholders. The Board met Six (6) times during the financial year.

The maximum interval between any two meetings did not exceed 120 days, as prescribed under Companies Act, 2013.

The details pertaining to the composition, terms of reference, etc. of the

Board of Directors of the Company and the meetings thereof held during the financial year are given in the Report on *Corporate Governance* section forming part of this Annual Report.

## 25. Investor Education and Protection Fund (IEPF)

During the year, the Company was not required to not transfer any amount to Investor Education and Protection Fund (IEPF) as per the requirements of the IEPF Rules.

## 26. Directors' Responsibility Statement

The Standalone and Consolidated financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on accrual basis, the provisions of the Act (to the extent notified) and guidelines issued by SEBI. Ind AS are prescribed under section 133 of Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or the revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- I. In the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- II. They have 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 and of the profit of the Company for that period;
- III. They have taken proper and sufficient care for the 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 fraud and other irregularities;
- IV. They have prepared the annual accounts on a going concern basis;
- V. They have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- VI. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 27. Internal Financial Controls with Reference to Financial Statements

Your Company has internal financial control systems to commensurate with the nature of its business, size and complexity of its operations. Internal financial control systems include policies and procedures which are designed to ensure reliability of financial reporting, compliance with policies, procedure, applicable laws and regulations and that all assets and resources are acquired economically, used efficiently and adequately protected.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, audit performed

by the Internal, Statutory and Secretarial Auditors and the reviews performed by the relevant board committees, including the audit and management committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2021-22. For more details, refer to the 'Internal control systems and their adequacy' section in the Management's discussion and analysis, which forms part of this Annual Report.

## 28. Declaration of Independence by Independent Director

Independent Directors of your Company has provided declarations under Section 149 (7) of the Companies Act, 2013 and Regulation 25 (8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, that he/she meets with the criteria of independence, as prescribed under Section 149 (6) of the Companies Act, 2013 and Regulation 25 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## 29. Board Evaluation

The Board of Directors carried out an annual evaluation of its own performance, Board Committees and individual Directors pursuant to the provisions the Companies Act, 2013 and SEBI Listing Regulations.

Further the Independent Director in their separate meeting reviewed the quality, quantity and timeliness of flow of Information between the Company management and Board to perform their Duties effectively.

The Nomination and Remuneration Committee of the Company has laid down the criteria for performance evaluation of the Board, its Committees, Chairman and individual directors including Independent Directors.

The evaluation of all the directors, the Board as a whole and its committees were conducted based on the criteria and framework designed by Nomination and Remuneration Committee and duly adopted by the Board. The evaluation process focused on various aspects of the functioning of the Board and Committees such as composition of the Board and Committees, experience, integrity, frequency of meeting, competencies, performance of specific duties and obligations, governance issues, etc. The guidance note issued by SEBI on Board Evaluation was also duly considered while conducting the evaluation exercise. Separate exercise was carried out to evaluate the performance of individual Directors on parameters such as attendance, contribution, timely decisions, confidentiality, competency, governance, independent judgement, etc.

During the above evaluation process, it was noted that the Board as a whole is functioning as a cohesive body which is well engaged with different perspectives. The Board Members from different backgrounds bring different competencies that help Board to bring richness and value addition to the discussions. It was also noted that the Committees are functioning well and besides the Committee's terms of reference as mandated by law, important issues are brought up and discussed in the Committee Meetings.

## 30. Familiarization Program for Board Members

The Board members are provided with necessary documents / brochures, reports and internal policies to enable them to familiarise with the Company's procedures and practices. Periodic presentations are made on business and performance updates of the Company, business strategy and risks involved. The Directors are also updated with various

regulations prevailing at the time and the new judicial pronouncements.

### 31. Policy on Directors Appointment, Remuneration and other details

The Nomination and Remuneration Committee ('NRC') has adopted the policy and procedures with regard to identification and nomination of persons who are qualified to become directors and who may be appointed in senior management. This policy is framed in compliance with the applicable provisions of Regulation 19 read with Part D of the Schedule II of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 ('the Regulations') and Section 178 and other applicable provisions of the Companies Act, 2013.

Salient features of Nomination and Remuneration policy:

- ensuring the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully.
- ensuring that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- determining the Company's policy on specific remuneration package for the Managing Director / Executive Director.
- ensuring that the remuneration to directors involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.
- deciding the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors.
- defining and implementing the Performance Linked Incentive Scheme, evaluating the performance and determining the amount of incentive of the Executive Directors for the same.
- reviewing and suggesting revision of the total remuneration package of the Executive Directors after keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc.
- formulating and administering the Employee Stock Option Scheme as and when required.

In terms of the provisions of Section 197 (12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules are provided in the [Annexure-3](#) of the Boards' Report.

### 32. Change in the position of Directors and Key Managerial Personnel

The following appointments, re-appointments and resignations were made during the year and till the date of this report:

- Dr. Hemant Thakare was re-appointed as Whole Time Director and Chief Operating Officer of the Company with effect from May 28, 2021. Further his office was also liable for rotation. The re-appointment was duly approved by the shareholders at 23<sup>rd</sup> Annual General Meeting held on September 30, 2021. However, Dr. Hemant Thakare tendered his resignation from the post of Whole Time Director and Chief Operating Officer of the Company with effect from February 14, 2022.
- Mr. Saurabh Somani tendered his resignation as the Company Secretary and Compliance Officer of the Company with effect from July 15, 2021 and Ms. Pooja Karande, was appointed in his place as Company Secretary and Compliance Officer of the Company with

effect from August 13, 2021.

- There was change in designation of Mr. Sagar Meghe from Chairman and Managing Director to Non-Executive Non-Independent Director cum Chairman of the Company with effect from August 13, 2021.
- Mr. Chanchal Bhaiyya tendered his resignation from the post of Chief Financial Officer of the Company with effect from February 28, 2022.
- Mr. Krishnan Rathnam was appointed as Chief Financial Officer (CFO) of the Company with effect from February 17, 2022.
- Mr. Rajesh Joshi was appointed as Deputy Chief Financial Officer (Deputy CFO) of the Company with effect from February 14, 2022.
- Mr. Prashant Kamat was appointed as an Additional Director, Whole Time Director and Chief Executive Officer (CEO) with nomenclature as the Vice Chairman and CEO of the Company with effect from February 17, 2022, which was subsequently approved by Shareholders through postal ballot process on May 16, 2022.
- Mr. Rajesh Joshi tendered his resignation from the post of Deputy Chief Financial Officer of the Company with effect from June 1, 2022 and Mr. Sudhir Gupta has been appointed in his place as Deputy Chief Financial Officer of the Company with effect from June 1, 2022 who was re-designated as Chief Financial Officer (CFO) with effect from August 13, 2022.
- Re-appointment of Mr. Dhruv Kaji and Dr. Satish Wate as Non-Executive Independent Directors of the Company for second term of 5 consecutive year with effect from July 14, 2022 to July 13, 2027, subject to approval of Shareholders at the ensuing Annual General Meeting.
- Mr. Krishnan Rathnam tendered his resignation as the Chief Financial Officer of the Company with effect from October 1, 2020.

### 33. Committees of the Board

As on March 31, 2022, the Board has five committees:

- Audit Committee
- Nomination and Remuneration Committee
- Corporate Social Responsibility Committee
- Stakeholders Relationship & Investor Grievances Committee
- Management Committee

The details of the powers, functions, composition and meetings of the Committees of the Board held during the financial year 2021-22 are given in the Report on Corporate Governance section forming part of this Annual Report.

### 34. Conservation of Energy, Technology Absorption, Foreign exchange earnings and outgo

The particulars as prescribed under Sub-section (3) (m) of Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014, are given separately as [Annexure-7](#) to the Board's Report.

### 35. Corporate Social Responsibility

The Company is committed to conduct its business in a socially responsible, ethical and environmental friendly manner and to continuously work towards improving quality of life of the communities in its operational areas. The Board of Directors at its meeting held on July 26, 2014 had constituted Corporate Social Responsibility (CSR) Committee in accordance with Section 135 of Companies Act, 2013 read with rules formulated therein. The CSR agenda is planned in consultation with the CSR committee members through a systematic independent need assessment. Your Company believes in positive relationships that are built with constructive engagement which enhances the economic, social and cultural well-being of individuals and regions connected to the Company's activities. Your Company has adopted a detailed policy on Corporate Social Responsibility which was further amended on



March 31, 2022. The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company are set out in [Annexure-5](#) of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

### 36. Secretarial Standards

The Company duly complies with all applicable secretarial standards issued by the Institute of Company Secretaries of India.

### 37. Listing on stock exchange

The Company's shares are listed on BSE Limited.

### 38. Vigil Mechanism (Whistle Blower Policy)

In terms of the section 177(9) of companies act, 2013 and rules framed thereunder, your Company has established a 'Vigil Mechanism Policy' and it provides a channel to the employees to report to the appropriate authorities concerns about unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct policy and provides safeguards against victimization of employees who avail the mechanism and also provide a direct access to the Chairman of the Audit Committee in exceptional cases. Protected disclosures can be made by a whistle blower through an e-mail, or dedicated telephone line or a letter to the concerned authorities. The details of the vigil mechanism (whistle blower policy) are given in [Annexure-6](#) of this Board Report.

### 39. Prevention of Insider Trading

The Securities and Exchange Board of India (SEBI) vide notification dated January 15, 2015 had put in place a new framework for prohibition of Insider Trading in securities and to strengthen the legal framework thereof. These regulations of the SEBI under the above notification had become effective from May 15, 2015. Whereas on December 31, 2018, the regulations were amended with Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018 effective from April 1, 2019. Accordingly, the Board has formulated Code of Conduct and Fair Disclosure for Prevention of Insider Trading Policy in accordance with Regulation 8 & 9 of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 for regulating, monitoring and reporting of Trading of Shares by Insiders. The Code lays down guidelines, procedures to be followed and disclosures to be made while dealing with shares of the Company. The details of the Code of Conduct and Fair Disclosure for Prevention of Insider Trading are given in [Annexure-6](#) of this Board's Report.

### 40. Code of Conduct

The Directors, KMP's and Senior Management of the Company have affirmed compliance with Code of Conduct applicable to them during the year ended March 31, 2022. The details of the Code of Conduct for Directors, KMP's and Senior Management are given in [Annexure-6](#) of this Board's Report.

The Annual Report of the Company contains a certificate by the Vice Chairman and CEO, on compliance declaration received from the Members of the Board, KMP's and Senior Management as [Annexure-9](#).

### 41. Legal, Governance and Brand Protection

Your Company continued to focus on the key areas and projects within the Legal, Compliance and Corporate Affairs functions.

### 42. Enhancing Shareholders Value

Your Company believes that its Members are its most important stakeholders. Accordingly, your Company's operations are committed to

the pursuit of achieving high levels of operating performance and cost competitiveness, consolidating and building for growth, enhancing the productive asset and resource base and nurturing overall corporate reputation.

### 43. Significant and Material Orders Passed by the Regulators or Courts or Tribunals Impacting the Going Concern Status of the Company

There are no orders passed by the Regulators or Courts or Tribunals which would impact the going concern status and the Company's future operations.

### 44. Credit Rating Obtained

During the year the Company did the Credit rating from CARE Ratings Limited for the loans and credit facilities from Banks. The Ratings given below:

Facilities	Amount (Rs. crore)	Ratings	Rating Action
Long-Term Bank Facilities	73.77	<b>CARE BBB-</b> Negative (Triple B Minus; Outlook: Negative)	Reaffirmed
Short-Term Bank Facilities	85.00	<b>CARE A3</b> (A Three)	Reaffirmed
<b>Total</b>	<b>158.77</b>		

However, on December 31, 2021, the ratings were same but outlook and rating action was changed as:

Facilities	Amount (Rs. crore)	Ratings	Rating Action
Long-Term Bank Facilities	73.77	<b>CARE BBB-</b> (CWD) (Triple B Minus) (Under Credit watch with Developing Implications)	Placed on Credit watch with Developing Implications
Short-Term Bank Facilities	85.00	<b>CARE A3</b> (A Three)	Placed on Credit watch with Developing Implications
<b>Total</b>	<b>158.77</b>		

### 45. Sexual Harassment of Women at Workplace:

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a Policy on Prevention of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. The details of the policy are given in [Annexure-6](#) of this Board's Report.

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and its Registration. During the year, the Company has not received any complaints of sexual harassment. The details of complaint filed,



disposed of and pending during the financial year pertaining to sexual harassment are provided in the *Corporate Governance report* of this Annual Report.

#### 46. Other Disclosures:

##### Utilisation of Funds Raised through Preferential Allotment of Shares:

During the period under review, your Company had raised funds through Preferential allotment and hence, as per Regulation 32 (7A) of SEBI (Listing Obligation and Disclosure Requirement) 2015 the required disclosure for utilisation of such funds during the year is mentioned below:

a. on February 9, 2022, your Company had made a Preferential Allotment of 36,07,530 Equity shares of the Company to non-promoters for consideration other than cash i.e. through swap of shares pursuant to SPA dated December 22, 2021. Since the consideration received by the Company was for other than cash i.e. through swap of shares, there was no inflow of funds and hence provisions of clause 32 was not applicable in this case.

b. on February 10, 2022 your Company further made a Preferential Allotment of 7,06,782 Equity Shares of the Company to Promoters for Cash Consideration of Rs. 11,02,57,992/- which was utilised towards the object for which it was raised i.e. for working capital requirements of the Company and for general corporate purpose.

#### 47. Green Initiatives

Electronic copies of Annual Report 2021-22 and the Notice of 24<sup>th</sup> Annual General Meeting shall be sent to all the members whose email addresses are registered with the company/depository participant.

In view of prevailing situation of COVID-19, owing to the difficulties involved in dispatching of physical copies of the financial statements (including Board's Report, Auditor's Report or other documents required to be attached therewith), such statements will be sent by email to the Members of the Company and to all other persons so entitled as per relaxations provided by Ministry of Corporate Affairs and Securities and Exchange Board of India respectively. Physical copies of Annual Report will be sent to only to those members who request the Company for the same once dispatch of Annual Report and Notice of AGM through electronic means is completed.

#### 48. Board Diversity

The Board comprises of adequate number of members with diverse experience and skills, such that it best serves the governance and strategic needs of the Company. The Directors are persons of eminence in areas such as business, industry, finance, law, administration, economics etc. and bring with them experience and skills which add value to the performance of the Board. The Directors are selected purely on the basis of merit with no discrimination on race, colour, religion, gender or nationality.

Additional details on Board diversity are available in the Corporate Governance Report that forms part of this Annual Report. A brief profile of the Directors are available on the website of the Company at [www.ceinsys.com](http://www.ceinsys.com).

#### 49. Proceeding pending under the Insolvency and Bankruptcy Code, 2016.

No application has been made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable.

#### 50. CEO/CFO Certification

As required Regulation 17(8) read with Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the CEO/CFO certification is attached with this Annual Report.

#### 51. Acknowledgement

Your directors place on record their appreciation to the Government, the Securities and Exchange Board of India, the Stock Exchanges and other regulatory authorities for their valuable guidance and support and wish to express our sincere appreciation for their continued co-operation and assistance. We look forward to their continued support in future as well. We wish to thank our bankers, investors, rating agencies, customers and all other business associates for their support and trust reposed in us.

Your directors express their deep sense of appreciation for all the members of the Ceinsys family whose commitment, co-operation, active participation, dedicated efforts, consistent contribution and professionalism at all levels has made the organization's growth possible. Your Board is thankful to you for the support and trust reposed in them and the Company.

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

Sd/-

**Prashant Kamat**

(Vice Chairman and CEO)

Sd/-

**Abhay Kimmatkar**

(Managing Director)

**Place: Pune**

**Date: August 13, 2022**

# Annexure-1

## Form AOC-1

Statement containing salient features of the financial statement of Subsidiaries/ Associate Companies/ Joint Ventures (Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

### Part "A": Subsidiaries

(Rs. In Lakhs except percentage of shareholding)

Name of the Subsidiary	ADCC Infocom Private Limited	Allygrow Technologies Private Limited	Allygram Systems and Technologies Private Limited	Allygrow Engineering Services Private Limited	Technology Associates Inc., USA	Allygrow Technology B.V., Netherlands	Allygrow Technologies GmbH (Formerly known as AE Automotive Technologies GmbH)	Allygrow Technologies UK Ltd.
The date since when subsidiary was acquired	25/08/2013	09/02/2022	09/02/2022	09/02/2022	09/02/2022	09/02/2022	09/02/2022	09/02/2022
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31st March every year (Same as holding Company)	31st March every year (Same as holding Company)	31st March every year (Same as holding Company)	31st March every year (Same as holding Company)	31st March every year (Same as holding Company)	31st March every year (Same as holding Company)	31st March every year (Same as holding Company)	31st March every year (Same as holding Company)
a) Reporting currency	INR	INR	INR	INR	USD	Euro	Euro	GBP
b) Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA	NA	NA	NA	1 USD = INR 75.8071	1 Euro = INR 84.6599	1 Euro = INR 84.6599	1 GBP = INR 99.55
Share Capital	1.00	25.28	1,560.00	10.00	23.58	2,765.33	19.08	18.68
Reserves & surplus	159.90	2,480.96	1,056.91	194.95	1,800.11	(214.52)	396.86	(56.31)
Total assets	168.66	3,005.97	3,063.06	212.57	2,099.90	2,655.94	8.39	73.29
Total Liabilities	168.66	3,005.97	3,063.06	212.57	2,099.90	2,655.94	8.39	73.29
Investments	-	1,438.88	-	-	-	2,654.68	-	-
Turnover	-	1,284.93	2,989.33	-	2,669.44	-	14.02	86.37
Profit / Loss before taxation	(2.75)	218.17	559.27	17.42	984.65	(48.97)	(31.48)	8.02
Provision for taxation	-	-	(30.43)	6.89	0.22	-	-	-

(Rs. In Lakhs except percentage of shareholding)

Name of the Subsidiary	ADCC Infocom Private Limited	Allygrow Technologies Private Limited	Allygram Systems and Technologies Private Limited	Allygrow Engineering Services Private Limited	Technology Associates Inc., USA	Allygrow Technology B.V., Netherlands	Allygrow Technologies GmbH (Formerly known as AE Automotive Technologies GmbH)	Allygrow Technologies UK Ltd.
Profit / Loss after taxation	(2.71)	212.91	593.00	10.53	984.43	(40.57)	(23.33)	8.02
Proposed Dividend Extent of	-	-	-	-	-	-	-	-
shareholding (In percentage)	100%	82.69%	57.89%*	82.69%*	82.69%*	82.69%*	82.69%*	82.69%*

Note:

- ADCC Infocom Private Limited and Allygrow Technologies Private Limited are direct subsidiaries of Ceinsys and remaining as mentioned in the table are the step-down subsidiaries of Company and direct subsidiaries of Allygrow Technologies Private Limited.

\* The Percentage shown is the proportionate percentage of holding by the Company in step down-subsiidiaries.

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

- 1) Names of associates or joint ventures which are yet to commence operations – **NIL**

- 2) Names of associates or joint ventures which have been liquidated or sold during the year – **NA**

#### Part “B”: Associates and Joint Ventures

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

For and on behalf of Board of Directors

Place: Pune

Date: 13<sup>th</sup> August, 2022

Sd/-  
**Prashant Kamat**  
 (Vice-Chairman and Chief Executive Officer)

Sd/-  
**Abhay Kimmatkar**  
 (Managing Director)

## Annexure-2

#### Particulars of contracts / arrangements made with related parties

[Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Companies Act, 2013, and Rule 8(2) of the Companies (Accounts) Rules, 2014 – Form AOC-2]

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

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

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2022 which were not at arm's length basis.

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

There were certain transactions entered into by the Company with related party who are related within the meaning of Indian Accounting Standard (Ind AS) 24 and Section 188 of Companies Act, 2013. Attention of Members is drawn to the disclosure of transactions with such related parties are set out in Note No. 38 of the Standalone Financial Statements, forming part of this Annual Report. Further, the details of material contracts or arrangement or transactions at arm's length basis for the year ended on March 31, 2022 is as follows:

Sr.No.	Name of Related Party	Nature of Relationship	Duration of Contract	Salient Terms	Amount (Rs. In Lakhs)
1	Primus Finance Private Limited	Entity in which Director and relative of Director is interested	April 1, 2021 to March 31, 2022	On arm's length basis (Unsecured Loan)	3,500.00

# Annexure - 3

## Particulars of Employees

(Detail pertaining to remuneration as required under Section 197(12) of the Companies Act 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014).

i. Ratio of the remuneration of each Executive Director to the median remuneration of the Employees of the Company for the financial year 2021-22, the percentage increase in remuneration of Chief Executive Officer, Chief Financial Officer and other Executive Director(s) and Company Secretary during the financial year 2021-22 is mentioned below:

Name of the director	Title	Ratio of Remuneration of each Director to median remuneration of employees <sup>1</sup>	% increase in Remuneration in the financial year 2021-22
Mr. Sagar Meghe <sup>2</sup>	Non-Executive Non-Independent Director cum Chairman	NA	NA
Mr. Prashant Kamat <sup>3</sup>	Whole Time Director, Vice Chairman & CEO	17.89	NA
Dr. Abhay Kimmatkar	Managing Director	32.35	9.71%
Mr. Rahul Joharapurkar	Joint Managing Director	21.37	14.98%
Dr. Hemant Thakare <sup>4</sup>	Whole Time Director & COO	17.79	7.36%
Mr. Saurabh Somani <sup>5</sup>	Company Secretary and Compliance Officer	0.88	NA
Mr. Chanchal Bhaiyya <sup>6</sup>	Chief Financial Officer	1.21	27.72%
Ms. Pooja Karande <sup>7</sup>	Company Secretary and Compliance Officer	11.17	NA
Mr. Krishnan Rathnam <sup>8</sup>	Chief Financial Officer	4.44	NA
Mr. Rajesh Joshi <sup>9</sup>	Deputy Chief Financial Officer	0.85	NA

ii. The median remuneration of employees of the Company during the financial year 2021-22 is Rs.2,86,458 as compared to Rs.1,20,476 in year 2020-21. Median is based on CTC.

iii. In the financial year 2021-22, there was increase of 57.94 % in the median remuneration of employees.

iv. The Company employed 1046 employees as on March 31, 2022 as compared to 713 employees as on March 31, 2021.

v. It is affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees.

### Notes to table above:

1 Median is based on CTC.

2 Mr. Sagar Meghe is redesignated as Non-Executive Non-Independent Director cum Chairman from Chairman and Managing Director with effect from August 13, 2021. The remuneration paid to him in FY 2021-22 was in the capacity as Chairman and Managing Director and was for previous financial year 2020-21.

3 Mr. Prashant Kamat was appointed as Whole Time Director, Vice Chairman & CEO of the Company with effective from February 17, 2022.

4 Dr. Hemant Thakare tendered his resignation from the post of Whole Time Director & COO with effect from February 14, 2022.

5 Mr. Saurabh Somani tendered his resignation from the post of Company Secretary and Compliance Officer with effect from July 15, 2021.

6 Mr. Chanchal Bhaiyya tendered his resignation from the post of Chief Financial Officer of the Company with effective from February 28, 2022.

7 Ms. Pooja Karande was appointed as Company Secretary and Compliance Officer of the Company with effect from August 13, 2021.

8 Mr. Krishnan Rathnam was appointed as Chief Financial Officer of the Company with effect from February, 17, 2022.

9 Mr. Rajesh Joshi was appointed as Deputy Chief Financial Officer of the Company with effect from February 14, 2022

### Additional Note:

The Non-Executive Directors of the Company are entitled to sitting fee as per the statutory provisions. The ratio of remuneration and percentage increase for Non-Executive Directors Remuneration is therefore not considered for the purpose above.

**[Information as per Rule 5(2) of Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

1. The Names of Top Ten Employees in terms of Remuneration drawn during the FY 2021-22.

Sr. No.	Names of Employees	Designation	Educational qualification	Nature of Employment whether contractual or otherwise	Age	Expe-rience (in years)	Date of Joining	Gross Remunerat-ion Paid (Amount in lakh)	Previous Employme-nt	% of equity shares held (in lakh)*	Whether the employee is relative of any director
1	Sagar Meghe#	Non Executive Director Cum Chairman	B.Com	-	52	32	09-09-1998	-	-	9.94%	No
2	Prashant Kamat	Wholetime Director, Vice Chairman & CEO	M. Tech. (IIT Mumbai)	On Payroll	56	30	17-02-2022	33.10	Allygrow Technologies Private Limited	-	No
3	Abhay Kimmatkar	Managing Director	B.E, MBA & PHD	On Payroll	52	25	01-04-2005	99.03	YCCE	0.04	No
4	Rahul Joharapurkar	Joint Managing Director	B.E.	On Payroll	52	28	01-02-2004	66.56	Honeywell Middle East	0.04	No
5	Hemant Thakare	Chief Operating Officer	B.E. ME & PHD	On Payroll	60	36	01-11-2012	54.19	Meghe Group of Institution	-	No
6	Chanchal Bhaiyya	Chief Financial Officer	B.Com & CA	On Payroll	41	17	22-06-2020	38.88	VSPM Academy	-	No
7	Manish Ingle	Vice President	B.E. & PHD	On Payroll	47	21	01-05-2007	39.58	DMIMS	-	No
8	Tarun Bisht	Vice President	B.Com, LLB	On Payroll	33	8.9	01-04-2019	49.73	Chemex Goods	-	No
9	Ravindra Varma	Associate Vice President	B.E.	On Payroll	43	19.2	05-12-2018	30.39	Trimble Mobility Services	-	No
10	Rajiv Jadve	Sr Group Manager	B.E.	On Payroll	54	32.5	12-09-2019	30.05	Rolta India Limited	-	No

\*Joint Shareholding with another person shown as a Part of that shareholders holding, whose name appears first i.e. first holder

# During the FY 2021-22, remuneration paid to Mr. Sagar Meghe was in the capacity of Chairman and Managing Director, which was outstanding for previous financial year, hence not covered above. With effect from August 13, 2021, there was re-designation of Mr. Sagar Meghe to from Chairman and Managing Director to Non-Executive Non-Independent Director cum Chairman.

## Annexure-4

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31/03/2022

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

To,  
The Members,  
CEINSYS TECH LIMITED  
CIN : L72300MH1998PLC114790  
10/5, I.T. Park,  
NAGPUR -440022

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **CEINSYS TECH LIMITED** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my/our opinion, the company has, during the audit period covering the financial year ended on 31/03/2022 complied with the statutory provisions listed hereunder and also that the Company has

proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by CEINSYS TECH LIMITED ("the Company") for the financial year ended on 31/03/2022 according to the provisions of:

- (1) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (4) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021/ The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the company during Audit period)
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the company during Audit period) and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the company during Audit period)
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- (6) The other laws applicable to this company are as under –

- (a) Payment of Wages Act, 1936
- (b) Minimum Wages Act, 1948
- (c) Employees Provident Fund and Misc. Provisions Act, 1952
- (d) Employees State Insurance Act, 1948
- (e) Payment of Bonus Act, 1965
- (f) Electricity Act, 2003
- (g) Indian Stamp Act, 1999
- (h) Income Tax Act, 1961 and Indirect Tax Law
- (i) Negotiable Instrument Act, 1881
- (j) Maternity Benefits Act, 1961

- (k) Payment of Gratuity Act, 1972
- (l) The Apprentices Act, 1961
- (m) Service Tax
- (n) VAT Act
- (o) Central Goods and Service Tax Act, 2017
- (p) Maharashtra Shops and Establishment Act, 1948
- (q) Maharashtra Municipal Corporation Act, 1949
- (r) The Information Technology Act, 2000
- (s) The Indian Copyright Act, 1957
- (t) The Patents Act, 1970
- (u) The Trademarks Act, 1999
- (v) Secretarial Standards.
- (w) The Information Technology Act, 2000 and the rules made thereunder.
- (x) Software Technology Park of India rules and regulations.

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

- (i) Secretarial Standards issued by Ministry of Corporate Affairs and The Institute of Company Secretaries of India with respect to board and general meetings.
- (ii) The Listing Agreements entered into by the Company with the BSE Limited.

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

#### **I further report that**

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act except that the Company has filed Form DIR- 12 relating to Change in Designation of Director after due date with late filing fee.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Majority decision is carried through while the dissenting members views are captured and recorded as part of the minutes.

**I further report that** as per the explanation given to me and the representations made by the Management and relied upon by me there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.


**I further report that** during the audit period the company has obtained approval of the members (through VC/OAVM) under section 23, 42 and 62 of the Companies Act, 2013 by way of Special Resolution for issuance of Equity Shares on Preferential basis to Promoters for cash consideration and to Non-Promoters for other than cash consideration pursuant to Share Purchase Agreement dated 22/12/2021.



**I further report that** during the audit period the company has obtained approval of the members (through VC/OAVM) under section 196, 197 and 203 of the Companies Act, 2013 by way of Special Resolution for Re-appointment of Whole Time Director and Chief Operating Officer.

**I further report that** during the audit period the company has obtained approval of the members (through VC/OAVM) under section 186 of the Companies Act, 2013 by way of Special Resolution for Inter corporate loans and investments or guarantee or security in excess of the prescribed limits.

Place : NAGPUR  
Dated : 04/08/2022

  
**CS SUSHIL KAWADKAR**  
FCS No: 5725  
CP No. : 5565  
UDIN : F005725D000744342

This report is to be read with our letter of even date which is annexed as Annexure- "A" and forms as integral part of this report.

## Annexure-"A"


To,  
The Members,  
CEINSYS TECH LIMITED  
CIN : L72300MH1998PLC114790  
10/5, I.T. Park,  
NAGPUR -440022

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practice and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices, I followed provided a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Where ever required, I have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place : NAGPUR  
Dated : 06/07/2021

  
**CS SUSHIL KAWADKAR**  
FCS No: 5725  
CP No. : 5565  
UDIN : F005725D000744342

### Comments of the board of Directors on the observations pointed out in the Secretarial Audit Report are as follows:-

- the Company has filed Form MGT-14 relating to change in designation of Director after due date.

Comments of the Board –The Company has been prompt in filing necessary forms prescribed under the Companies Act, 2013. In the abovementioned case there was delay due to technical glitch in the website of Ministry of Corporate Affairs (MCA). The same was approved by MCA later.

# Annexure-5

## Annual Report on Corporate Social Responsibility (CSR) Activities

### 1. A brief outline of the Company's CSR Policy:

As an integral part of our commitment to good corporate citizenship, your company believes in actively assisting in improvement of the quality of life of people in communities, giving preference to local areas around our business operations. Towards achieving long-term stakeholder value creation, your company shall always continue to respect the interests of and be responsive towards our key stakeholders - the communities, especially those from socially and economically backward groups, the underprivileged and marginalized.

Your Company aims at enhancing its efforts to build on its tradition of social responsibility to empower people and deepen its social engagements. For the purpose of focusing Ceinsys CSR in a continued and effective manner, the following thrust areas have been identified as to:

- I. promote education;
- ii. health and welfare;
- iii. community well being;
- iv. promote gender equality and empower women;
- v. reduce child mortality and improve maternal health;
- vi. ensure environmental sustainability;
- vii. enhance vocational skills on employment;
- viii. social business projects; ix. eradicating extreme hunger and poverty
- ix. Such other matters as may be decided from time to time, and also may include activities which are connected to the company's core activities and fruitful in the long run.

### 2. Composition of CSR Committee:

The Corporate Social Responsibility Committee is constituted by the Board of Directors of Ceinsys Tech Limited in compliance with Section 135 of the Companies Act, 2013 ("the Act") read along with Schedule VII & the applicable rules thereto.

As on March 31, 2022, the composition of CSR committee is as follows: -

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Sagar Meghe	Chairman / Non-Executive Non-Independent Director cum Chairman*	1	1
2	Mr. Dhruv Kaji	Member/ Non-Executive Independent Director	1	1
3	Ms. Renu Challu	Member/ Non-Executive Independent Director	1	1

\* There was change in designation of Mr. Sagar Meghe from Chairman and Managing Director to Non-Executive Non-Independent Director cum Chairman of the Company with effect from August 13, 2021

3. The Web - link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company: -

Link: [https://www.ceinsys.com/investors/Policies/Corporate\\_Social\\_Responsibility\\_Policy.pdf](https://www.ceinsys.com/investors/Policies/Corporate_Social_Responsibility_Policy.pdf)

4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable: **Not Applicable**

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: **Not Applicable**

S. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
		Nil	

6. Average net profit of the company as per section 135(5): **Not Applicable**

7. (a) Two percent of average net profit of the Company as per section 135(5): **Not Applicable**

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: - **Not Applicable**

(c) Amount required to be set off for the financial year, if any: **Not Applicable**

(d) Total CSR obligation for the financial year (7a+7b- 7c): **Not Applicable**

8. (a) CSR amount spent or unspent for the financial year: **Not Applicable**

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
Nil					

(b) Details of CSR amount spent against ongoing projects for the financial year: **Not Applicable**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes / No	Location of Project		Project duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial Year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of implementation – Through implementing agency	
				State	District						Name	CSR Registration No.*
Nil												

(c). Details of CSR amount spent against other than ongoing projects for the financial year: **Not Applicable**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes /No)	Location of Project		Amount spent for the project (in Rs.).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency	
				State	District			Name	CSR Registration No.*
Nil									

(d) Amount spent in Administrative Overheads: **Not Applicable**

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

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): **Not Applicable**

(g) Excess amount for set off, if any **Not Applicable**

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	-
(ii)	Total amount spent for the Financial Year	-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

9. (a) Details of Unspent CSR amount for the preceding three financial years: Not Applicable

Sr. No	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs)	Date of transfer.	
Nil							

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

Sr. No	Project ID	Name of the Project	Financial Year in which the project was commenced	Project Duration	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs.).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /Ongoing.
Nil								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: **Not Applicable**

- (a) Date of creation or acquisition of the capital asset(s).
- (b) Amount of CSR spent for creation or acquisition of capital asset.
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): **Not Applicable**, since the Company was not falling under the purview of Section 135 (1) of Companies Act, 2013, the company was not required make CSR Contribution in FY 2021-22.

Sd/-  
**Sagar Meghe**  
(Chairman -CSR Committee).

## Annexure-6

### Corporate Policies

Your company seek to promote and follow the highest level of ethical standards in all our business transactions guided by our value system. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandated the formulation of certain policies for all listed companies. All our corporate governance policies are available on our website, at <https://www.ceinsys.com/investor/>

The policies are reviewed periodically by the Board and updated based on new compliance requirements.

Key policies that have been adopted are as follows:

Name of the policy	Salient Features	Web link	Summary of Key Changes
Code of Conduct for Independent Directors	The Company has adopted a Code of Conduct specifically for Independent Directors which forms the foundation of good corporate practices.	<a href="https://www.ceinsys.com/investors/Policies/Code-of-Conduct-for-Independent-Directors.pdf">https://www.ceinsys.com/investors/Policies/Code-of-Conduct-for-Independent-Directors.pdf</a>	There has been no change to the Code of Conduct for Independent Directors during financial year 2021-22.
Code of Conduct for Directors, KMPs & Senior Management	The Company has adopted a Code of Conduct for Directors, KMPs and Senior Management as guideline for all activities.	<a href="https://www.ceinsys.com/investors/Policies/Code-of-Conduct-for-Directors-KMPS-Senior-Management.pdf">https://www.ceinsys.com/investors/Policies/Code-of-Conduct-for-Directors-KMPS-Senior-Management.pdf</a>	There has been no change to the Code of Conduct for Directors, KMPs & Senior Management during financial year 2021-22.
Code of Conduct for Employees	The Company has adopted a Code of Conduct for Employees which forms the foundation of its compliance.	<a href="https://www.ceinsys.com/investors/Policies/Code-of-Conduct-for-Employees.pdf">https://www.ceinsys.com/investors/Policies/Code-of-Conduct-for-Employees.pdf</a>	There has been no change to the Code of Conduct for Employees during financial year 2021-22.
Vigil Mechanism Policy	The Company has adopted a Vigil Mechanism to report concern about unethical behaviour, actual or suspected fraud, or violation of the Company's code of conduct.	<a href="https://www.ceinsys.com/investors/Policies/Vigil_Mechanism_Policy_ceinsys.pdf">https://www.ceinsys.com/investors/Policies/Vigil_Mechanism_Policy_ceinsys.pdf</a>	There has been no change to the policy during financial year 2021-22.
Policy on Determination of Materiality of Events/Information	This policy applies to disclosure of material events affecting Ceinsys and its subsidiaries.	<a href="https://www.ceinsys.com/investors/Policies/Policy-Determination-of-Materiality-of-Events-Information.pdf">https://www.ceinsys.com/investors/Policies/Policy-Determination-of-Materiality-of-Events-Information.pdf</a>	There has been no change to the policy during financial year 2021-22.

Name of the policy	Salient Features	Web link	Summary of Key Changes
Code of Conduct & Fair Disclosure for Prohibition of Insider Trading	The policy provides the framework in dealing with securities of the Company.	<a href="https://www.ceinsys.com/investors/Policies/Code-of-Conduct-&amp;-Fair-Disclosure-for-Prevention-of-Insider-Trading-Policy.pdf">https://www.ceinsys.com/investors/Policies/Code-of-Conduct-&amp;-Fair-Disclosure-for-Prevention-of-Insider-Trading-Policy.pdf</a>	There has been no change to the policy during financial year 2021-22.
Corporate Social Responsibility Policy	The policy outlines the Company's strategy to bring about a positive impact on society through programs relating to hunger, poverty, healthcare, and environment.	<a href="https://www.ceinsys.com/investors/Policies/Corporate_Social_Responsibility_Policy.pdf">https://www.ceinsys.com/investors/Policies/Corporate_Social_Responsibility_Policy.pdf</a>	During the year under review, the policy was amended and approved by Board on March 31, 2022
Documents Preservation & Archival Policy	The policy deals with the retention and archival of corporate records of Ceinsys Tech Limited and all its subsidiaries	<a href="https://www.ceinsys.com/investors/Policies/Documents-Preservation-&amp;-Archival-Policy.pdf">https://www.ceinsys.com/investors/Policies/Documents-Preservation-&amp;-Archival-Policy.pdf</a>	There has been no change to the policy during financial year 2021-22.
Nomination & Remuneration Policy	This policy formulates the criteria for determining qualification, competencies, positive attributes and independence for the appointment of Director (executive/non-executive) and also the criteria for determining the remuneration of Directors, key managerial personnel and other employees.	<a href="https://www.ceinsys.com/investors/Policies/Nomination-&amp;-Remuneration-Policy.pdf">https://www.ceinsys.com/investors/Policies/Nomination-&amp;-Remuneration-Policy.pdf</a>	There has been no change to the policy during financial year 2021-22.
Policy for Determining Material Subsidiary	The policy is used to determine the material subsidiaries of the Company and to provide the governance framework for them.	<a href="https://www.ceinsys.com/investors/Policies/Policy_for_Determining_Material_Subsidiary.pdf">https://www.ceinsys.com/investors/Policies/Policy_for_Determining_Material_Subsidiary.pdf</a>	There has been no change to the policy during financial year 2021-22.
Policy on Related Party Transaction	This policy regulates all transactions between the Company and its related parties.	<a href="https://www.ceinsys.com/investors/Policies/Policy_on_Related_Party_Transaction.pdf">https://www.ceinsys.com/investors/Policies/Policy_on_Related_Party_Transaction.pdf</a>	During the year under review, the policy was amended and approved by Board on March 31, 2022.
Policy on Prevention of Sexual Harassment of Women at Workplace (POSH)	This policy is used to prohibit, prevent or deter the commission of acts of sexual harassment of woman at workplace and to provide the procedure for the redressal of complaints pertaining to sexual harassment.	<a href="https://www.ceinsys.com/investors/Policies/Policy-on-Prevention-of-Sexual-Harassment-of-Women-at-Workplace(POSH).pdf">https://www.ceinsys.com/investors/Policies/Policy-on-Prevention-of-Sexual-Harassment-of-Women-at-Workplace(POSH).pdf</a>	There has been no change to the policy during financial year 2021-22.
Risk Management Framework	This Framework sets out system of risk oversight, management of material business risks and internal control.	<a href="https://www.ceinsys.com/investors/Policies/Risk_Management_Framework.pdf">https://www.ceinsys.com/investors/Policies/Risk_Management_Framework.pdf</a>	The Framework was formulated and approved by Board on November 12, 2021

## Annexure-7

### Conservation of energy, research and development, Technology Absorption, Foreign Exchange Earnings and Outgo

[Particulars pursuant to the Companies (Accounts) Rules, 2014]

#### Conservation of Energy

Your company have procured various energy saving devices and systems, which help in conserving energy. CEINSYS provides Information Technology enabled services and hence requires minimal energy consumption and does not use motive power. However, every effort is made to ensure that energy efficient equipment is used to avoid wastage and conserve energy, as far as possible.

Active measures taken by us towards energy conservation and carbon footprint reduction include using technology to monitor and control electricity consumption of air conditioning and other related equipment, use of energy efficient light bulbs, using technology for switching off computer monitors etc.

Your company undertakes regular reviews of energy requirements and consumption patterns, with action plans for effective utilization of power, during peak and non-peak seasons. Your company also undertake continuous education and awareness programs among all employees on energy conservation measures that can be adopted at individual levels, to help conserve power and energy.

Your company have reduced excessive illumination levels to standard levels LED lighting in its entire premises and uses four /five-star air conditioners. Your company have continued to maximize the use of energy efficient flat monitors, energy efficient air-conditioning systems. Your company have made efforts to ensure that there is no cool air leakage from its premises and have adopted measures to ensure optimum usage of air conditioners throughout its premises. A building automation system has been implemented to control working of air conditioners and to make them more power efficient.

#### Technology Absorption

Your Company always adopts new technologies in its Business.

#### Research and Development

The Company being in IT and related services, continued to carry out Research and Development activity in its routine course, however there was no specific expenditure incurred on it.

#### Foreign Exchange Earnings and Outgo

Foreign Exchange Earnings: Rs.2,12,39,138/-

Foreign Exchange Outgo: Rs.28,58,627/-

## Annexure-8

### CERTIFICATE ON CORPORATE GOVERNANCE

To  
The Members  
Ceinsys Tech Limited,  
0/5, I.T. PARK,  
NAGPUR-440022

I have examined all the relevant records of M/s. Ceinsys Tech Limited (the Company) for the purpose of certifying compliance of the conditions of Corporate Governance as per the relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') for the financial year from April 1, 2021 to March 31, 2022.

I have also examined the status of Directors of the Company in accordance with Listing Regulations and Companies Act, 2013 and hereby certify that, none of the Directors on Board of the Company is disqualified from being appointed or continuing as director by the Securities Exchange Board of India/ Ministry of Corporate Affairs. The KYC requirements of all the directors has been updated on the website of Ministry of Corporate Affairs.

Place : NAGPUR  
Dated : 04/08/2022

The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. The certificate is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

In my opinion and to the best of my information, and according to the explanations given to me, I certify that the Company has complied with all the mandatory conditions of Corporate Governance as stipulated in the said Listing Regulations, as applicable.

  
**CS SUSHIL KAWADKAR**

FCS No: 5725

CP No. : 5565

UDIN : F005725D000744562



# CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To  
The Members  
Ceinsys Tech Limited  
10/5, I.T. PARK,  
NAGPUR-440022

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Ceinsys Tech Limited having CIN L72300MH1998PLC114790 and having registered office at 10/5, I.T. PARK, NAGPUR-440022 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	*Date of Appointment in Company
1	Sagar Dattatraya Meghe	00127487	09/09/1998
2	Prashant Prabhakar Kamat	07212749	17/02/2022
3	Abhay Surendra Kimmatkar	01984134	17/12/2007
4	Rahul Sudhakar Joharapurkar	08768899	25/06/2020
5	Renu Challu	00157204	31/08/2017
6	Dhruv Subodh Kaji	00192559	14/07/2017
7	Kishore Pessulal Dewani	00300636	15/01/2018
8	Satish Ramchandra Wate	07792398	14/07/2017

*\*the date of appointment is as per the MCA Portal.*

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.



**CS SUSHIL KAWADKAR**

FCS No: 5725

CP No. : 5565

UDIN : F005725D000744496

Place : NAGPUR  
Dated : 04/08/2022

# Annexure-9

## DECLARATION UNDER SCHEDULE V (D) OF THE LISTING REGULATIONS BY THE MANAGING DIRECTOR OF AFFIRMATION BY THE DIRECTORS, KMP's AND SENIOR MANAGEMENT OF COMPLIANCE WITH THE CODE OF CONDUCT

To  
The Members  
Ceinsys Tech Limited  
10/5, I.T. Park  
Nagpur-440022

Pursuant to Regulation 34 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that all the Board Members, KMPs and Senior Management Personnel are aware of the provisions of the Code of Conduct laid down by the Board as made effective from February 13, 2018

All Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct.

**For Ceinsys tech Limited**

**Sd/-**

**Prashant Kamat**  
**Vice Chairman and Chief Executive Officer**  
**DIN: 07212749**

**Date: April 1, 2022**  
**Place: Nagpur**

# Management Discussion & Analysis (MDA)

## Industry Structure and developments

### Global & Domestic Economic Outlook

The rebound of the Global economy continues amid the uncertainties of new Covid variants, the ongoing Ukraine Conflict, global supply chain shocks, and rampant inflation in major economies. According to the World Bank, global growth is projected to slow from an estimated 6.1 percent in 2021 to 3.6 percent in 2022 and 2023. However, strong positions of National Financial Institutions, clearer mandates of pricing policies, and strong global currencies revitalize the hope for a brighter state of affairs. Clubbed with this there has been an increase in spending on infrastructure projects and R&D across geographies which is fueling growth for companies in ITES space.

Encouragingly, post the second wave of the COVID-19 pandemic, India's domestic activity has shown significant upward momentum, almost nearing the pre-second wave economic growth trajectory. Indian economy, according to Morgan Stanley's Midyear Outlook, will see a slight step down from 2021 but is still on track for 7.4% growth. Against the backdrop of global uncertainty, India's recovery looks to achieve a fair rate of traction.

### Post-Covid Market Scenario

The COVID-19 pandemic has taught a few important lessons to businesses worldwide. Policies are being formulated and various work models are being explored across industries to de-risk future unknowns. The workforce is being trained to ensure that productivity does not suffer even while employees continue to work from home for extended periods.

Worldwide, the combination of pandemic and a record-setting year of extreme weather events has reminded leaders in every industry that the health of their people, our global economy, and the environment are inextricably linked. Both public, as well as private organizations, are therefore adopting new technologies for better as well as effective decision making, to name a few

- Location-based data has long been acknowledged as strategically important. In the past two years, this has got emphasized strongly and now Geospatial Intelligence is emerging as a standard business infrastructure asset. It's an interesting shift in thinking and strategy that's been fast-tracked because of the pandemic.
- Spatial Analytics too has caught attention as an emerging field of business intelligence and is likely to become a defining capability of the industry. Knitting together location data with that of the proprietary and public phenomena and entities is facilitating the process of better and faster decision-making.
- Micro GIS, an upcoming service offering allows industries to provide fast and reliable services and is expected to continue its uptake as the sensors become more compact and versatile. It is enabling the creation of high-resolution maps without relying on expensive traditional mapping methods. The entire industry, therefore, is looking forward to seeing infrastructure digital twin implementations accelerating from pilot projects to production use. More people will be using 3D content to collaborate, plan and carry out their work whether in cities, airports, ports, transport networks, or mine sites.

- Machine learning continues to boost analysis by overcoming time-consuming manual processes such as change detection. ML in Geospatial is moving from training their own AI models to the emergence of more robust, consistent systems to produce geospatial data.

- For AEC and infrastructure organizations, the high-quality, current, and accurate imagery will nurture development planning, real-time analytics, and 3D modeling — particularly for AEC designs and proposals.

- Responsive organizations implementing sustainability initiatives aimed at reducing greenhouse gases and carbon emissions will be using GIS for a variety of sustainability measures, for example: assessing, inspecting, and visualizing sites using aerial imagery for cutting emissions and reducing occupational health and safety risks.

- Natural disaster preparedness and response rely on accurate, up-to-date geospatial data, including aerial imagery. The technological advances in GIS will provide for rapid identification of at-risk zones, visualize property boundaries, plan safe ingress and egress routes, identify hazards, and calculate elevation. These insights will enhance preparedness, risk mitigation, incident response, and recovery exercises.

- Connected and autonomous vehicles are equipped with a variety of sensors and artificial intelligence algorithms to help navigate the road, they also require high-quality maps to see beyond the vision of the onboard sensors and to assist during inclement weather. The geospatial services and technologies are now being leveraged to produce high-definition maps for a global road network.

- 5G Infrastructure's LOS requires tower locations to be determined using geospatial data and advanced analytics. Location intelligence offers critical data-driven insights about potential cell tower locations, including building locations, sizes, and elevations, as well as other structures and natural features of the surrounding landscape. Telcos will be relying on the right geospatial data to arrive at each potential tower location and design an optimal 5G network to ensure they meet their customers' needs and remain profitable at the same time.

- Similarly in the automotive space, there is an increased focus on EV and autonomous driving which utilizes multiple technologies and focuses on multidisciplinary domain skills to develop and build an ecosystem conducive for such vehicles.

## Business Performance & Outlook

### Geospatial Industry

The Geospatial & Enterprise domains are the pillars of your Company. Your Company's traditional Enterprise and Geospatial domain involved Geospatial data acquisition and management from High-Resolution satellite imagery, LiDAR, aerial surveys, and GPR with engineering data processing.

Last Year, your Company worked on a major project that required creating 360-degree immersive visual image data, an integrated web-based solution that would provide the capability of state-wide encroachment analytics. This web-based solution was also linked to the State Land Department Records Library. The solution helped bring

transparency to the land allocation procedures. This solution is expected to find a variety of other applications including Municipal assets tracking, tree census, and other municipal functions where accurate and reliable ground data is desired. In a nutshell, your Company is providing a versatile online solution to various stakeholders for viewing the as-is field information and sharing information gathered from different sources for improved decision support.

Your Company continues its pursuit of excellence and its aim of being recognized as a company that is at the forefront of shaping the future. As the Enterprise and Geospatial solutions segments are evolving your Company is helping its clients benefit from the integration of Big Data, IoT, AI/ML, Indoor GIS, 3D GIS, and Intelligent decision support systems with Geospatial data. The GeoAI solutions are increasingly finding customized applications in disaster management, change detection, vegetation health assessment, unified agriculture applications, high-end mining applications, and subsequent integrations with an enterprise system. These solutions have applicability and demand across geographies.

Rapid developments in the field of spatial data such as advancements in sensor data capabilities, data fusion, and availability of High-Resolution data, are promoting the growth expected in the Geospatial Industry. Technologies like 4IR, Big Data, Cloud, AI, IoT, and AR/VR have paved their way into the geospatial world. With a robust foundation of such technologies, GEOAI solutions, Geospatial Analytics, and Spatial Computing technologies will carve out a niche in mainstream data processing & analytics. Moreover, as the siloed nature of geospatial data gradually dissolves with the increased adoption of business models from the traditional IT industry, technology innovation, integration of workflows, and increased digitization, the Geospatial industry will find a wider acceptance for its enterprise-wide application. Digital Twin, Metaverse, and similar concepts which have been touted as the future are also ready to finally make a grand show because of the leaps of advancements made during the pandemic.

Post-pandemic, the global geospatial analytics market size is projected to grow from USD 59.5 billion in 2021 to USD 107.8 billion in 2026, at a Compound Annual Growth Rate (CAGR) of 12.6% during the forecast period. Increasing government investments, strategic public policy reforms, and the evolving role of national geospatial agencies and governments are expected to further the market growth post-2025.

GNSS and positioning are forecasted to be the largest and growing geospatial technology segment with approx. 45 percent of the total market share, followed by GIS and Spatial Analytics at approx. 25 percent and earth observation at approx. 17 percent.

In 2021, the Indian Geospatial Economy (inclusive of services, hardware, software, and implementation budgets & investment in the creation and maintenance of geospatial data, infrastructure, and institutions) was valued at INR 38,972 crore, with the approximate domestic market value being INR 14,050 crore. The export market was valued at INR 11,122 crore, and the Government expenditure on geospatial agencies (including ISRO, etc.) was valued at INR 13,800 crore.

According to India Geospatial Artha Report, the Indian Geospatial economy has the potential to grow to Rs 63,100 crore at 12.8 percent by 2025 end. The export market for geospatial services and solutions is estimated to rise to approximately INR 13,100 crore and the government investment is estimated to grow to INR 16,470 crore in 2025.

The growth of the Indian geospatial market is attributed to the positive sentiments infused in the market by India's swift economic recovery, liberalization and democratization of geospatial data by the Government of India, and strategic push by the government of India to adopt the latest geospatial technologies.

With its vision of achieving the economic target of \$5 trillion under the vision of Atmanirbhar Bharat, in 2021, the Government of India's Department of Science & Technology revised the existing geospatial data policy and liberalized Geospatial Data Rules. The Government intends to make geospatial information and modern mapping technologies accessible to Indian organizations. The new deregulation will apply to geospatial information, maps, solutions, and administrations offered by government offices, self-governing bodies, research establishments, private associations, non-legislative associations, and people. The new reform is specifically advantageous to the private sector as foreign companies can acquire data directly from them without any prior approvals from the Government of India.

The recently announced Basic Exchange and Cooperation Agreement for Geo-Spatial Cooperation (BECA) between the National Geospatial-Intelligence Agency of the US Department of Defense and the Ministry of Defence India are aimed at broadly advancing the relationship between the two countries and reinforcing their mutual interest in enhancing the penetration of geospatial technologies. In the geospatial domain, the US is a top trading partner for India. India exported approx., USD 1.21 bn in geospatial technology and enabled services, and imported USD 0.33 bn worth of geospatial technology to and from the US in 2021. Further, a total of 85000, i.e., 18% of the total number of employees of the Indian geospatial ecosystem, are engaged in export-related services, while more than 50,000 non-US residents of Indian origin are working in the geospatial-and enabled services field through the H-1B program. These numbers are bound to rise with strategic policy engagements, bilateral agreements, and increasing technology mandates.

Water Management will continue to be the biggest contributor to the sector as the Indian Central & State Governments continue investments in the segment and so is the case globally. The contribution of Transportation Infrastructure development, Land Administration, Urban Infrastructure Development, and Disaster Management to the Geospatial market in India is also expected to nearly double by 2025.

Growth driven by newer wins in International Market is expected as your Company plans to extend its Geospatial data Processing capabilities to the international market. Our other focus areas for AY 2023 are Geospatial Analytics, Cloud Based Solutions, and IoT. Significant growth is anticipated in these areas and your Company is confident in its capability to meet the emerging business requirements of the new age.

#### **Water Engineering:**

The Water engineering domain is one of the most promising divisions of your Company, catering to Project Management Consultancy (PMC), assessment and reduction strategy of Non-Revenue Water (NRW), Smart Water Solutions, and Water Resources Management Consultancy requirements. Your Company has been supporting large Water Infrastructure projects by laying out the detailed requirements for the project and assessing the socio-economic impact of the project(s). Besides these, your Company provides 3D modeling and smart water services. The Smart water solution encompasses IoT based centralized monitoring & control mechanism. Your Company's smart water offerings

form a major part of its suite of offerings to the international market where we see growth potential.

In yet another instance of the show of Clients' confidence in our work, your Company was awarded the project to supervise the physical and financial progress of a rural water supply project. In this project, your Company is acting as an extended arm of the client in the technical and contractual issues connected with the implementation of the project. From conducting detailed design reviews to establishing a quality assurance system, your Company is supervising the quality of work, monitoring the work progress, and inspecting equipment under the project while ensuring the environmental and social safeguarding standards. In another win, your Company began its first water infrastructure project in north-eastern India. Your Company is carrying out the entire geotechnical investigations, reconnaissance survey, preparation of topographic maps and finally post the study of all the parameters, a detailed report on the water supply schemes.

Your Company is a trusted name in the Project Management Consultancy for Water Supply Projects. Your Company was assigned with the additional responsibility of DPR preparation of 12 new schemes of rural water supply schemes of Uttar Pradesh, in addition to the 7 schemes awarded earlier.

Adding to its Smart Water Wins, your Company was tasked with the up-gradation & digitization of the entire water network infrastructure. This project will improve the coverage of the water supply system, bringing transparency to revenue recovery thereby improving the overall delivery cycle.

According to the recent research study by Polaris Market Research, the global smart water management market size & its share is expected to register a CAGR of 10.3% growth and industry revenue is expected to increase from USD 13.73 Billion in 2021 to reach USD 31.73 Billion by 2030. In the Developed Economies' market, this growth can be attributed to the increased focus on the replacement of Ageing Infrastructure and higher investments towards the modernization of Water Infrastructure. The legacy systems in developed nations are presently overwhelmed by the increasing demands, Constant attention, repairing, and maintenance are needed to streamline the process of water supply. Additionally, these outdated structures have high costs of maintenance while their efficiency eventually decreases. Hence, water utilities are looking beyond their usual plans for sustaining the existing structure and embracing smart methods to effectively manage water and offer a superior experience to consumers.

Developing economies are expected to witness a high CAGR in the global market over the forecasted period. In the developing economies, factors such as a surge in population, economic development, and continued urbanization, as well as the growth in per-capita food consumption, have emanated the need for efficient and Smart Water Management Solutions. The mismanagement of existing water sources is causing water utilities to face challenges, such as NRW losses, water contamination, and the inability to provide an uninterrupted water supply. Water utilities are eagerly investigating innovative solutions to utilize the available water resources efficiently, with a sustainable approach.

Water utilities represent 40%-50% of the \$100 billion U.S. water market. According to US Environmental Protection Agency (EPA), 14 to 18 percent of total daily treated potable water in the United States is lost

through leaks, with some water systems reporting water-loss rates exceeding 60 percent. The segment for maintenance and up-gradation of water Supply infrastructure is growing around 10% a year, according to research by Canaccord Genuity. The Agency projects water-pipe replacement rates to peak in 2035, at 16,000 to 20,000 miles of pipes replaced per year—four times the current annual replacement rate. The Agency further estimates an investment of up to \$839 million per year to replace and monitor the 9.7 million to 12.8 million lead service lines that are currently in use in the United States as a response to the updated Lead and Copper rules. Additionally, The drinking water and wastewater Infrastructure Act of 2021 includes \$55 billion in funding for the restoration and improvement of water and wastewater systems in the United States.

Real-time advanced analytics along with online sensing for energy management is the other major focus of Water Utilities in the US and Europe.

Your Company's outlook for the next year is positive. With the continued influx of Government funds and expertise that your Company brings to the table in the areas such as Smart Water Management & NRW consultancy, we are excited about the prospects in this segment and are anticipating a good year for the segment. Your Company's core competencies in this segment also align very well with the trends in the international market and create a good business potential on the international front as well.

## Energy

Your Company works in electricity transmission distribution providing GIS-based network analysis, asset health monitoring systems, and customized enterprise GIS web applications R-APDRP, a Government of India Scheme with the objective of reduction of AT&C losses, energy accounting, and auditing & enforcement of Transparency in business operation. Your Company provides a unique GIS solution platform for viewing and accessing electrical network asset data of all the towns under the scheme. The platform also integrates the existing legacy, RAPDRP, and ERP systems. As an extension to the project, your Company is also developing a Change Management module in the application. The project ensures accurate energy audit and accounting for all RAPDRP towns utilizing MDAS and MBC data. It also improves the quality of data for R-APDRP and the completeness of assets for IPDS town along with providing a backdrop view of satellite Imagery and street view of consumption of online base map services and configured applications.

The global electric power generation, transmission, and distribution markets are expected to grow from \$4,091.77 billion in 2021 to reach \$5,932.43 billion in 2026 at a CAGR of 7.6%. Smart Grid Market Size to reach a worth of around US\$ 162.8 Bn by 2030. The North American market, supported by regulatory frameworks regarding the smart grids in the nations like the US and Canada has dominated the global smart grid market during the last few years.

The Asia-Pacific market for smart grid technology is estimated to grow from \$9.5 billion in 2021 to \$16.8 billion by 2026, at a CAGR of 12.0% during the forecast period of 2021-2026. The development of smart cities in the Asia Pacific regions is expected to offer growth avenues to the market players as smart grids are an essential component in smart cities.

Smart grid integrated with GIS enables viewing and tracking of smart grid deployment and operation. GIS-based graphic outputs and Web-

based reporting enable easy monitoring, manage variances in the schedule, monitor investments, and locating new work orders.

India is the world's third-largest energy consumer after the US and China. Domestic electricity demand is expected to grow at a remarkable CAGR of 7.0%. To meet the rising power demand, a significant amount of power generation capacity is expected to be commissioned from 2021 to 2030. The sector is slated to grow at an advanced pace with the Government of India's focus on attaining 'Power for all' in the country. Approval of 100% FDI in the power sector has boosted the FDI inflow in this sector. Further, Schemes such as Deen Dayal Upadhyay Gram Jyoti Yojana (DDUGJY) and Integrated Power Development Scheme (IPDS) are expected to augment electrification across the country. At the same time, the competitive intensity is increasing on both the market and supply sides (fuel, logistics, finances, and manpower).

Your Company's outlook for the next year is positive. Continued investments in resources, a strong focus on key initiatives, and the recent budget announcements are expected to open up new business opportunities.

### Transportation

In 2022-23, the Government of India's Ministry of Road Transport and Highways has been allocated nearly Rs 68,000 crore more than the revised expenditure in 2021-22. PM GatiShakti Master Plan for Expressways will be formulated in 2022-23 to facilitate faster movement of people and goods. The National Highways network will be expanded by 25,000 km in 2022-23. Another Rs. 20,000 crores will be mobilized through innovative ways of financing to complement public resources. In India, road infrastructure is used to transport over 60% of total goods and 85% of total passenger traffic. The Economic Survey (2020) also noted that road transport is the dominant mode of transportation in India.

Rs 2,586 crore is allocated towards the maintenance of roads and highways (including toll bridges) and Rs 356 crore towards road transport and safety. Under the National Monetization Pipeline (NMP), the central government has set a target to garner Rs 1,60,000 crore by monetizing road assets over the NMP period FY2022-25. innovative structures, such as the toll-operate-transfer [TOT] model for roads and infrastructure investment trusts accelerate the sector's development by providing a favorable regulatory environment

Your Company is confident of increased client engagements and revenue from the domain. The continued Government interest in the sector and the advent of new business cases in the domain are sure to get the business going.

### Engineering Services

Allygrow Technologies, now a part of your Company is a recognized name in the Automotive engineering Services segment. Allygrow offers Product engineering and Manufacturing engineering services. Product engineering involves Concept generation, Engineering, Detail design, Feasibility studies, Packaging & integration, virtual verification through CAE/FEA/CFD, and overall change management. Manufacturing engineering involves Consulting, Plant design, and optimization, tooling design, automation, and simulation.

Additionally, Allygrow has also made forays into applications using advanced technologies. The services include IoT and IIOT for Industry

4.0 and AI-based computer vision solutions.

The Global Engineering Services (ESO) market (inclusive of research, design, prototyping, testing, etc) is an accelerating market with a 23% CAGR over the next 6 years. The market is characterized by strategic tie-ups between OEMs and ESPs and is set to touch USD 5.5 trillion by 2028. Of the ESO Market, Design Engineering content will be approximately 25%, coming out to USD 450 Bn.

While Conventional product design and manufacturing engineering will continue to be the mainstream outsourceable content in ER&D, Trends such as the design and manufacturing of EVs, Robotics & Automation, Process design & optimization, Smart Factories / IIOT, Predictive Maintenance, and Quality Management will be core to the growth of ESO. The global R&D developments, the rising demand for incorporating the most delinquent technologies in the product offerings, and the increasing need to trim the product lifecycles, and trim costs are also anticipated to contribute to the market growth. Global spending by engineering groups on research and development (R&D) is expected to rise this year, and that trend will trickle down to India's sizeable outsourced engineering research and development market, according to a new report by NASSCOM and Deloitte. Deloitte has reinforced the strength of Indian ESO service providers and pegs the Indian engineering R&D market to grow at a CAGR of 12% to 13% until 2025. The Success of Indian ESO firms was reconfirmed in September 2021 when India moved up two spots to 46 in the Global Innovation Index (GII) 2021.

The execution of Industry 4.0 is enabling intelligent manufacturing and propelling the demand for industrial solutions based on robotics, AI, and ML, thereby extending possibilities for IT combined with the service offerings of ESPs. End application enterprises and industry verticals in automotive and aerospace industries, among others, which need reliable hardware manufacturing qualifications, appear as possible clients for providing digital conversion services.

The designing part is anticipated to witness the fastest growth accounting for a CAGR of around 27.0% over the forecast period. The increase can propel the growing sophistication of designs and the demand to reduce costs by outsourcing.

Global spending by engineering groups on research and development (R&D) is also expected to rise this year, and that trend will trickle down to India's sizeable outsourced engineering research and development market, according to a new report by NASSCOM and Deloitte.

When it comes to outsourced innovation services, India is a global leader.. India is alongside China among the top destinations for outsourcing. According to Deloitte, The Indian engineering R&D market is projected to grow at a CAGR of 12% to 13% until 2025.

Your Company's outlook for the year is based on the activity that is expected on this front.

### Software Technology Solutions – Tech Center

Your Company continued strengthening its strategic alliances with the leading global technology solution companies, wherein both partners promote each other's technologies and products to customers. The technology solution partnerships enable the organization to exploit cutting-edge technology and penetrate newer markets.



Your Company has partnered with many technology solution companies having best-of-breed technologies, gaining access to critical technology, adding to its rich domain knowledge, project expertise, credentials, references, and customers. Some strategic technology solution partnerships that have been a source of strength for your Company are

**Autodesk** - Autodesk builds software that helps people imagine, design, and make a better world. Traditionally Autodesk has been a market leader alone capturing about 42% of the market in small, medium, and large enterprise customer space providing solutions for architecture, engineering, construction, manufacturing, media, education, and entertainment industries with expertise in AEC – especially in the building segment.

**Bentley** - Bentley Systems is a worldwide leader in the booming Infrastructure market, develops, manufactures, licenses, sells and supports computer software and services for design, construction, and operation. Each product focuses on specific capabilities required for engineers, architects, contractors, inspectors, governments, institutions, utilities, owner-operators, and a broad spectrum of infrastructure roles.

Your Company has been successful in penetrating the markets in a manner that fully exploits the capabilities of the solution and helps customers gain an edge over their rivals in business through the top-notch solutions of Autodesk & Bentley

These partnerships also place your Company in a strategically strong position to explore the international markets. We are moving ahead with a complete focus on Shaping the Future using Technology and innovations value for the clients while also enhancing the lives of the people.

## Risks & Concerns

Management of Risk is of utmost importance for any corporate having Good Corporate Governance. Your Company believes that a robust Risk Management system ensures adequate controls and monitoring mechanisms for a smooth and efficient running of the business. Your Company, being risk aware is better equipped to maximize the shareholder value. The Company's Business Risk Management Framework helps in identifying risks and opportunities that may have a bearing on the organization's objectives, assessing them in terms of likelihood and magnitude of impact and determining a response strategy.

Except as otherwise stated and the Risk Factors mentioned herein, the following important factors could also cause actual results to differ materially from the expectations:

- Changes in domestic and foreign policies namely changes in laws, regulations and taxes.
- Changes in foreign exchange rates.
- Failure to obtain and retain approvals and licenses.
- Risk in realization of contingent liabilities.
- Change in general economic, political, social and business conditions in the local, regional and national markets in which we operate.
- Termination of customer contracts without cause and with little or no notice or imposition of heavy fines / penalties.
- Changes in interest rate policies, inflation, deflation or other rates and prices.

- Occurrences of natural disasters or calamities affecting the areas in which we have operations.
- Market fluctuations and industry dynamics beyond our control.

## Internal Control and Systems and their Adequacy

As per the explanation to clause (e) of Section 134(5) of Companies Act, 2013, the term Internal Financial control (IFC) means the policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of its Business including adherences to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of accounting records and timely preparation of reliable financial information.

Ceinsys has already aligned its current systems of internal financial control with the requirement of the Companies Act 2013. The Internal Control is intended to increase transparency and accountability in an organization's process of designing and implementing a system of internal control. The framework requires a company to identify and analyze risks and manage appropriate responses. The Company has successfully laid down the detailed framework and ensured its effectiveness.

Ceinsys' internal controls are commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with the applicable statutes, safeguarding assets from unauthorized use, executing transactions with proper authorization, and ensuring compliance with corporate policies. Ceinsys has a well-defined system for delegation of power with authority limits for approving revenue as well as expenditure. Processes for formulating and reviewing annual and long-term business plans have also been laid down.

Ceinsys uses a state-of-the-art Enterprise Resource Planning (ERP) system to record data for accounting, consolidation, and management information purposes and the ERP connects to different locations for efficient exchange of information. It has continued its efforts to align all its processes and controls with global best practices.

Ceinsys has appointed Internal Auditor to oversee and carry out internal audit of its activities. The audit is based on an internal audit plan, which is reviewed quarterly in consultation with the statutory auditors and the Audit Committee. The conduct of internal audit is oriented towards the review of internal controls and risks in its operations such as software delivery, accounting and finance, procurement, employee engagement, travel, insurance, IT processes. Ceinsys also undergoes periodic technical audit by specialized third-party consultants and professionals for business specific compliances such as quality management, service management, information security, and so on. The Audit Committee reviews the reports of internal auditors and statutory auditors. Suggestions for improvement are considered and the Audit Committee follows up on corrective action. The Audit Committee also meets Ceinsys' statutory auditors to ascertain, inter alia, their views on the adequacy of internal control systems and keeps the board of directors informed of its major observations periodically.

## Financial performance with respect to operational performance

The financial statements of the Company have been prepared under Indian Accounting Standards (IND AS) which comply in all material respects with the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013.

Particulars	(Amount In Lakhs)		
	Financial Year 2021-22	Financial Year 2020-21	Increase/(Decrease) %
Total Revenue (Standalone)	19,750.58	18,740.96	5.39%
Total Revenue (Consolidated)	20,456.32	18,677.95	9.52%
Earnings before interest, tax, depreciation (EBITD)-Standalone	2,327.63	1,830.44	27.16%
Earnings before interest, tax, depreciation (EBITD)-Consolidated	2,387.16	1,753.55	36.13%
Profit Before Tax (Standalone)	1,113.89	320.85	247.17%
Profit Before Tax (Consolidated)	1,347.76	243.57	453.34%
Profit after tax (PAT)(Standalone)	767.00	276.64	177.25%
Profit after tax (PAT)(Consolidated)	951.91	199.39	377.41%
Total Comprehensive Income (Standalone)	742.91	273.28	171.85%
Total Comprehensive Income (Consolidated)	924.33	196.03	371.52%
Earnings Per Share (EPS) (Standalone)	6.55	2.49	163.04%
Earnings Per Share (EPS) (Consolidated)	8.12	1.79	353.63%

### Share Capital

The authorized share capital of the Company as on March 31, 2022 was Rs.20,00,00,000/- divided into 2,00,00,000 equity shares of Rs.10/- each and paid-up share capital as at March 31, 2022 was Rs.15,43,13,970/- divided into 1,54,31,397 equity shares of Rs.10/- each. There was no change in the authorized share capital of the company during the year. During the year the Fresh issue has been done in the paid up capital of the company:

1. Company has allotted 36,07,530 Equity Shares of Face Value of Rs.10/- each at a premium of Rs.146 per share on Private Placement to the equity shareholders of Allygrow Technology Private Limited.
2. Company has allotted 7,06,782 Equity Shares of Face Value of Rs.10/- each at a premium of Rs.146 per share on Preferential basis to a Promoter and Promoter Group of the Company.

### Other Equity

On Standalone basis, the Other Equity as at March 31, 2022 stood at Rs. 14,430.89 Lakhs as against 7,639.22 Lakhs as at March 31, 2021, showing an increase of 88.91%. On Consolidated Basis, Other Equity as at March 31, 2022 stood at Rs. 14,743.07 Lakhs as against Rs. 7,801.83 Lakhs as at March 31, 2020 showing an increase of 88.97 %. The net increase of Rs. 6,941.24 Lakhs is mainly due to increase in issue of preferential allotment & acquisition of subsidiary company FY 2021-22 as compared to FY 2020-21.

### Long-Term Borrowings

On Standalone Basis and consolidated basis, Long-term Borrowing reduced to Rs.39.86 Lakhs as at March 31, 2022 from 109.79 Lakhs at March 31, 2021. Overall effect is decrease in long term borrowings due to repayments during the financial year 2021-22.

### Other Current Financial Liabilities

On Standalone basis, other current financial liabilities stood at Rs.530.15 Lakhs as at March 31, 2022 as against Rs.746.81 Lakhs as at March 31, 2021. On Consolidated basis, other current financial liabilities stood at Rs.663.18 Lakhs as at March 31, 2022 as against Rs. 753.26 Lakhs as at March 31, 2021.

### Trade Payables

On Standalone Basis, Trade payables decreased to Rs.4,363.98 Lakhs as at March 31, 2022 from Rs.6,469.62 Lakhs as at March 31, 2021. On Consolidated Basis, Trade payables decreased to Rs. 4,634.66 Lakhs as at March 31, 2022 from Rs. 6,469.62 Lakhs as at March 31, 2021. The decrease is mainly due to payment to vendors which resulted in less liabilities of the company towards vendor payment.

### Other Current Liabilities

On Standalone basis, other current liabilities increased to Rs.1077.93 Lakhs as at March 31, 2022 from Rs. 727.72 Lakhs at March 31, 2021. On Consolidated basis, other current liabilities increased to Rs. 1,143.73 Lakhs as at March 31, 2022 from Rs. 727.73 Lakhs as at March 31, 2021. The net increase of Rs.416.00 lakhs is mainly on account of increase in advance from customer to the tune of Rs.291.23 Lakhs and increase of statutory liabilities of Rs.18.11 Lakhs and increase in Unearned revenue of Rs.44.66 Lakhs.

### Short-Term Provisions

The short-term provision comprises provisions against gratuity liability and leave obligation towards employees. On Standalone basis, short-term provisions were Rs. 173.30 Lakhs as at March 31, 2022 as against Rs.82.93 Lakhs as at March 31, 2021. On Consolidated basis, short-term provisions were Rs.234.17 Lakhs as at March 31, 2022 as against Rs.82.93 Lakhs as at March 31, 2021. Increase in liability is on account of high actuarial gain coming majorly due to change in demographic assumptions, experience changes, change in attrition rate.

### Non-Current Investments

On standalone basis, Non-Current Investment were Rs. 5,641.92 Lakhs as at March 31,2022 as against Rs.14.18 Lakhs at March 31,2021.

On Consolidation basis, Non-Current Investment were Rs. 1,863.37 Lakhs as at March 31,2022 as against Rs.7.61 Lakhs at March 31,2021. Increase in Non-Current Investment on account of acquisition of Allygrow Technologies Private Limited during the year in which the company has taken the majority of the investment.

### Other Non-Current Financial Assets

The Other Non-Current Financial Assets Loans and Advances recoverable in cash or kind which are not due within twelve months from the Balance Sheet date are shown as long-term loans and advances. These amounted to Rs. 466.30 Lakhs as at March 31, 2022 as against Rs. 369.28 Lakhs as at March 31, 2021 on standalone basis. The increase is mainly on account of receipt of security Deposit from various government organisations. On Consolidation level the amount of Other Non-Current Financial assets increased to Rs.518.87 Lakhs as at March 31, 2022 from Rs.369.29 Lakhs as at March 31, 2021. The deposit increased on account of addition of Allygrow Bank deposits.

### Current Assets Loans and Advances

The Loans and Advances recoverable in cash or kind which are due within twelve months from the Balance Sheet date are shown as Short-term loans and advances. On Standalone basis, these amounted to Rs. 5.28 Lakhs as at March 31, 2022 as against Rs. 0.54 Lakhs as at March 31, 2020. On consolidated basis, these amounted to Rs.0.24 Lakhs as at March 31, 2022 as against Rs. 0.54 Lakhs as at March 31, 2021.

### Other Non-Current Assets

On Standalone and Consolidated basis Non - Current Assets were of Rs.185.01 Lakhs as at March 31, 2022 as against Rs.82.11 Lakhs as at March 31, 2021. The increase is mainly due to increase in prepaid Expenses. The prepaid expenses mainly consists of Bank Guarantees taken for more than 1 year.

### Trade Receivables

On Standalone basis, Trade receivables amounted to Rs. 7,803.89 Lakhs as at March 31, 2022 as against Rs. 12,539.25 Lakhs as at March 31, 2021. On Consolidated basis, Trade receivables amounted to Rs. 8,493.11 Lakhs as at March 31, 2022 as against Rs.12,539.25 Lakhs as at March 31, 2021.

This is due to significant recovery in FY 21-22 as compared to FY 20-21. The old recoveries which were pending for long were also recovered in this financial year.

### Cash and Bank balance

On Standalone basis, cash and current account balances amounted to Rs. 3.76 Lakhs as at March 31, 2022 as compared to Rs. 3.61 Lakhs as at March 31, 2021. On Consolidated Basis, these amounted to Rs.1400.39 Lakhs as at March 31, 2022 as compared Rs. 7.82 Lakhs as at March 31, 2021. The major increase in consolidation level due to surplus cash of subsidiary company at year end.

### Bank Balance other than Above

On Standalone basis, deposits with banks which is held as margin money against bank guarantees and Letter of credits amounted to 740.53 Lakhs as at March 31, 2022 as compared to Rs.964.41 Lakhs as at March 31, 2021. On Consolidation basis, deposits with banks which is held as margin money against bank guarantees and Letter of credits amounted to Rs.1,269.53 Lakhs as at March 31, 2022 as compared to Rs. 964.41 Lakhs as at March 31, 2021. The amount is being reduced as the bank fixed deposit were matured in the current year at standalone level however on consolidation level it is increased due to addition of fixed deposit of subsidiary company.

### Other Current assets

On Standalone basis, total other current assets were of Rs. 482.21 Lakhs as at March 31, 2022 as compared to total other current assets of Rs.

693.87 Lakhs as at March 31, 2021.

On Consolidated basis, total other current assets as at March 31, 2022 stood at Rs.594.03 Lakhs as against Rs. 693.93 Lakhs as at March 31, 2021. The decrease is mainly on account of decrease in receivable balances with government authorities and decrease in advance to suppliers.

### Total Income- Standalone

Total Income on Standalone basis in financial year 2021-22 increased to Rs. 19,750.58 Lakhs from Rs. 18,740.96 Lakhs in the last financial year 2020-21 registering an increase of 5.39%. The revenue has gone up due to relaxation of Covid-19 norms which resulted into increase of the contracts. Also, during the period the company has won new contracts which has resulted into additional revenue.

### Total Income – Consolidated

Total Income on consolidated basis in financial year 2021-22 increased to Rs. 20,456.32 Lakhs from Rs. 18,677.95 Lakhs in the last financial year 2020-21 an increase rate of 9.52%.

### Earnings before interest, tax and depreciation (EBITD) – Standalone

Earnings before interest, tax and depreciation (EBITD) for the financial year 2021-22 has been Rs. 2,327.63 Lakhs registering an increase of 27.16% over (EBITD) of Rs. 1,830.44 Lakhs in financial year 2020-21. Increase is on account of execution of projects which resulted into increase in revenue having high margin of profit.

### Earnings before interest, tax and depreciation (EBITD) – Consolidated

Earnings before interest, tax and depreciation (EBITD) for the financial year 2021-22 has been Rs. 2,387.16 Lakhs registering an increase of 36.13% over (EBITD) of Rs. 1,753.55 Lakhs in financial year 2020-21.

### Profit before tax (PBT) – Standalone

Profit before tax for the year 2021-22 has been Rs. 1,113.89 Lakhs recording an increase of 247.17% over the PBT of Rs. 320.85 Lakhs in financial year 2020-21. Increase is on account of the factors covered above.

### Profit before tax (PBT) – Consolidated

Profit before tax for the year 2021-22 has been Rs. 1,347.76 Lakhs recording an increase of 453.34% over the PBT of Rs.243.57 Lakhs in financial year 2020-21. Increase is on account of the factors covered above.

### Profit after tax (PAT) – Standalone

Profit after tax (PAT) for the year 2021-22 has been Rs.767.00 Lakhs recording an increase of 177.26% over the PAT of Rs. 276.64 Lakhs in financial year 2020-21. Increase is on account of the factors covered above.

### Profit after tax (PAT) – Consolidated

Profit after tax (PAT) for the year 2021-22 was Rs.951.91 Lakhs recording an increase of 377.41% over the Profit after tax (PAT) of Rs. 199.39 Lakhs in financial year 2020-21.

### Net worth

On Standalone basis, Net worth for financial year 2021-22 was recorded at Rs. 15,974.03 Lakhs as compared to Rs. 8,750.93 Lakhs in previous

financial year 2020-21.

On Consolidated basis, Net worth for financial year 2021-22 was recorded at Rs. 17,081.95 Lakhs as compared to Rs. 8,913.54 Lakhs in previous financial year 2020-21.

The net increase of Rs.8168.41 Lakhs is mainly due to increase in securities premium for acquisition of subsidiary & issue of fresh shares on preferential allotment amounting to Rs.6,298.89 Lakhs. Also the profitability of the FY 2020-21 is also a contributing factor in the increase of net worth compare to profitability of FY 2021-22.

#### Earnings per Share (EPS)

On Standalone basis, Basic and diluted earnings per share went up to Rs. 6.55 per share in current financial year from Rs. 2.49 per share in the previous year

On Consolidated basis, Basic & diluted earnings per share went up to Rs.8.12 per share in current financial year from Rs. 1.79 per share in the previous year.

On Standalone & Consolidated level, there is increase in EPS on account of increase in profit after tax due to the reasons mentioned above. Moreover, in year 2021-22 basic and diluted EPS are same as there is no

outstanding potential share.

### Segment Wise performance

The Company has organised its business into three segments:

1. **Enterprise Geospatial & Engineering Services (EES)** - This segment includes Geospatial solution for Cadastral mapping, Resource survey, mapping & analysis, Mining applications & Heritage Mapping. Engineering consultancy services includes hydraulic modelling, water metering solutions, municipal solutions, Consultancy services for the DPR preparations for water supply scheme, Road and Highways using LiDAR Technology.
2. **Software Products** - This segment includes sale of standard software products of Autodesk, Bentley, ESRI, Digital Globe, Schneider, Siemens, Ansys, Intergraph etc.
3. **Power Generation**- This segment aiming to create renewable energy that is revolutionising and redefining the way sustainable energy sources are harnessed across the world. At present Ceinsys has invested in Wind Mills and Solar Plants to generate renewable clean energy.

The table below gives the standalone revenue analysis by business segment for the period indicated:

(Amount In Lakhs)

Particulars	Year Ended	
	31.03.2022 - Audited	31.03.2021 - Audited
<b>1. Segment Revenue</b>		
a. Enterprise Geospatial & Engineering Services	16,770.40	16,167.17
b. Software Products	2,625.53	2,176.39
c. Power Generation	223.62	179.63
<b>Income From Operations</b>	<b>19,619.55</b>	<b>18,523.19</b>
<b>2. Segment Results</b>		
a. Enterprise Geospatial & Engineering Services	2,529.87	1,843.90
b. Software Products	121.17	201.17
c. Power Generation	71.24	63.72
<b>Total</b>	<b>2,722.28</b>	<b>2,108.79</b>
i) Finance Costs	(922.63)	(1,172.39)
ii) Other unallocable expenditure	(816.79)	(833.32)
iii) Unallocable Income	131.03	217.77
<b>Profit before exceptional items and Tax</b>	<b>1,113.89</b>	<b>320.85</b>
Exceptional items	-	-
<b>Profit Before Tax</b>	<b>1,113.89</b>	<b>320.85</b>

#### Details of Significant Changes in Key financial ratios:

The significant changes in key ratio i.e changes of 25% or more as compared to previous financial year 2020-21 with detailed explanation is appended in the below mentioned table:

Sr No.	Particulars	FY 2021-2022	FY 2020-2021	Change (%)	Explanation
1	Debt equity ratio	0.38	0.99	-61.82%	Mainly due to increase in Equity Share due to issuance of shares on acquisition of subsidiary and on preferential basis and due to increased profit in the current year
2	Debt Service Coverage Ratio	2.28	1.73	31.82%	Mainly due to better Operating performance
3	Return on equity ratio	6.20%	3.16%	96.31%	Mainly due to better Operating performance and Total Equity
4	Inventory Turnover ratio	95.50	33.45	185.50%	Mainly due to lower average inventory
5	Net profit ratio	3.91%	1.49%	161.76%	Mainly due to better Operating performance
6	Return on investment	1.02%	11.67%	-91.24%	Mainly due to increase in Non current investments and no dividend received from Subsidiary Company in the Current Year

Note: The above ratios are based on Standalone Financials Statements

#### Material Developments in Human Resources –

Human Resources practices of your Company are projected by its founders and culture that has been played major role over the years. The Company includes its human resources on its balance sheet to affirm their sheet value. The Employees are encouraged to take new initiatives and continuous learning. The organization emphasizes smartness and excellence among its employees and also includes sensibly selected approaches, methods, and procedures for recruitment and selection, and for the retention of high-quality employees. The company's recruitment practices and selection process ensure an adequate workforce.

#### Key initiatives of this year

- 1. Retention Program** – A cooperative approach to retain employees by respectful and equal treatment of all employees at all levels and building trust between employees and senior management. Providing employees leeway to perform their respective tasks, assignments and use their skills and abilities.
- 2. Recruitment Practices** – Recruitment team uses a mixture of internal and external sources to maintain the adequacy of its human resources. The company uses internal job postings, promotions, transfers and for external sources company includes educational institutes, job advertisements on social media. Through these recruitment sources, Company smooths a continuous invasion of qualified work force.
- 3. Rewards & Recognition** – At Ceinsys we believe that rewarding employee performance can be a highly effective method to keep employees motivated and working toward the success of a business as a whole. The Company believe in rewarding the employees who go beyond the call of duty and excel in the assignment they are deputed at. This ensures that employees feel their extra effort did not go unnoticed. The Company achieve this objective by giving away various financial rewards and non-monetary incentives that provide recognition, appreciation and compensation for employees who have worked hard and put in the extra effort.
- 4. Employee Well being and Safety** – Ceinsys believe in influencing all aspects of an employee's life. We continued our

efforts to enhance safety and security at the workplace by prescribing various policies. Covid-19 Awareness Session on the recovery of Coronavirus was organized by a specialist, where inputs were provided on awareness and the precautions, which should be taken during working hours, and while travelling. Various safety measures, which must be followed, were discussed. The Company also arranged various fitness activities and annual medical checkups was also arranged.

- 5. Employee Welfare Activities-** Ceinsys provides best in class working environment to its employees. The Company believes that giving the employees a safe and comfortable working environment is one of the most important employee welfare activities the Company believe Apart from the regular welfare activities, your Company believes that Cultural Festivals and events play an important role in bringing people closer and in helping them understand each other's way of approaching life. Keeping this aim in mind your company organizes various welfare activities year round. The celebration of the 23rd Foundation Day, Ganesh Chaturthi, Women's Day and Christmas Day were such welfare events that were organized by the Company for the employees and the employees celebrated with great zeal and enthusiasm.

#### Employee Statistics

As on March 31, 2022, your Company employed 1046 employees (including contractual, consultants and project based) on a consolidated basis spread across various branches. The details of Employee Statistics are mentioned below –

Total Employee Count	
Category	Count of Employee Name
Consultant	37
INTERN	26
NAPS	128
NEEM	187
NON-NAPS	94
Onroll	371
Project Base	203
Grand Total	1046

Row Labels	Count of Emp Name
F	96
M	940
<b>Grand Total</b>	<b>1036</b>

Education Details	
Qualification	Employee Count
Diploma	206
Graduate	559
PHD	5
Post Graduate	158
Under Graduate	108
<b>Grand Total</b>	<b>1036</b>

Attrition rate as on 31st March, 2022	
Attrition Rate (Apr 21 to Mar 22)	22%

## CEO AND CFO COMPLIANCE CERTIFICATE

### We, to the best of our knowledge and belief, certify that:

- a) We have reviewed the financial statements for the year ended March 31, 2022 and to the best of our knowledge and belief:
  - i. these financial statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, no transactions entered into by the company during the year are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal control for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining

to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware, have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.

- d) We have indicated to the auditors and the Audit Committee:
  - i. There has not been any significant change in internal control over financial reporting during the year under reference;
  - ii. There has not been any significant change in accounting policies during the year ended 31 March, 2022 and the same have been disclosed in the notes to the financial statements; and
  - iii. We are not aware of any instance during the year under reference of significant fraud with involvement therein of the management or any employee having a significant role in the company's internal control system over financial reporting.

### For and on behalf of Board of Directors

Sd/-

**Prashant Kamat**  
(Vice-Chairman and Chief Executive Officer)  
(Din No.07212749)  
**Place : Nagpur**

Sd/-

**Krishnan Rathnam**  
(Chief Financial Officer)  
**Place : Pune**

**Date: May 30, 2022**

# SAFE HARBOR

This Annual Report contains 'forward-looking statements' within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, that involve substantial risks and uncertainties. Forward-looking statements generally relate to future events or our future financial or operating performance and are based on our current expectations, assumptions, estimates and projections about the Company, our industry, economic conditions in the markets in which we operate, and certain other matters. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as 'anticipate', 'believe', 'estimate', 'expect', 'intend', 'will', 'project', 'seek', 'should' and similar expressions. Those statements include, among other things, risks and uncertainties regarding COVID-19 and the effects of government and other measures seeking to contain its spread, the discussions of our business strategy, including the localization of our workforce and investments to reskill our employees and expectations concerning our

market position, future operations, margins, profitability, liquidity, capital resources, wage increases in India, change in the Indian regulations etc. These statements are subject to known and unknown risks, uncertainties and other factors, which may cause actual results or outcomes to differ materially from those implied by the forward-looking statements. Important factors that may cause actual results or outcomes to differ from those implied by the forward-looking statements include, but are not limited to, those discussed in the "Outlook, risks and concerns" section in this Annual Report. In the light of these and other uncertainties, you should not conclude that the results or outcomes referred to in any of the forward-looking statements will be achieved. All forward-looking statements included in this Annual Report are based on information and estimates available to us on the date hereof, and we do not undertake any obligation to update these forward-looking statements unless required to do so by law.



# CORPORATE GOVERNANCE REPORT 2021-22

*This Report containing the details of Corporate Governance Systems and processes at Ceinsys Tech Limited in accordance with the provisions of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 (Listing Regulations).*

## **I. Company's Philosophy on Corporate Governance**

Corporate governance aims at driving the business ethically for creation and enhancement of long-term sustainable value for your stakeholders. At Ceinsys, it is imperative that the Company's affairs are managed in a fair and transparent manner. Ceinsys ensures that it evolves and follows not just the stated corporate governance guidelines, but also globally accepted best practices. Ceinsys considers it's moral responsibility to protect the rights of its shareholders and disclose timely, adequate and accurate information regarding its financials and performance, as well as the leadership and governance of the Company.

The Company's essential character is shaped by the values of transparency, customer satisfaction, integrity, professionalism and accountability. The Company continuously endeavours to improve on these aspects. Your Company's Board of Directors ('the Board') view Corporate Governance in its widest sense. The main objective is to create and adhere to a corporate culture of integrity and consciousness. Corporate Governance is a journey for constantly improving sustainable value creation and is an upward moving target.

The Company has adopted a comprehensive Code of Conduct ('Code') for its Directors, KMPs and Senior Management, Independent Directors and Employees. The Code is available on the Company's website at link: <http://www.ceinsys.com/investor/>. Also, the corporate policies of the company are given in *Annexure 6* of the Board's Report. It ensures that all directors, senior management and employees have the obligation to conduct themselves in an honest and ethical manner and act in the best interest of the Company at all times. The Code was circulated to all members of the Board, KMPs and Senior Management and they have affirmed compliance with the Code.

The Company believes in raising the bar and upholding the highest standards of Corporate Governance as it enhances the long-term value of the Company for its stakeholders. Good governance is an essential ingredient of good business. The following report on the implementation of the Corporate Governance Practices is a sincere effort of the Company to follow the Corporate Governance Principles in its letter and spirit.

## **II. Board of Directors ("Board")**

As on March 31, 2022, the Company has an optimum mix of Directors which is constituted in compliance with the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and includes Executive, Non-Executive & Independent Directors

with fifty percent of Non-Executive and Independent Directors so as to ensure proper governance and management. The Chairman of the Board is a Non-Executive Non-Independent Director. The Board is at the core of corporate governance practice and oversees and ensures that the Management serves and protects the long-term interest of all its stakeholders. Your Company believes that an active, well-informed and independent Board is necessary to ensure the highest standards of corporate governance. There are no inter-se relationships between our Board members. None of the Independent Director hold shares or convertible instruments in the Company except Mr. Kishore Dewani who holds 3,300 Equity Shares in the Company as on March 31, 2022.

### **A. Size and Composition of the Board:**

The Board is entrusted with the ultimate responsibility of the management, direction and performance of the Company. The Company's policy is to maintain an optimum combination of Executive and Non-Executive/Independent Directors. The composition of the Company's Board, which comprises of Eight (8) Directors, is given in the table below and is in conformity with Regulation 17(1) of the Listing Regulations and other applicable regulatory requirements. About 50% of the Company's Board comprises of Non-Executive Independent Directors (IDs). The Board does not comprise of any Nominee Director.

**1. A brief particular of Board of Directors of the Company as on 31<sup>st</sup> March, 2021 is given below:**

Name of the Director	Category/ Designation	Director's Identification Number	Total Number of Directorships of companies, Committee Chairmanships and Memberships as on 31st March, 2022 <sup>1</sup>				Directorship in other listed entity (Category of Directorship) <sup>4</sup>
			Directorships		Member holding Chairmanship Position <sup>3</sup>	Committee Memberships other than Chairmanship Position <sup>3</sup>	
			Public <sup>2</sup>	Private			
Mr. Sagar Meghe <sup>5</sup>	Non-Executive and Non-Independent Director cum Chairman	00127487	4	7	-	-	-
Mr. Prashant Kamat <sup>6</sup>	Whole Time Director, Vice Chairman and CEO	07212749	3	-	-	-	-
Dr. Abhay Kimmatkar	Managing Director	01984134	4	-	-	1	-
Mr. Rahul Joharapurkar	Joint Managing Director	08768899	3	-	-	1	-
Mr. Dhruv Kaji	Independent Director	00192559	4	1	2	5	1.Network 18 Media & Investments Limited <sup>®</sup> 2.HDFC Asset Management Company Limited <sup>®</sup> 3.TV18 Broadcast Limited <sup>®</sup>
Dr. Satish Wate	Independent Director	07792398	4	1	2	1	1.Shradha Infraprojects Limited <sup>®</sup>
Mr. Kishore Dewani	Independent Director	00300636	8	11	1	-	-
Ms. Renu Challu	Independent Women Director	00157204	3	-	3	2	2.Schaeffler India Limited <sup>®</sup> 3.NCC Limited <sup>®</sup>

**Notes**

1 Excluding Trust formed under Bombay Trust Act, Society, foreign companies and Government Bodies, if any.

2 The Directorship in Public Companies includes Directorship in Non-Profit Companies (Section-8 Companies), Deemed Public Company and Ceinsys Tech Limited.

3 Only Audit Committee, Stakeholders Relationship and Grievances Committee is considered.

4 Category of directorship held : @ Non-Executive Independent Director

5 Mr. Sagar Meghe has been re-designated as Non-Executive Non-Independent Director cum Chairman with effect from August 13, 2021

6 Mr. Prashant Kamat has been appointed as Whole Time Director and Chief Executive Officer (CEO) with a nomenclature as "Vice Chairman and CEO" of the Company with effect from February 17, 2022.

**2. Key Board qualifications, Skills, expertise and attributes**

In the context of the Company's business and activities, the Company requires skills/expertise/competencies in the different areas of Company's business. The Company's Board is comprised of individuals who are reputed in the required skills, competence and expertise that allows them to make effective contribution to the Board and its committees. The Board is satisfied that the current composition reflects an appropriate mix of knowledge, skills, experience, diversity and competence required for it to function effectively.

**Matrix setting out the skills/expertise/competence of the board of directors is specified below:**

Name of Director	Expertise in specific functional area
Mr. Sagar Meghe	Industry Experience, Management & Leadership Skills
Mr. Prashant Kamat	Industry Experience, Management & Leadership Skills
Dr. Abhay Kimmatkar	Industry Experience, Technical, Management & Leadership Skills
Mr. Rahul Joharapurkar	Industry Experience, Technical, Management & Leadership Skills
Mr. Dhruv Kaji	Technical, Management & Leadership Skills
Mr. Kishore Dewani	Technical, Management & Leadership Skills
Ms. Renu Challu	Technical, Management & Leadership Skills
Dr. Satish Wate	Technical, Management & Leadership Skills

Technical Skills/ Industry Experience	Management Skills	Leadership Skills
Accounting	Planning	Strategic Thinking
Finance	Communication	Planning & Delivery
Law	Decision-making	People Management
Marketing Experience	Delegation	Change Management
Information Technology	Problem-solving	Communication
Public Relations	Motivating	Persuasion & Influence
MD/ Senior Management Experience	Knowledge and ability for abstract thinking	Mentoring abilities
Strategy Development and Implementation	Human or interpersonal skills	Integrity and high ethical standards
Knowledge of software		
Industry related		
Economic Awareness		

### **B. Independent Directors**

Independent Directors play a key role in the decision-making process of the Board and in shaping various strategic initiatives of the Company. The Independent Directors are committed to act in what they believe is in the best interests of the Company and its stakeholders. The Independent Directors are professionals, with expertise and experience in general corporate management, science and innovation, realty, public policy, business, finance and financial services. This wide knowledge in their respective fields of expertise and best-in-class boardroom practices helps foster varied, unbiased, independent and experienced perspective. The Company benefits immensely from their inputs in achieving its strategic direction.

Considering the requirements of the skill sets on the board, eminent people having an independent standing in their respective field and who can effectively contribute to the Company's business and policy decisions are considered by the Nomination and Remuneration Committee, for appointment as Independent Directors on the Board. The Nomination and Remuneration Committee, inter alia, considers qualification, positive attributes, area of expertise and number of Directorships and Memberships held in various committees of other companies by such persons in accordance with the criteria set for selection of Directors and determining Directors' independence. The Board considers the Committee's recommendation and takes appropriate decision.

In terms of Section 149(7) of the Companies Act, 2013, the Independent Directors; Mr. Dhruv Kaji, Dr. Satish Wate, Mr. Kishore Dewani and Ms. Renu Challu have given a declaration to the Company that they meet the criteria of independence as specified under Section 149(6) of the Companies Act, 2013. The Board also confirms that the independent Directors fulfill the independent criteria as prescribed under Companies Act, 2013 and Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are Independent of Management.

The Company has established a Familiarization Programme for Independent Directors. The framework together with the details of the Familiarization Programme conducted has been uploaded on the website of the Company. The web-link to this is <https://www.ceinsys.com/investor/>

As stipulated by the Code of Independent Directors under Schedule IV of the Companies Act, 2013, a separate meeting of the Independent Directors of the Company was held on March 31, 2022, without the

presence of Non-Independent Directors and members of Management, to review the performance of Non-Independent Directors, the Board as whole and the Chairman of the Company taking into account the views of executive directors and non-executive directors. They also reviewed the accessibility with regards to quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

None of the Independent Director has resigned from the Company during Financial Year 2021-22.

### **C. Key Board Proceedings**

The Board provides and critically evaluates strategic direction of the Company, management policies and their effectiveness. Their main function is to ensure that long-term interests of the stakeholders are being served. The agenda for the Board includes strategic review from each of the Board committee, a detailed analysis and review of annual strategic and operating plans and capital allocation and budgets. The Board holds minimum four meetings every year to review and discuss the performance of the Company, its future plans, strategies and other pertinent issues relating to the Company. The Board has complete access to all the relevant information of the Company. The quantum and quality of information supplied by the management to the Board goes well beyond the minimum requirement stipulated under Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

To enable the Board to discharge its responsibilities properly, the directors are effectively briefed at every Board Meeting. Senior Management members are also invited, as and when the need arise, to attend the Board Meetings to provide additional inputs on the items being discussed by the Board. Apart from placing the statutory required information before the Board Members, it is the policy of the Company to regularly place the information/ matter involving major decisions like Annual Budget, Business Plans, Operations, Technology Collaboration, Investments, Half yearly results and quarterly compliance reports on various laws applicable to the Company, legal matters and other material information.

The Board performs the following specific functions in addition to overseeing the business and management:

- Review, monitor and approve major financial and business strategies and corporate actions;

- b. Assess critical risks facing the Company – review options for their mitigation;
- c. Provide counsel on the selection, evaluation, development and compensation of senior management;
- d. Ensure that processes are in place for maintaining the integrity and highest levels of standards of:
  - i. the Company
  - ii. the Financial Statements
  - iii. Compliance with law
  - iv. relationships with all stakeholders

### **(I) Board Meetings and Deliberations**

Your Board meets at least four times in a year as per the law. However as per specific requirements additional Board meetings are also convened by giving appropriate notice. During the period under review i.e. April 1, 2021 to March 31, 2022, Six (6) Board Meetings were held on May 21, 2021; August 13, 2021; November 12, 2021; December 22, 2021; February 14, 2022 and March 31, 2022. The gap between two Meetings did not exceed one hundred and twenty days. These Meetings were well attended. During the year under review the Board also passed certain resolutions through circulation in compliance with the provisions of Companies Act, 2013 and Rules thereunder, which were placed in the immediately next Board meeting for noting.

### **(II) Information Material**

The dates of Board Meeting are decided well in advance and notices of such meetings are circulated. Agenda and notes on agenda are circulated to Board in a defined format, in advance and few supporting papers are placed before the Board at the time of Meeting. Material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the agenda, it is tabled before the meeting, with specific reference to this effect in the agenda. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted with the approval of the Chairman.

### **(III) Minutes:**

The Company Secretary records minutes of proceedings of meeting of Board and Committees thereof. Draft minutes are circulated to Board/Committee members for their comments. The minutes are entered in the Minutes Book well within the stipulated time, after considering the comments of Board members.

### **(IV) Brief changes in Board of Directors and Key Managerial Personnel:**

During the period under review i.e. from April 1, 2021 to March 31, 2022

- Dr. Hemant Thakare was re-appointed as Whole Time Director and Chief Operating Officer of the Company with effect from May 28, 2021, for a term of 3 years i.e. upto May 27, 2024. However, he tendered his resignation from the post of Whole Time Director and COO with effect from February 14, 2022.
- There was change in designation of Mr. Sagar Meghe from Chairman and Managing Director to Non-Executive Non-Independent Director cum Chairman of the Company with effect from August 13, 2021.
- Mr. Saurabh Somani resigned as the Company Secretary and Compliance Officer of the Company with effect from July 15, 2021 and Ms. Pooja Karande, was appointed as Company Secretary and

Compliance Officer with effect from August 13, 2021 in his place.

- Mr. Chanchal Bhaiyya resigned from the post of Chief Financial Officer of the Company with effect from February 28, 2022.
- Mr. Prashant Kamat was appointed as an Additional Director, Whole Time Director and Chief Executive Officer (CEO) with nomenclature as the Vice Chairman and CEO of the Company with effect from February 17, 2022, subject to approval of Shareholders which was subsequently approved by Shareholders through postal ballot process on May 16, 2022.
- Mr. Krishnan Rathnam was appointed as Chief Financial Officer (CFO) of the Company with effect from February 17, 2022.
- Mr. Rajesh Joshi was appointed as Deputy Chief Financial Officer (Deputy CFO) of the Company with effect from February 14, 2022.

### **(V) Non-Executive Directors' Compensation and Disclosures**

Except sitting fees the company has not paid any remuneration/compensation to non-executive directors, including independent directors; also the Company has not granted any stock option to non-executive directors, including independent directors in the year 2021-22. The sitting fees paid to non-executive directors including Independent Director are within the limits prescribed under the Companies Act, 2013.

### **(VI) The Committees of the Board**

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas / activities as mandated by applicable regulation which concern the Company and need a closer review. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by Members of the Board, as a part of good governance practice. The Chairman of the respective Committees informs the Board about the summary of the discussions held in the Committee Meetings. The minutes of the meetings of all Committees are placed before the Board for review. The Board Committees can request special invitees to join the meeting, as appropriate.

### **Meetings of Statutory Committees held during the year and Directors' Attendance**

The role and the composition of these Committees including number of meetings held during the financial year and participation of the members at the meetings of the committees, during the year are as under:-

#### **A. Audit Committee**

The Company has an adequately qualified Audit Committee and its composition meets the requirement of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Audit Committee also acts as a link between the statutory and internal auditors and the Board of Directors. Its purpose is to assist the Board in fulfilling its oversight responsibilities of monitoring financial reporting processes, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's statutory and internal audit activities. The Audit Committee ensures prudent financial and accounting practices, fiscal discipline and transparency in financial reporting. In terms of one of its important charter, the quarterly financial statements are reviewed by the Audit Committee and recommended to

the Board for its adoption. The Audit Committee was constituted on July 26, 2014.

In addition to the Audit Committee members, Statutory Auditors, the Chief Financial Officer, Head – Internal Audit and Divisional Heads are also invited to the Audit Committee Meetings on need basis.

The role and composition of these committees including number of meetings held during the financial year and participation of the members at the meetings of the committees are as under :-

#### 1. The brief terms of reference of Audit Committee are as under:

- a. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- b. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;
- c. Approving payment to statutory auditors for any other services rendered by the statutory auditors;
- d. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
  - i. matters required to be included in the Director 's Responsibility Statement to be included in the Board 's report in terms of Section 134 of the Companies Act 2013;
  - ii. changes, if any, in accounting policies and practices along with reasons for the same;
  - iii. major accounting entries involving estimates based on the exercise of judgment by management;
  - iv. significant adjustments made in the financial statements arising out of audit findings;
  - v. compliance with listing and other legal requirements relating to financial statements;
  - vi. disclosure of any related party transactions; and
  - vii. qualifications in the audit report.
- e. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- f. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- g. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- h. Approving or any subsequent modifying of transactions with related parties;
  - i. Scrutinizing of inter-corporate loans and investments;
  - j. Evaluating value of undertakings or assets of the listed entity, wherever it is necessary;
  - k. Evaluating of internal financial controls and risk management systems;
  - l. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
  - m. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
  - n. Discussing with the internal auditors any significant findings and follow up there on;
  - o. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
  - p. Discussing with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
  - q. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors;
  - r. Reviewing the functioning of the vigil mechanism, in case the same is existing;
  - s. Approving the appointment of the Chief Financial Officer (i.e. the whole time finance director or any other person heading the finance function) after assessing the qualifications, experience and background, etc., of the candidate;
  - t. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee or contained in the equity listing agreements as and when amended from time to time;
  - u. To review utilization of loans and/or advances from investment by holding company in subsidiary company exceeding INR 100 crores or 10% of asset size of subsidiary, whichever is low;
  - v. To oversee the risks; and
  - w. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

During the financial year 2021-22, there was no change in the constitution of the Audit Committee. As on March 31, 2022 Audit Committee comprises as follows:

Name	Status	Category
Mr. Kishore Dewani	Chairman	Non-Executive and Independent Director
Mr. Dhruv Kaji	Member	Non-Executive and Independent Director
Ms. Renu Challu	Member	Non-Executive and Independent Director

All the members of the Committee have sound knowledge of finance, accounts and business management. The Chairman of the Committee, has extensive accounting and related financial management expertise.

The Company Secretary of the Company acts as the Secretary to the Committee.

#### 2. Meetings

During the year 2021-22, Six (6) meetings of the Audit Committee were held on May 21, 2021; August 13, 2021; November 12, 2021; December 22, 2021; February 14, 2022 and March 31, 2022. Attendance table is attached under the head 'Attendance of Directors/Members at Board and Committee Meeting (s)'. The requisite quorum was present in all the meetings and not more than one hundred and twenty days have elapsed between two meetings.

#### B. Nomination and Remuneration Committee

In compliance with the provisions of Section 178 of the Companies Act, 2013 Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company has constituted Nomination and Remuneration Committee on July 26, 2014. The Board has approved a Nomination and Remuneration Policy for Directors, KMPs and other Senior Management.

The committee believes that sound succession planning of the senior leadership is the most important ingredient for creating a robust future for the Company. Therefore, the committee has adopted a rigorous process to ensure that the Board selects the right candidates for senior leadership positions. The Chairman of the Committee is an Independent Director.

1. The brief terms of reference of Nomination and Remuneration Committee are as under:

- Formulating of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- Formulating of criteria for evaluation of performance of independent directors and the board of directors;
- Devising a policy on diversity of board of directors;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
- Evaluating and to recommend whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- Determine our Company's policy on specific remuneration package for the Managing Director/Executive Director including pension rights;
- Evaluating and to recommend salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors;
- Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose;
- Evaluating and to recommend the amount of Commission payable to the Whole time Directors, if any;
- Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc;
- To formulate and administer the Employee Stock Option Scheme; and

- To recommend to Board, all remuneration in whatever form, payable to senior management.

During the year 2021-22, there was no change in the constitution of Nomination and Remuneration Committee. As on March 31, 2022, the Nomination and Remuneration Committee comprises as follows:

Name	Status	Category
Mr. Dhruv Kaji	Chairman	Non-Executive and Independent Director
Ms. Renu Challu	Member	Non-Executive and Independent Director
Mr. Kishore Dewani	Member	Non-Executive and Independent Director

The Company Secretary of the Company acts as the Secretary to the Committee.

## 2. Meetings

During the financial year 2021-22 Five (5) meetings of Nomination and Remuneration Committee was held i.e. on May 21, 2021; August 13, 2021; November 12, 2021; February 14, 2022 and March 31, 2022. The requisite quorum was present in all the meetings.

## 3. Nomination and Remuneration Policy

The web link of Nomination and Remuneration policy is prescribed in [Annexure-6](#) to the Board's Report.

The performance evaluation criteria for independent directors is elaborately mentioned in Board Report.

## 4. Remuneration of the Directors

In terms of the provisions of Section 197 (12) of the Act read with Rules 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules are provided in the [Annexure-3](#) in the Boards' Report.

The Company pays remuneration by way of salary, benefits, perquisites and allowances (fixed component) and performance incentives (variable component) to its Executive Directors. Annual increments are decided after recommendation of Nomination and Remuneration Committee, Board of Directors within the range of the remuneration approved by the Members.

The details of Remuneration and Sitting Fees paid/payable to directors for the year ended March 31, 2022 are stated in the following table:-

Name of the Director	Fixed salary					Variable Pay1	Commission	Sitting Fees	Total	No. of equity shares held (In Nos.) <sup>3</sup>
	Basic salary	Perquisites / Allowances	PF/ benefits	Bonus	Total fixed salary					
Mr. Sagar Meghe <sup>4</sup>	30,50,565	37,28,468	-		67,79,033	-	-	5,00,000	72,79,033	15,33,202
Mr Prashant Kamat <sup>5</sup>	4,09,123	28,97,373	3,600		33,10,096	-	-	-	33,10,096	-
Dr. Abhay Kimmatkar	43,00,968	52,56,720	21,600	3,23,931	99,03,219	26,06,650	-	-	1,25,09,869	6,300
Mr. Rahul Joharapurkar	27,79,884	36,45,644	21,600	2,09,227	66,56,355	16,80,852	-	-	83,37,207	6,300
Mr. Hemant Thakare <sup>6</sup>	23,47,500	28,69,164	21,600	1,81,216	54,19,480	14,55,816	-	-	68,75,296	-
Mr. Dhruv Kaji	-	-	-		-	-	-	15,00,000	15,00,000	-
Dr. Satish Wate	-	-	-		-	-	-	7,00,000	7,00,000	-
Ms. Renu Challu	-	-	-		-	-	-	19,00,000	19,00,000	-
Mr. Kishore Dewani	-	-	-		-	-	-	19,00,000	19,00,000	3,300

Amount in Rs. except for share data



**Notes:**

1 Variable pay shown in the above table is the outstanding remuneration payable to the Directors in FY 2020-21 paid in current FY 2021-22.

2 Sitting fees paid to Independent Directors includes sitting fees of FY 2020-21.

3 Joint Shareholding with another person shown as a Part of that shareholders holding, whose name appears first i.e, first holder.

4 The designation of Mr. Sagar Meghe was changed from Chairman and Managing Director to Non-Executive Non-Independent Director cum Chairman with effect from August 13, 2021.

The remuneration paid/payable to Mr. Sagar Meghe is in capacity of Chairman and Managing Director and from August 13, 2021 and onwards, only sitting fees was paid/payable to him.

5 Mr. Prashant Kamat was appointed as Whole Time Director, Vice Chairman and CEO with effect from February 17, 2022.

6 Mr. Hemant Thakare resigned from the post of Director, Whole Time Director and Chief Operating Officer of the Company with effect from February 14, 2022.

As the liability for leave encashment is provided on an actuarial basis for the company, the said amounts are not included above.

The Nomination and Remuneration Committee has formulated the criteria for making payments to non-executive directors. In compliance with Regulation 46(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, criteria have been disseminated on the Company's website- [www.ceinsys.com](http://www.ceinsys.com)

## 5. Board Evaluation Criteria

The Nomination and Remuneration Committee of the Company has laid down the criteria for performance evaluation of the Board, its Committees, Chairman and individual directors including Independent Directors. The details of Board Evaluation criteria are covered under point no. 29 of Boards' Report.

## 6. Employee Stock Option Plans

During the year under review, the Board of Directors of the company has approved Ceinsys Employee Stock Option Scheme 2022 - Plan 1 ("Plan 1") in their meeting held in March 31, 2022, subject to the approval of the shareholders of the Company and Ceinsys Employee Stock Option Scheme 2022 - Plan.2 ("Plan 2") which was further amended at their meeting held on April 14, 2022 which were both subsequently approved in FY 2022-23 through postal ballot on May 16, 2022.

## 7. Service contracts, notice period, severance fees

The Company has entered into employment agreement with Dr. Abhay Kimmattkar and Mr. Prashant Kamat.

## 8. Non-Executive & Independent Directors' Remuneration

During the financial year 2021-22, the Company has not paid any amount to Non-Executive & Independent Director except sitting fee as fixed by Board of Directors and doesn't have any pecuniary relationship or transaction with Non-Executive Independent Directors.

## C. Stakeholders Relationship and Grievances Committee

In compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board of Directors of the Company constituted Stakeholders' Relationship and Grievance Committee on July 26, 2014. The Committee looks into the Redressal of shareholders' and investors' complaints such as transfer of shares, non-receipt of Balance Sheet, non-receipt of declared dividends, payment of unclaimed dividends etc.

The Committee specifically looks into various aspects of interest of shareholders and other security holders. The Board was kept apprised of all the major developments on investors' issues through various reports and statements furnished to the Board from time to time throughout the year. The committee meets at least once in a year.

### 1. The brief terms of reference of Stakeholders Relationship and Grievance Committee are as under-

- Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the cages in the reverse for recording transfers have been fully utilized.
- Issue of duplicate certificates and new certificates on

split/consolidation/renewal, etc.;

- Review the process and mechanism of redressal of Shareholders /Investors grievance and suggest measures of improving the system of redressal of Shareholders /Investors grievances;
- Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/dividend warrants, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties;
- Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them;
- Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading as specified in the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 as amended from time to time;
- The Committee shall perform such other functions as may be required under the relevant provisions of the Companies Act, 2013, the Rules made there under, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and various circulars issued by the regulatory authorities thereof, as amended from time to time;
- Recommend methods to upgrade the standard of services to investors;
- To have access to any internal information necessary to fulfil its role;
- To review measures taken for effective exercise of voting rights by shareholders;
- To review various measures and initiatives taken by the company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders;
- To review and reassess the adequacy of the terms specified periodically and recommend any proposed changes to the Board for approval; and
- Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting.

During the financial year 2021-22, Stakeholders' Relationship and Grievance Committee was reconstituted on February 14, 2022. As on March 31, 2022, the Stakeholders' Relationship and Grievance Committee comprises as follows:

Name	Status	Category
Dr. Satish Wate	Chairman	Non-Executive and Independent Director
Dr. Abhay Kimmattkar	Member	Managing Director
Mr. Rahul Joharpurkar	Member	Joint Managing Director

The Company Secretary of the Company acts as the Secretary to the Committee.



## 2. Meetings

In order to act in compliance with Regulation 13(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Stakeholders Relationship and Grievance Committee reports to the Board as and when need arise, with respect to the status of redressal of complaints received from the shareholders of the Company. During the financial year 2021-22 one (1) meeting of Stakeholders Relationship and Grievance Committee was held i.e. on March 26, 2022. The requisite quorum was present in the meeting.

## 3. Investors' Grievances

The Company addresses all complaints, suggestions, grievances and other correspondence expeditiously and replies are sent usually within 7-10 days except in case of legal impediments and non-availability of documents. The Company endeavors to implement suggestions as and when received from the investors. During the financial year ending March 31, 2022, the Company has not received any investor complaints. The details of the requests/complaints received and disposed of during the year are as under:

Sr.No.	Nature of request / complaint	Opening Balance	Received	Attended	Pending
1.	Change of address	NIL	NIL	NIL	NIL
2.	Bank Details/ Bank Mandate/ Electronic Clearing Services	NIL	NIL	NIL	NIL
3.	Revalidation of dividend warrants	NIL	NIL	NIL	NIL
4.	Non-receipt of Dividend	NIL	NIL	NIL	NIL

The members may contact Ms. Pooja Karande, Company Secretary & Compliance Officer of the Company for their queries, if any, at the contact details provided in the General Shareholder Information in this report.

## D. Corporate Social Responsibility (CSR) Committee

Company's business priorities co-exist with social commitments to drive holistic development of people and communities. The Company's CSR initiatives helps elevate the quality of life of people, especially the unprivileged sections of the society. It seeks to touch and transform people's lives by Promoting Gender Equality, Empowering Women and education. Company aims to continue its efforts to build on its tradition of social responsibility to empower people and deepen its social engagements. In terms of Section 135 of the Companies Act, 2013, the Board of Directors at its meeting concluded on July 26, 2014, constituted the CSR Committee.

### 1. The Committee is constituted with powers and responsibilities including but not limited to:

- To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per the Companies Act, 2013;
- To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the company;
- To monitor the CSR policy of the Company from time to time; and
- Any other matter as the CSR Committee may deem appropriate with or without the consent of the Board of Directors or as may be directed by the Board of Directors from time to time.

During the financial year 2021-22, there was no change in the constitution of Corporate Social Responsibility Committee. As on March 31, 2022, the Corporate Social Responsibility Committee comprises as follows:

Name	Status	Category
Mr. Sagar Meghe	Chairman	Non-Executive and Non-Independent Director Cum Chairman
Mr. Dhruv Kaji	Member	Non-Executive and Independent Director
Ms. Renu Challu	Member	Non-Executive and Independent Director

The Company Secretary of the Company acts as the Secretary to the Committee.

## 2. Meetings

During the financial year 2021-22 One (1) meeting of Corporate Social Responsibility Committee was held i.e. on March 31, 2022. The requisite quorum was present in the meeting.

## E. Management Committee:

In order to manage the day to day operations of the company in a smooth way, the Board of the company has formed a Management Committee of the Board of Directors on May 31, 2014. The Management Committee looks after routine business, planning, performance monitoring, corporate governance, finance, human resources, audit, occupational health and safety, operational issues, stakeholder management and takes decisions on matters requiring immediate attention.

### 1. The members of the committee perform their roles within the organization. Members of the Management Committee share the following responsibilities:

- Planning and Execution** – The Committee oversees establishing and reviewing strategic and operational plans of the company and advises on its execution manner.
- Policy and Decision implementation** – The Committee advises the senior management on implementing and establishing company's laid down policies and ensure that those policies are strictly adhered.
- Regulatory & Legal Compliances** – The Committee oversees that the compliances which are required to be made under various statutes are made on time as well as the burden of legal cost is minimized and signing of legal documents are done properly.
- Financial** – The Committee ensures that all approval of finance arrangements are properly managed, Finance for operations are available on time and at the best rate, financial compliances are being done.
- Performance Evaluation** – The Committee oversees that the human resources are efficiently and effectively utilized to achieve the organizational goals. It also monitors all activities of the organization with proper feedback, contributing to the continuous improvement in governance and service delivery.
- Branding and Marketing** – The Committee ensures that the brand of the company is properly handled and marketed so that the company's goals, mission and vision are achieved.
- General Management and Administration** – The Committee guides the management whenever required on day to day administration.

During the financial year 2021-22, Management Committee was reconstituted on August 13, 2021 and February 14, 2022. As on March 31, 2022, the Management Committee comprises of the following:

Name	Status	Category
Mr. Prashant Kamat	Chairman	Whole Time Director, Vice Chairman and Chief Executive Officer
Dr. Abhay Kimmatkar	Member	Managing Director
Mr. Rahul Joharapurkar	Member	Joint Managing Director

The Company Secretary of the Company acts as the Secretary to the Committee.

#### F. Attendance of Directors/Members at Board and Committee Meeting (s)

The following table shows attendance of Directors at the meeting of Board, Members and Statutory Committee Meeting(s) for the year ended March 31, 2022. Attendance is presented as number of meeting(s) attended, (including meetings attended through electronic mode) out of the number of meeting(s) required to be attended.

Name	Board Meeting	Audit Committee Meeting	Nomination & Remuneration Committee Meeting	Stakeholder's Relationship & Grievance Committee Meeting	Corporate Social Responsibility Meeting	Management Committee	Attendance at last AGM <sup>1</sup>
Mr. Sagar Meghe <sup>2</sup>	6 of 6	-	-	-	1 of 1	4 of 11	Yes
Mr. Prashant Kamat <sup>3</sup>	1 of 6	-	-	-	-	3 of 11	NA
Dr. Abhay Kimmatkar	6 of 6	-	-	1 of 1	-	11 of 11	Yes
Mr. Rahul Joharapurkar	6 of 6	-	-	1 of 1	-	11 of 11	Yes
Dr. Hemant Thakare <sup>4</sup>	5 of 6	-	-	-	-	8 of 11	Yes
Dr. Satish Wate	6 of 6	-	-	1 of 1	-	-	Yes
Mr. Dhruv Kaji	5 of 6	5 of 6	4 of 5	-	1 of 1	-	Yes
Ms. Renu Challu	6 of 6	6 of 6	5 of 5	-	1 of 1	-	No
Mr. Kishore Dewani	6 of 6	6 of 6	5 of 5	-	-	-	Yes

1 The 23<sup>rd</sup> Annual General Meeting (AGM) of the Company was held on September 30, 2021.

2 Pursuant to re-designation of Mr. Sagar Meghe from Chairman and Managing Director to Non-Executive and Non-Independent Director cum Chairman of the Company, there was reconstitution of Management Committee and Mr. Sagar Meghe who was Chairman of the Management Committee, ceased to be Chairman/member of Management Committee meeting w.e.f. August 13, 2021

3 Mr. Prashant Kamat was appointed as a Whole Time Director, Vice Chairman and Chief Executive Officer (CEO) of the Company with effect from February 17, 2022. He was also appointed as Chairman of Management Committee.

4 Dr. Hemant Thakare tendered his resignation from the post of Director, Whole Time Director and Chief Operating Officer of the Company with effect from February 14, 2022 and there by ceased to be member of Management Committee and Stakeholder Relationship Committee.

### III. General Body Meetings

#### A. Annual General Meetings:

Details of location, date and time of the Annual General Meetings (AGM) held during the last three years and details of the special resolutions passed in those AGM are given below:

Financial year	Venue	Date & Time	Details of special resolution passed at the AGM
2018-19	10/5, I.T. Park, Nagpur- 440022, Maharashtra, India.	September 29, 2019 at 11:30 A.M	<ul style="list-style-type: none"> <li>Appointment of Mr. Arun Wankhede as an Independent Director of the Company.</li> <li>Appointment of Mr. Mihir Dharkar as Managing Director of the Company.</li> </ul>
2019-20	Held through Video conferencing/ other Audiovisual means	September 30, 2020 at 11:30 A.M	<ul style="list-style-type: none"> <li>Appointment of Dr. Abhay Kimmatkar Managing Director of the Company.</li> <li>Appointment of Mr. Rahul Joharapurkar as Joint Managing Director of the Company.</li> </ul>
2020-21	Held through Video conferencing/ other Audiovisual means	September 30, 2021 at 11:30 A.M	<ul style="list-style-type: none"> <li>Re-Appointment of Dr. Hemant Thakare (08132265) as Whole Time Director and Chief Operating Officer of the Company.</li> </ul>

#### Notes:

1. The above mentioned Special Resolutions were passed with requisite majority.

2. The 22<sup>nd</sup> and 23<sup>rd</sup> Annual General Meeting (AGM) of the members of Ceinsys Tech Limited was held through Video Conferencing ('VC') / other Audio-Visual Means ('OAVM') in Compliance with the provisions of the Companies Act, 2013 ('the Act'), Ministry of Corporate affairs (MCA) circular General Circular No. 10/2021 dated June 23, 2021 read with circulars dated April 8, 2020 and April 13, 2020, June 15, 2020, (collectively referred to as 'MCA Circulars') and Securities and Exchange Board of India (SEBI) circular dated May 12, 2020.

#### B. Special resolution passed at the Extra Ordinary General Meeting in FY 2021-22

During the financial year 2021-22, pursuant to Section 100 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, the Company had passed following Special Resolutions at Extra Ordinary General Meeting conducted on January

15, 2022 through Video Conferencing ('VC')/ or other Audio- Visual means ('OAVM') by remote e-voting:

1. Authorization under Section 186 of the Companies Act, 2013.
2. Issuance of Equity Shares for consideration other than cash on Preferential/Private Placement Basis to one or more Investors.
3. Issuance of Equity Shares on Preferential/Private Placement Basis to

one or more Promoter(s)/Promoter Group.

**C. Special resolutions passed through postal ballot in last year & details of voting pattern:**

During the financial year 2021-22, pursuant to Section 110 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, the Company have not passed any Special Resolution by postal ballot.

**D. Whether any Special Resolution is proposed to be passed through Postal Ballot:-**

As on the date of this report, the Company has passed special resolutions through Postal Ballot. The Board of Directors of the Company, at its meeting held on April 14, 2022, had approved the postal ballot process for passing the following special resolutions set out below:

1. Appointment of Mr. Prashant Kamat (DIN: 07212749) as the Whole Time Director and Chief Executive Officer (CEO) with nomenclature as the Vice Chairman and CEO of the Company for the period from February 17, 2022 to February 16, 2025.
2. Approval for Ceinsys Employee Stock Option Scheme 2022 – Plan 1 for the Employees of the Company.
3. Extension of the Ceinsys Employee Stock Option Scheme 2022 – Plan 1 to the Employees of the Subsidiary and/or Associate Company (ies), if any, of the Company.
4. Approval for Ceinsys Employee Stock Option Scheme 2022 – Plan 2 for Mr. Prashant Kamat, Vice Chairman and Chief Executive Officer of the Company.

**Procedure of Postal Ballot**

The Board of Directors of the Company at its meeting held on March 31, 2022 had appointed Mr. Sushil Kawadkar (Membership No. FCS 5725), as the Scrutinizer to conduct the Postal Ballot through remote e-voting process in a fair and transparent manner.

The Company had issued postal ballot notice dated April 14, 2022 in compliance with the provisions of Section 110 of Companies Act, 2013 read with Rule 20 & 22 of Companies (Management and Administration) Rules, 2014 read with General Circular No. 20/2021 dated December 8, 2021 issued by the Ministry of Corporate Affairs ("MCA") and other applicable provisions of the Companies Act, 2013 and pursuant to other applicable laws and regulations where the Company proposed to pass above mentioned special businesses for approval of members by way of Postal Ballot through remote e-voting facility.

The Company engaged the services of NSDL to provide remote e-voting facility to its Members.

Members whose names were recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date i.e. April 8, 2022 were only entitled to cast their votes by remote e-voting.

The remote e-voting period commenced from 9.00 a.m. (IST) on Sunday, April 17, 2022 and ended at 5.00 p.m. (IST) on Monday, May 16, 2022. The e-voting facility was disabled by NSDL for voting after the said date and time. Post-closing of voting period at 5.00 p.m. (IST) on Monday, May 16, 2022 the Scrutiniser submitted his report to Chairman of the Company on May 17, 2022, thereafter results of Postal Ballot was announced by the Company.

**IV. Means of Communication:**

**A. Financial Results: -**

Pursuant to regulation 47 (4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company is required to publish its quarterly/half yearly/annual Financial Results in at least one English language national daily newspaper circulating in the whole of India and in one daily newspaper published in the regional language. The Company displays its financial results on the website of the Company [www.ceinsys.com](http://www.ceinsys.com).

The Company normally publishes the financial results in Financial Express- English Language and Loksatta- Marathi (Regional) Language.

**B. Website: -**

The Company's website [www.ceinsys.com](http://www.ceinsys.com) contains a separate dedicated section namely "Investors" where shareholders information is available. The financial results, Annual Report and official news releases of the Company are also displayed on the website of the Company [www.ceinsys.com](http://www.ceinsys.com) in a downloadable form.

**C. Presentations to Institutional Investors/ Analysts:**

The Company has not given any presentations to institutional investors and financial analysts on the Company's quarterly, half – yearly as well as annual financial results and no unpublished price sensitive information is discussed in meeting/presentation with any institutional investors and financial analysts.

**D. News releases, presentations, among others:**

Official news releases and official media releases are sent to Stock Exchanges and are put on the Company's website [www.ceinsys.com](http://www.ceinsys.com) wherever applicable in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**V. GENERAL SHAREHOLDER INFORMATION:**

The General Shareholder Information is presented in a separate section on page 57 forming part of this Report.

**VI. OTHER DISCLOSURES: -**

**a) Materially Significant Related Party Transactions:**

Pursuant to provisions of regulation 23(2) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all the related party transactions are approved by Audit Committee, Board & Shareholders (wherever required). Further, in compliance with the regulation 23 and 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated policy on dealing with related party transactions and same is available on the Company's Website at <http://www.ceinsys.com/investors/Policies/Policy-on-Related-Party-Transaction.pdf>

The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties.

This policy specifically deals with the review and approval of Material Related Party Transactions keeping in mind the potential or actual conflicts of interest that may arise because of entering into these transactions. All Related Party Transactions entered during the financial

year were in Ordinary Course of the business and on Arm's Length basis. These transactions are placed before the Audit Committee, Board and Shareholders (wherever required) for review and approval.

During the period under review, except as mentioned in Form AOC-2 in Annexure-2 of this Board Report, the company has not entered into contract / arrangement / transaction with any related party which was on arms' length basis but considered material in accordance with the definition of materiality as included in the Company's Related Party Transaction Policy. All related party transactions, whether material or not, made by the Company had no potential conflict with the interest of the Company at large.

Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is appended as [Annexure-2](#) of this Board's Report.

#### **b) No Penalty or Strictures:**

There has been no instance of non-compliance by the Company on any matter relating to the capital markets and accordingly no material penalties have been levied or strictures have been passed by the Securities and Exchange Board of India or Stock Exchange(s) or any other statutory authority during last 3 years.

#### **c) Whistle Blower Policy/ Vigil Mechanism:**

Pursuant to Section 177 (9) and (10) of the Companies Act, 2013, the Company has formulated Whistle Blower Policy for vigil mechanism of Directors and employees to report to the management about the unethical behavior, fraud or violation of Company's Code of Conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee. The Whistle Blower Policy is displayed on the Company's website viz.

[https://www.ceinsys.com/investors/Policies/Vigil\\_Mechanism\\_Policy\\_ceinsys.pdf](https://www.ceinsys.com/investors/Policies/Vigil_Mechanism_Policy_ceinsys.pdf)

#### **d) Compliance of mandatory requirements of Corporate Governance and adoption of the non-mandatory requirements.**

The Company has complied with all the requirements of Corporate Governance, as applicable to the Company, as on March 31, 2022. The company continuously endeavors to adopt non - mandatory requirements.

#### **e) Company Secretary's Certificate on Corporate Governance:**

As Required under Schedule V of Listing Regulation, the Practicing Company Secretary's Certificate on Corporate Governance is appended as [Annexure-8](#) to the Board's Report.

#### **f) Web link of policy for determining 'material' subsidiaries:**

The Company has adopted a Policy on Determination of Materiality of Events/Information in line with the requirements of the Listing Regulations. The objective of this policy is to lay down criteria for identification and dealing with material subsidiaries and to formulate a governance framework for subsidiaries of the Company. The policy on Material Subsidiary is available on the website of the Company under the web link:

[http://www.ceinsys.com/investors/Policies/Policy\\_for\\_Determining\\_Material\\_Subsiidiary.pdf](http://www.ceinsys.com/investors/Policies/Policy_for_Determining_Material_Subsiidiary.pdf)

#### **g) Web link of policy on dealing with related party transactions: -**

The Company has adopted a Policy on Related Party Transactions in line with the requirements of the Listing Regulations and Companies Act, 2013. The objective of this policy is to lay down criteria for identification and dealing with related party. The policy on Related Party Transaction is available on the website of the Company under the web link: <https://www.ceinsys.com/investors/Policies/Policy-on-Related-Party-Transaction.pdf>

#### **h) Disclosure on commodity price risks and commodity hedging activities.**

The Company has no commodity price risk and therefore has not carried out any commodity hedging activity.

#### **i) Details of utilization of funds raised through preferential allotment or qualified institutions placement.**

During the financial year 2021-22, the Company had made following Preferential Issue of shares:

- Allotment of 36,07,530 of Rs.10/- each of the Company at an Issue price of Rs.156/- per equity share on Preferential basis to existing shareholders of Allygrow Technologies Private Limited pursuant to Share Purchase Agreement (SPA) dated December 22, 2021 for consideration other than cash i.e. through swap of shares vide Board Resolution dated February 9, 2022 and

- Allotment of 7,06,782 equity shares of Rs.10/- each of the Company at an Issue price of Rs.156/- per equity share on Preferential basis to the Promoters of the Company Mr. Sagar Meghe (3,53,391 equity shares) and Mrs. Devika Meghe (3,53,391 equity shares) vide Board Resolution dated February 10, 2022 for cash consideration.

The details of use of funds raised through Preferential allotment is given below:

Date of raising funds	Mode	Amount raised*	Objects for which funds have been raised	Allocation of funds
9-Feb-2022	Preferential Allotment to non-promoters for other than Cash Consideration i.e. through Swap of shares pursuant to SPA dated 22-Dec-2021	Nil	NA	NA
10-Feb-2022	Preferential Allotment to Promoters for Cash Consideration	11,02,57,992	-To augment Working Capital requirements; -To support expansion of Business; -For General Corporate Purpose.	Utilized towards working capital requirements of the Company and for general corporate purpose.

\*Since the allotment of 36,07,530 shares was pursuant to SPA where consideration received by the Company for other than cash i.e. through swap of shares, there was no inflow of funds.

#### **j) Certificate from a Company Secretary in Practice on debarred or disqualified Directors.**

A Certificate from Company Secretary in Practice stating that none of the

directors on the board of the company has been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority is attached as an **Annexure-8** to the Board's Report.

**k) Recommendation of any committee to Board**

The Board of Directors has accepted all mandatory recommendations of Committees of Board of Directors.

**l) Total fees for all services paid on a consolidated basis to the Statutory Auditor by Company and its subsidiaries.**

Statutory Auditor of the Company was not engaged for providing any service by Subsidiary or entities in the network firm/network entity of Company except as Statutory Auditor of the its Subsidiary during the financial year 2021-22.

The following amount was paid to the statutory auditors by the Company

Statutory Auditor Firm's Name	Amount (in Lacs )		
	Ceinsys Tech Limited	ADCC Infocom Private Limited	Total
Chaturvedi & Shah LLP, Chartered Accountants	38.57	1.00	39.57

**m) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

The Status of Complaints under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is as follows:

- Number of complaints filed during the financial year: NIL
- Number of complaints disposed of during the financial year: NIL
- Number of complaints pending as on end of the financial year: NIL

**n) Disclosure of Non-compliance of any requirement of Corporate Governance Report of sub-paras mentioned above with reasons thereof shall be disclosed: -**

The company has complied with all the requirements of sub paras (2) to (10) of Part C of Schedule V of the SEBI (LODR) 2015 as amended from time to time.

**o) Adoption of discretionary requirements as specified in Part E of Schedule II SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015: -**

The following discretionary requirements as specified in Part E of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been adopted by the Company: -

- Reporting of Internal Auditor:

The Internal Auditor have access and may report directly to the Audit Committee on need basis.

**p) Disclosures of the compliance with Corporate Governance requirements**

All compliances with regards to Corporate Governance requirements specified in regulations 17 to 27 and clause (b) to clause (i) of sub-regulation (2) of regulation 46 and Para C, D, E of Schedule V Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are applicable to the Company and all

the activities done by the Company are in compliance with the applicable provisions. A certificate from practicing Company Secretary certifying compliance with the provisions of Corporate Governance form part of **Annexure-8** to Board Report.

**q) Declaration signed by Chief Executive Officer on compliance with the code of conduct**

The Code was circulated to all members of the Board, KMPs and Senior Management and they have affirmed the same. Consequently, Chief Executive Officer of the Company has signed a declaration stating that the members of Board of Directors, KMPs and Senior Management personnel have affirmed compliance with the code of conduct of Board of Directors, KMPs and Senior Management which is annexed as **Annexure-9** to Board Report.

**r) Disclosure with respect to Suspense Demat Account**

The Company does not have any Demat Suspense Account/ Unclaimed Suspense Account.

**s) Web link of Document Preservation & Archival policy:**

In Compliance with regulation 9 and 30(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the company has formulated a 'Document Preservation & Archival policy'.

The same can be downloaded from the website of the company [www.ceinsys.com](http://www.ceinsys.com) by following the link: <http://www.ceinsys.com/investors/Policies/Documents-Preservation-&-Archival-Policy.pdf>



# SHAREHOLDER'S INFORMATION

<b>A. Company Identification Number</b>	-	L72300MH1998PLC114790
<b>B. Scrip/Stock Code</b>	-	538734
<b>C. Company's Registered Address</b>	-	10/5, I. T. Park, Nagpur-440022, Maharashtra, India
<b>D. Reporting Financial Year</b>	-	April 1, 2021 to March 31, 2022
<b>E. Date and Time of Annual General Meeting</b>	-	September 30, 2022 at 11:30 AM
<b>F. Venue of Annual General Meeting</b>	-	10/5, I.T. Park, Nagpur-440022, Maharashtra, India through Video Conference/Other audio-visual means (VC/OAVM)
<b>G. Book Closure</b>	-	September 24, 2022 to September 30, 2022
<b>H. Cut-off date for sending Notices of AGM</b>	-	September 2, 2022
<b>I. Cut-off date for Dividend &amp; E-voting</b>	-	September 23, 2022
<b>J. Dividend Payment Date</b>	-	On or before October 30, 2022

## K. Listing on Stock Exchanges

The Equity shares of the company are listed on the following stock exchange

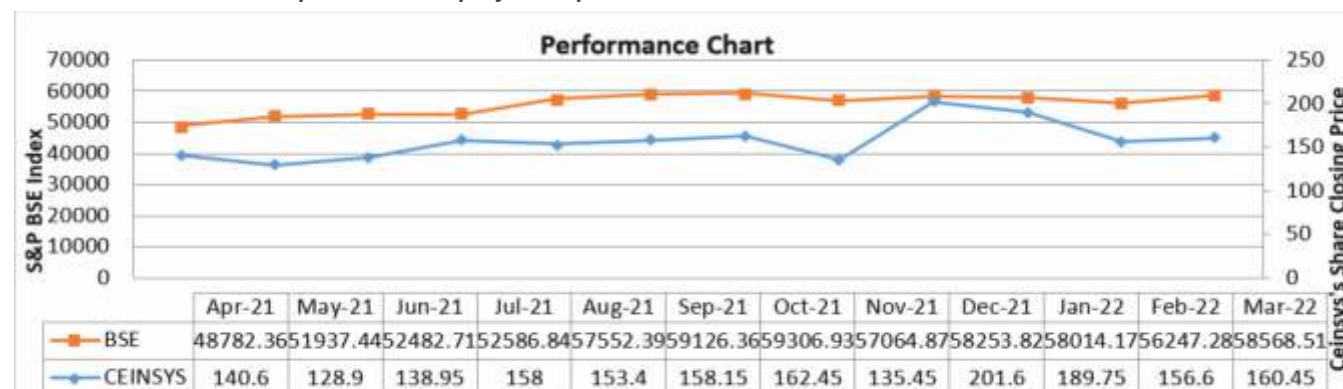
Name of the Stock Exchange	Address	Code	ISIN	Security ID	Website
BSE Limited	Floor 25, P. J. Towers, Dalal Street, Mumbai – 400001	538734	INE016Q01014	CEINSYSTech	www.bseindia.com

The Company has paid the Annual Listing Fee for the financial year 2021-22 to BSE Limited. During Financial Year 2021-22, the trading of security of the Company was not suspended.

## L. Market Price Data:

Month	High (Rs.)	Low (Rs.)	Volume
April, 2021	149.40	117.75	8,110
May, 2021	158.70	116.00	18,250
June, 2021	184.15	111.00	1,06,793
July, 2021	164.35	130.00	45,960
August, 2021	164.20	125.60	22,587
September, 2021	168.95	142.50	17,621
October, 2021	176.75	151.80	17,608
November, 2021	178.00	122.80	16,566
December, 2021	253.25	132.00	1,92,240
January, 2022	224.00	178.30	1,09,282
February, 2022	198.50	150.00	40,402
March, 2022	166.00	128.05	56,362

## M. Performance of the share price of the Company in comparison to BSE Sensex: -



**N. Registrar & Transfer Agents:-**

Name & Address : Bigshare Services Private Limited  
Office No S6-2, 6<sup>th</sup> floor Pinnacle Business Park,  
Next to Ahura Centre, Mahakali Caves Road,  
Andheri (East) Mumbai – 400093, India.”  
Tel. :022-62638200  
Fax :022-68638299  
E-mail : [investor@bigshareonline.com](mailto:investor@bigshareonline.com)  
Website : [www.bigshareonline.com](http://www.bigshareonline.com)

**O. Share Transfer System:-**

The process and approval of share transfer has been delegated to the Company Secretary and Stakeholders' Relationship and Grievance Committee of the Board of Directors. Securities lodged for transfer at the Registrar's address are normally processed within 15 days from the date of lodgement if the documents are clear in all respects. All requests for dematerialization of securities are processed and the confirmation is given to the depositories within 15 days, however, as on March 31, 2022, the Company has its 100% shares in Demat Mode. The following compliances pertain to share transfers, grievances, etc.:

**Q. Distribution of Shareholding as on March 31, 2022:**

Category (Shares)	No. of Holders	% to Holders	No. of Shares	% to Total No. of Shares
1-5000	1295	88.16	841990	0.54
5001-10000	46	3.13	353740	0.23
10001-20000	29	1.97	426990	0.28
20001-30000	16	1.09	415490	0.27
30001-40000	21	1.43	733720	0.48
40001-50000	3	0.20	145390	0.09
50001-100000	10	0.68	707920	0.46
100001-15431397	49	3.34	150688730	97.65
<b>Total</b>	<b>1469</b>	<b>100.00</b>	<b>15,43,13,970</b>	<b>100.00</b>

**R. Dematerialization of Shares and Liquidity:**

The Company's shares are compulsorily traded in dematerialized form. Equity shares of the Company representing 100 % in dematerialized form as on March 31, 2022. The Company's shares are liquid and traded on the 'BSE Limited'.

Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE016Q01014.

**S. Outstanding ADRs/ GDRs/ Warrants or any convertible instruments, conversion date and likely impact on equity:**

As on March 31, 2022, the Company has no American Depository Receipts / Global Depository Receipts / Warrants or any such convertible instruments outstanding, hence there is no likely impact on the Company's Equity Shares.

**T. Commodity Price Risk / Foreign Exchange Risk and Hedging:-**

The company has no commodity price risk. Because of small value of transaction, the Company has no foreign exchange risk and hence no hedge position taken to limit the risk.

P. 1) Pursuant to Regulation 7(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, certificates are filed with the stock exchanges on half yearly basis by the Compliance Officer and the representative of the Registrar and Share Transfer Agent for maintenance of an appropriate share transfer facility.

2) Pursuant to Regulation 13(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a statement on investor grievances is filed with the stock exchanges and placed before the Board of Directors on a quarterly basis.

3) Pursuant to Regulation 40(9) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, certificate on half yearly basis, is issued by the Company Secretary in practice confirming due compliance of share transfer formalities by the Company.

**U. Plant Locations:**

The Company is in Information Technology and enabled service business and does not have any manufacturing plants. The Company has its execution back-offices at Nagpur, Lucknow and Mumbai.

**V. Address for Correspondence:**

i. For Transfer/Dematerialization of shares, change of address of members and other queries

**M/S Bigshare Services Private Limited**

Office No S6-2, 6<sup>th</sup> floor Pinnacle Business Park,  
Next to Ahura Centre, Mahakali Caves Road,  
Andheri (East) Mumbai - 400093, India.  
Tel.: 022-62638200  
Fax :022-68638299  
E-mail : [investor@bigshareonline.com](mailto:investor@bigshareonline.com)  
Website : [www.bigshareonline.com](http://www.bigshareonline.com)



**W. List of Credit Ratings obtained: -**

During the year the Company has get the credit rating done from CARE Ratings Limited for the loans and credit facilities from Banks. The Ratings given by CARE Ratings Limited is mentioned herein below.

Facilities	Amount (Rs. crore)	Ratings	Rating Action
Long- Term Bank Facilities	73.77	<b>CARE BBB-</b> Negative (Triple B Minus; Outlook: Negative)	Reaffirmed
Short- Term Bank Facilities	85.00	<b>CARE A3 (A Three)</b>	Reaffirmed
<b>Total</b>	<b>158.77</b>		

However, on December 31, 2021, the ratings was same but outlook and rating action was changed as:

Facilities	Amount (Rs. crore)	Ratings	Rating Action
Long- Term Bank Facilities	73.77	<b>CARE BBB-(CWD)(Triple B Minus)</b> (Under Credit watch with Developing Implications)	Placed on Credit watch with Developing Implications
Short- Term Bank Facilities	85.00	<b>CARE A3 (A Three)</b>	Placed on Credit watch with Developing Implications
<b>Total</b>	<b>158.77</b>		

Further the Company has not issued any debt instrument or has no fixed deposit Programme or any scheme or proposal involving mobilization of funds, whether in India or abroad.

## INDEPENDENT AUDITOR'S REPORT

To the Members of CEINSYS TECH LIMITED  
Report on the Audit of Standalone Financial Statements

### Opinion

We have audited the accompanying standalone financial statements of **CEINSYS TECH LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "**Standalone Financial Statements**").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its Profit including Other Comprehensive Income, Changes in Equity and its Cash Flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SA") specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered

Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules 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 opinion on the Standalone Financial Statements.

### Key Audit Matters (KAM)

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current year. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the matters below, our description of how our audit addressed the matter is provided in that context.

We have determined the matter described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditors' responsibilities for the audit of the Standalone Financial Statements section of our report, including in relation to this matter. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Standalone Financial Statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying Standalone Financial Statements.

Key Audit Matter	How our audit addressed the key audit matter
<b>1) Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of Ind AS 115 "Revenue from Contracts with Customers"</b>	
Ind AS 115 requires certain key judgments relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue over a period. Additionally, this accounting standard contains disclosures which involve information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.  Refer Note No. 2(a) (ix) and 27 to the Standalone Financial Statements.	Our audit approach included, among other items: <ul style="list-style-type: none"> <li>• Testing the design and operating effectiveness of the internal controls and substantive testing as follows: <ul style="list-style-type: none"> <li>- Evaluating the design of internal controls and its operating effectiveness relating to revenue recognition.</li> </ul> </li> <li>• Selecting a sample of contracts and performing the following procedures: <ul style="list-style-type: none"> <li>- Reading, analyzing and identifying the distinct performance obligations in those contracts.</li> <li>- Comparing the performance obligations with that identified and recorded by the Company.</li> <li>- Considering the terms of the contracts to determine the transaction price including any variable consideration to compute revenue and testing the basis for estimation of the variable consideration.</li> </ul> </li> <li>• Verifying the computation of unbilled revenue, based on actual cost incurred from estimated total cost to the extent of estimated total value of the various on-going projects.</li> <li>• Verifying the completeness of disclosure in the Standalone Financial Statements as per Ind AS 115.</li> </ul>

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

The Company's Board of Directors is responsible for the other information. The other information comprises the management discussion & analysis and director's report included in the annual report but does not include the Standalone Financial Statements and our auditor's report thereon. The above information is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the above other information, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance.

### Management Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act, with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the Financial Position, Financial Performance including Other Comprehensive Income, Cash Flows and the Statement of Changes in Equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of the appropriate accounting policies; making judgements 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 fair presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's

report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(I) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls 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 Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

expected to outweigh the public interest benefits of such communication.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c) The Balance Sheet, Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and Statement of Changes in Equity dealt with by this report are in agreement with the books of account;
- d) In our opinion, the aforesaid Standalone Financial Statements comply with the accounting standards specified under section 133 of the Act;
- e) On the basis of written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022, from being appointed as a director in terms of section 164(2) of the Act;
- f) With respect to the adequacy of the internal financial controls of the Company with reference to Standalone Financial Statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B";
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, as per information and explanations provided to us, the remuneration provided for / paid to Whole- Time Director of the Company amounting to Rs. 33.10 Lakhs was subject to approval of Shareholders of the Company as on March 31, 2022, which has been subsequently approved by the Shareholders of the Company at its meeting held on May 16, 2022 through e-voting postal ballot.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rules 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and as represented by the management:
  - i. The Company does not have any pending litigations which would impact on its financial position.
  - ii. The Company has made provisions, as required under the applicable law or Ind AS, for material foreseeable losses, as applicable, on long term contracts including derivative contracts;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

- iv. (a) Management has represented to us that, to the best of its knowledge and belief, as disclosed in the notes to the Standalone Financial Statements, during the year no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) Management has represented to us that, to the best of its knowledge and belief, as disclosed in the notes to the Standalone Financial Statements, during the year no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) based on our audit procedure conducted that are considered reasonable and appropriate in the circumstances, nothing has come to our attention that cause us to believe that the representation given by the management under paragraph (2) (h) (iv) (a) & (b) contain any material misstatement.
- v. Dividend paid during the year by the Company is in compliance of section 123 of the Act.

#### For CHATURVEDI & SHAH LLP

Chartered Accountants

Firm Reg. No. 101720W / W100355

#### R. Koria

Partner

Membership No. 035629

UDIN No.: 22035629AKDIQR7685

Place: Mumbai

Dated: May 30, 2022

## ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in Paragraph 1 under the heading of “Report on other legal and regulatory requirements” of our report of even date to the members of Ceinsys Tech Limited on the Standalone Financial Statements for the year ended March 31, 2022)

i) In respect of its Property, Plant and Equipment and Intangible Assets:

a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment on the basis of available information.

(B) The Company has maintained proper records showing full particulars of intangible assets on the basis of available information.

b) As explained to us, Property, Plant & Equipment have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification as compared with the available records.

c) According to the information and explanations provided to us and the records produced before us and based on the examination of the registered sale deed/ conveyance deed (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), we report that, the title deeds, comprising the immovable properties of land and buildings which are freehold, are held in the name of the Company, as at the balance sheet date.

d) According to information and explanations given to us and books of account and other records produced before us, the Company has not revalued its Property, Plant and Equipment or intangible assets or both during the year.

e) According to information & explanations and representation made to us by the management, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

ii) a) As explained to us and on the basis of the records produced before us, in our opinion, physical verification of the inventories have been conducted at reasonable intervals by the management and having regard to the size and nature of business of the Company and nature of its inventory, the coverage and procedures of such verification by the management is appropriate. As explained to us and on the basis of the records examined by us, the value of the discrepancies noticed on physical verification by management did not exceed 10% in aggregate of each class of inventory.

b) As per the information and explanations given to us and examination of books of account and other records produced before us, differences have been noticed in the quarterly returns or statements filed by the Company with banks pursuant to terms of sanction letters for working capital limits secured by current assets with the books of account of the Company as detailed below:

Particulars of Securities provided	For the quarter ended	(Rs. In Lakhs)		
		Amount as per books of account	Amount as reported in the statement	Amount of Difference*
Inventories, Trade Receivables and Unbilled Receivables	31-03-2022	18,588.35	17,209.58	1,378.77
	31-12-2021	22,314.76	20,884.54	1,430.22
	30-09-2021	22,377.26	20,689.44	1,687.82
	30-06-2021	21,644.12	20,650.36	993.76

\* Mainly on account of advances from customers adjusted with the trade receivables in the statement and non-inclusion of some portion of trade receivables (which is retention in the nature) in the statement.

iii) With respect to investments made in or any guarantee or security provided or any loans or advances in the nature of loans, secured or unsecured, granted during the year by the Company to companies, firms, Limited Liability Partnerships or any other parties:

a) As per the information and explanations given to us and books of account and other records produced before us, during the year, the Company has not provided any guarantee or security or has not granted any advances in the nature of loans to Companies, Firms, Limited Liability Partnerships or any other entities. Detail of loans granted during the year are as below:

Particulars	(Rs. In Lakhs)	
	Loans	
<b>Aggregate amount granted during the year</b>		
Subsidiary	4.60	
Others	0.20	
<b>Total</b>	<b>4.80</b>	
<b>Balance Outstanding as at Balance sheet date in respect of above cases including given in earlier years</b>		
Subsidiary	5.04	
Others	0.24	
<b>Total</b>	<b>5.28</b>	

b) In our opinion and according to information and explanations given to us and on the basis of our audit procedures, the investments made and the terms and conditions of all loans made by the Company are not prejudicial to Company's interest. The Company has not provided any guarantee or given security and has not granted any advance in the nature of loan during the year.

c) According to the books of account and records produced before us in respect of the loans, where the schedule of repayment of principal and payment of interest has been stipulated, the repayments or receipts are generally regular.

d) According to the books of account and records produced before us in respect of the loans, there is no amount overdue for more than ninety days.

e) In our opinion and according to information and explanation given and books of account and records produced before us, loans granted which has fallen due during the year has not been renewed or extended or no fresh loans has been granted to settle the over dues of existing loans given to the same parties.

f) In our opinion and according to information and explanation given and records produced before us, the Company has not granted any loans either repayable on demand or without specifying any terms or period of repayment except loan of Rs. 4.60 Lakhs (which is 95.04% of total loan granted during the year) granted to its wholly owned subsidiary which is repayable on demand, however maximum period of repayment and rate of interest is specified.

iv) In our opinion and according to the information and explanations provided to us, the Company has not provided any guarantees or security to the parties covered under Section 185 of the Act. The Company has complied with the provisions of Section 186 of the Act, as applicable, in respect of investments made or loans provided to the parties covered under Section 186 of the Act.

v) According to the information and explanations provided to us, the Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Therefore, the clause (v) of paragraph 3 of the Order is not applicable to the Company.

vi) To the best of our knowledge and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub section (1) of Section 148 of the Act in respect of the activities undertaken by 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 Goods and Service tax, provident fund, employees' state insurance, income tax, duty of customs, cess and any other statutory dues with appropriate authorities. According to the information and explanations given to us, there were no undisputed amounts payable in respect of the aforesaid dues, were outstanding as on March 31, 2022 for a period of more than six months from the date they became payable except provident fund of Rs. 0.22 Lakhs and

employees' state insurance of Rs. 0.07 Lakhs, which have since been paid.

b. According to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) which have not been deposited with the appropriate authority on account of any dispute.

viii) According to the information and explanations given to us and representation made to us by the management, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

ix) a) In our opinion and according to the information and explanations given and books of account and records produced before us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

b) In our opinion, and according to the information and explanations given to us, the Company has not been declared wilful defaulter by any bank or financial institution or other lender.

c) In our opinion, and according to the information and explanations given and records produced before us, during the year the Company has not raised any money by way of term loan from bank or financial institution, however the company has received inter corporate loan and the same have been applied, prima facie, for the purpose for which they were received.

d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the Standalone Financial Statements of the Company, we report that, prima facie, no funds raised on short-term basis have been used during the year for long-term purposes by the Company.

e) In our opinion, and according to the information and explanations given to us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or joint venture. The Company does not have any associate.

f) In our opinion, and according to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries or joint venture. The Company does not have any associate.

x) a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) and hence clause (x) (a) of paragraph 3 of the Order is not applicable to the Company.

b) In our opinion and according to the information and explanations given to us and on the basis of our audit procedures, during the year, on preferential basis the Company has issued and allotted 36,07,530 Equity Shares on acquisition of a subsidiary, for consideration other than cash and 7,06,782 Equity Shares to a Promoter / Promoter group of the Company and complied with requirements of Section 42 or Section 62 of the Act to the extent applicable and the above raised funds have been prima facie utilised for the purposes for which the funds were raised. The Company has not issued any convertible debentures, whether fully, partially or optionally convertible, during the year.

xi) a) Based on the audit procedures performed for the purpose of

reporting the true and fair view of the Standalone Financial Statements and as per information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.

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

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

xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the company.

xiii) In our opinion and according to the information and explanations given to us, all transactions with related parties are in compliance with sections 177 and 188 of the Act and their details have been disclosed in the Standalone Financial Statements etc., as required by the applicable accounting standards.

xiv) a) In our opinion, and according to the information and explanations given to us, the Company has an internal audit system commensurate with the size and nature of its business.

b) We have considered the internal audit reports of the company issued till date, for the period under audit.

xv) According to the information and explanations provided by the management, the Company has not entered into any non-cash transaction with directors or persons connected with him as referred to in Section 192 of the Act.

xvi) a) To the best of our knowledge and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

b) In our opinion, and according to the information and explanations provided to us and on the basis of our audit procedures, the company has not conducted any Non-Banking Financial or Housing Finance activities during the year as per the Reserve bank of India Act 1934.

c) In our opinion, and according to the information and explanations provided to us, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

d) In our opinion, and according to the information and explanations provided to us, the Group doesn't have any Core Investment Company (CIC).

xvii) In our opinion, and according to the information and explanations provided to us, Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.

xviii) There has been no resignation of the statutory auditors during the year. Therefore, provisions of clause (xviii) of paragraph 3 of the Order are not applicable to the Company.

xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Standalone Financial Statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

xx) With respect to CSR contribution under section 135 of the Act:

a) According to the information and explanations given to us and on the basis of our audit procedures and as per the legal opinion obtained by the Company, Company is not required to spend for the corporate social responsibility.

b) According to the information and explanations given to us, the Company does not have any on-going projects. Therefore, the provisions of clause (xx) (b) of paragraph 3 of the Order are not applicable to the Company

**For CHATURVEDI & SHAH LLP**

Chartered Accountants

Firm Reg. No. 101720W / W100355

**R. Koria**

**Partner**

Membership No. 035629

UDIN No.: 22035629AKDIQR7685

Place: Mumbai

Dated: May 30, 2022



## ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF CEINSYS TECH LIMITED

(Referred to in paragraph 2 (f) under ‘Report on Other Legal and Regulatory Requirements’ of our report of even date)

### Report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls with reference to Standalone financials statements of **CEINSYS TECH LIMITED** (“the Company”) as of March 31, 2022 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

#### Management’s Responsibility for Internal Financial Controls

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

#### Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Standalone Financial Statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system with reference to Standalone Financial Statements.

#### Meaning of Internal Financial Controls With Reference To Standalone Financial Statements

A company’s internal financial control with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the

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

#### Inherent Limitations of Internal Financial Controls With Reference To Standalone Financial Statements

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

#### Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at March 31, 2022, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

#### For CHATURVEDI & SHAH LLP

Chartered Accountants  
Firm Reg. No. 101720W / W100355

#### R. Koria

Partner  
Membership No. 035629  
UDIN No.: 22035629AKDIQR7685

Place: Mumbai  
Dated: May 30, 2022

## CEINSYS TECH LIMITED

### Standalone Balance Sheet as at March 31, 2022

(Rs. In Lakhs)

Particulars	Notes	As at March 31,2022	As at March 31,2021
<b>ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Property, Plant and Equipment	3	2,098.44	2,171.18
(b) Intangible Assets	4	55.39	85.53
(c) Financial Assets			
(i) Investments	5	5,641.92	14.18
(ii) Trade Receivables	6	375.15	293.19
(iii) Other Financial Assets	7	466.30	369.28
(d) Non-Current Tax Assets (Net)		255.93	119.42
(e) Deferred Tax Asset	8	314.14	170.85
(f) Other Non-Current Assets	9	185.01	82.11
<b>Total Non-Current Assets</b>		<b>9,392.28</b>	<b>3,305.74</b>
<b>(2) Current Assets</b>			
(a) Inventories	10	95.59	315.27
(b) Financial Assets			
(i) Trade Receivables	11	7,803.89	12,539.25
(ii) Cash and Cash Equivalents	12	3.76	3.61
(iii) Bank Balance Other Than (ii) Above	13	740.53	964.41
(iv) Loans	14	5.28	0.54
(v) Unbilled Revenue	15	9,150.95	6,986.92
(vi) Other Financial Assets	16	230.95	391.10
(c) Current Tax Assets (Net)		252.98	251.03
(d) Other Current Assets	17	482.21	693.87
<b>Total Current Assets</b>		<b>18,766.14</b>	<b>22,146.00</b>
<b>Total ASSETS</b>		<b>28,158.42</b>	<b>25,451.74</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	18	1,543.14	1,111.71
(b) Other Equity	19	14,430.89	7,639.22
<b>Total Equity</b>		<b>15,974.03</b>	<b>8,750.93</b>
<b>Liabilities</b>			
<b>(1) Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	20	39.86	109.79
(ii) Other Financial Liabilities	21	-	8.77
<b>Total Non-Current Liabilities</b>		<b>39.86</b>	<b>118.56</b>
<b>(2) Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	22	5,999.17	8,555.16
(ii) Trade Payables	23		
(A) Total outstanding dues of Micro Enterprises and Small Enterprises;		274.87	156.60

(Rs. In Lakhs)			
Particulars	Notes	As at March 31,2022	As at March 31,2021
(B) Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		4,089.11	6,313.02
(iii) Other Financial Liabilities	24	530.15	746.82
(b ) Other Current Liabilities	25	1,077.93	727.72
(c) Provisions	26	173.30	82.93
<b>Total Current Liabilities</b>		<b>12,144.53</b>	<b>16,582.25</b>
<b>Total Liabilities</b>		<b>12,184.39</b>	<b>16,700.81</b>
<b>Total EQUITY AND LIABILITIES</b>		<b>28,158.42</b>	<b>25,451.74</b>

Significant accounting policies and notes to the Standalone Financial Statements 1 to 47

**As per our report of even date**

**FOR CHATURVEDI & SHAH LLP**

Chartered Accountants

Firm Registration Number : 101720W / W100355

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

**R. Koria**

(Partner)

Membership Number : 035629

**Prashant Kamat**

(Vice-Chairman and Chief Executive Officer)

(Din No.07212749)

**Place : Nagpur**

**Abhay Kimmatkar**

(Managing Director)

(Din No.01984134)

**Place : Nagpur**

**Rahul Joharapurkar**

(Jt. Managing Director)

(Din No.08768899)

**Place : Nagpur**

**Krishnan Rathnam**  
(Chief Financial Officer)

**Place : Pune**

**CS Pooja Karande**  
(Company Secretary)  
(Membership No. A54401)

**Place : Nagpur**

**Date : May 30, 2022**

**Place : Mumbai**

# CEINSYS TECH LIMITED

## Standalone Statement of Profit and Loss for the year ended March 31, 2022

(Rs. In Lakhs)

	Particulars	Notes	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
I.	Revenue From Operations	27	19,619.55	18,523.19
II.	Other Income	28	131.03	217.77
III.	<b>Total income (I + II)</b>		<b>19,750.58</b>	<b>18,740.96</b>
IV.	<b>Expenses</b>			
	Purchases of Stock-in-Trade		2,267.59	1,659.20
	Changes in Inventories of Stock-in-Trade	29	(18.61)	68.90
	Project and Other Operating Expenses	30	9,663.86	10,518.09
	Employee Benefits Expense	31	3,215.74	2,881.16
	Finance Costs	32	922.63	1,172.39
	Depreciation and Amortisation Expense	33	291.11	337.20
	Other Expenses	34	2,294.37	1,783.17
	<b>Total Expenses (IV)</b>		<b>18,636.69</b>	<b>18,420.11</b>
V.	<b>Profit Before Exceptional Items and Tax (III-IV)</b>		<b>1,113.89</b>	<b>320.85</b>
VI.	<b>Exceptional items</b>		-	-
VII.	<b>Profit Before Tax (V- VI)</b>		<b>1,113.89</b>	<b>320.85</b>
VIII.	<b>Tax Expense</b>			
	(1) Current Tax	8	(488.44)	(201.48)
	(2) Income Tax for earlier Years		8.16	3.43
	(3) Deferred Tax	8	133.39	153.84
IX.	<b>Profit for the Year (VII + VIII)</b>		<b>767.00</b>	<b>276.64</b>
X.	<b>Other Comprehensive Income</b>			
	<b>A .(i) Items that will not be reclassified to profit or loss :</b>			
	- Remeasurements Gain/(Loss) on defined benefit plans		(33.98)	(4.66)
	(ii) Income Tax relating to items that will not be reclassified to profit or loss		9.89	1.30
	<b>B. (i) Items that will be reclassified to profit or loss</b>		-	-
	(ii) Income Tax relating to items that will be reclassified to profit or loss		-	-
	<b>Total Other Comprehensive Income</b>		<b>(24.09)</b>	<b>(3.36)</b>
XI.	<b>Total Comprehensive Income for the Year (IX+X)</b>		<b>742.91</b>	<b>273.28</b>
	Earnings per Equity Share (face value of Rs.10/- each)			
	Basic ( in Rs. )	35	6.55	2.49
	Diluted ( in Rs. )	35	6.55	2.49

Significant accounting policies and notes to the Standalone Financial Statements

1 to 47

For and on behalf of Board of Directors

### FOR CHATURVEDI & SHAH LLP

Chartered Accountants

Firm Registration Number : 101720W / W100355

**R. Koria**

(Partner)

Membership Number : 035629

**Date : May 30, 2022**

**Place : Mumbai**

**Prashant Kamat**

(Vice-Chairman and Chief Executive Officer)

(Din No.07212749)

**Place : Nagpur**

**Rahul Joharapurkar**

(Jt. Managing Director)

(Din No.08768899)

**Place : Nagpur**

**Krishnan Rathnam**

(Chief Financial Officer)

**Place : Pune**

**Abhay Kimmatkar**

(Managing Director)

(Din No.01984134)

**Place : Nagpur**

**CS Pooja Karande**

(Company Secretary)

(Membership No. A54401)

**Place : Nagpur**

# CEINSYS TECH LIMITED

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

### A. Equity Share Capital

(Rs. In Lakhs)

Particulars	Balance as at April 01, 2020	Changes during 2020-21	Balance as at March 31, 2021	Changes during 2021-22	Balance as at March 31, 2022
Equity Share Capital	1,111.71	-	1,111.71	431.43	1,543.14

### B. Other Equity

(Rs. In Lakhs)

Particulars	Reserve and Surplus			Items of Other Comprehensive Income	Total Other Equity
	Securities Premium	General Reserve	Retained Earnings	Remeasurements of Defined Benefit Plans	
<b>Balance As at April 01, 2020</b>	<b>2,294.18</b>	<b>21.50</b>	<b>5,330.05</b>	<b>(1.87)</b>	<b>7,643.86</b>
Total Comprehensive Income for the Year	-	-	276.64	(3.36)	273.28
Dividend paid	-	-	(277.92)	-	(277.92)
<b>Balance As at March 31, 2021</b>	<b>2,294.18</b>	<b>21.50</b>	<b>5,328.77</b>	<b>(5.23)</b>	<b>7,639.22</b>
Total Comprehensive Income for the Year	-	-	767.00	(24.09)	742.91
Dividend paid	-	-	(250.13)	-	(250.13)
Issue of Equity Shares(Refer Note No. 18.02)	6,298.89	-	-	-	6,298.89
<b>Balance As at March 31, 2022</b>	<b>8,593.07</b>	<b>21.50</b>	<b>5,845.64</b>	<b>(29.32)</b>	<b>14,430.89</b>

As per our report of even date

### FOR CHATURVEDI & SHAH LLP

Chartered Accountants

Firm Registration Number : 101720W / W100355

### R. Koria

(Partner)

Membership Number : 035629

For and on behalf of Board of Directors

### Prashant Kamat

(Vice-Chairman and Chief Executive Officer)

(Din No.07212749)

Place : Nagpur

### Abhay Kimmatkar

(Managing Director)

(Din No.01984134)

Place : Nagpur

### Rahul Joharapurkar

(Jt. Managing Director)

(Din No.08768899)

Place : Nagpur

### Krishnan Rathnam

(Chief Financial Officer)

Place : Pune

### CS Pooja Karande

(Company Secretary)

(Membership No. A54401)

Place : Nagpur

Date : May 30, 2022

Place : Mumbai

## CEINSYS TECH LIMITED

### Standalone Statement of Cash Flows for the year ended March 31, 2022

	(Rs. In Lakhs)	
Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
<b>Cash Flows from Operating Activities</b>		
Profit Before Tax	1,113.89	320.85
<b>Adjustments For</b>		
Depreciation and Amortisation Expense	291.11	337.20
Bad debts Written off	56.47	127.33
Interest Income from Financial Assets	(69.86)	(89.39)
Provision for doubtful Financial Assets / Expected Credit Loss	418.13	473.52
Finance Costs	922.63	1,172.39
Reversal of Rent Equilisation Reserve	(16.24)	-
Dividend Received	-	(65.27)
Profit on Sale of Property, Plant and Equipment	(0.10)	(9.06)
<b>Operating Profit Before Working Capital Changes</b>	<b>2,716.03</b>	<b>2,267.57</b>
<b>Adjustments For</b>		
Decrease / (Increase) in Trade and Other Receivable	4,431.87	(2,312.21)
(Decrease) / Increase in Trade and Other Payable	(2,045.77)	1,659.70
Decrease in Inventories	219.68	476.92
Increase in Unbilled Revenue	(2,164.03)	(148.18)
<b>Cash Generated from Operating Activities</b>	<b>3,157.78</b>	<b>1,943.80</b>
Income Taxes (Paid) / Refund	(618.75)	310.59
<b>A. Net cash Inflow from Operating Activities</b>	<b>2,539.03</b>	<b>2,254.39</b>
<b>Cash Flows from Investing Activities</b>		
Purchase of Property, Plant and Equipment and Intangible Assets	(189.15)	(41.67)
Proceeds from sale of property, plant and equipment	0.92	15.67
Loan to Subsidiary Company	(5.04)	-
Interest Received	90.39	76.58
Dividends Received from Subsidiary Company	-	65.27
<b>B. Net cash (Used In)/ Generated from Investing Activities</b>	<b>(102.88)</b>	<b>115.85</b>
<b>Cash flows from Financing Activities</b>		
Proceeds from issue of Shares	1,102.57	-
Repayment of Non Current Borrowings	(153.32)	(201.27)
Movement of Current Borrowings (Net)	(2,472.61)	(845.90)
Finance Costs	(784.98)	(1,210.93)
Dividends paid to Company's Shareholders	(250.13)	(277.92)
Margin Money (Net)	122.47	148.92
<b>C. Net cash Used In Financing Activities</b>	<b>(2,436.00)</b>	<b>(2,387.10)</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents ( A + B + C)</b>	<b>0.15</b>	<b>(16.86)</b>
Cash and Cash Equivalents at the beginning of the Financial year	3.61	20.47
<b>Cash and Cash Equivalents at end of the Financial Year</b>	<b>3.76</b>	<b>3.61</b>
<b>(Refer Note No. 12.01)</b>		



## CEINSYS TECH LIMITED

### Standalone Statement of Cash Flows for the year ended March 31, 2022

#### Changes in Liabilities arising from Financing Activities on account of Non-Current and Current Borrowings

Particulars	(Rs. In Lakhs)	
	31.03.2022	31.03.2021
Opening balance of liabilities arising from financing activities	8,664.96	9,712.13
(a) Changes from financing cash flows	(2,625.93)	(1,047.17)
<b>Closing balance of liabilities arising from financing activities</b>	<b>6,039.03</b>	<b>8,664.96</b>

i) The above Statement of Cash Flows has been prepared under the "Indirect Method" as set out in Ind AS - 7 "Statement of Cash Flows".

ii) Figures in brackets indicate Outflows.

iii) Previous Year's figures have been regrouped / rearranged wherever necessary to make them comparable with those of current year.

#### As per our report of even date

#### FOR CHATURVEDI & SHAH LLP

Chartered Accountants

Firm Registration Number : 101720W / W100355

**R. Koria**

(Partner)

Membership Number : 035629

#### For and on behalf of Board of Directors

**Prashant Kamat**

(Vice-Chairman and Chief Executive Officer)

(Din No.07212749)

**Place : Nagpur**

**Abhay Kimmatkar**

(Managing Director)

(Din No.01984134)

**Place : Nagpur**

**Rahul Joharapurkar**

(Jt. Managing Director)

(Din No.08768899)

**Place : Nagpur**

**Krishnan Rathnam**  
(Chief Financial Officer)

**Place : Pune**

**CS Pooja Karande**  
(Company Secretary)  
(Membership No. A54401)

**Place : Nagpur**

**Date : May 30, 2022**

**Place : Mumbai**

# CEINSYS TECH LIMITED

## Notes forming part to Standalone Financial Statements for the year ended March 31, 2022

### 1) Corporate Information

Ceinsys Tech Limited ('the Company') is a company domiciled in India, with its registered office situated in Nagpur and is listed on the BSE Limited. The Company is primarily dealing in providing Enterprise Geospatial & Engineering Services and sale of software and electricity

The financial statements of the Company for the year ended 31st March, 2022 were approved and adopted by board of directors in their meeting dated 30th May, 2022.

#### 1.1 Basis of Preparation

The Standalone Financial Statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS), as notified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015.

The financial statements have been prepared on a historical cost basis, except certain financial assets and liabilities that are measured at fair value and Assets held for sale measured at lower of carrying amount or fair value less cost to sale.

The financial statements are presented in Indian Rupees (Rs.), which is the Company's functional and presentation currency. All amounts are rounded to the nearest lakhs and two decimals thereof, except when otherwise indicated.

### 2a) Significant Accounting Policies

#### i) Investments in subsidiaries

Investments in subsidiaries and associates are recognized at cost, less impairment loss (if any) as per Ind AS 27. Investments are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable.

#### ii) Property, Plant and Equipment

Property, Plant and Equipment are carried at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Cost includes purchase price, borrowing cost and any cost directly attributable to the bringing the assets to its working condition for its intended use. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably. In case of Property, Plant and Equipment, the Company has availed the carrying value as deemed cost on the date of Ind AS transition i.e. 1st April, 2016.

The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to statement of profit and loss during the reporting period in which they are incurred.

Depreciation on the Property, Plant and Equipment is provided using straight line method over the useful life of the assets as specified in Schedule II to the Companies Act, 2013 except in respect of depreciation on Solar Plant where the useful life is different as per technical evaluation than those prescribed in Schedule II.

Asset Class	Useful life
Solar Plant	20 years

The asset's residual values, useful lives and method of depreciation are reviewed at each financial year end and are adjusted prospectively, if appropriate.

Losses arising from the retirement of, and gains or losses arising from disposal of Property, Plant and Equipment are recognised in the Statement of Profit and Loss.

#### iii) Intangible Assets

Intangible assets are stated at acquisition cost, net of accumulated amortisation and impairment losses, if any.

Intangible Assets with finite useful lives are amortized on a straight line basis over the following period:

Asset Class	Useful life
Computer Software	3 - 6 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the disposal proceeds and the carrying amount of the asset and are recognised as income or expense in the Statement of Profit and Loss.

#### iv) Impairment of Non-Financial Assets - Property, Plant and Equipment and Intangible Assets:

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. For the purposes of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or group of assets is considered as a cash generating unit. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the Balance Sheet date there is an indication that a previously assessed impairment loss no longer exists or may have decreased, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

#### v) Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or

deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in statement of profit and loss.

## **Investments and Other Financial Assets**

### **Classification**

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

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

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

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

### **Debt instruments**

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset.

#### **Amortised cost:**

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in statement of profit and loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method."

#### **Fair value through other comprehensive income (FVTOCI):**

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVTOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method."

#### **Fair value through profit or loss:**

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or

loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income."

### **Equity instruments**

The Company subsequently measures all equity investments at fair value. Dividends from such investments are recognised in profit or loss when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in the statement of profit and loss.

### **Impairment of financial assets**

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost including Loans, Unbilled Revenue, trade receivables and other contractual rights to receive cash or other financial asset.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss ("ECL") allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information."

### **De-recognition of financial assets**

A financial asset is derecognised only when:

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

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

## **Financial liabilities and equity instruments**

### **Classification as debt or equity**

Debt and equity instruments issued by a Company entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

### **Equity Instrument**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued are recognised at the proceeds received, net of direct issue costs.

### **Financial liabilities**

All financial liabilities are subsequently measured at amortised cost

using the effective interest method or at fair value through profit and loss.

Financial liabilities that are not held-for-trading and are not designated as FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the Company does not classify the liability as current, if the lender has agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

#### **Offsetting Financial Instruments**

Financial Assets and Liabilities are offset and the net amount is reflected in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or counterparty.

#### **vi) Inventories**

Inventories comprise of stock-in-trade and consumables. Inventories are valued at the lower of cost and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost is determined on Weighted Average basis. Cost includes all charges in bringing the goods to their present location and condition, including octroi and other levies, transit insurance and receiving charges.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost necessary to make the sale.

#### **vii) Employee Benefits**

##### **(i) Short-term obligations**

Liabilities for salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

##### **(ii) Other long-term employee benefit obligations**

The liabilities for earned leave which are not expected to be settled

wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

##### **(iii) Post-employment obligations**

The company operates the following post-employment schemes:

- Defined Contribution plans such as provident fund, pension and employee state insurance scheme
- Defined Benefit plans such as Gratuity

##### **Defined Contribution Plans**

The Company's contribution to provident fund (in case of contributions to the Regional Provident Fund office), pension and employee state insurance scheme are considered as defined contribution plans, as the Company does not carry any further obligations apart from the contributions made on a monthly basis and are charged as an expense based on the amount of contribution required to be made. "

##### **Defined Benefit Plan**

The liability or asset recognised in the balance sheet in respect of gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuary using the projected unit credit method."

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss."

Re-measurement gains and losses arising from experience adjustments, changes in actuarial assumptions and return on plan assets (excluding interest income) are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

##### **(iv) Termination benefits**

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange of these benefits. The Company recognises termination benefits at earlier of the following

dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the entity recognises cost for a restructuring that is within the Scope of Ind As 37 and involves the payment of termination benefits. In case of an offer made to encourage voluntary redundancy, the termination benefits are based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of reporting period are discounted to the present value.

#### **(v) Bonus Plans**

The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

#### **viii) Provisions, Contingent Liabilities and Contingent assets**

Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

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

Contingent assets are disclosed when there is a possible asset arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company.

#### **ix) Revenue recognition**

The Company derives revenue primarily by providing Enterprise Geospatial & Engineering Services and sale of software and electricity.

##### **a) Revenue from enterprise geospatial & engineering services:**

Revenue is recognised when control of the promised goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Arrangements with customers are either on a fixed-price, fixed-timeframe or on a time-and-material basis. Revenue is recognised based on performance obligations satisfied from the contracts; where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability, consideration is recognized as per the percentage-of-completion method on the basis of cost incurred. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Maintenance revenue is recognized

rateably over the term of the underlying maintenance arrangement.

Revenues in excess of invoicing are classified as contract assets (which The Company refer as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which we refer to as unearned revenue).

In determining the transaction price for the sale of good or rendering of service, the Company considers the effects of variable consideration and provisional pricing, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

##### **b) Sale of Software Products**

Revenue is recognised when control of the promised goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

##### **c) Sale of Electricity**

Sale of electricity is recognised based on electricity generated and eligible to be invoiced during the reporting period.

##### **d) Dividend**

Dividend is recognised as income when the Company's right to receive the dividend is established by the reporting date.

##### **e) Interest**

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the amortised cost and at the effective interest rate applicable.

Dividend and interest income is included under the head 'Other income' in the statement of profit and loss.

#### **Contract balances**

##### **Contract assets**

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

##### **Trade receivables**

A receivable represents the Company's right to an amount of

consideration that is unconditional. Refer to accounting policies of financial assets in note no. 2.2 (i) Financial instruments – initial recognition and subsequent measurement.

#### **Contract liabilities**

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

#### **x) Foreign Currency Transactions & Translations**

In preparing the financial statements of the Company, transactions in currencies other than the company's functional currency viz. Indian Rupee are recognised at the rates of exchange prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in statement of profit and loss. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in statement of profit and loss in the period in which they arise.

In case of an asset, expense or income where a non-monetary advance is paid/received, the date of transaction is the date on which the advance was initially recognized. If there were multiple payments or receipts in advance, multiple dates of transactions are determined for each payment or receipt of advance consideration.

#### **xi) Leases**

The Company assesses whether a contract contains a lease, at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether (i) the contract involves the use of identified asset; (ii) the Company has substantially all of the economic benefits from the use of the asset through the period of lease and (iii) the Company has right to direct the use of the asset.

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

The Company will recognize a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the site on which it is located, less any lease incentives received. Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities include these options when it is reasonably certain that the option will be exercised.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the

end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The lease liability is subsequently measured at amortised cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

#### **Significant Estimates and assumptions are required in particular for:**

Determination of lease term & discount rate:

Ind AS 116 Leases requires lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes assessment on the expected lease term on lease by lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of lease and the importance of the underlying to the Company's operations taking into account the location of the underlying asset and the availability of the suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

#### **Taxes on Income**

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the separate financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of



assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

Minimum Alternative Tax (MAT) is applicable to the Company. Credit of MAT is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT credit entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

#### **xiii) Cash and Cash Equivalents**

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

#### **xiv) Borrowing Costs**

Borrowing costs specifically relating to the acquisition or construction of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use are capitalized (net of income on temporarily deployment of funds) as part of the cost of such assets. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. For general borrowing used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalization is determined by applying a

capitalization rate to the expenditures on that asset. The capitalization rate is the weighted average of the borrowing costs applicable to the borrowings of the Company that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized during a period does not exceed the amount of borrowing cost incurred during that period. All other borrowing costs are expensed in the period in which they occur.

#### **xv) Deferred Revenue and Unbilled Revenue**

Amounts received from customers or billed to customers, in advance of services performed are recorded as deferred revenue under Other Current Liabilities. Unbilled revenue included in Current Financial Assets, represents amounts recognised in respect of services performed in accordance with contract terms, not yet billed to customers as at the year end.

#### **xvi) Earnings per shares**

##### **i. Basic earnings per share**

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by weighted average number of equity shares outstanding during the financial year, adjusted for the bonus elements in equity shared issued during the year

##### **ii. Diluted earnings per share**

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account

- income or expense that would result from the conversion of the dilutive potential ordinary shares
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

#### **xvii) Segment Reporting**

The Chairman of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, "Operating Segments."

Operating segments are reported in a manner consistent with the internal reporting provided to the CODM.

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Income / Costs which relate to the Company as a whole and are not allocable to segments on a reasonable basis, have been included under Unallocated Income/Costs. Interest income and expense are not allocated to respective segments.

As per Ind AS, if a financial report contains consolidated financial statement of a parent that is within the scope of Ind As as well as parent's separate financial statements, Segment information is required only in the consolidated financial statements. Accordingly, the Company has disclosed segment information only in consolidated financial statement.

#### **xviii) Dividend Distribution:**

Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividends are approved by the

shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution is recognised directly in other equity.

#### **xix) Current and non-current classification**

The Company presents assets and liabilities in statement of financial position based on current/non-current classification.

The Company has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by Ministry of Corporate Affairs (MCA).

#### **An asset is classified as current when it is:**

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

All other assets are classified as non-current.

#### **A liability is classified as current when it is:**

- Expected to be settled in normal operating cycle,
- Held primarily for the purpose of trading,
- Due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Deferred tax assets and liabilities are classified as non-current assets and liabilities. The Company has identified twelve months as its operating cycle.

#### **xx) Fair value measurement:**

The Company measures financial instruments at fair value at each Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy.

#### **xxi) Rounding of amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs, unless otherwise stated.

#### **2b) Critical accounting judgements and key sources of estimation uncertainties**

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

**(i) Revenue Recognition:** The Company uses the percentage-of-completion method in accounting for its fixed - price contracts. The use of the percentage-of-completion method requires the Company to estimate the efforts or costs expended to date as a proportion of total efforts or costs to be expended. Efforts or costs have been used to measure progress towards completion as there is direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in their period in which such losses become probable based on the expected contract estimates at the reporting date.

**(ii) Expected Credit Loss:** The Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment on financial assets. The Company measures the ECL associated with its assets based on historical trend, industry practices and the business environment in which entity operates or any other appropriate basis. For trade receivables, the Company follows 'simplified approach' for recognition of impairment loss allowance. As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in forward-looking estimates are analysed.

#### **(iii) Useful life of Assets:**

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

#### **(iv) Defined benefit plans:**

The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

## 2c) Standards Issued But Not Effective

On March 23, 2022, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2022. This notification has resulted into amendments in the following existing accounting standards which are applicable to company from April 1, 2022.

Ind AS 101 – First time adoption of Ind AS

Ind AS 103 – Business Combination

Ind AS 109 – Financial Instrument

Ind AS 16 – Property, Plant and Equipment

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets

Ind AS 41 – Agriculture

Application of above amended standards are not expected to have any significant impact on the company's financial statements.

## CEINSYS TECH LIMITED

### Notes forming part to the Standalone Financial Statements for the year ended March 31, 2022

#### Note : 3 Property, Plant and Equipment

Note : 3 Property, Plant and Equipment

					(Rs. In Lakhs)			
Particulars	Freehold-Land	Leasehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Total
Balance As at April 01, 2020	32.93	68.69	337.06	1,777.84	406.51	230.76	947.45	3,801.24
Additions	-	-	-	-	-	-	31.67	31.67
Disposals/Transfer	-	-	-	-	-	47.57	-	47.57
Balance As at March 31, 2021	32.93	68.69	337.06	1,777.84	406.51	183.19	979.12	3,785.34
Additions	-	-	-	-	26.44	-	146.88	173.32
Disposals/Transfer	-	-	-	-	-	-	1.01	1.01
Balance As at March 31, 2022	32.93	68.69	337.06	1,777.84	432.95	183.19	1,124.99	3,957.65
Accumulated Depreciation								
Balance As at April 01, 2020	-	2.36	22.63	365.63	167.11	101.68	717.04	1,376.45
Depreciation for the year	-	0.77	5.77	102.65	42.00	26.16	101.33	278.68
Disposals	-	-	-	-	-	40.97	-	40.97
Balance As at March 31, 2021	-	3.13	28.40	468.28	209.11	86.87	818.36	1,614.16
Depreciation for the Year	-	0.77	5.77	102.20	42.33	21.05	73.02	245.14
Disposals	-	-	-	-	-	-	0.09	0.09
Balance As at March 31, 2022	-	3.90	34.17	570.48	251.44	107.92	891.29	1,859.21
Net Carrying Amount								
Balance As at March 31, 2021	32.93	65.56	308.66	1,309.56	197.40	96.32	160.76	2,171.18
Balance As at March 31, 2022	32.93	64.79	302.89	1,207.36	181.51	75.27	233.70	2,098.44

**Note 3.01** Property, Plant and Equipment includes assets mortgaged or pledged as security (Refer Note no. 20 and 22)

**Note 3.02** In accordance with the Indian Accounting Standard -36 on "Impairment of Assets", the management during the year carried out an exercise of identifying the assets that may have been impaired in accordance with the said Ind AS. On the basis of review carried out by the management, there was no impairment loss on Property, Plant and Equipment during the year ended March 31, 2022.

**Note 3.03** There are no proceeding initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

## CEINSYS TECH LIMITED

### Notes forming part to the Standalone Financial Statements for the year ended March 31, 2022

#### Note 4: Intangible Assets

	(Rs. In Lakhs)
Particulars	Software*
<b>Balance As at April 01, 2020</b>	<b>301.98</b>
Additions	10.00
Disposals	-
<b>Balance As at March 31, 2021</b>	<b>311.98</b>
Additions	15.83
Disposals	-
<b>Balance As at March 31, 2022</b>	<b>327.81</b>
Accumulated amortisation	
<b>Balance As at April 01, 2020</b>	<b>167.93</b>
Amortisation charged during the year	58.52
Disposals	-
<b>Balance As at March 31, 2021</b>	<b>226.45</b>
Amortisation charged during the year	45.97
Disposals	-
<b>Balance As at March 31, 2022</b>	<b>272.42</b>
<b>Net Carrying Amount</b>	
<b>Balance As at March 31, 2021</b>	<b>85.53</b>
<b>Balance As at March 31, 2022</b>	<b>55.39</b>
* Other than self generated	

#### Note 5: Non- Current Investments

	(Rs. In Lakhs)	
Particulars	As at March 31,2022	As at March 31,2021
<b>In Equity Instruments (Unquoted, Fully paid up)</b>		
<b>(A) Subsidiary Company - Carried at cost</b>		
1,000 (March 31, 2021 : 1000) equity shares of face value Rs. 100 each of ADCC Infocom Private Limited	6.57	6.57
2,09,049 (March 31, 2021 : NIL) equity shares of face value Rs. 100 each of Allygrow Technologies Private Limited (ATPL) (Refer Note No. 5.01)	5,627.74	-
<b>Total (A)</b>	<b>5,634.31</b>	<b>6.57</b>
<b>(B) Others - Carried at fair value through Profit and Loss</b>		
50,000 (March 31, 2021 : 50,000) equity shares of face value Rs. 10 each of Abhyudaya Co-operative Bank Limited	5.00	5.00
2,610 (March 31, 2021 : 2610) equity shares of face value Rs. 100 each of Wardhaman Co-operative Bank Limited	2.61	2.61
<b>Total (B)</b>	<b>7.61</b>	<b>7.61</b>
<b>Total Non Current Investments (A+B)</b>	<b>5,641.92</b>	<b>14.18</b>
Aggregate amount of unquoted investments	5,641.92	14.18
Investments carried at cost	5,634.31	6.57
Investments carried at fair value through Profit and Loss	7.61	7.61

**Note No. 5.01:** During the year, the Company received approval from its shareholders for an acquisition of 100% equity stake in Allygrow Technologies Private Limited (ATPL) and the Company entered into a Share Purchase Agreement ("SPA Agreement") with the ATPL and its existing Shareholders to acquire all the equity shares of ATPL.

## CEINSYS TECH LIMITED

### Notes forming part to the Standalone Financial Statements for the year ended March 31, 2022

As per the SPA Agreement, the Company acquired 2,09,049 Equity Shares (i.e. 82.69% equity stake) of ATPL for a consideration of Rs. 5,627.74 Lakhs by issuance of 36,07,530 equity shares of the Company of Rs. 10/- each at an Issue price of Rs. 156/- per equity share on a preferential basis. As a result ATPL along with its subsidiaries and Joint Venture (JV) became the subsidiary / fellow subsidiaries / JV of the Company w.e.f. February 9, 2022. Further as per SPA agreement, the Company will acquire the remaining 43,740 equity shares (i.e. 17.31% equity stake) of ATPL in the FY 2022-23 at a cash consideration of Rs. 1,179.20 Lakhs.

#### Note : 6 Non-Current Financial Assets - Trade Receivables

		(Rs. In Lakhs)		
Particulars	As at March 31, 2022		As at March 31, 2021	
<b>Unsecured</b>				
Considered Good	440.73		316.32	
Less : Allowance for Expected Credit Loss	65.58	375.15	23.13	293.19
<b>Total</b>		<b>375.15</b>		<b>293.19</b>

6.01 Trade Receivables are hypothecated as security for working capital facilities (Refer Note No. 22).

6.02 Trade Receivable ageing Refer Note No. 11.02

#### Note : 7 Non-Current Financial Assets - Others

		(Rs. In Lakhs)		
Particulars	As at March 31, 2022		As at March 31, 2021	
<b>(Unsecured, Considered Good:)</b>				
Deposits with bank with more than 12 months maturity (Refer Note No. 7.01)		448.02		346.60
Security Deposits				
Considered Good	21.47		24.47	
Less : Allowance for Expected Credit Loss	3.19	18.28	1.79	22.68
<b>Total</b>		<b>466.30</b>		<b>369.28</b>

7.01 -The above deposits with banks are pledge as margin money against bank guarantees.

#### Note: 8 Income Tax

##### 8.01 Current Tax :-

		(Rs. In Lakhs)	
Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021	
Current Tax for the year	488.44	201.48	
Income tax for the earlier year	(8.16)	(3.43)	
<b>Total Current Tax</b>	<b>480.28</b>	<b>198.05</b>	

##### 8.02 The major components of Tax Expenses for the year ended March 31, 2022 and March 31, 2021 are as follows:

		(Rs. In Lakhs)	
Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021	
<b>Recognised in Standalone Statement of Profit and Loss:</b>			
Current Tax (Refer Note No. 8.01)	480.28	198.05	
Deferred Tax:-Relating to origination and reversal of temporary differences	(133.39)	(153.84)	
<b>Total Tax Expenses</b>	<b>346.89</b>	<b>44.21</b>	



## CEINSYS TECH LIMITED

### Notes forming part to the Standalone Financial Statements for the year ended March 31, 2022

#### 8.03 Reconciliation between tax expenses and accounting profit multiplied by tax rate for the year ended March 31, 2022 and March 31, 2021:

(Rs. In Lakhs)		
Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Accounting profit before tax	1,113.89	320.85
Applicable tax rate	29.12%	29.12%
<b>Computed Tax Expenses</b>	<b>324.36</b>	<b>93.43</b>
<b>Tax effect on account of:</b>		
Property, Plant and Equipment and Intangible Assets	26.83	17.11
Exempted Income	-	(19.01)
Deduction Allowed under Income Tax Act	(41.19)	(51.58)
Expenses not allowed for tax purpose	28.73	17.22
Income tax for earlier years	8.16	3.43
Tax Rate difference	-	(16.39)
<b>Income tax expenses recognised in Standalone Statement of Profit and Loss</b>	<b>346.89</b>	<b>44.21</b>

#### 8.04 Deferred tax relates to the following:

(Rs. In Lakhs)				
Particulars	Balance Sheet		Statement of profit and loss and Other Comprehensive Income	
	As at March 31, 2022	As at March 31, 2021	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Property, Plant and Equipment and Intangible Assets	267.06	261.29	5.77	(12.58)
Defined Benefit Obligation	(50.46)	(24.15)	(26.31)	9.47
Ind AS Impact of Revenue Recognition	(48.67)	(39.73)	(8.94)	(15.17)
Expected Credit loss / Ind AS Impact	(482.07)	(360.29)	(121.78)	(137.88)
Lease Equalisation	-	(7.98)	7.98	1.02
<b>Deferred Tax Assets</b>	<b>(314.14)</b>	<b>(170.85)</b>	<b>(143.28)</b>	<b>(155.14)</b>

#### 8.05 Reconciliation of deferred tax Asset:

(Rs. In Lakhs)		
Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	(170.85)	(15.71)
Deferred Tax (Income) recognised in statement of profit and loss	(133.39)	(153.84)
Deferred Tax (Income) recognised in OCI	(9.89)	(1.30)
<b>Closing balance</b>	<b>(314.14)</b>	<b>(170.85)</b>

#### Note : 9 Other Non Current Assets

(Rs. In Lakhs)		
Particulars	As at March 31, 2022	As at March 31, 2021
Pre-paid Expenses	185.01	82.11
<b>Total</b>	<b>185.01</b>	<b>82.11</b>

#### Note : 10 Inventories

(Rs. In Lakhs)		
Particulars	As at March 31, 2022	As at March 31, 2021
Stock-in-trade	28.09	9.48
Consumable	67.50	305.79
<b>Total</b>	<b>95.59</b>	<b>315.27</b>

10.01 Inventories are hypothecated as security for working capital facilities from banks (Refer note no. 22).

10.02 Basis of valuation refer accounting policy No. 2a (vi).

## CEINSYS TECH LIMITED

### Notes forming part to the Standalone Financial Statements for the year ended March 31, 2022

#### Note : 11 Current Financial Asset-Trade Receivables

(Rs. In Lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
<b>Unsecured</b>				
Considered Good *	9,051.68		13,044.95	
Significant Increase in Credit Risk	135.66		572.47	
	9,187.34		13,617.42	
Less : Allowances for expected credit loss	1,383.45	7,803.89	1,078.17	12,539.25
<b>Total</b>		<b>7,803.89</b>		<b>12,539.25</b>

\* Includes Rs. NIL (March 31, 2021: Rs. 1.17 lakhs) due from Perceptions Solutions Private Limited (Refer Note No. 38) in which Directors are interested as a member.

11.01 Trade Receivables are hypothecated as security for working capital facilities from Banks (Refer Note No. 22).

11.02 Trade Receivables Ageing (including Non- Current Trade Receivables) as at March 31, 2022 and March 31, 2021 are as below :-

(Rs. In Lakhs)

Particulars	Not Due	Outstanding for following period from due date of payment as at 31st March, 2022					Total
		Less than 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 years	
Undisputed Trade Receivables – Considered good	1,041.16	2,560.81	1,059.81	1,876.92	1,323.49	1,445.97	9,308.16
Undisputed Trade Receivables – Which have significant increase in credit risk	-	28.94	2.96	21.12	82.64	-	135.66
Undisputed Trade Receivables – Credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables – Considered good		45.91	-	-	127.79	10.55	184.25
Disputed Trade Receivables – Which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables – Credit impaired	-	-	-	-	-	-	-
<b>Sub Total</b>	<b>1,041.16</b>	<b>2,635.66</b>	<b>1,062.77</b>	<b>1,898.04</b>	<b>1,533.92</b>	<b>1,456.52</b>	<b>9,628.07</b>
Less: Allowance for Expected Credit Loss							(1,449.03)
<b>Total</b>	<b>1,041.16</b>	<b>2,635.66</b>	<b>1,062.77</b>	<b>1,898.04</b>	<b>1,533.92</b>	<b>1,456.52</b>	<b>8,179.04</b>

(Rs. In Lakhs)

Particulars	Not Due	Outstanding for following period from due date of payment as at 31st March, 2021					Total
		Less than 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 years	
Undisputed Trade Receivables–Considered good	1,189.09	7,472.07	573.74	2,602.74	1,153.18	260.30	13,251.12
Undisputed Trade Receivables – Which have significant increase in credit risk	-	0.04	0.89	22.51	-	549.03	572.47
Undisputed Trade Receivables – Credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables – Considered good	-	-	-	6.02	55.40	48.73	110.15
Disputed Trade Receivables – Which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables – Credit impaired	-	-	-	-	-	-	-
<b>Sub Total</b>	<b>1,189.09</b>	<b>7,472.11</b>	<b>574.63</b>	<b>2,631.27</b>	<b>1,208.58</b>	<b>858.06</b>	<b>13,933.74</b>
Less: Allowance for Expected Credit Loss							1,101.30
<b>Total</b>	<b>1,189.09</b>	<b>7,472.11</b>	<b>574.63</b>	<b>2,631.27</b>	<b>1,208.58</b>	<b>858.06</b>	<b>12,832.44</b>

## CEINSYS TECH LIMITED

### Notes forming part to the Standalone Financial Statements for the year ended March 31, 2022

#### Note : 12 Cash and Cash Equivalents

		(Rs. In Lakhs)	
Particulars	As at March 31,2022	As at March 31, 2021	
Balances with banks in current accounts	2.71	2.21	
Cash on Hand	1.05	1.40	
<b>Total</b>	<b>3.76</b>	<b>3.61</b>	

#### 12.01 For the purpose of the Statement of Cash Flows, Cash and Cash Equivalents compromise the following:

		(Rs. In Lakhs)	
Particulars	As at March 31,2022	As at March 31, 2021	
Balances with banks in current accounts	2.71	2.21	
Cash on Hand	1.05	1.40	
	<b>3.76</b>	<b>3.61</b>	

#### Note : 13 Bank Balances other than Cash and Cash Equivalents

		(Rs. In Lakhs)	
Particulars	As at March 31,2022	As at March 31, 2021	
Unpaid Dividend Accounts	0.20	0.20	
Fixed Deposit With Banks (Refer Note No. 13.01)	740.33	964.21	
<b>Total</b>	<b>740.53</b>	<b>964.41</b>	

13.01 The above deposits with banks are pledged as margin money against bank guarantees

#### Note : 14 Current Financial Assets - Loans

		(Rs. In Lakhs)	
Particulars	As at March 31,2022	As at March 31, 2021	
Loans to Employees	0.24	0.54	
Loans to Subsidiary (Refer Note No. 38)	5.04	-	
<b>Total</b>	<b>5.28</b>	<b>0.54</b>	

#### Note : 15 Unbilled Revenue

		(Rs. In Lakhs)	
Particulars	As at March 31,2022	As at March 31, 2021	
<b>Unsecured</b>			
Considered Good	9,305.42	7,067.50	
Less :Allowances for Expected Credit Loss	154.47	9,150.95	6,986.92
<b>Total</b>	<b>9,150.95</b>	<b>6,986.92</b>	

#### Note: 16 Other current financial assets

		(Rs. In Lakhs)	
Particulars	As at March 31,2022	As at March 31, 2021	
<b>Unsecured: Considered Good</b>			
Interest Receivable	46.71	67.24	
<b>Security Deposit:</b>			
Considered Good	232.92	374.94	
Significant Increase in Credit Risk	-	2.50	
	232.92	377.44	
Less : Allowances for Expected Credit Loss	48.68	53.58	323.86
<b>Total</b>	<b>230.95</b>	<b>391.10</b>	

# CEINSYS TECH LIMITED

## Notes forming part to the Standalone Financial Statements for the year ended March 31, 2022

### Note : 17 Other current assets

(Rs. In Lakhs)

Particulars	As at March 31,2022	As at March 31, 2021
<b>Unsecured: Considered Good</b>		
Advances to suppliers	98.63	215.43
Balances with government authorities	193.46	278.35
Others #	190.12	200.09
<b>Total</b>	<b>482.21</b>	<b>693.87</b>

#Others Includes mainly prepaid expenses and advance to employees for expenses.

### Note : 18 Equity Share Capital

(Rs. In Lakhs)

Particulars	As at March 31,2022	As at March 31, 2021
<b>AUTHORISED CAPITAL</b>		
2,00,00,000 (March 31, 2021: 2,00,00,000 )Equity Shares of Rs. 10/- each	2,000.00	2,000.00
	<b>2,000.00</b>	<b>2,000.00</b>
<b>ISSUED , SUBSCRIBED &amp; PAID UP CAPITAL</b>		
1,54,31,397 (March 31, 2021: 1,11,17,085) Equity Shares of Rs. 10/- each, Fully Paid up	1,543.14	1,111.71
<b>Total</b>	<b>1,543.14</b>	<b>1,111.71</b>

### 18.01 Reconciliation of number of Equity Shares outstanding at the beginning and at the end of the year :

(Rs. In Lakhs)

Particulars	As at March 31,2022		As at March 31, 2021	
	No. of Equity Shares	(Rs. In Lakhs)	No. of Equity Shares	(Rs. In Lakhs)
<b>Equity Shares outstanding at the beginning of the year</b>	1,11,17,085	1,111.71	1,11,17,085	1,111.71
<b>Add: Issued During the Year (Refer Note 18.02)</b>	43,14,312	431.43	-	-
<b>Equity Shares outstanding at the end of the year</b>	<b>1,54,31,397</b>	<b>1,543.14</b>	<b>1,11,17,085</b>	<b>1,111.71</b>

### 18.02 During the year as approved by shareholders :

- (i) On February 9, 2022, the company has allotted 36,07,530 Equity Shares of Face Value of Rs.10 each at a premium of Rs.146 per share on Private Placement to the equity shareholders of Allygrow Technology Private Limited for consideration other than cash (Refer Note No. 5.01);
- (ii) On February 10, 2022, the company has allotted 7,06,782 Equity Shares of Face Value of Rs.10 each at a premium of Rs.146 per share on Preferential basis to a Promoter and Promoter Group of the Company;

### 18.03 Terms and rights attached to Equity Shares:

The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/- per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuring annual general meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. Every holder of equity share present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

### 18.04 Details of shareholders holding more than 5% Shares of the Equity Share Capital

(Rs. In Lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Raghav Infradevelopers & Builders Private Limited	32,14,529	20.83%	32,14,529	28.92%
SMG Hospitals Private Limited	13,64,000	8.84%	13,64,000	12.27%
Zodius Technology Fund II ( overseas )	10,66,903	6.91%	-	-
Zodius Technology Fund	10,94,019	7.09%	-	-
Sameer Dattatraya Meghe	11,83,934	7.67%	11,83,934	10.65%
Sagar Dattatraya Meghe	15,33,202	9.94%	11,79,811	10.61%
Devika Sagar Meghe	10,51,986	6.82%	6,98,595	6.28%
Vrinda Sameer Meghe	6,96,945	4.52%	6,96,945	6.27%

# CEINSYS TECH LIMITED

## Notes forming part to the Standalone Financial Statements for the year ended March 31, 2022

### 18.05 Details of shares held by promoters and promoter group in the Company.

(Rs. In Lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021		% Change from 31st March, 2021 to 31st March, 2022
	No. of Shares	% of Holding	No. of Shares	% of Holding	
Sameer Dattatraya Meghe	11,83,934	7.67%	11,83,934	10.65%	-2.98%
Sagar Dattatraya Meghe	15,33,202	9.94%	11,79,811	10.61%	-0.67%
Devika Sagar Meghe	10,51,986	6.82%	6,98,595	6.28%	0.54%
Vrinda Sameer Meghe	6,96,945	4.52%	6,96,945	6.27%	-1.75%
Raghav Infradevelopers & Builders Private Limited	32,14,529	20.83%	32,14,529	28.92%	-8.09%
SMG Hospitals Private Limited	13,64,000	8.84%	13,64,000	12.27%	-3.43%

### 18.06 Dividend Paid and Proposed :

(Rs. In Lakhs)

Particulars	2021-22	2020-21
<b>Dividend Declared and paid</b>		
Dividend declared and paid during the year at Rs.2.25 Per Share of Rs. 10/- Each (March 31, 2021 : Rs. 2.50 Per Share)	250.13	277.92
<b>Proposed Dividend</b>	<b>Nil</b>	<b>Nil</b>

### Note :19 Other Equity

(Rs. In Lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
<b>Securities Premium</b>				
Balance as per last Balance Sheet	2,294.18		2294.18	
<b>Add:</b> Issued of Equity Shares (Refer Note No. 18.02)	6,298.89		-	
		<b>8,593.07</b>		<b>2,294.18</b>
<b>General Reserve</b>				
Balance as per last Balance Sheet		21.50		21.50
<b>Retained Earnings</b>				
Balance as per last Balance Sheet	5,328.77		5,330.05	
<b>Add:</b> Profit For the Year	767.00		276.64	
<b>Less:</b> Appropriation				
Dividend	250.13	5,845.64	277.92	5,328.77
<b>Other Comprehensive Income</b>				
Balance as per last Balance Sheet	(5.23)		(1.87)	
<b>Add:</b> Comprehensive Income For the Year	(24.09)	(29.32)	(3.36)	(5.23)
		<b>14,430.89</b>		<b>7,639.22</b>

#### Nature and purpose of Reserve

##### Securities premium

Securities premium is used to record the premium on issue of shares. It shall be utilised in accordance with the provisions of the Companies Act, 2013.

##### General Reserve

General Reserve is used to record the excess provision made in respect of stock option outstanding. It shall be utilised in accordance with the provisions of the Companies Act, 2013.

#### Retained Earnings

Retained Earnings represent the accumulated Profits / (losses) made by the company over the years.

#### Other Comprehensive Income

Other Comprehensive Income (OCI) represents the amount recognised in other equity consequent to remeasurement of Defined Benefit Plan.

# CEINSYS TECH LIMITED

## Notes forming part to the Standalone Financial Statements for the year ended March 31, 2022

### Note : 20 Non current Borrowings

		(Rs. In Lakhs)
Particulars	As at March 31,2022	As at March 31,2021
<b>Secured</b>		
Term loan from banks #	39.86	109.79
<b>Total</b>	<b>39.86</b>	<b>109.79</b>

# Net off of processing fees amounting to Rs. 0.47 lakhs (March 31, 2021 Rs. 0.72 Lakhs) and Rs. 0.25 lakhs (March 31, 2021 Rs. 0.25 Lakhs) included in current maturity of long term debts in Note No. 22

#### 20.01 The above term loans from banks including current maturity of long term debts in Note No. 22 includes:

(i)Rs. Nil ( March 31,2021 : Rs. 69.94 Lakhs) was secured by the hypothecation of Wind Mill at Mahuria, Madhya Pradesh.

(ii)Rs. Nil (March 31,2021 : Rs. 21.62 Lakhs) was secured by the Mortgage of Unit No. 414, 4th Floor, Tania Jogani Indl. Premises Co-op. Soc. Ltd., J.R. Boricha Marg, Sitaram Mill Compound, Lower Parel, Mumbai and hypothecation of furniture, fixtures, computers office equipments etc.

(iii)Rs.86.87 Lakhs (March 31,2021 : Rs. 132.12 Lakhs ) is secured by way of Charge on the Plant & Machinery purchased by the Company. The Loan is repayable in 20 monthly installments ending in November 2023. The Term Loan carries a interest of 13.75% p.a.

(iv)Vehicle Loans of Rs. 22.98 Lakhs ( March 31,2021 : Rs. 39.74 Lakhs) are secured by way of hypothecation of Vehicles financed. The Term Loans are repayable in 14 to 18 installments and carry interest rate varying from 8.65% p.a. to 9.77 % p.a.

**20.02** The Term loans referred to above are guaranteed by some of the directors in their personal capacities.

**20.03** The Company has used the borrowings from banks for the specific purpose for which it was taken at the balance sheet date.

**20.04** There is no charge or satisfaction which is yet to be registered with ROC beyond the statutory period.

#### 20.05 Maturity profile of Term Loans is as under:

		(Rs. In Lakhs)
Particulars	Financial Year	Amount
Term Loans from Banks	2022-2023	69.52
	2023-2024	40.33

### Note 21 : Other non-current financial liabilities

		(Rs. In Lakhs)
Particulars	As at March 31,2022	As at March 31,2021
Lease Equalisation	-	8.77
<b>Total</b>	<b>-</b>	<b>8.77</b>

### Note : 22 Current Borrowings

		(Rs. In Lakhs)
Particulars	As at March 31,2022	As at March 31,2021
<b>Secured</b>		
<b>Loans from banks:</b>		
Working capital facilities	5,874.90	6,562.88
Current maturities of long term debts	69.27	152.66
<b>Unsecured</b>		
Inter Corporate Loans	55.00	1,839.62
<b>Total</b>	<b>5,999.17</b>	<b>8,555.16</b>

#### 22.01The Working Capital facilities from Banks :

(I)Rs. 2636.64 Lakhs (March 31,2021 : Rs.2855.35 Lakhs) is secured by the way of Hypothecation of Stock, Work-in-Progress, and Book Debts, also the following properties are collateralized by simple mortgage : 1) Land & Building on Plot No. 10/5, IT Park of MIDC, South Ambazari Road, Mauza Parsodi, infront of VNIT Institute, Tal & Dist . Nagpur. 2)Land & Wind Mill at village Murud, Tal. Patan, Dist. Satara. 3) Unit No. 414, 4th Floor, Tania Jogani Indl. Premises Co-Op Soc . Ltd. J. R Boricha Marg, Sitaram Mill Compound , Lower Parel, Mumbai. 4) Continuation of Lien

on existing all Term Deposits Offered being Margin for BG & LC Limit. This Working Capital Loan carries a interest at the rate of 10.50 % p.a

(ii)Rs. 3238.26 Lakhs (March 31,2021 : Rs.3439.06 Lakhs) is secured by the way of hypothecation of the Co's entire stock comprising of Raw Materials, Work-In-Progress, Finished goods, Consumables Stores & Spares and other materials; Receivables, claims and bills both present and future ranking Pari- passu with other consortium member i.e. Abhyudaya Co-operative Bank Ltd. Apart from the above the following

## CEINSYS TECH LIMITED

### Notes forming part to the Standalone Financial Statements for the year ended March 31, 2022

properties have been collateralised in the form of : 1) Pledge of 13.25 Lakh Shares of the Company owned by Raghav Infra Developers 2) Immovable property owned by the Company at Nagpur (Leasehold land) and at Lower Parel (Office) and various other immovable property owned by Promoters at different locations in India & 3) Personal Guarantees of Directors & their relatives & also Corporate Guarantees of Raghav Infra Developers & Builders Pvt Ltd, SMG Realities Pvt Ltd, SMG Hospitals Pvt Ltd. & Shree Sainath textiles Private Limited. This Working Capital Loan carries a interest at the rate of 9.40 % p.a

(iii)Rs. NIL (March 31,2021 : Rs. 268.47 Lakhs) is secured by the way of hypothecation of the Co's entire stock comprising of Raw Materials, Work-In-Progress, Finished goods, Consumables Stores & Spares and other materials; Receivables, claims and bills both present and future

ranking Pari- passu with other consortium member i.e. Abhyudaya Co-operative Bank Ltd. Apart from the above the following properties have been collateralised in the form of : 1) Pledge of 13.25 Lakh Shares of the Company owned by Raghav Infra Developers 2) Immovable property owned by the Company at Nagpur (Leasehold land) and at Lower Parel (Office) and various other immovable property owned by Promoters at different locations in India & 3) Personal Guarantees of Directors & their relatives & also Corporate Guarantees of Raghav Infra Developers & Builders Pvt Ltd, SMG Realities Pvt Ltd, SMG Hospitals Pvt Ltd. & Shree Sainath Textiles Pvt. Ltd. This Working Capital Loan carries a interest at the rate of 6.95 % p.a.

**22.02** Inter Corporate Loans are repayable within 3 months and carries an interest rate ranging from 11% to 13% p.a.

#### Note : 23 Current Financial Liabilities -Trade Payables

(Rs. In Lakhs)		
Particulars	As at March 31,2022	As at March 31,2021
Total outstanding of Micro, Small and Medium Enterprises	276.21	156.62
Others	4,087.77	6,313.00
<b>Total</b>	<b>4,363.98</b>	<b>6,469.62</b>

**23.01** : Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED 2006) have been determined based on the information as received from vendors and the details of amount outstanding due to them are as given below:

(Rs. In Lakhs)		
Particulars	As at March 31,2022	As at March 31,2021
(I) Principal amount remaining unpaid to any supplier as at the end of the accounting year;	276.21	156.62
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year;	12.24	11.17
(iii) The amount of Interest paid, along with the amounts of the payment made to the supplier beyond the appointed day;	-	-
(iv) The amount of Interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	12.24	11.17
(vi) The amount of Further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

#### Trade Payable Ageing for March 31, 2022 and March 31, 2021

(Rs. In Lakhs)						
Particulars	Not Due	Outstanding from due date of payment as at March 31, 2022				Total
		Less than 1 year	1 - 2 Years	2 - 3 Years	More than 3 years	
i) MSME	201.05	38.32	24.20	4.29	8.35	276.21
ii) Others	1,687.62	2,268.04	29.81	17.11	85.19	4,087.77
iii) Disputed dues - MSME	-	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-	-
	<b>1,888.67</b>	<b>2,306.36</b>	<b>54.01</b>	<b>21.40</b>	<b>93.54</b>	<b>4,363.98</b>



# CEINSYS TECH LIMITED

## Notes forming part to the Standalone Financial Statements for the year ended March 31, 2022

				(Rs. In Lakhs)		
Particulars	Not Due	Outstanding from due date of payment as at March 31, 2021				Total
		Less than 1 year	1 - 2 Years	2 - 3 Years	More than 3 years	
i) MSME	20.17	120.65	7.44	7.66	0.70	156.62
ii) Others	1,699.08	4,240.39	50.97	31.79	290.77	6,313.00
iii) Disputed dues - MSME	-	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-	-
	1,719.25	4,361.04	58.41	39.45	291.47	6,469.62

### Note : 24 Other Current Financial Liabilities

Particulars	(Rs. In Lakhs)	
	As at March 31,2022	As at March 31,2021
Interest Accrued and Due	12.24	11.17
Interest Accrued But Not Due	136.58	-
Lease equilisation	-	7.48
Unclaimed Dividends* (Rs.176)	0.00	0.00
Others #	381.33	728.17
<b>Total</b>	<b>530.15</b>	<b>746.82</b>

\* This figure does not include any amounts, due and outstanding, to be credited to Investor Education and Protection Fund.

# Others mainly include employee related liabilities, provision for expenses and director sitting fees etc.

### Note : 25 Other Current Liabilities

Particulars	(Rs. In Lakhs)	
	As at March 31,2022	As at March 31,2021
Advance from customers	745.98	455.40
Statutory liabilities	164.82	143.76
Unearned Revenue	167.13	128.56
<b>Total</b>	<b>1,077.93</b>	<b>727.72</b>

### Note : 26 Current Provisions

Particulars	(Rs. In Lakhs)	
	As at March 31,2022	As at March 31,2021
<b>Provision for Employee Benefits</b>		
Gratuity (Funded) (Refer Note No. 31)	105.14	41.26
Leave Obligations	68.16	41.67
<b>Total</b>	<b>173.30</b>	<b>82.93</b>

### Note : 27 Revenue from Operations (Net of Taxes)

Particulars	(Rs. In Lakhs)	
	For the Year Ended March 31,2022	For the Year Ended March 31,2021
Enterprise Geospatial & Engineering Services	16,770.40	16,167.17
Sale of software products	2,625.53	2,176.39
Sale of Power	223.62	179.63
<b>Total</b>	<b>19,619.55</b>	<b>18,523.19</b>

#### 27.01 Disaggregated Revenue information

Revenue Disaggregation by types of Services and Product are as follows:

Particulars	(Rs. In Lakhs)	
	For the Year Ended March 31,2022	For the Year Ended March 31,2021
Enterprise Geospatial & Engineering Services	16,770.40	16,167.17
Software Products	2,625.53	2,176.39
Power Generation	223.62	179.63
<b>Total</b>	<b>19,619.55</b>	<b>18,523.19</b>

# CEINSYS TECH LIMITED

## Notes forming part to the Standalone Financial Statements for the year ended March 31, 2022

### 27.02 Revenue disaggregation by Geography

	(Rs. In Lakhs)	
Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
In India	19,367.63	18,431.83
Outside India	251.92	91.36
<b>Total</b>	<b>19,619.55</b>	<b>18,523.19</b>

### 27.03 Contract balances

	(Rs. In Lakhs)	
Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Trade Receivables	8,179.04	12,832.44
Contract Assets/ Unbilled Revenue	9,150.95	6,986.92
Contract Liabilities (Refer Note No. 25)	745.98	455.40

**27.04** - The amount of Rs. 243.78 lakhs is the revenue recognised from contract liabilities at the beginning of the year ( March 31,2021- Rs.13.67 Lakhs). Increase/decrease in contract liability is mainly on account of advance receipt from customers and revenue recognized during the year.

### 27.05 Reconciling the amount of revenue recognised in statement of profit and loss with the contracted price

	(Rs. In Lakhs)	
Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Revenue as per contracted price	19,619.55	18,523.34
Adjustments for:		
Rebates, Discounts	-	(0.15)
<b>Revenue from contract with customers</b>	<b>19,619.55</b>	<b>18,523.19</b>

### 27.06 Transaction price allocated to the remaining performance obligations

The aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as of March 31, 2022 amounts to Rs. 26,780.21 Lakhs (March 31,2021 : Rs. 30,810.53 Lakhs). The remaining performance obligation are subject to change and are affected by several factors including terminations, change in scope of contract, periodic revalidations, adjustment for revenue that has not materialised.

The management of company expects that above 60 to 70% of the unsatisfied performance obligation will be recognised as revenue during the next reporting period with balance in future reporting periods thereafter.

### Note : 28 Other income

	(Rs. In Lakhs)	
Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Interest Income from Financial Assets measured at amortised cost		
- Fixed Deposits with banks	69.86	89.39
- Others	34.99	53.87
Dividend Received on Non-Current Investment	-	65.27
Profit On Sale of Property, Plant and Equipment	0.10	9.06
Reversal of Rent Equilisation Reserve	16.24	-
Miscellaneous Receipts	9.84	0.18
<b>Total</b>	<b>131.03</b>	<b>217.77</b>

### Note : 29 Changes in inventories of Stock-in-Trade

	(Rs. In Lakhs)	
Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Stock-in-Trade		
Opening Stock	9.48	78.38
Less: Closing Stock	28.09	9.48
<b>Changes in inventories of Stock-in-Trade</b>	<b>(18.61)</b>	<b>68.90</b>

# CEINSYS TECH LIMITED

## Notes forming part to the Standalone Financial Statements for the year ended March 31, 2022

### Note : 30 Project and Other Operating Expenses

		(Rs. In Lakhs)
Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Consumption of Project Consumables	2,761.15	3,043.34
Outsourcing Expenses	6,593.81	7,285.68
Onsite Expenses	308.90	189.07
<b>Total</b>	<b>9,663.86</b>	<b>10,518.09</b>

### Note : 31 Employees benefit expenses

		(Rs. In Lakhs)
Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Salaries, Wages and Allowances	3,076.78	2,775.04
Contribution to Provident and Other Funds	135.01	100.97
Staff Welfare Expenses	3.95	5.15
<b>Total</b>	<b>3,215.74</b>	<b>2,881.16</b>

\* Remuneration paid or provided to Whole- Time Director amounting to Rs. 33.10 Lakhs was subject to approval of Shareholders of the Company as on March 31, 2022, which has been subsequently approved by the Shareholders at its meeting held on May 16, 2022 through e-voting postal ballot.

#### (A) Defined Contribution Plan:

The Company's defined contribution plans are Provident Fund, Employees State Insurance Fund and Employees' Pension Scheme (under the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952). The Company has no further obligation beyond making the contributions to such plans.

Contribution to Defined Contribution Plan, recognized as expense for the year are as under:

		(Rs. In Lakhs)
Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Employer's contribution to Regional Provident Fund Office	91.61	73.57
Employer's contribution to Employees' State Insurance	8.49	9.46
<b>Total</b>	<b>100.10</b>	<b>83.03</b>

#### (B) Defined Benefit Plan:

Gratuity for employees in India is as per the Payment of Gratuity Act, 1972. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for the number of years of service. The gratuity plan is a funded plan and the Company plan assets is administered by an insurer and company funds the plan on periodical basis.

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognised in the same manner as the gratuity.

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
<b>Actuarial assumptions</b>		
Mortality Table	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)
Salary growth	10.00%	10.00%
Discount rate	6.19%	5.79%
Withdrawal rates	22.00%	32.00%

## CEINSYS TECH LIMITED

### Notes forming part to the Standalone Financial Statements for the year ended March 31, 2022

Particulars	(Rs. In Lakhs)	
	Gratuity (Funded)	
	2021-22	2020-21
<b>Movement in present value of defined benefit obligation</b>		
Obligation at beginning of the year	227.90	237.85
Service Cost	31.71	14.34
Interest Cost	13.19	13.46
Benefits Paid from the fund	(29.07)	(41.79)
Actuarial (Gains)/loss - due to change in Demographic Assumptions	30.02	(13.17)
Actuarial (Gains)/loss - due to change in Financial Assumptions	(1.22)	15.71
Actuarial (Gains)/loss - due to experience adjustments	3.91	1.50
<b>Obligation at the end of the year</b>	<b>276.44</b>	<b>227.90</b>
<b>Movement in present value of plan assets</b>		
Fair value at the beginning of the year	186.64	174.33
Interest Income	10.81	9.87
Contributions from employer	4.19	44.85
Benefits Paid from the fund	(29.07)	(41.79)
Return on Plan Assets, Excluding Interest Income	(1.27)	(0.62)
<b>Fair value at the end of the year</b>	<b>171.30</b>	<b>186.64</b>
<b>Amount recognised in Statement of Profit and Loss</b>		
Current Service Cost	31.71	14.33
Net interest Cost	2.38	3.60
<b>Total</b>	<b>34.09</b>	<b>17.93</b>
<b>Amount recognised in the other comprehensive income</b>		
Components of actuarial gain/losses on obligations:		
Due to changes in demographic assumptions	30.02	(13.17)
Due to changes in financial assumptions	(1.22)	15.71
Due to experience adjustment	3.91	1.50
Return on Plan Assets, Excluding Interest Income	1.27	0.62
<b>Total</b>	<b>33.98</b>	<b>4.66</b>

#### ( c ) Fair Value of assets

Particulars	(Rs. In Lakhs)	
	Fair Value of Asset	
	2021-22	2020-21
Life Insurance Corporation of India	171.30	186.64
	<b>171.30</b>	<b>186.64</b>

#### (d) Net Liability Recognised in the balance sheet

Amount recognised in the balance sheet	(Rs. In Lakhs)	
	2021-22	2020-21
Present value of obligations at the end of the year	276.44	227.90
Less: Fair value of plan assets at the end of the year	171.30	186.64
<b>Net liability recognised in the balance sheet</b>	<b>105.14</b>	<b>41.26</b>

# CEINSYS TECH LIMITED

## Notes forming part to the Standalone Financial Statements for the year ended March 31, 2022

(e) Movements in the present value of net defined benefit obligation are as follows:

	(Rs. In Lakhs)	
Amount recognised in the balance sheet	2021-22	2020-21
Opening Net Liability	41.26	63.52
Expenses Recognized in Statement of Profit or Loss	34.09	17.93
Expenses Recognized in OCI	33.98	4.66
Employer's Contribution	(4.19)	(44.85)
<b>Net Liability/(Asset) Recognized in the Balance Sheet</b>	<b>105.14</b>	<b>41.26</b>

### 31.01: Sensitivity Analysis

	(Rs. In Lakhs)	
Projected Benefits Payable in Future Years From the Date of Reporting	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Impact of + 0.5% Change in Rate of Discounting	(4.83)	(1.40)
Impact of -0.5% Change in Rate of Discounting	5.04	1.43
Impact of +1% Change in Rate of Salary Increase	8.43	2.35
Impact of -1% Change in Rate of Salary Increase	(8.04)	(2.31)
Impact of 5% Increase in Withdrawal Rate	(9.29)	(3.41)
Impact of 5% Decrease in Withdrawal Rate	12.72	3.99

The above sensitivity analysis are based on change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet. The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

### 31.02: Risk exposures

#### Investment risk

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. Plan investment is a qualifying insurance policy with the LIC of India.

#### Interest risk

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's investments.

#### Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

#### Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Gratuity and Leave plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk. The Company has no legal obligation to settle the deficit in the funded plan (Gratuity) with an immediate contribution or additional one off contributions. The Company intends to continue to contribute the defined benefit plans in line with the insurer's latest recommendations.

### 31.03 Details of Asset-Liability Matching Strategy:-

Gratuity benefits liabilities of the company are funded. There are no minimum funding requirements for a Gratuity benefits plan in India and there is no compulsion on the part of the Company to fully or partially pre-fund the liabilities under the Plan.

The trustees of the plan have outsourced the investment management of the fund to an insurance company. The insurance company in turn manages these funds as per the mandate provided to them by the trustees and the asset allocation which is within the permissible limits prescribed in the insurance regulations. Due to the restrictions in the type of investments that can be held by the fund, it may not be possible to explicitly follow an asset-liability matching strategy to manage risk actively in a conventional fund.

**31.04** The expected payments towards contributions to the defined benefit plan is within one year.

## CEINSYS TECH LIMITED

### Notes forming part to the Standalone Financial Statements for the year ended March 31, 2022

#### 31.05 Cash Flow Projection: From the Fund

		(Rs. In Lakhs)
Projected Benefits Payable in Future Years From the Date of Reporting	For the Year Ended	March 31,2021
March 31, 2023		58.90
March 31, 2024		43.05
March 31, 2025		39.45
March 31, 2026		33.03
March 31, 2027		30.07
March 31, 2028 to March 31, 2032		153.32
<b>Total</b>		<b>357.82</b>

#### Other Long Term Employee Benefit Obligations

The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

#### Following disclosures related to Leave obligations

The liability for Leave obligation (Non – Funded) as at year end is Rs. 68.16 Lakhs ( As at March 31, 2021 Rs. 41.67 Lakhs)

#### Note : 32 Finance costs

		(Rs. In Lakhs)
Particulars	For the Year Ended March 31,2022	For the Year Ended March 31,2021
Interest expenses on financial liabilities measured at amortised cost	882.46	1,112.99
Other borrowing costs	40.17	59.40
<b>Total</b>	<b>922.63</b>	<b>1,172.39</b>

#### Note : 33 Depreciation and amortisation expense

		(Rs. In Lakhs)
Particulars	For the Year Ended March 31,2022	For the Year Ended March 31,2021
Depreciation of Property, Plant and Equipment (Refer Note No. 3)	245.14	278.68
Amortization of Intangible assets (Refer Note No. 4)	45.97	58.52
<b>Total</b>	<b>291.11</b>	<b>337.20</b>

# CEINSYS TECH LIMITED

## Notes forming part to the Standalone Financial Statements for the year ended March 31, 2022

### Note : 34 Other Expenses

Particulars	(Rs. In Lakhs)	
	For the Year Ended March 31,2022	For the Year Ended March 31,2021
Rent	238.46	181.30
Rates and Taxes	29.00	56.56
Professional and Consultancy Charges	664.17	261.93
Power and Fuel	32.49	30.16
Repairs and Maintenance	97.05	56.30
Telephone and Internet Charges	25.10	27.09
Printing and Stationery	15.42	10.86
Travelling and Conveyance Expenses	171.38	89.10
Tender Registration expenses	3.61	13.98
Advertisement and Business Promotion	27.08	8.45
Payment to Auditor ( Refer Note 34.01)	45.60	35.00
CSR activity expenses ( Refer Note 34.02)	-	26.00
Director sitting fees	62.40	57.02
Bad debts/advances written off	56.47	127.33
Provision for doubtful financial assets / expected credit loss	418.13	473.52
Bank charges and BG Commission	179.52	162.93
Wind and Solar Expenses	81.10	46.81
Other Expenses	147.39	118.83
<b>Total</b>	<b>2,294.37</b>	<b>1,783.17</b>

### Note 34.01 : Details of Payment to Auditors

Particulars	(Rs. In Lakhs)	
	For the Year Ended March 31,2022	For the Year Ended March 31,2021
<b>Payments to the auditor as:</b>		
For Statutory Audit	20.00	15.40
For Tax Audit	10.00	9.00
For Certifications & Quarterly review	15.40	10.60
Reimbursement of expenses	0.20	-
<b>Total</b>	<b>45.60</b>	<b>35.00</b>

### Note 34.02 :Notes related to Corporate Social Responsibility Expenditure (CSR):

(a) As per the legal opinion obtained, Section 135 of the Companies Act, 2013 is not applicable to the Company for the year ended March 31, 2022, accordingly the Company is not required to spend any amount on CSR activities. In the previous year the Company was required to spend Rs. 25.72 Lakhs as per Section 135, read with Schedule VII, of the Companies Act, 2013.

(b) Expenditure related to CSR is Rs. Nil (March 31,2021: Rs. 26.00 Lakhs)

Details of expenditure towards CSR given below:	(Rs. In Lakhs)	
	For the Year Ended March 31,2022	For the Year Ended March 31,2021
(i) Promoting education	-	26.00
<b>Total</b>	<b>-</b>	<b>26.00</b>



# CEINSYS TECH LIMITED

## Notes forming part to the Standalone Financial Statements for the year ended March 31, 2022

### Note 35 : Earnings per share (EPS)

		(Rs. In Lakhs)	
Particulars		For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
<b>Basic Earnings per Share</b>			
Profit Attributable to Equity Shareholders for Basic EPS	(A)	767.00	276.64
Weighted Average Number of Equity Shares Outstanding During the year for Basic EPS	(B)	1,17,17,970	1,11,17,085
Basic Earnings per Share of Rs.10/- each (In Rs.)	(A)/(B)	6.55	2.49
<b>Diluted Earnings per Share</b>			
Amount available for calculation of diluted EPS	(A)	767.00	276.64
Weighted average number of equity shares		1,17,17,970	1,11,17,085
Add: Potential number of equity shares		-	-
No. of shares used for calculation of diluted EPS	(B)	1,17,17,970	1,11,17,085
Diluted Earnings per Share of Rs.10/- each (In Rs.)	(A)/(B)	6.55	2.49

### Note 36 Group Information

		(Rs. In Lakhs)		
	Name	Principal Place of Business	% Equity interest	
			March 31, 2022	March 31, 2021
<b>A</b>	<b>Indian subsidiaries</b>			
1	ADCC Infocom Private Limited	India	100.00%	100.00%
2	Allygrow Technologies Private Limited (ATPL)	India	82.69%	-
	<b>Step down Subsidiaries / joint Venture of (ATPL)</b>			
(I)	Technology Associates Inc	Outside India	82.69%	-
(ii)	Allygrow Engineering Services Private Limited	India	82.69%	-
(iii)	Allygrow Technologies B.V	Outside India	82.69%	-
	Allygrow Technologies Gmbh (subsidiary of Allygrow Technologies B.V)	Outside India	82.69%	-
	Allygrow Technologies UK Limited (subsidiary of Allygrow Technologies B.V)	Outside India	82.69%	-
(iv)	Allygram Systems and Technologies Private Limited (Joint Venture)	India	57.88%	-

### Note 37 Contingent Liabilities and Commitments

#### 37.01 Contingent Liabilities (to the extent not provided for)

		(Rs. In Lakhs)	
Particulars		March 31, 2022	March 31, 2021
Claims against the Company not acknowledged as Debts			
<b>A Bank Guarantees</b>		7,578.33	5,821.13
(Bank guarantees are provided under contractual/legal obligation. No cash outflow is expected) (Deposits of Rs.1,017.53 Lakhs (March 31, 2021 of Rs. 1025.35 Lakhs) are pledged as margin money against the same)			
<b>B Corporate Guarantee</b>		-	2,500.00
(Corporate guarantee given by company towards utilisation of bank guarantee facility of third party of Rs.2500 Lakhs.)			

# CEINSYS TECH LIMITED

## Notes forming part to the Standalone Financial Statements for the year ended March 31, 2022

**37.02** There are no capital commitments as at the end of any of the reported years.

**37.03** The Company received one demand notices in previous year from the Income Tax Department, however since there were Tax computation errors by the said department, the Company has filed rectification application under section 154 of the Income Tax Act, 1961, accordingly no contingent liability disclosed for the same.

### Note 38 Related Party Disclosures

In accordance with the requirements of Ind AS 24, on related party disclosures, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods, are as detailed below:

#### A List of related parties

##### I Subsidiaries

ADCC Infocom Private Limited  
Allygrow Technologies Private Limited (w.e.f. February 09, 2022)  
Technology Associates Inc. (Subsidiary of Allygrow Technologies Private Limited)  
Allygrow Engineering Services Private Limited (Subsidiary of Allygrow Technologies Private Limited)  
Allygrow Technologies B.V (Subsidiary of Allygrow Technologies Private Limited)  
Allygrow Technologies GmbH (Subsidiary of Allygrow Technologies B.V.)  
Allygrow Technologies UK Limited (Subsidiary of Allygrow Technologies B.V.)

##### II Enterprise which is Joint Venture of entities under Common Control

Allygram Systems and Technologies Private Limited (Joint Venture of Allygrow Technologies Private Limited)

##### III Key Management Personnel (KMP)

Mr. Sagar Meghe – Chairman and Managing director (till August 12, 2021) and thereafter Non-Executive Chairman (w.e.f. August 13, 2021) \$  
Mr. Prashant Kamat-Vice Chairman and Chief Executive Officer (w.e.f. February 17, 2022)  
Mr. Abhay Kimmatkar - Managing director \$  
Mr. Rahul Joharapurkar - Joint Managing Director  
Mr. Hemant Thakare- Whole Time Director and Chief Operating Officer (Till February 14, 2022)  
Mr. Chanchal Gopaldas Bhaiyya- Chief Financial Officer (Till February 28, 2022)  
Mr. Krishnan Rathnam – Chief Financial Officer (w.e.f. February 17, 2022)  
Mr. Saurabh Somani – Company Secretary (Till July 15, 2021)  
Ms. Pooja Karande- Company Secretary (w.e.f. August 13, 2021)  
Mr. Rajesh Joshi – Deputy Chief Financial Officer (w.e.f. February 17, 2022)

#### IV Relative of KMP

Mr. Sameer Meghe \$  
Mrs. Shalinitai Meghe \$  
Mrs. Devika Meghe \$  
Mrs. Vrinda Meghe  
Mrs. Radhika Meghe

#### V Enterprises in which Key Managerial Personnel and their Relatives are able to exercise significant influence with whom transactions have taken place during the year:

(i) Datta Meghe Institute of Eng Tech and Research  
(ii) Raghav Infradevelopers and Builders Private Limited \$  
(iii) Mai Manpower LLP  
(iv) Radha Ridhi Enterprises Private Limited  
(v) Primus Finance Private Limited  
(vi) SMG Realities Private Limited \$  
(vii) SMG Hospitals Private Limited \$  
(viii) Nagar yuvak shikshan sansthan (NYSS)  
(ix) Jawaharlal Nehru Medical College  
(x) Yeshwantrao Chavan College of Engineering  
(xi) Sai Ashram  
(xii) Datta Meghe Institute of Medical Sciences  
(xiii) Shri Vidyarthi Sudhar Sangh (P)  
(xiv) Shree Sainath Textile Private Limited \$  
(xv) Perception Solutions Private Limited  
(xvi) Datta Meghe institute of Management Studies

\$ These parties have provided guarantees to the banks for loans and other banking facilities taken by the Company.

## CEINSYS TECH LIMITED

### Notes forming part to the Standalone Financial Statements for the year ended March 31, 2022

#### B. Transaction with related parties

The following transactions occurred with related parties

Nature of Transaction	(Rs. In Lakhs)							
	Subsidiaries		Key Management Personnel		Entities in which significant influence by Key managerial personnel & their relative		Relative of Key management personnel	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
<b>Revenue From operations</b>								
<b>(i) Enterprise Geospatial &amp; Engineering Services</b>								
Datta Meghe Institute of Medical Sciences Hostel	-	-	-	-	9.60	7.06	-	-
Datta Meghe Institute of Medical Sciences	-	-	-	-	-	1.75	-	-
Yeshwantrao Chavan College of Engineering	-	-	-	-	2.92	1.25	-	-
Perception Solutions Private Limited	-	-	-	-	-	8.17	-	-
<b>(ii) Sales of Software Products / Other Product</b>								
Datta Meghe Institute of Medical Sciences	-	-	-	-	0.96	0.85	-	-
Nagar Yuvak Shikshan sanstha	-	-	-	-	2.61	-	-	-
Shri Vidyarthi Sudhar Sangh	-	-	-	-	1.19	-	-	-
Datta Meghe Institute of Medical Sciences	-	-	-	-	1.42	-	-	-
<b>(iii) Sales of Power</b>								
Jawaharlal Nehru Medical College	-	-	-	-	86.55	85.14	-	-
Nagar Yuvak Shikshan Sanstha	-	-	-	-	9.74	10.27	-	-
<b>Other Income</b>								
<b>(i) Interest Income on Loan Given :</b>								
ADCC Infocom Private Limited	0.46	0.16	-	-	-	-	-	-
<b>(ii) Dividend Received:-</b>								
ADCC Infocom Private Limited	-	65.00	-	-	-	-	-	-
<b>Interest expenses on loans taken</b>								
Primus Finance Private Limited	-	-	-	-	83.20	1.08	-	-
<b>Rent paid</b>								
Ms Radhika Meghe	-	-	-	-	-	-	31.94	31.94
Radha Ridhi Enterprises Private Limited	-	-	-	-	-	5.10	-	-
SMG Realities Private Limited	-	-	-	-	7.20	-	-	-
<b>Managerial Remuneration</b>								
Mr Sagar Meghe	-	-	67.79	162.01	-	-	-	-
Mr Mihir Dharkar	-	-	-	16.87	-	-	-	-
Mr Abhay Kimmatkar	-	-	125.10	95.82	-	-	-	-
Mr Rahul Joharapurkar	-	-	83.37	45.01	-	-	-	-
Mr Dinesh Kumar Singh	-	-	-	30.82	-	-	-	-
Mr Hemant Thakare	-	-	68.75	52.69	-	-	-	-
Mr Chanchal Bhaiyya	-	-	41.46	25.28	-	-	-	-
Mr Saurabh Somani	-	-	3.64	8.44	-	-	-	-
Ms. Pooja Karande	-	-	3.81	-	-	-	-	-
Mr. Krishnan Rathnam	-	-	8.24	-	-	-	-	-
Mr. Prashant Kamat	-	-	33.10	-	-	-	-	-
Mr . Rajesh Joshi	-	-	5.92	-	-	-	-	-

## CEINSYS TECH LIMITED

### Notes forming part to the Standalone Financial Statements for the year ended March 31, 2022

Nature of Transaction	(Rs. In Lakhs)							
	Subsidiaries		Key Management Personnel		Entities in which significant influence by Key managerial personnel & their relative		Relative of Key management personnel	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
<b>Sitting Fees</b>								
Mr Sagar Meghe	-	-	5.00	-	-	-	-	-
<b>CSR Expenditure</b>								
Sai Ashram	-	-	-	-	-	26.00	-	-
<b>Other Expenses</b>								
<b>Security Service Expense:</b> Mai Manpower LLP	-	-	-	-	-	2.67	-	-
<b>Office Expense:</b> Mai Manpower LLP	-	-	-	-	-	1.68	-	-
<b>Professional &amp; Consultancy Charges:</b>								
Yeshwantrao Chavan College of Engineering	-	-	-	-	4.80	7.04	-	-
<b>Professional &amp; Consultancy Charges:</b>								
Nagar Yuvak Shikshan Sanstha	-	-	-	-	7.83	9.92	-	-
<b>Training Expenses:</b> Datta Meghe institute of Management Studies	-	-	-	-	2.50	-	-	-
<b>Equity Share Allotment</b>								
Mr. Sagar Meghe	-	-	551.29	-	-	-	-	-
Mrs. Devika Meghe	-	-	-	-	-	-	551.29	-
<b>Inter Corporate Loans -Given</b>								
ADCC Infocom Private Limited	4.60	9.61	-	-	-	-	-	-
<b>Inter Corporate Loans- Recovered</b>								
ADCC Infocom Private Limited	-	11.63	-	-	-	-	-	-
<b>Inter Corporate Loans -Taken</b>								
Primus Finance Private Limited	-	-	-	-	2,219.00	300.00	-	-
<b>Inter Corporate Loans Repaid</b>								
Primus Finance Private Limited	-	-	-	-	2,219.00	300.00	-	-

## CEINSYS TECH LIMITED

### Notes forming part to the Standalone Financial Statements for the year ended March 31, 2022

#### C. Balances as at the year end

Nature of Transaction	(Rs. In Lakhs)							
	Subsidiaries		Key Management Personnel		Entities in which significant influence by Key managerial personnel & their relative		Relative of Key management personnel	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
<b>Managerial Remuneration payable</b>								
Mr Sagar Meghe	-	-	43.92	1.87	-	-	-	-
Mr Abhay Kimmatkar	-	-	-	26.07	-	-	-	-
Mr H O Thakare	-	-	-	14.56	-	-	-	-
Mr Rahul Johrapurkar	-	-	-	12.61	-	-	-	-
<b>Sitting Fees payable</b>								
Mr Sagar Meghe	-	-	1.80	-	-	-	-	-
<b>Trade Receivables</b>								
Yeshwantrao Chavan College of Engineering	-	-	-	-	0.06	0.16	-	-
Nagar Yuvak Shikshan Sanstha	-	-	-	-	2.92	2.58	-	-
Jawaharlal Nehru Medical College	-	-	-	-	3.01	12.04	-	-
Datta Meghe Institute of Medical Sciences	-	-	-	-	10.37	0.54	-	-
Datta Meghe Institute of Medical Sciences	-	-	-	-	-	6.14	-	-
Perception Solutions Private Limited	-	-	-	-	-	1.17	-	-
Shri Vidyarthi Sudhar Sangh	-	-	-	-	0.21	-	-	-
<b>Trade Payable</b>								
Yeshwantrao Chavan College of Engineering	-	-	-	-	-	0.16	-	-
Mai Manpower LLP	-	-	-	-	-	0.12	-	-
Radhika Meghe	-	-	-	-	-	-	5.75	5.88
<b>Inter Corporate Loan Given</b>								
ADCC Infocom Private Limited	5.04	-	-	-	-	-	-	-
<b>Security deposit Given</b>								
SMG Realities Private Limited	-	-	-	-	0.70	-	-	-
Radhika Meghe	-	-	-	-	-	-	5.00	5.00

#### D Key managerial personnel compensation :

The remuneration of key managerial personnel during the year was as follows:

Particulars	(Rs. In Lakhs)	
	March 31, 2022	March 31, 2021
Short-term employment benefit	441.53	437.26
Post-employment benefit	0.05	0.69
<b>Total Compensation</b>	<b>441.58</b>	<b>437.95</b>

All the transactions with related parties were made in normal commercial terms and conditions and at market rate.

All outstanding balance are unsecured.

**E The Company has advanced loan to Subsidiary Company. Disclosure pursuant to regulation 34 (3) read with para A of Schedule V of SEBI Listing Regulation, 2015:**

Principal & Interest amount outstanding as at year end are:\*

Particulars	(Rs. In Lakhs)	
	March 31, 2022	March 31, 2021
Subsidiary Company		
ADCC Infocom Private Limited	5.04	-

# CEINSYS TECH LIMITED

## Notes forming part to the Standalone Financial Statements for the year ended March 31, 2022

The maximum amount due during the year were :

Particulars	(Rs. In Lakhs)	
	March 31, 2022	March 31, 2021
ADCC Infocom Private Limited	5.04	9.77

\* Above loan is given for business purpose.

### Note 39 : Fair Value

#### 39.01 Financial Instruments by category:

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial assets and liabilities that are recognised in the financial statements.

#### a) Financial Assets / Financial Liabilities measured at fair value:

Particulars	(Rs. In Lakhs)	
	March 31, 2022	March 31, 2021
Financial Assets designated at fair value through profit or loss:-		
- Investments	7.61	7.61

#### b) Financial Assets designated at amortised cost:-

Subsidiary Companies	(Rs. In Lakhs)			
	As at March 31, 2022		As at March 31, 2021	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial Assets designated at amortised cost:-</b>				
Trade receivables	8,179.04	8,179.04	12,832.44	12,832.44
Loans	5.28	5.28	0.54	0.54
Other financial assets	697.25	697.25	760.38	760.38
Cash and cash equivalents	3.76	3.76	3.61	3.61
Bank balances other than cash and cash equivalents	740.53	740.53	964.41	964.41
Unbilled Revenues	9,150.95	9,150.95	6,986.93	6,986.93
<b>Total</b>	<b>18,776.81</b>	<b>18,776.81</b>	<b>21,548.31</b>	<b>21,548.31</b>

#### c) Financial Liabilities designated at amortised cost:-

Subsidiary Companies	(Rs. In Lakhs)			
	As at March 31, 2022		As at March 31, 2021	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial Liabilities designated at amortised cost:-</b>				
Borrowings	6,039.03	6,039.03	8,664.95	8,664.95
Trade payables	4,363.98	4,363.98	6,469.62	6,469.62
Other financial liabilities	530.15	530.15	755.59	755.59
<b>Total</b>	<b>10,933.16</b>	<b>10,933.16</b>	<b>15,890.16</b>	<b>15,890.16</b>

#### 39.02 Fair Valuation techniques used to determine fair value

The following methods and assumptions were used to estimate the fair values:

1 Fair value of cash and cash equivalents, other bank balances, trade receivables, trade payables, unbilled receivables, current loans, current borrowings, deposits and other current financial assets and liabilities are approximate at their carrying amounts largely due to the short-term maturities of these instruments.

2 The fair values of non-current borrowings and Margin money are approximate at their carrying amount due to interest bearing features of these instruments.

#### 39.03 Fair value hierarchy

The Company uses the following hierarchy for determining and

disclosing the fair value of financial instruments by valuation techniques:-

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

**Level 2-** Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

**Level 3-** Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The following table provides hierarchy of the fair value measurement of Company's asset and liabilities, grouped into Level 1 (Quoted prices in active markets), Level 2 (Significant observable inputs) and Level 3 (Significant unobservable inputs) as described below:

## CEINSYS TECH LIMITED

### Notes forming part to the Standalone Financial Statements for the year ended March 31, 2022

(Rs. In Lakhs)			
Particulars	As at March 31, 2022		
	Level 1	Level 2	Level 3
<b>Financial Assets designated at fair value through profit or loss:-</b>			
- Investments	-	-	7.61

(Rs. In Lakhs)			
Particulars	As at March 31, 2021		
	Level 1	Level 2	Level 3
<b>Financial Assets designated at fair value through profit or loss:-</b>			
- Investments	-	-	7.61

\* Since the investments under level 3 category are not material, so the disclosure for the same is not given.

#### Note 40 Financial risk management

The company's activities expose it to market risk, credit risk and liquidity risk. The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Committee of Board of Directors.

#### A Market Risk

Market Risk is the risk that the future value of a financial instrument will fluctuate due to moves in the market factors. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments.

The Company manages market risk through a treasury department headed by the CFO, which evaluates and exercises independent control over the entire process of market risk management and the processes of risk management is also approved by Senior Management and the Audit Committee.

" The most common types of market risks include

- interest rate risk,
- foreign currency risk and
- equity price risk. "

#### (i) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company having non current borrowing in the form of Term Loan . Also, the Company is having current borrowings in the form of working capital facility and Inter Corporate Loans. There is a fixed rate of interest in case of Inter corporate deposit, Suppliers Credit and Vehicle Loan hence, there is no interest rate risk associated with these borrowings. The Company is exposed to interest rate risk associated with Term Loan and working capital facility due to floating rate of interest.

The table below illustrates the impact of a 0.5% increase in interest rates on interest on financial liabilities assuming that the changes occur at the reporting date and has been calculated based on risk exposure outstanding as of date. The year end balances are not necessarily representative of the average debt outstanding during the year.

#### Interest rate risk exposure:

The exposure of company's borrowing to interest rate changes at the end of reporting period are as follows:

(Rs. In Lakhs)		
Particulars	March 31, 2022	March 31, 2021
Variable rate borrowings-Non current	86.87	223.68
Variable rate borrowings-Current	5,874.90	6,562.88

#### Sensitivity:

Profit or loss is sensitive to higher/lower interest rate expenses from borrowings as result of change in interest rates

(Rs. In Lakhs)		
Particulars	Impact on profit before tax	
	March 31, 2022	March 31, 2021
Interest rate increased by 50 basis points*	(29.81)	(33.93)
Interest rate decreased by 50 basis points*	29.81	33.93

\* Holding all other variables constant



## CEINSYS TECH LIMITED

### Notes forming part to the Standalone Financial Statements for the year ended March 31, 2022

#### (ii) Foreign Currency Risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign currency exchange rates. The Company transacts business primarily in USD. The Company has foreign currency Trade Receivables and is therefore, exposed to foreign currency exchange risk. The Company regularly reviews and evaluates exchange rate exposure arising from foreign currency transactions. The following table demonstrates the sensitivity in the USD to the Indian Rupee with all other variables held constant. The impact on the Company's profit before tax (PBT) due to changes in the fair values of monetary assets and liabilities is given below:

Unhedged Foreign Currency exposure as at March 31, 2022	Currency	Amount in FC	Rs in Lakhs
Trade Receivable	USD	24,825	18.82

#### Foreign Currency Sensitivity

2% increase or decrease in foreign exchange rates will have the following impact on Profit Before Tax (PBT):-

Particulars	(Rs. In Lakhs)	
	2021-22	
	2% increase	2% decrease
USD	0.38	(0.38)
Increase / (Decrease) in Profit Before Tax	0.38	(0.38)

#### (iii) Equity price risk

The Company's investments in unquoted equity shares are subject to market price risk arising from uncertainties about future values of the invested securities. During the year, the Company have acquired a control in a private limited Company, which became a subsidiary of the Company. The Company's investments in unquoted equity shares other than subsidiaries is very limited and the same is reviewed and approved by senior management on a regular basis.

#### B Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligation as agreed. To manage this, the Company periodically assesses financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are periodically reviewed on the basis of such information.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made in respect of written off are recognised as income in the statement of profit and loss.

Cash and cash equivalents and deposits: Balances and deposits with banks are subject to low credit risks due to good credit ratings assigned to the banks.

#### Trade and other receivables:

The Company measures the expected credit loss of trade receivables, retention with customers and other financial assets which are subject to credit risk, based on historical trend, industry practices and the business environment in which the entity operates and adjusted for forward looking information. Loss rates are based on actual credit loss experience and past trends.

The Company has used practical expedient by computing the expected credit loss allowance for trade receivables based on provision matrix. The provision matrix taken into account historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on ageing of the days the receivables are due.

The following table summarizes the Gross carrying amount of the financial assets and provision made.

Particulars	(Rs. In Lakhs)			
	March 31, 2022		March 31, 2021	
	Gross Carrying Amount	Loss Allowance	Gross Carrying Amount	Loss Allowance
Trade Receivables	9,628.07	(1,449.03)	13,933.74	(1,101.30)
Security Deposits	254.39	(51.87)	273.35	(55.36)
Unbilled Revenue	9,305.42	(154.47)	7,067.50	(80.58)

## CEINSYS TECH LIMITED

### Notes forming part to the Standalone Financial Statements for the year ended March 31, 2022

The following table summarizes the changes in the Provisions made for the receivables:

(Rs. In Lakhs)

Particulars	March 31, 2022	March 31, 2021
Opening balance	(1,237.24)	(763.72)
Provided during the year (net of write off)	(418.13)	(473.52)
<b>Closing balance</b>	<b>(1,655.37)</b>	<b>(1,237.24)</b>

No significant changes in estimation techniques or assumptions were made during the reporting period.

#### C. Liquidity risk

Liquidity Risk refers to insufficiency of funds to meet financial obligations. Liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Management monitors rolling forecasts of the Company's liquidity position comprising the undrawn borrowing facilities and cash and cash equivalents on the basis of expected cash flows.

(Rs. In Lakhs)

Particulars	On Demand	0 to 1 years	More than 1 years	Total
<b>March 31, 2022</b>				
<b>Maturity of Financial Liabilities</b>				
Borrowings	5,874.90	124.27	39.86	6,039.03
Trade payables	-	4,363.98	-	4,363.98
Other financial liabilities	-	530.15	-	530.15
<b>March 31, 2021</b>				
<b>Maturity of Financial Liabilities</b>				
Borrowings	6,562.88	1,992.29	109.79	8,664.95
Trade payables	-	6,469.62	-	6,469.62
Other financial liabilities	-	746.82	8.77	755.59

#### Note 41 Capital Management

The primary objective of capital management is to safeguard their ability to continue as going concern, so they can continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Company considers the amount of capital in proportion to risk and manages the capital structure in light of changes in economic conditions and risk management of the underlying assets.

The Company monitors the capital structure on the basis of total debt and equity ratio and maturity profile of overall debt portfolio of the Company. Net Debt ( total borrowing net of cash and cash equivalents and bank balance other than cash and cash equivalents ) divided by Total 'equity' ( as shown in the balance sheet)

(Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Net Debt	5,294.74	7,696.93
Equity	15,974.03	8,750.93
Capital and net debt	21,268.77	16,447.86
Debt equity ratio	0.33	0.88
<b>Gearing Ratio</b>	<b>24.89%</b>	<b>46.80%</b>

# CEINSYS TECH LIMITED

## Notes forming part to the Standalone Financial Statements for the year ended March 31, 2022

Calculation of net debt is as follows:

(Rs. In Lakhs)		
Particulars	As at March 31, 2022	As at March 31, 2021
Borrowings		
Non Current	39.86	109.79
Current	5,999.17	8,555.16
	<b>6,039.03</b>	<b>8,664.95</b>
Cash and cash equivalents	3.76	3.61
Bank balances other than cash and cash equivalents	740.53	964.41
	<b>744.29</b>	<b>968.02</b>
<b>Net Debt</b>	<b>5,294.74</b>	<b>7,696.93</b>

Dividends

(Rs. In Lakhs)		
Particulars	Financial Year 2021-22	Financial Year 2020-21
<b>(i) Equity shares</b>		
Final dividend paid during the year ended March 31, 2022 of INR 2.25 (March 31, 2021 of INR 2.50 ) per fully paid share	250.13	277.92

### Note 42 Provisions

Disclosures as required by Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets:-

Movement in provisions:-

(Rs. In Lakhs)		
Nature of provision	Provision for Expected Credit Loss	Total
<b>As at April 01, 2020</b>	<b>763.72</b>	<b>763.72</b>
Provision during the year	473.52	473.52
<b>As at 31st March, 2021</b>	<b>1,237.24</b>	<b>1,237.24</b>
Provision during the year	418.13	418.13
<b>As at 31st March, 2022</b>	<b>1,655.37</b>	<b>1,655.37</b>

**Note 43 : Following is the summary of reconciliation between quarterly statements ("the statement") of current assets filed by the Company with Banks and in books of account :**

(Rs. In Lakhs)				
Particulars	For the quarter ended	Amount as per books of account	Amount as reported in the statement	Amount of difference*
Inventories, Trade Receivables and Unbilled Receivables	31.03.2022	18,588.35	17,209.58	1,378.77
Inventories, Trade Receivables and Unbilled Receivables	31.12.2021	22,314.76	20,884.54	1,430.22
Inventories, Trade Receivables and Unbilled Receivables	30.09.2021	22,377.26	20,689.44	1,687.82
Inventories, Trade Receivables and Unbilled Receivables	30.06.2021	21,644.12	20,650.36	993.76
Inventories, Trade Receivables and Unbilled Receivables	31.03.2021	21,000.19	20,124.69	875.50
Inventories, Trade Receivables and Unbilled Receivables	31.12.2020	20,708.66	19,890.99	817.67
Inventories, Trade Receivables and Unbilled Receivables	30.09.2020	20,354.24	19,358.32	995.92
Inventories, Trade Receivables and Unbilled Receivables	30.06.2020	19,074.95	18,313.22	761.73

\* Mainly on account of advances from customers adjusted with the trade receivables in the statement and non inclusion of some portion of trade receivables (which is retention in the nature) in the statement. However it has no impact on Company's overall drawing power

## CEINSYS TECH LIMITED

### Notes forming part to the Standalone Financial Statements for the year ended March 31, 2022

#### Note 44 : Ratio Analysis and its components

Sr. No.	Particulars	Numerator	Denominator	As at	As at	%	Reason for variance
				March 31, 2022	March 31, 2021		
i)	Current ratio	Current Assets	Current Liabilities	1.55	1.34	15.70%	
ii)	Debt equity ratio	Total Debt	Total Equity (Equity Share capital + Other equity)	0.38	0.99	-61.82%	Mainly due to increase in Equity Share due to issuance of shares on acquisition of subsidiary and on preferential basis and due to increased profit in the current year
iii)	Debt Service Coverage Ratio	Earnings available for debt service (Net profit after taxes + depreciation & amortization + Finance cost + Non cash operating items + other adjustment)	Finance cost + principle repayment of long term borrowings during the period/year	2.28	1.73	31.82%	Mainly due to better Operating performance
iv)	Return on equity ratio	Net profit after tax	Average Total Equity [(Opening Total Equity + Total Equity)/2]	6.20%	3.16%	96.31%	Mainly due to better Operating performance and Total Equity
v)	Inventory Turnover ratio	Revenue from Operations	Average Inventory (opening balance+ closing balance/2)	95.50	33.45	185.50%	Mainly due to lower average inventory
vi)	Trade receivables turnover ratio	Revenue from Operations	Average trade receivable (Opening balance + closing balance /2)	1.87	1.54	21.01%	
vii)	Trade payables turnover ratio	Cost of Materials Consumed	Average trade payable (Opening balance + closing balance /2)	0.93	0.81	14.22%	
viii)	Net capital turnover ratio	Revenue from Operations	Working capital ((Current asset - Investments) - current liabilities)	2.96	3.33	-11.00%	
ix)	Net profit ratio	Net Profit after tax	Revenue from Operations	3.91%	1.49%	161.76%	Mainly due to better Operating performance

**CEINSYS TECH LIMITED****Notes forming part to the Standalone Financial Statements for the year ended March 31, 2022**

Sr. No.	Particulars	Numerator	Denominator	As at		%	Reason for variance
				March 31, 2022	March 31, 2021		
x)	Return on capital employed	Profit Before interest & Tax	Total Equity + Total Debts + Deferred Tax Liability	9.25%	8.57%	7.90%	
xi)	Return on investment	Interest Income on fixed deposits + Profit on sale of investments + Income of investment - impairment on value of investment	Current investments + Non current Investments + Fixed deposits with bank	1.02%	11.67%	-91.24%	Mainly due to increase in Non current investments and no dividend received from Subsidiary Company in the Current Year

# CEINSYS TECH LIMITED

## Notes forming part to the Standalone Financial Statements for the year ended March 31, 2022

### Note 45: Segment Reporting

In accordance with IND-AS 108, operating segment, segment information has been given in the Consolidated Financial Statements, and therefore, no separate disclosure on segment information is given in these Financial Statements.

### Note 46 Other Statutory Information

- i) There are no balances outstanding on account of any transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- ii) The Company does not have any such transaction which is not recorded in the books of account surrendered or disclosed as income during the year in the tax assessments under the Income-tax act, 1961.
- iii) No proceeding has been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- iv) The Company is not declared wilful defaulter by any bank or financial institution or other lender.
- v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall: (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- vi) The Company has not received any fund from any person(s) or entity(s), including entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- vii) The company has not traded or invested in crypto currency or virtual currency during the financial year.

**Note 47:** Previous Year's figures have been regrouped / rearranged wherever necessary to make them comparable with those of current year.

### As per our report of even date

#### FOR CHATURVEDI & SHAH LLP

Chartered Accountants

Firm Registration Number : 101720W / W100355

**R. Koria**

(Partner)

Membership Number : 035629

#### For and on behalf of Board of Directors

**Prashant Kamat**

(Vice-Chairman and Chief Executive Officer)

(Din No.07212749)

**Place : Nagpur**

**Abhay Kimmatkar**

(Managing Director)

(Din No.01984134)

**Place : Nagpur**

**Rahul Joharapurkar**

(Jt. Managing Director)

(Din No.08768899)

**Place : Nagpur**

**Krishnan Rathnam**  
(Chief Financial Officer)

**Place : Pune**

**CS Pooja Karande**  
(Company Secretary)  
(Membership No. A54401)

**Place : Nagpur**

**Date : May 30, 2022**

**Place : Mumbai**

# CEINSYS TECH LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF CEINSYS TECH LIMITED

#### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying Consolidated Financial Statements of **CEINSYS TECH LIMITED** (hereinafter referred to as the 'Holding Company/Parent') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and its Joint Venture, which comprise the consolidated Balance Sheet as at March 31, 2022, the consolidated statement of Profit and Loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of other auditors on separate financial statements and on the other financial information of subsidiaries and joint venture, the aforesaid Consolidated Financial Statements give the information required by the Companies act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at March 31, 2022, of consolidated profit including other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended on that date.

#### Basis for Opinion

We conducted our audit of Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards

are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provision of the act and rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and ICAI Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Consolidated Financial Statements.

#### Key Audit Matters (KAM)

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements for the year ended March 31, 2022. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matter described below to be the key audit matter to be communicated in our report. We have fulfilled the responsibilities described in the Auditors' responsibilities for the audit of the Consolidated Financial Statements section of our report, including in relation to that matter. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Consolidated Financial Statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying Consolidated Financial Statements.

Key Audit Matter	How our audit addressed the key audit matter
<b>1) Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of Ind AS 115 "Revenue from Contracts with Customers"</b>	
Ind AS 115 requires certain key judgments relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue over a period. Additionally, this accounting standard contains disclosures which involve information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date. Refer Note No. 2(a) (ix) and 30 to the Consolidated Financial Statements.	Our audit approach included, among other items: <ul style="list-style-type: none"> <li>• Testing the design and operating effectiveness of the internal controls and substantive testing as follows: <ul style="list-style-type: none"> <li>- Evaluating the design of internal controls and its operating effectiveness relating to revenue recognition.</li> <li>• Selecting a sample of contracts and performing the following procedures: <ul style="list-style-type: none"> <li>- Reading, analyzing and identifying the distinct performance obligations in those contracts.</li> <li>- Comparing the performance obligations with that identified and recorded by the Holding Company.</li> <li>- Considering the terms of the contracts to determine the transaction price including any variable consideration to compute revenue and testing the basis for estimation of the variable consideration.</li> </ul> </li> <li>• Verifying the computation of unbilled revenue, based on actual cost incurred from estimated total cost to the extent of estimated total value of the various on-going projects.</li> <li>• Verifying the completeness of disclosure in the Consolidated Financial Statements as per Ind AS 115.</li> </ul> </li> </ul>



### **Information Other Than the Consolidated Financial Statements and Auditors' Report Thereon**

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the management discussion & analysis and director's report included in the annual report but does not include the Consolidated Financial Statements and our auditor's report thereon. The above information is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the above other information, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance.

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

The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive Income), consolidated cash flows and consolidated changes in equity of the Group and of its joint venture in accordance with the accounting principles generally accepted in India, including the Accounting Standards (Ind AS) prescribed under section 133 of the Act read with relevant rules issued thereunder.

The respective Board of Directors of the companies included in the Group and of its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and of its joint venture and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group and of its joint venture are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its joint venture is responsible for overseeing the financial reporting process of the Group and of its joint venture.

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

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

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

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

its joint venture of which we are the independent auditors and whose financial information we have audited, to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

#### Other Matter

We did not audit the Consolidated Financial Statements of a subsidiary (which include 5 subsidiaries and 1 joint venture), whose financial statements/information reflect total assets of Rs. 5,554.66 Lakhs as at March 31, 2022, total revenue of Rs. 668.62 Lakhs, total net profit after tax Rs. 187.61 Lakhs (including share of net profit of a joint venture amounting to Rs. 186.08 Lakhs) and total comprehensive income of Rs. 184.12 Lakhs (including share of total comprehensive income of a joint venture amounting to Rs. 188.39 Lakhs) for the period ended March 31, 2022, and cash inflow of Rs. 432.08 Lakhs for the period ended March 31, 2022, as considered in the Consolidated Financial Statements. The figures for the period ended are the balancing figures between audited figures in respect of full financial year ended March 31, 2022 and figures up to February 8, 2022 i.e. date of acquisition of the Subsidiary, as prepared by the Management and approved by the Board of Directors of that Subsidiary Company. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us and our opinion on the Consolidated Financial Statements to the extent they have derived from such financial statements and management certified accounts is based solely on the reports of such other auditors and management certified accounts.

Our opinion on the Consolidated Financial Statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other Auditors and management certified accounts.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies and a joint venture, incorporated in India, as noted in the 'Other Matter' paragraph we give in the "**Annexure A**" a statement on the matters specified in paragraph 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditors on the separate financial statements of subsidiaries and a joint venture, companies incorporated in India, referred in the Other Matters paragraph above we report, to the extent applicable, that:

- (a) We / the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
- (d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company, the reports of the statutory auditors of its subsidiaries and a joint venture, companies incorporated in India, none of the directors of the Group companies and its joint venture, companies incorporated in India, is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls with reference to the Consolidated Financial Statements and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**", which is based on the auditor's reports of the Holding Company, subsidiaries and a joint venture, companies incorporated in India, to whom internal financial controls with reference to the financial statements is applicable.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, as per information and explanations provided to us, the remuneration provided for / paid to Whole- Time Director of the Holding Company amounting to Rs. 33.10 Lakhs was subject to approval of Shareholders of the Holding Company as on March 31,

2022, which has been subsequently approved by the Shareholders of the Holding Company at its meeting held on May 16, 2022 through e-voting postal ballot. Further managerial remuneration of Rs. 26.11 Lakhs paid by one of the subsidiary Company to its whole time directors was subject to shareholders approval.

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

- i. The Group has disclosed the impact of pending litigations on its financial position in its Financial Statements as referred to in Note No. 40.04 to the Consolidated Financial Statements;
- ii. The Group has made necessary provision in the Consolidated Financial Statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and its joint venture, companies incorporated in India.
- iv. a) The respective Managements of the Company and its subsidiaries and joint venture which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and joint venture respectively that, to the best of their knowledge and belief, as disclosed in the notes to the Consolidated Financial Statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries and joint venture to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries and joint venture ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Company and its subsidiaries and joint venture which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and joint venture respectively that, to the best of their knowledge and belief, as disclosed in the notes to the Consolidated Financial Statements, no funds have been received by the Company or any of such subsidiaries and joint venture from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries and joint venture shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiaries and joint venture which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under paragraph (2) (h) (iv) (a) and (b) above, contain any material misstatement.

v. Dividend paid during the year by the Holding Company is in compliance of Section 123 of the Act. The Subsidiaries and Joint venture has not declared or paid any dividend during the year.

#### **For Chaturvedi & Shah LLP**

Chartered Accountants

(Firm's Registration No. 101720W/W100355)

#### **R. Koria**

Partner

Membership No.035629

UDIN: **22035629AKDIYH3038**

Place: Mumbai

Date: May 30, 2022

## ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1 under the heading ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date to the members of CEINSYS TECH LIMITED on the Consolidated Financial Statements for the year ended March 31, 2022)

According to the information and explanations given to us and based on the CARO Reports issued by us and based on report issued by other auditors on the Consolidated Financial Statements of Allygrow Technologies Private Limited, we report that there are no qualifications or adverse remarks given by the respective auditors in their reports of the said companies included in the Consolidated Financial Statements except mentioned below.

S.No	Name of the entities	CIN	Holding/ Subsidiary/ Joint Venture Company	Clause number of the CARO report which is unfavorable or qualified or adverse
1	Ceinsys Tech Limited	L72300MH1998PLC114790	Holding Company	Clause (vii) (a),
2	ADCC Infocom Private Limited	U72900MH2009PTC198045	Subsidiary Company	Clause (xvii)
3	Allygrow Technologies Private Limited	U74900PN2015PTC155682	Subsidiary Company	Clause (iii) (c), Clause (iii) (d) & Clause (iii) (e)

### For Chaturvedi & Shah LLP

Chartered Accountants

(Firm’s Registration No. 101720W/W100355)

### R. Koria

Partner

Membership No.035629

UDIN: 22035629AKDIYH3038

Place: Mumbai

Date: May 30, 2022

## ANNEXURE B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date to the members of CEINSYS TECH LIMITED on the Consolidated Financial Statements for the year ended March 31, 2022)

### Report on the Internal Financial Controls with reference to the Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls with reference to the Consolidated Financial Statements of **CEINSYS TECH LIMITED** (hereinafter referred to as “Holding Company”) its subsidiaries and joint venture including the entities where control exists, the holding company and its subsidiaries together referred to as “the Group”), and joint venture which are entities incorporated in India, as of March 31, 2022 in conjunction with our audit of Internal Financial Controls with reference to the Consolidated Financial Statements of the Group for the year ended on that date.

#### Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group and its joint venture, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal financial control with reference to the Consolidated Financial Statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of

India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### Auditor’s Responsibility

Our responsibility is to express an opinion on the Holding Company’s internal financial controls with reference to the Consolidated Financial Statements. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the ICAI and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to the Consolidated Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and

plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies and its joint venture, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to the Consolidated Financial Statements.

#### **Meaning of Internal Financial Controls with reference to Consolidated Financial Statements**

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

#### **Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements**

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

#### **Opinion**

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Holding Company and its subsidiary companies and a joint venture, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to Consolidated Financial Statements and such internal financial controls were operating effectively as at March 31, 2022, based on the criteria for internal financial control with reference to Consolidated Financial Statements established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

#### **Other Matter**

Our aforesaid report under Section 143(3)(I) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements in so far as it relates to a separate consolidated financial statements of 3 subsidiaries and joint venture, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

**Our opinion is not modified in respect of the above matter.**

#### **For Chaturvedi & Shah LLP**

Chartered Accountants  
(Firm's Registration No. 101720W/W100355)

#### **R. Koria**

Partner  
Membership No.035629  
UDIN: 22035629AKDIYH3038

Place: Mumbai  
Date: May 30, 2022

# CEINSYS TECH LIMITED

## Consolidated Balance Sheet as at March 31, 2022

(Rs. In Lakhs)

Particulars	Notes	31 March 2022	31 March 2021
<b>ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Property, Plant and Equipment	3	2,184.74	2,172.90
(b) Right-of-use assets	4	215.94	
(c) Goodwill on Consolidation		1,996.18	5.57
(d) Other Intangible Assets	5	86.82	85.53
(e) Financial Assets			
(i) Investments	6	1,863.37	7.61
(ii) Trade Receivables	7	375.15	293.19
(iii) Other Financial Assets	8	518.87	369.29
(f) Deferred Tax Asset (Net)	21	279.98	334.80
(g) Non-Current Tax Assets (Net)		334.88	119.42
(h) Other Non-Current Assets	9	185.01	82.11
<b>Total Non-Current Assets</b>		<b>8,040.94</b>	<b>3,470.42</b>
<b>(2) Current Assets</b>			
(a) Inventories	10	95.59	315.27
(b) Financial Assets			
(i) Trade Receivables	11	8,493.11	12,539.25
(ii) Cash and Cash Equivalents	12	1,400.39	7.82
(iii) Bank Balance Other Than (ii) Above	13	1,269.53	964.41
(iv) Loans	14	0.24	0.54
(v) Unbilled Revenue	15	9,653.82	6,986.92
(vi) Other Financial Assets	16	239.79	391.21
(c) Current Tax Assets (Net)		252.98	251.03
(d) Other Current Assets	17	594.03	693.93
<b>Total Current Assets</b>		<b>21,999.48</b>	<b>22,150.38</b>
<b>TOTAL ASSETS</b>		<b>30,040.42</b>	<b>25,620.80</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	18	1,543.14	1,111.71
(b) Other Equity	19	14,743.07	7,801.83
(c) Non-controlling interests		795.74	-
<b>Total Equity</b>		<b>17,081.95</b>	<b>8,913.54</b>
<b>Liabilities</b>			
<b>(1) Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	20	39.86	109.79
(ii) Lease liabilities	22	143.23	-
(iii) Other Financial Liabilities	23	-	8.77
<b>Total Non-Current Liabilities</b>		<b>183.09</b>	<b>118.56</b>
<b>(2) Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	24	5,999.17	8,555.16

## CEINSYS TECH LIMITED

### Consolidated Balance Sheet as at March 31, 2022

(Rs. In Lakhs)			
	Notes	31 March 2022	31 March 2021
(ii) Lease liabilities	25	100.47	-
(iii) Trade Payables	26		
(A) Total outstanding dues of Micro Enterprises and Small Enterprises;		274.87	156.60
(B) Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		4,359.79	6,313.02
(iv) Other Financial Liabilities	27	663.18	753.26
(b ) Other Current Liabilities	28	1,143.73	727.73
(c) Provisions	29	234.17	82.93
<b>Total Current Liabilities</b>		<b>12,775.38</b>	<b>16,588.70</b>
<b>Total Liabilities</b>		<b>12,958.47</b>	<b>16,707.26</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>30,040.42</b>	<b>25,620.80</b>

Significant accounting policies and Notes to the Consolidated Financial Statements

1 to 50

#### As per our report of even date

#### FOR CHATURVEDI & SHAH LLP

Chartered Accountants

Firm Registration Number : 101720W / W100355

For and on behalf of Board of Directors

**R. Koria**

(Partner)

Membership Number : 035629

**Prashant Kamat**

(Vice-Chairman and Chief Executive Officer)

(Din No.07212749)

**Place : Nagpur**

**Abhay Kimmatkar**

(Managing Director)

(Din No.01984134)

**Place : Nagpur**

**Rahul Joharapurkar**

(Jt. Managing Director)

(Din No.08768899)

**Place : Nagpur**

**Krishnan Rathnam**

(Chief Financial Officer)

**Place : Pune**

**CS Pooja Karande**

(Company Secretary)

(Membership No. A54401)

**Place : Nagpur**

**Date : May 30, 2022**

**Place : Mumbai**



## CEINSYS TECH LIMITED

### Consolidated Statement of Profit and Loss for the year ended March 31, 2022

		(Rs. In Lakhs)	
Particulars	Notes	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
<b>I. Revenue From Operations</b>	30	20,288.64	18,523.19
<b>II. Other Income</b>	31	167.68	154.76
<b>III. Total income (I + II)</b>		<b>20,456.32</b>	<b>18,677.95</b>
<b>IV. Expenses</b>			
Purchases of Stock-in-Trade		2,267.59	1,659.20
Changes in Inventories of Stock-in-Trade	32	(18.61)	68.90
Project and Other Operating Expenses	33	9,663.86	10,518.09
Employee Benefits Expense	34	3,620.90	2,891.57
Finance Costs	35	922.95	1,172.39
Depreciation and Amortisation Expense	36	302.53	337.59
Other Expenses	37	2,535.42	1,786.64
<b>Total Expenses (IV)</b>		<b>19,294.64</b>	<b>18,434.38</b>
<b>V. Profit Before Share of Profit of Joint Venture, Exceptional Item and Tax (III-IV)</b>		<b>1,161.68</b>	<b>243.57</b>
<b>VI. Share of profit of joint venture</b>		186.08	-
<b>VII. Profit Before Exceptional Item and Tax (V+VI)</b>		<b>1,347.76</b>	<b>243.57</b>
<b>VIII. Exceptional items</b>		-	-
<b>IX. Profit Before Tax (VII+VIII)</b>		<b>1,347.76</b>	<b>243.57</b>
<b>X. Tax Expense</b>			
(1) Current Tax	21	488.45	201.48
(2) Income Tax for earlier Years		(8.16)	(3.43)
(3) Deferred Tax	21	(84.44)	(153.87)
<b>XI. Profit for the Year (IX + X)</b>		<b>951.91</b>	<b>199.39</b>
<b>XII. Other Comprehensive Income</b>			
<b>A. Items that will not be reclassified to profit or loss :</b>			
(i) Remeasurements Gain/(Loss) on defined benefit plans		(44.50)	(4.66)
(ii) Income Tax relating to items that will not be reclassified to profit or loss		9.89	1.30
(iii) Share of other comprehensive income of joint ventures		-	-
<b>B. Items that will be reclassified to profit or loss</b>		-	-
(i) Income Tax relating to items that will be reclassified to profit or loss		-	-
(ii) Share of other comprehensive income of joint ventures		2.31	-
(iii) Exchange differences on translation of foreign operations		4.72	-
<b>Total Other Comprehensive Income</b>		<b>(27.58)</b>	<b>(3.36)</b>
<b>XIII. Total Comprehensive Income for the Year (XI+XII)</b>		<b>924.33</b>	<b>196.03</b>
<b>XIV. Net Profit attributable to:</b>			
Owners of the company		919.46	199.39
Non-controlling interests		32.45	-
<b>XV. Other Comprehensive Income attributable to:</b>			
Owners of the company		(26.98)	(3.36)
Non-controlling interests		(0.60)	-
<b>XVI. Total comprehensive income attributable to:</b>			
Owners of the company		892.48	196.03
Non-controlling interests		31.85	-

# CEINSYS TECH LIMITED

## Consolidated Statement of Profit and Loss for the year ended March 31, 2022

		(Rs. In Lakhs)	
Particulars	Notes	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
<b>Earnings per Equity Share (Face Value of Rs.10/- each)</b>			
Basic ( in Rs. )	38	8.12	1.79
Diluted ( in Rs. )	38	8.12	1.79

Significant accounting policies and Notes to the Consolidated Financial Statements

1 to 50

**As per our report of even date**

### FOR CHATURVEDI & SHAH LLP

Chartered Accountants

Firm Registration Number : 101720W / W100355

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

**R. Koria**

(Partner)

Membership Number : 035629

**Prashant Kamat**

(Vice-Chairman and Chief Executive Officer)

(Din No.07212749)

**Place : Nagpur**

**Abhay Kimmatkar**

(Managing Director)

(Din No.01984134)

**Place : Nagpur**

**Rahul Joharapurkar**

(Jt. Managing Director)

(Din No.08768899)

**Place : Nagpur**

**Krishnan Rathnam**

(Chief Financial Officer)

**Place : Pune**

**CS Pooja Karande**

(Company Secretary)

(Membership No. A54401)

**Place : Nagpur**

**Date : May 30, 2022**

**Place : Mumbai**

## CEINSYS TECH LIMITED

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

#### A. Equity Share Capital

(Rs. In Lakhs)					
Particulars	Balance as at April 1, 2020	Changes during 2020-21	Balance as at March 31, 2021	Changes during 2021-22	Balance as at March 31, 2022
Equity Share Capital	1,111.71	-	1,111.71	431.43	1,543.14

#### B. Other Equity

(Rs. In Lakhs)							
Particulars	Reserve and Surplus			Items of Other Comprehensive Income			Total Other Equity
	Securities Premium	General Reserve	Retained Earnings	Share of Joint Venture	Foreign Currency Translation Reserve	Remeasurements of Defined Benefit Plans	
<b>Balance As at April 01, 2020</b>	<b>2,294.18</b>	<b>21.50</b>	<b>5,569.91</b>	-	-	<b>(1.87)</b>	<b>7,883.72</b>
Total Comprehensive Income for the Year	-	-	199.39	-	-	(3.36)	196.03
Dividend paid	-	-	(277.92)	-	-	-	(277.92)
<b>Balance As at March 31, 2021</b>	<b>2,294.18</b>	<b>21.50</b>	<b>5,491.38</b>	-	-	<b>(5.23)</b>	<b>7,801.83</b>
Total Comprehensive Income for the Year	-	-	919.46	1.91	3.90	(32.79)	892.48
Issue of Equity Shares (Refer Note No. 18.02)	6,298.89	-	-	-	-	-	6,298.89
Dividend paid	-	-	(250.13)	-	-	-	(250.13)
<b>Balance As at March 31, 2022</b>	<b>8,593.07</b>	<b>21.50</b>	<b>6,160.71</b>	<b>1.91</b>	<b>3.90</b>	<b>(38.02)</b>	<b>14,743.07</b>

As per our report of even date

#### FOR CHATURVEDI & SHAH LLP

Chartered Accountants

Firm Registration Number : 101720W / W100355

For and on behalf of Board of Directors

**R. Koria**

(Partner)

Membership Number : 035629

**Prashant Kamat**

(Vice-Chairman and Chief Executive Officer)

(Din No.07212749)

**Place : Nagpur**

**Abhay Kimmatkar**

(Managing Director)

(Din No.01984134)

**Place : Nagpur**

**Rahul Joharapurkar**

(Jt. Managing Director)

(Din No.08768899)

**Place : Nagpur**

**Krishnan Rathnam**  
(Chief Financial Officer)

**Place : Pune**

**CS Pooja Karande**  
(Company Secretary)  
(Membership No. A54401)  
**Place : Nagpur**

**Date : May 30, 2022**

**Place : Mumbai**

## CEINSYS TECH LIMITED

### Consolidated Statement of Cash Flows for the year ended March 31, 2022

(Rs. In Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
<b>Cash Flows from Operating Activities</b>		
Profit Before Tax	1,347.76	243.57
<b>Adjustments For</b>		
Depreciation and Amortisation Expense	302.53	337.59
Bad debts Written off	56.47	127.33
Interest Income from Financial Assets	(75.10)	(89.22)
Provision for doubtful Financial Assets / Expected Credit Loss	418.13	473.52
Reversal of Rent Equalisation Reserve	(16.24)	-
Finance Costs	922.95	1,172.39
Share of profits of joint venture	(186.08)	-
Profit on Sale of Property, Plant and Equipment	(0.10)	(9.06)
<b>Operating Profit Before Working Capital Changes</b>	<b>2,770.32</b>	<b>2,256.12</b>
<b>Adjustments For</b>		
Decrease/(Increase) in Trade and Other Receivable	4,701.82	(2,313.11)
(Decrease)/Increase in Trade and Other Payable	(2,258.81)	1,655.47
Decrease in Inventories	219.68	476.93
Increase in Unbilled Revenue	(2,164.03)	(148.18)
<b>Cash Generated from Operations</b>	<b>3,268.98</b>	<b>1,927.23</b>
Income Taxes paid	(628.99)	344.02
<b>A. Net cash Inflow from Operating Activities</b>	<b>2,639.99</b>	<b>2,271.25</b>
<b>Cash Flows from Investing Activities</b>		
Purchase of Property, Plant and Equipment and Intangible Assets	(225.82)	(41.67)
Proceeds from sale of property, plant and equipment	0.92	15.66
Interest Received	96.16	76.42
<b>B. Net cash (Used In)/ Generated from Investing Activities</b>	<b>(128.74)</b>	<b>50.41</b>
<b>Cash flows from Financing Activities</b>		
Lease Payment	(14.82)	-
Proceeds from issue of Shares	1,102.57	-
Repayment of Non Current Borrowings	(153.32)	(201.27)
Movement of Current Borrowings (Net)	(2,472.60)	(845.90)
Finance Costs	(785.31)	(1,210.93)
Dividends paid to Company's Shareholders	(250.13)	(277.92)
Margin Money (Net)	492.47	148.92
<b>C. Net cash Used In Financing Activities</b>	<b>(2,081.14)</b>	<b>(2,387.10)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents ( A + B + C)</b>	<b>430.11</b>	<b>(65.44)</b>
Cash and Cash Equivalents at the beginning of the Financial year	7.82	73.26
Add: Pursuant to Acquisition of Subsidiary	962.46	-
Cash and Cash Equivalents at end of the Financial Year (Refer Note No. 12.01)	1,400.39	7.82

## CEINSYS TECH LIMITED

### Consolidated Statement of Cash Flows for the year ended March 31, 2022

#### Changes in Liabilities arising from Financing Activities on account of Non-Current and Current Borrowings

Particulars	(Rs. In Lakhs)	
	March 31, 2022	March 31, 2021
Opening balance of liabilities arising from financing activities	8,664.95	9,712.12
(a) Changes from financing cash flows	(2,625.92)	(1,047.17)
<b>Closing balance of liabilities arising from financing activities</b>	<b>6,039.03</b>	<b>8,664.95</b>

i) The above Statement of Cash Flows has been prepared under the "Indirect Method" as set out in Ind AS - 7 "Statement of Cash Flows"

ii) Figures in brackets indicate Outflows.

iii) Previous Year's figures have been regrouped / rearranged wherever necessary to make them comparable with those of current year

#### As per our report of even date

#### FOR CHATURVEDI & SHAH LLP

Chartered Accountants

Firm Registration Number : 101720W / W100355

For and on behalf of Board of Directors

**R. Koria**

(Partner)

Membership Number : 035629

**Prashant Kamat**

(Vice-Chairman and Chief Executive Officer)

(Din No.07212749)

**Place : Nagpur**

**Abhay Kimmatkar**

(Managing Director)

(Din No.01984134)

**Place : Nagpur**

**Rahul Joharapurkar**

(Jt. Managing Director)

(Din No.08768899)

**Place : Nagpur**

**Krishnan Rathnam**  
(Chief Financial Officer)

**Place : Pune**

**CS Pooja Karande**  
(Company Secretary)

(Membership No. A54401)

**Place : Nagpur**

**Date : May 30, 2022**

**Place : Mumbai**

# CEINSYS TECH LIMITED

## Notes forming part to consolidated financial statements for the year ended March 31, 2022

### 1) Corporate Information

Ceinsys Tech Limited ('the Holding company'), along with its subsidiaries (Collectively referred to as the Group) and its Joint Venture, is primarily dealing in providing Enterprise Geospatial & Engineering Services and sale of software and electricity. Ceinsys Tech Limited is listed on BSE Limited in India.

The financial statements of the Company for the year ended 31st March, 2022 were approved and adopted by board of directors in their meeting dated 30th May, 2022.

#### 1.1) Basis of preparation

The consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] as amended and other relevant provisions of the Act.

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, plan assets of defined benefit plan and employee stock options which are measured at fair value.

The financial statements are presented in Indian Rupees (Rs.), which is the functional and presentation currency. All amounts are rounded to the nearest lakhs and two decimals thereof, except when otherwise indicated.

### 2a) Significant Accounting Policies

#### i) Principles of consolidation

The consolidated financial statements have been prepared on the following principles of consolidation:

a. The financial statements of the Holding Company and its subsidiaries are combined on a line-by-line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cash flows, after fully eliminating intra-group balances and intragroup transactions and any unrealized income and expenses arising from intra Group transactions.

b. Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. The difference between the cost of investment in the subsidiaries and the Parent's share of net assets at the time of acquisition of control in the subsidiaries is recognised in the consolidated financial statements as goodwill. However, resultant gain (bargain purchase) is recognized in other comprehensive income on the acquisition date and accumulated to capital reserve in equity.

c. In case of foreign subsidiary, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the Foreign Currency Translation Reserve (FCTR).

d. The audited financial statements of foreign subsidiaries have been prepared in accordance with the Generally Accepted Accounting Principle of its Country of Incorporation or Ind AS.

e. The Consolidated Financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances. If an entity of the group uses accounting policies other than those adopted in the Consolidated Financial Statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's Financial Statements in preparing the Consolidated Financial Statements to ensure conformity with the Group's accounting policies.

f. For the acquisitions of additional interests in subsidiaries, where there is no change in the control, the Group recognises a reduction to the non-controlling interest of the respective subsidiary with the difference between this figure and the cash paid, inclusive of transaction fees, being recognised in equity. In addition, upon dilution of controlling interests, the difference between the cash received from sale or listing of the subsidiary shares and the increase to non-controlling interest is also recognised in equity. If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in Consolidated Statement of Profit and Loss. Any investment retained is recognised at fair value. The results of subsidiaries acquired or disposed off during the year are included in the Consolidated Statement of Profit and Loss from the effective date of acquisition or up to the effective date of disposal, as appropriate

g. Profit or loss and each component of OCI are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

h. Investment in Joint Venture has been accounted under the Equity Method as per Ind AS 28 – Investments in Associates and Joint Ventures.

i. Goodwill on acquisition of subsidiaries is shown separately in the financial statements. Goodwill have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Goodwill is carried at cost less accumulated impairment losses.

#### ii) Property, Plant and Equipment

Property, Plant and Equipment are carried at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Cost includes purchase price, borrowing cost and any cost directly attributable to the bringing the assets to its working condition for its intended use. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably. In case of Property, Plant and Equipment, the group has availed the carrying value as deemed cost on the date of transition i.e. 1st April, 2016.

The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to statement of profit and loss during the reporting period in which they are incurred.

Depreciation on the Property, Plant and Equipment is provided using straight line method over the useful life of the assets as specified in Schedule II to the Companies Act, 2013 except in respect of depreciation on Solar Plant where the useful life is different as per technical evaluation than those prescribed in Schedule II.

Asset Class	Useful life
Solar Plant	20 years

The asset's residual values, useful lives and method of depreciation are reviewed at each financial year end and are adjusted prospectively, if appropriate.

Losses arising from the retirement of, and gains or losses arising from disposal of Property, Plant and Equipment are recognised in the Statement of Profit and Loss.

### iii) Intangible Assets

Intangible assets are stated at acquisition cost, net of accumulated amortisation and impairment losses, if any.

Intangible Assets with finite useful lives are amortized on a straight line basis over the following period:

Asset Class	Useful life
Computer Software	3 - 6 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the disposal proceeds and the carrying amount of the asset and are recognised as income or expense in the Statement of Profit and Loss.

### iv) Impairment of Non-Financial Assets - Property, Plant and Equipment and Intangible Assets:

The group assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. For the purposes of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or group of assets, is considered as a cash generating unit. If any such indication exists, the Group estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the Balance Sheet date there is an indication that a previously assessed impairment loss no longer exists or may have decreased, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

### v) Financial instruments

Financial assets and financial liabilities are recognised when the group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at

fair value through profit or loss are recognised immediately in statement of profit and loss.

### Investments and Other Financial Assets

#### Classification

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

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

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

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The group reclassifies debt investments when and only when its business model for managing those assets changes.

#### Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset.

#### Amortised cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in statement of profit and loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

#### Fair value through other comprehensive income (FVTOCI):

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVTOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method.

#### Fair value through profit or loss:

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.



### Equity instruments

The group subsequently measures all equity investments at fair value. Dividends from such investments are recognised in profit or loss when the Group's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in the statement of profit and loss.

### Impairment of financial assets

The group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost including Loans, Unbilled Revenue, trade receivables and other contractual rights to receive cash or other financial asset.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Group always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss ("ECL") allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

### De-recognition of financial assets

A financial asset is derecognised only when:

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

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

### Financial liabilities and equity instruments

#### Classification as debt or equity

Debt and equity instruments issued by a Group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

#### Equity Instrument

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued are recognised at the proceeds received, net of direct issue costs.

#### Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at fair value through profit and loss.

Financial liabilities that are not held-for-trading and are not designated as FVTPL are measured at amortised cost at the end of subsequent

accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the group does not classify the liability as current, if the lender has agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

### Offsetting Financial Instruments

Financial Assets and Liabilities are offset and the net amount is reflected in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or counterparty.

#### vi) Inventories

Inventories comprise of stock-in-trade and consumables. Inventories are valued at the lower of cost and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost is determined on Weighted Average basis. Cost includes all charges in bringing the goods to their present location and condition, including octroi and other levies, transit insurance and receiving charges.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost necessary to make the sale.

#### vii) Employee Benefits

##### (i) Short-term obligations

Liabilities for salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

##### (ii) Other long-term employee benefits obligations

The liabilities for earned leave which are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have

terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

### **(iii) Post-employment obligations**

The group operates the following post-employment schemes:

- Defined Contribution plans such as provident fund, pension and employee state insurance scheme
- Defined Benefit plans such as Gratuity

### **Defined Contribution Plans**

The Group's contribution to provident fund (in case of contributions to the Regional Provident Fund office), pension and employee state insurance scheme are considered as defined contribution plans, as the Group does not carry any further obligations apart from the contributions made on a monthly basis and are charged as an expense based on the amount of contribution required to be made.

### **Defined Benefit Plan**

The liability or asset recognised in the balance sheet in respect of gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments, changes in actuarial assumptions and return on plan assets (excluding interest income) are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

### **(iv) Termination benefits**

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange of these benefits. The Group recognises termination benefits at earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises cost for a restructuring that is within the Scope of Ind As 37 and involves the payment of termination benefits. In case of an offer made to encourage voluntary redundancy, the termination benefits are based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of reporting period are discounted to the present value.

### **(v) Bonus Plans**

The Group recognises a liability and an expense for bonuses. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

### **viii) Provisions, Contingent Liabilities and Contingent assets**

Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

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

Contingent assets are disclosed when there is a possible asset arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the group.

### **ix) Revenue recognition**

Group derives revenue primarily by providing Enterprise Geospatial & Engineering Services and sale of software and electricity.

Group has adopted Ind AS 115 – "Revenue for Contracts with Customers" using the cumulative catch-up transition method, applied to contracts that were not completed as of April 1, 2018.

### **Revenue from enterprise geospatial & engineering services:**

Revenue is recognised when control of the promised goods or services are transferred to the customer at an amount that reflects the consideration to which group expects to be entitled in exchange for those goods or services.

Arrangements with customers are either on a fixed-price, fixed-timeframe or on a time-and-material basis. Revenue is recognised based on performance obligations satisfied from the contracts; where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration is recognized as per the percentage-of-completion method on the basis of cost incurred. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Maintenance revenue is recognized rateably over the term of the underlying maintenance arrangement.

Revenues in excess of invoicing are classified as contract assets (which group refer as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which we refer to as unearned revenue).

In determining the transaction price for the sale of good or rendering of service, group considers the effects of variable consideration and provisional pricing, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

#### **a) Sale of Software Products**

Revenue is recognised when control of the promised goods or services are transferred to the customer at an amount that reflects the consideration to which group expects to be entitled in exchange for those goods or services.

#### **b) Sale of Electricity**

Sale of electricity is recognised based on electricity generated and eligible to be invoiced during the reporting period.

#### **c) Dividend**

Dividend is recognised as income when group's right to receive the dividend is established by the reporting date.

#### **d) Interest**

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the amortised cost and at the effective interest rate applicable.

Dividend and interest income is included under the head 'Other income' in the statement of profit and loss.

#### **Contract balances**

##### **Contract assets**

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

##### **Trade receivables**

A receivable represents group's right to an amount of consideration that is unconditional. Refer to accounting policies of financial assets in note no. 2.2 (i) Financial instruments – initial recognition and subsequent measurement.

##### **Contract liabilities**

A contract liability is the obligation to transfer goods or services to a customer for which group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before group transfers goods or services to the customer,

a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when group performs under the contract.

#### **x) Foreign Currency Transactions & Translations**

In preparing the financial statements of the Group, transactions in currencies other than the group's functional currency viz. Indian Rupee are recognised at the rates of exchange prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in statement of profit and loss. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in statement of profit and loss in the period in which they arise.

#### **xi) Leases**

The group assesses whether a contract contains a lease, at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the group assesses whether (i) the contract involves the use of identified asset; (ii) the group has substantially all of the economic benefits from the use of the asset through the period of lease and (iii) the group has right to direct the use of the asset.

##### **Group as a Lessee**

The group will recognize a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the site on which it is located, less any lease incentives received.

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities include these options when it is reasonably certain that the option will be exercised.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the group's incremental borrowing rate. Generally, the group uses its incremental borrowing rate as the discount rate.

The lease liability is subsequently measured at amortised cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is

a change in the group's estimate of the amount expected to be payable under a residual value guarantee, or if group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The group has operating leases of premises. These lease arrangements range for a period between 11 months and 5 years which are all cancellable leases. Most of the leases are renewable for further period on mutually agreeable terms. As at March 31, 2020, the group doesn't have any lease agreement with lock in period more than 12 months. The group has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of less than or equal to 12 months with no purchase option and assets with low value leases. The group recognizes the lease payments associated with these leases as an expense in statement of profit and loss over the lease term on a straight-line basis. The related cash flows are classified as operating activities.

#### **xii) Taxes on Income**

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the separate financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred

tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

Minimum Alternative Tax (MAT) is applicable to the group. Credit of MAT is recognised as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT credit entitlement. The Group reviews the same at each Balance Sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Group will pay normal income tax during the specified period.

#### **xiii) Cash and Cash Equivalents**

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the group's cash management.

#### **xiv) Borrowing Costs**

Borrowing costs specifically relating to the acquisition or construction of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use are capitalized (net of income on temporarily deployment of funds) as part of the cost of such assets. Borrowing costs consist of interest and other costs that the group incurs in connection with the borrowing of funds. For general borrowing used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalization is determined by applying a capitalization rate to the expenditures on that asset. The capitalization rate is the weighted average of the borrowing costs applicable to the borrowings of the group that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized during a period does not exceed the amount of borrowing cost incurred during that period. All other borrowing costs are expensed in the period in which they occur.

#### **xv) Deferred Revenue and Unbilled Revenue**

Amounts received from customers or billed to customers, in advance of services performed are recorded as deferred revenue under Other Current Liabilities. Unbilled revenue included in Current Financial Assets, represents amounts recognised in respect of services performed in accordance with contract terms, not yet billed to customers as at the year end.

#### **xvi) Earnings per shares**

##### **i. Basic earnings per share**

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Group
- by weighted average number of equity shares outstanding during the financial year, adjusted for the bonus elements in equity shared issued during the year

## ii. Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account

- income or expense that would result from the conversion of the dilutive potential ordinary shares
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

## xvii) Segment Reporting

The Chairman of the Group has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, "Operating Segments."

Operating segments are reported in a manner consistent with the internal reporting provided to the CODM.

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Group. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Income / Costs which relate to the Group as a whole and are not allocable to segments on a reasonable basis, have been included under Unallocated Income/Costs. Interest income and expense are not allocated to respective segments.

As per Ind AS, If a financial report contains consolidated financial statement of a parent that is within the scope of Ind AS as well as parent's separate financial statements, Segment information is required only in the consolidated financial statements. Accordingly, the Group has disclosed segment information only in consolidated financial statement.

## xviii) Dividend Distribution:

Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividends are approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution is recognised directly in other equity.

## xix) Current and non-current classification

The Group presents assets and liabilities in statement of financial position based on current/non-current classification.

The Group has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by Ministry of Corporate Affairs (MCA).

### 'An asset is classified as current when it is:

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

All other assets are classified as non-current.

### A liability is classified as current when it is:

- a) Expected to be settled in normal operating cycle,
  - b) Held primarily for the purpose of trading,
  - c) Due to be settled within twelve months after the reporting period, or
  - d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Deferred tax assets and liabilities are classified as non-current assets and liabilities. The Group has identified twelve months as its operating cycle.

## xx) Fair value measurement:

The group measures financial instruments at fair value at each Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a) In the principal market for the asset or liability, or
- b) In the absence of a principal market, in the most advantageous market for the asset or liability.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy.

## xxi) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs, unless otherwise stated.

## 2b) Critical accounting judgements and key sources of estimation uncertainties

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

- (i) **Revenue Recognition:** The Group uses the percentage-of-completion method in accounting for its fixed - price contracts. The use of the percentage-of-completion method requires the Group to estimate the efforts or costs expended to date as a proportion of total efforts or costs to be expended. Efforts or costs have been used to

measure progress towards completion as there is direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in their period in which such losses become probable based on the expected contract estimates at the reporting date.

**(ii) Expected Credit Loss:** The Group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment on financial assets. The Group measures the ECL associated with its assets based on historical trend, industry practices and the business environment in which entity operates or any other appropriate basis. For trade receivables, the Group follows 'simplified approach' for recognition of impairment loss allowance. As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in forward-looking estimates are analysed.

**(iii) Useful life of Assets:**

Depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

**(iv) Defined benefit plans:**

The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

**2c) Standards Issued But Not Effective**

On March 23, 2022, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2022. This notification has resulted into amendments in the following existing accounting standards which are applicable to company from April 1, 2022.

Ind AS 101 – First time adoption of Ind AS

Ind AS 103 – Business Combination

Ind AS 109 – Financial Instrument

Ind AS 16 – Property, Plant and Equipment

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets

Ind AS 41 – Agriculture

Application of above amended standards are not expected to have any significant impact on the company's financial statements.



## CEINSYS TECH LIMITED

### Notes forming part to the Consolidated Financial Statements for the year ended March 31, 2022

#### Note : 3 Property, Plant and Equipment

Particulars	(Rs. In Lakhs)							
	Freehold-Land	Leasehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Total
<b>Balance As at April 01, 2020</b>	<b>32.93</b>	<b>68.69</b>	<b>337.06</b>	<b>1,777.84</b>	<b>409.77</b>	<b>230.75</b>	<b>952.18</b>	<b>3,809.21</b>
Additions	-	-	-	-	-	-	31.67	31.67
Disposals/Transfer	-	-	-	-	-	47.57	-	47.57
<b>Balance As at March 31, 2021</b>	<b>32.93</b>	<b>68.69</b>	<b>337.06</b>	<b>1,777.84</b>	<b>409.77</b>	<b>183.18</b>	<b>983.85</b>	<b>3,793.31</b>
Addition pursuant to acquisition of subsidiary (Refer Note No. 39.01)	-	-	-	-	-	75.14	182.65	257.79
Additions	-	-	-	-	26.44	20.07	163.48	209.99
Disposals/Transfer	-	-	-	-	-	28.76	1.06	29.82
Translation Reserve	-	-	-	-	-	-	0.07	0.07
<b>Balance As at March 31, 2022</b>	<b>32.93</b>	<b>68.69</b>	<b>337.06</b>	<b>1,777.84</b>	<b>436.21</b>	<b>249.63</b>	<b>1,328.99</b>	<b>4,231.34</b>
<b>Accumulated Depreciation</b>								
<b>Balance As at April 01, 2020</b>	<b>-</b>	<b>2.36</b>	<b>22.63</b>	<b>365.63</b>	<b>168.60</b>	<b>101.68</b>	<b>721.42</b>	<b>1,382.31</b>
Depreciation for the year	-	0.77	5.77	102.65	42.39	26.16	101.33	279.07
Disposals	-	-	-	-	-	40.97	-	40.97
<b>Balance As at March 31, 2021</b>	<b>-</b>	<b>3.13</b>	<b>28.40</b>	<b>468.28</b>	<b>210.99</b>	<b>86.87</b>	<b>822.75</b>	<b>1,620.41</b>
Addition in depreciation pursuant to acquisition of subsidiaries (Refer Note No. 39.01)	-	-	-	-	-	47.55	156.46	204.01
Depreciation for the Year	-	0.77	5.77	102.20	42.72	22.12	76.02	249.60
Disposals	-	-	-	-	-	27.32	0.13	27.45
Translation Reserve	-	-	-	-	-	-	0.03	0.03
<b>Balance As at March 31, 2022</b>	<b>-</b>	<b>3.90</b>	<b>34.17</b>	<b>570.48</b>	<b>253.71</b>	<b>129.22</b>	<b>1,055.13</b>	<b>2,046.60</b>
<b>Net Carrying Amount</b>								
<b>Balance As at March 31, 2021</b>	<b>32.93</b>	<b>65.56</b>	<b>308.66</b>	<b>1,309.57</b>	<b>198.78</b>	<b>96.31</b>	<b>161.10</b>	<b>2,172.90</b>
<b>Balance As at March 31, 2022</b>	<b>32.93</b>	<b>64.79</b>	<b>302.89</b>	<b>1,207.37</b>	<b>182.50</b>	<b>120.41</b>	<b>273.86</b>	<b>2,184.74</b>

**3.01** Property, Plant and Equipment includes assets mortgaged or pledged as security (Refer Note no. 20 and 24)

**3.02** In accordance with the Indian Accounting Standard -36 on "Impairment of Assets", the management during the year carried out an exercise of identifying the assets that may have been impaired in accordance with the said Ind AS. On the basis of review carried out by the management, there was no impairment loss on Property, Plant and Equipment during the year ended March 31, 2022.

**3.03** There are no proceeding initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.



# CEINSYS TECH LIMITED

## Notes forming part to the Consolidated Financial Statements for the year ended March 31, 2022

### Note 4 :Right of Use Asset

This note provides information for leases where the Group is a lessee. The Group leases various offices. Rental contracts are typically made for fixed periods of 1-5 years, but may have extension options as described in (iii).

#### (i)The balance sheet shows the following amounts relating to leases:

(Rs. In Lakhs)		
Particulars	31 March 2022	31 March 2021
<b>Right-of-use assets:</b>		
Office Premises	215.94	-
	<b>215.94</b>	-

(Rs. In Lakhs)		
Particulars	31 March 2022	31 March 2021
<b>Lease Liabilities:</b>		
Current	100.47	-
Non-current	143.23	-
	<b>243.70</b>	-

#### (ii) Amounts recognized in the statement of profit and loss

The statement of profit and loss shows the following amounts relating to leases:

(Rs. In Lakhs)			
Particulars	Notes	31 March 2022	31 March 2021
<u>Depreciation charge of right-of-use assets</u>			
- Office Premises	36	6.26	-
<b>Total</b>		<b>6.26</b>	-

(Rs. In Lakhs)			
Particulars	Notes	31 March 2022	31 March 2021
Interest expense (included in finance costs)	35	0.27	-

#### (iii)Extension and termination options

Extension and termination options are included in a number of leases entered into by the Company. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable mutually by both lessor and lessee.

## CEINSYS TECH LIMITED

### Notes forming part to the Consolidated Financial Statements for the year ended March 31, 2022

#### Note 5: Other Intangible Assets

(Rs. In Lakhs)

Particulars	Software*
<b>Balance As at April 01, 2020</b>	<b>301.98</b>
Additions	10.00
Disposals	-
<b>Balance As at March 31, 2021</b>	<b>311.98</b>
Addition pursuant to acquisition of subsidiaries (Refer Note No. 39.01)	2,048.72
Additions	15.93
Disposals	-
<b>Balance As at March 31, 2022</b>	<b>2,376.63</b>
<b>Accumulated amortisation</b>	
<b>Balance As at April 01, 2020</b>	<b>167.93</b>
Amortisation charged during the year	58.52
Disposals	-
<b>Balance As at March 31, 2021</b>	<b>226.45</b>
Addition in amortisation pursuant to acquisition of subsidiaries (Refer Note No. 39.01)	2,016.68
Amortisation charged during the Year	46.67
Disposals	-
Translation Reserve	0.01
<b>Balance As at March 31, 2022</b>	<b>2,289.81</b>
<b>Net Carrying Amount</b>	
<b>Balance As at March 31, 2021</b>	<b>85.53</b>
<b>Balance As at March 31, 2022</b>	<b>86.82</b>

\* Other than self generated

#### Note 6: Non- Current Investments

(Rs. In Lakhs)

Particulars	As at March 31,2022	As at March 31,2021
<b>In Equity Instruments (Unquoted, Fully Paid up)</b>		
<b>(A) Joint Venture - Carried at cost</b>		
1,09,20,000 equity shares (March 31, 2021: Nil) of Rs. 10 each in Allygram Systems and Technologies Private Limited	1,855.76	-
<b>Total (A)</b>	<b>1,855.76</b>	<b>-</b>
<b>(B) Others - Carried at Fair Value through Profit and Loss</b>		
50,000 (March 31, 2021 : 50,000) equity shares of face value Rs. 10 each of Abhyudaya Co-operative Bank Limited	5.00	5.00
2,610 (March 31, 2021 : 2610) equity shares of face value Rs. 100 each of Wardhaman Co-operative Bank Limited	2.61	2.61
<b>Total (B)</b>	<b>7.61</b>	<b>7.61</b>
<b>Total Non-Current Investments (A+B)</b>	<b>1,863.37</b>	<b>7.61</b>
Aggregate amount of unquoted investments	1,863.37	7.61
Investment carried at Fair Value through Profit and Loss	7.61	7.61
Investment carried at Cost	1,855.76	-

## CEINSYS TECH LIMITED

### Notes forming part to the Consolidated Financial Statements for the year ended March 31, 2022

#### Note : 7 Non-Current Financial Assets - Trade Receivables

(Rs. In Lakhs)

Particulars	As at March 31,2022		As at March 31, 2021	
<b>Unsecured</b>				
Considered Good	440.73		316.32	
Less : Allowance for Expected Credit Loss	65.58	375.15	23.13	293.19
<b>Total</b>		<b>375.15</b>		<b>293.19</b>

7.01 Trade Receivables are hypothecated as security for working capital facilities from banks (Refer Note No. 24).

7.02 For Trade Receivables ageing Refer Note No. 11.02

#### Note : 8 Non-Current Financial Assets - Others

(Rs. In Lakhs)

Particulars	As at March 31,2022		As at March 31, 2021	
<b>(Unsecured, Considered Good:)</b>				
Deposits with bank with more than 12 months maturity (Refer Note No. 8.01)		448.02		346.60
<b>Security Deposits</b>				
Considered Good	74.04		24.47	
Less : Allowance for Expected Credit Loss	3.19	70.85	1.78	22.69
<b>Total</b>		<b>518.87</b>		<b>369.30</b>

8.01 The above deposits with banks are pledge as margin money against bank guarantees.

#### Note : 9 Other Non Current Assets

(Rs. In Lakhs)

Particulars	As at March 31,2022		As at March 31, 2021	
Pre-paid Expenses		185.01		82.11
<b>Total</b>		<b>185.01</b>		<b>82.11</b>

#### Note : 10 Inventories

(Rs. In Lakhs)

Particulars	As at March 31,2022		As at March 31, 2021	
Stock-in-trade		28.09		9.48
Consumable		67.50		305.79
<b>Total</b>		<b>95.59</b>		<b>315.27</b>

10.01 Inventories are hypothecated as security for working capital facilities from banks (Refer note no. 24).

10.02 Basis of valuation refer accounting policy No. 2a (vi).

#### Note : 11 Current Financial Asset-Trade Receivables

(Rs. In Lakhs)

Particulars	As at March 31,2022		As at March 31, 2021	
<b>Unsecured</b>				
Considered Good*	9,740.90		13,044.95	
Significant Increase in Credit Risk	135.66		572.47	
	9,876.56		13,617.42	
Less : Allowances for expected credit loss	1,383.45	8,493.11	1,078.17	12,539.25
<b>Total</b>		<b>8,493.11</b>		<b>12,539.25</b>

\* Includes Rs. NIL (March 31,2021: Rs. 1.17 lakhs) due from Perceptions Solutions Private Limited (Refer Note No. 38) in which Directors are interested as a member.

## CEINSYS TECH LIMITED

### Notes forming part to the Consolidated Financial Statements for the year ended March 31, 2022

11.01 Trade Receivables are hypothecated as security for working capital facilities from Banks (Refer Note No. 24).

11.02 Trade Receivables Ageing (including Non- Current Trade Receivables) as at March 31, 2022 and March 31, 2021 are as below :-

(Rs. In Lakhs)							
Particulars	Not Due	Outstanding for following period from due date of payment as at 31st March, 2022					
		Less than 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 years	Total
Undisputed Trade Receivables–Considered good	1,041.16	3,241.43	1,059.81	1,879.26	1,329.75	1,445.97	9,997.38
Undisputed Trade Receivables – Which have significant increase in credit risk	-	28.94	2.96	21.12	82.64	-	135.66
Undisputed Trade Receivables – Credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables – Considered good		45.91	-	-	127.79	10.55	184.25
Disputed Trade Receivables – Which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables – Credit impaired	-	-	-	-	-	-	-
<b>Sub Total</b>	<b>1,041.16</b>	<b>3,316.28</b>	<b>1,062.77</b>	<b>1,900.38</b>	<b>1,540.18</b>	<b>1,456.52</b>	<b>10,317.29</b>
Less : Allowance for Expected Credit Loss							(1,449.03)
<b>Total</b>	<b>1,041.16</b>	<b>3,316.28</b>	<b>1,062.77</b>	<b>1,900.38</b>	<b>1,540.18</b>	<b>1,456.52</b>	<b>8,868.26</b>

(Rs. In Lakhs)							
Particulars	Not Due	Outstanding for following period from due date of payment as at 31st March, 2021					
		Less than 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 years	Total
Undisputed Trade Receivables – Considered good	1,189.09	7,472.07	573.74	2,602.74	1,153.18	260.30	13,251.12
Undisputed Trade Receivables – Which have significant increase in credit risk	-	0.04	0.89	22.51	-	549.03	572.47
Undisputed Trade Receivables – Credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables – Considered good	-	-	-	6.02	55.40	48.73	110.15
Disputed Trade Receivables – Which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables – Credit impaired	-	-	-	-	-	-	-
<b>Sub-total</b>	<b>1,189.09</b>	<b>7,472.11</b>	<b>574.63</b>	<b>2,631.27</b>	<b>1,208.58</b>	<b>858.06</b>	<b>13,933.74</b>
Less: Allowance for expected credit loss							(1,101.30)
<b>Total</b>	<b>1,189.09</b>	<b>7,472.11</b>	<b>574.63</b>	<b>2,631.27</b>	<b>1,208.58</b>	<b>858.06</b>	<b>12,832.44</b>

#### Note : 12 Cash and Cash Equivalents

(Rs. In Lakhs)		
Particulars	As at March 31, 2022	As at March 31, 2021
Balances with banks In current accounts	1,289.08	6.33
Cash on Hand	1.22	1.49
Deposits with maturity of less than three months	110.09	
<b>Total</b>	<b>1,400.39</b>	<b>7.82</b>

## CEINSYS TECH LIMITED

### Notes forming part to the Consolidated Financial Statements for the year ended March 31, 2022

**Note : 12.01** For the purpose of the Statement of Cash Flow, Cash and Cash Equivalents

(Rs. In Lakhs)

Particulars	As at March 31,2022	As at March 31, 2021
Balances with Banks in Current Accounts	1,289.08	6.33
Cash on Hand	1.22	1.49
Deposits with maturity of less than three months	110.09	
<b>Total</b>	<b>1,400.39</b>	<b>7.82</b>

**Note : 13 Bank Balances other than Cash and Cash Equivalents**

(Rs. In Lakhs)

Particulars	As at March 31,2022	As at March 31, 2021
Unpaid Dividend Accounts	0.20	0.20
Fixed Deposit With Banks (Refer Note no. 13.01)	1,269.33	964.21
<b>Total</b>	<b>1,269.53</b>	<b>964.41</b>

**13.01** The above deposits with banks are pledged as margin money against bank guarantees

**Note : 14 Current Financial Assets - Loans**

(Rs. In Lakhs)

Particulars	As at March 31,2022	As at March 31, 2021
Loans to Employees	0.24	0.54
<b>Total</b>	<b>0.24</b>	<b>0.54</b>

**Note : 15 Unbilled Revenue**

(Rs. In Lakhs)

Particulars	As at March 31,2022	As at March 31, 2021
<b>Unsecured</b>		
Considered Good	9,808.29	7,067.50
Less :Allowances for Expected Credit Loss	154.47	80.58
<b>Total</b>	<b>9,653.82</b>	<b>6,986.92</b>

**Note: 16 Other current financial assets**

(Rs. In Lakhs)

Particulars	As at March 31,2022	As at March 31, 2021
<b>Unsecured: Considered Good</b>		
Interest Receivable	51.28	67.24
Other Receivables	3.06	
<b>Unsecured</b>		
<b>Security Deposit:</b>		
Considered Good	234.13	375.05
Significant Increase in Credit Risk	-	2.50
	234.13	377.55
Less : Allowances for expected credit loss	48.68	53.58
<b>Total</b>	<b>239.79</b>	<b>391.21</b>

**Note : 17 Other current assets**

(Rs. In Lakhs)

Particulars	As at March 31,2022	As at March 31, 2021
<b>Unsecured: Considered Good</b>		
Advances to suppliers	98.63	215.43
Balances with government authorities	226.51	278.35
Others #	268.89	200.15
<b>Total</b>	<b>594.03</b>	<b>693.93</b>

# Others Includes mainly prepaid expenses and advance to employees for expenses.

## CEINSYS TECH LIMITED

### Notes forming part to the Consolidated Financial Statements for the year ended March 31, 2022

#### Note : 18 Equity Share Capital

Particulars	(Rs. In Lakhs)	
	As at March 31, 2022	As at March 31, 2021
<b>AUTHORISED CAPITAL</b>		
2,00,00,000 (Previous Year: 2,00,00,000 )Equity Shares of Rs. 10/- each	2,000.00	2,000.00
	<b>2,000.00</b>	<b>2,000.00</b>
<b>ISSUED , SUBSCRIBED &amp; PAID UP CAPITAL</b>		
1,54,31,397 (March 31, 2021 : 1,11,17,085) Equity Shares of Rs. 10/- each, Fully Paid up	1,543.14	1,111.71
<b>Total</b>	<b>1,543.14</b>	<b>1,111.71</b>

#### 18.01 Reconciliation of number of Equity Shares outstanding at the beginning and at the end of the year :

Particulars	(Rs. In Lakhs)			
	As at March 31, 2022		As at March 31, 2021	
	No. of Equity Shares	(Rs. In Lakhs)	No. of Equity Shares	(Rs. In Lakhs)
<b>Equity Shares outstanding at the beginning of the year</b>	1,11,17,085	1,111.71	1,11,17,085	1,111.71
<b>Add: Issued during the year (Refer Note No 18.02)</b>	43,14,312	431.43	-	-
<b>Equity Shares outstanding at the end of the year</b>	<b>1,54,31,397</b>	<b>1,543.14</b>	<b>1,11,17,085</b>	<b>1,111.71</b>

#### 18.02 During the year as approved by shareholders :

(i) On February 9, 2022, the holding company has allotted 36,07,530 Equity Shares of Face Value of Rs.10 each at a premium of Rs.146 per share on Private Placement to the equity shareholders of Allygrow Technology Private Limited for consideration other than cash;

(ii) On February 10, 2022, the holding company has allotted 7,06,782 Equity Shares of Face Value of Rs.10 each at a premium of Rs.146 per share on Preferential basis to a Promoter and Promoter Group of the Group;

#### 18.03 Terms and rights attached to Equity Shares:

The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/- per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuring annual general meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. Every holder of equity share present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

#### 18.04 Details of shareholders holding more than 5% Shares of the Equity share Capital

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Raghav Infradevelopers & Builders Private Limited	32,14,529	20.83%	32,14,529	28.92%
SMG Hospitals Private Limited	13,64,000	8.84%	13,64,000	12.27%
Zodius Technology Fund II ( overseas )	10,66,903	6.91%	-	-
Zodius Technology Fund	10,94,019	7.09%	-	-
Sameer Dattatraya Meghe	11,83,934	7.67%	11,83,934	10.65%
Sagar Dattatraya Meghe	15,33,202	9.94%	11,79,811	10.61%
Devika Sagar Meghe	10,51,986	6.82%	6,98,595	6.28%
Vrinda Sameer Meghe	6,96,945	4.52%	6,96,945	6.27%

## CEINSYS TECH LIMITED

### Notes forming part to the Consolidated Financial Statements for the year ended March 31, 2022

#### 18.05 Details of shares held by promoters and promoter group in the Company.

Particulars	As at March 31, 2022		As at March 31, 2021		% Change from 31st March, 2021 to 31st March, 2022
	No. of Shares	% of Holding	No. of Shares	% of Holding	
Sameer Dattatraya Meghe	11,83,934	7.67%	11,83,934	10.65%	-2.98%
Sagar Dattatraya Meghe	15,33,202	9.94%	11,79,811	10.61%	-0.67%
Devika Sagar Meghe	10,51,986	6.82%	6,98,595	6.28%	0.54%
Vrinda Sameer Meghe	6,96,945	4.52%	6,96,945	6.27%	-1.75%
Raghav Infradevelopers & Builders Private Limited	32,14,529	20.83%	32,14,529	28.92%	-8.09%
SMG Hospitals Private Limited	13,64,000	8.84%	13,64,000	12.27%	-3.43%

#### 18.06 Dividend Paid and Proposed :

(Rs. In Lakhs)

Particulars	2021-22	2020-21
<b>Dividend Declared and paid</b>		
Dividend declared and paid during the year at Rs.2.25 Per Share of Rs. 10/- Each (March 31, 2021 : Rs. 2.50 Per Share)	250.13	277.92
<b>Proposed Dividend</b>	<b>Nil</b>	<b>Nil</b>

#### Note :19 Other Equity

(Rs. In Lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
<b>Securities Premium</b>				
Balance as per last Balance Sheet	2,294.18		2,294.18	
<b>Add:</b> Issued of Equity Shares (Refer Note No. 18.02)	6,298.89	8,593.07	-	2,294.18
<b>General Reserve</b>				
Balance as per last Balance Sheet		21.50		21.50
<b>Retained Earnings</b>				
Balance as per last Balance Sheet	5,491.38		5,569.91	
<b>Add:</b> Profit For the Year	919.46		199.39	
<b>Less : Appropriation</b>				
Dividend paid	250.13	6,160.71	277.92	5,491.38
<b>Other Comprehensive Income</b>				
Balance as per last Balance Sheet	(5.23)		(1.87)	
<b>Add:</b> Comprehensive Income For the Year	(26.98)	(32.21)	(3.36)	(5.23)
		<b>14,743.07</b>		<b>7,801.83</b>

#### Nature and purpose of Reserve

##### Securities premium

Securities premium is used to record the premium on issue of shares. It shall be utilised in accordance with the provisions of the Companies Act, 2013.

##### General Reserve

General Reserve is used to record the excess provision made in respect of stock option outstanding. It shall be utilised in accordance with the provisions of the Companies Act, 2013.

##### Retained Earnings

Retained Earnings represent the accumulated Profits / (losses) made by the company over the years.

##### Other Comprehensive Income

Other Comprehensive Income (OCI) represents the amount recognised in other equity consequent to remeasurement of Defined Benefit Plan.



## CEINSYS TECH LIMITED

### Notes forming part to the Consolidated Financial Statements for the year ended March 31, 2022

#### Note : 20 Non current Borrowings

(Rs. In Lakhs)		
Particulars	As at March 31,2022	As at March 31, 2021
<b>Secured</b>		
Term loan from banks #	39.86	109.79
<b>Total</b>	<b>39.86</b>	<b>109.79</b>

# Net off of processing fees amounting to Rs. 0.47 lakhs and Rs. 0.25 lakhs included in current maturity of long term debts in Note No. 24

#### 20.01 The above term loans taken by holding company from banks including current maturity of long term debts in Note No. 24 includes:

(i)Rs. Nil ( March 31,2021 : Rs. 69.94 Lakhs) was secured by the hypothecation of Wind Mill at Mahuria, Madhya Pradesh.

(ii)Rs. Nil (March 31,2021 : Rs. 21.62 Lakhs) was secured by the Mortgage of Unit No. 414, 4th Floor, Tantia Jogani Indl. Premises Co-op. Soc. Ltd., J.R. Boricha Marg, Sitaram Mill Compound, Lower Parel, Mumbai and hypothecation of furniture, fixtures, computers office equipments etc.

(iii)Rs.86.87 Lakhs (March 31,2021 : Rs. 132.12 Lakhs ) is secured by the way of Charge on the Plant & Machinery purchased by the Holding Company. The Loan is repayable in 20 monthly installments ending in November 2023. The Term Loan carries a interest of 13.75% p.a.

(iv)Vehicle Loan of Rs. 22.98 Lakhs ( March 31,2021 : Rs. 39.74 Lakhs) are secured by way of hypothecation of Vehicles financed. The Term Loans are repayable in 14 to 18 installments and carry interest rate varying from 8.65% p.a. to 9.77 % p.a.

**20.02** The Term loans referred to above are guaranteed by some of the directors in their personal capacities.

**20.03** The Holding Company has used the borrowings from banks for the specific purpose for which it was taken at the balance sheet date.

**20.04** There is no charge or satisfaction which is yet to be registered with ROC beyond the statutory period.

#### 20.05 Maturity profile of Term Loans is as under:

(Rs. In Lakhs)		
Particulars	Financial Year	Amount
Term Loans from Banks	2022-2023	69.52
	2023-2024	40.33

#### Note: 21 Income Tax

##### 21.01 Current Tax :-

(Rs. In Lakhs)		
Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Current Tax for the year	(488.45)	201.48
Income tax for the earlier year	8.16	(3.43)
<b>Total Current Tax</b>	<b>(480.29)</b>	<b>198.05</b>

#### 21.02 The major components of Tax Expenses for the year ended 31st March, 2022 and 31st March, 2021 are as follows:

(Rs. In Lakhs)		
Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
<b>Recognised in Statement of Profit and Loss:</b>		
Current Tax (as refer note 21.01)	(480.29)	198.05
Deferred Tax:-Relating to origination and reversal of temporary differences	84.44	(153.87)
<b>Total Tax Expenses</b>	<b>(395.85)</b>	<b>44.18</b>

## CEINSYS TECH LIMITED

### Notes forming part to the Consolidated Financial Statements for the year ended March 31, 2022

#### 21.03 Reconciliation between tax expenses/(income) and accounting profit multiplied by tax rate for the year ended 31st March, 2022 and 31st March, 2021:

(Rs. In Lakhs)		
Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Accounting profit before tax	1,347.76	243.57
Applicable tax rate	29.12%	29.12%
<b>Computed Tax Expenses</b>	<b>392.47</b>	<b>70.93</b>
<b>Tax effect on account of:</b>		
Property, Plant and Equipment and Intangible Assets	26.79	17.11
Deduction Allowed under Income Tax Act	(41.19)	(51.58)
Expenses not allowed for tax purpose	28.72	17.21
Income tax for earlier years	8.16	3.43
Tax Rate difference	-	(12.92)
Due to Non Taxability of subsidiaries profit	(19.10)	-
<b>Income tax expenses/(income) recognised in Statement of Profit and Loss</b>	<b>395.85</b>	<b>44.18</b>

#### 21.04 Deferred tax Relates to the following:

(Rs. In Lakhs)					
Particulars	Balance Sheet	Balance Sheet	Addition pursuant to acquisition of subsidiary	Statement of profit and loss and Other Comprehensive Income	
	As at March 31, 2022	As at March 31, 2021		For the Year Ended March 31, 2022	For the Year Ended March 31, 2019
Property, Plant and Equipment and Intangible Assets	266.94	261.29		5.65	(12.53)
Defined Benefit Obligation	(50.46)	(24.15)		(26.31)	9.47
Ind AS Impact of Revenue Recognition	(48.67)	(39.73)		(8.94)	(15.17)
Expected Credit loss / Ind AS Impact	(482.07)	(360.29)		(121.78)	(137.88)
Lease Equalisation	-	(7.98)		7.98	1.02
MAT Credit Entitlement	(163.87)	(163.95)		0.08	(0.08)
Investment in Joint Ventures	198.14	-	149.15	48.99	-
<b>Deferred Tax Assets</b>	<b>(279.98)</b>	<b>(334.80)</b>	<b>149.15</b>	<b>(94.33)</b>	<b>(155.17)</b>

#### 21.05 Reconciliation of deferred tax Liabilities/(Asset) (net):

(Rs. In Lakhs)		
Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Opening balance	(334.80)	(179.63)
Deferred Tax income recognised in statement of profit and loss	(84.44)	(153.87)
Deferred Tax Income recognised in OCI	(9.89)	(1.30)
Addition pursuant to acquisition of subsidiaries	149.15	-
<b>Closing balance</b>	<b>(279.98)</b>	<b>(334.80)</b>

#### Note 22 : Lease Liabilities

(Rs. In Lakhs)		
Particulars	As at March 31, 2022	As at March 31, 2021
Lease Liabilities	143.23	-
<b>Total</b>	<b>143.23</b>	<b>-</b>

## CEINSYS TECH LIMITED

### Notes forming part to the Consolidated Financial Statements for the year ended March 31, 2022

#### 22.01 The following is the movement in lease liabilities during the year:

		(Rs. In Lakhs)
Particulars	As at March 31,2022	As at March 31,2021
Opening balance	-	-
Addition pursuant to acquisition of subsidiaries (Refer Note No. 39.01)	250.07	-
Add: Finance cost accrued during the period	0.27	-
Less: Payment of lease liabilities	6.64	-
<b>Closing balance</b>	<b>243.70</b>	<b>-</b>

#### 22.02 The following is the contractual maturity profile of lease liabilities:

		(Rs. In Lakhs)
Particulars	As at March 31,2022	As at March 31,2021
Less than one year	100.47	-
One year to five years	143.23	-
<b>Total</b>	<b>243.70</b>	<b>-</b>

#### Note 23 : Other non-current financial liabilities

		(Rs. In Lakhs)
Particulars	As at March 31,2022	As at March 31,2021
Lease Equalisation	-	8.77
<b>Total</b>	<b>-</b>	<b>8.77</b>

#### Note : 24 Current Borrowings

		(Rs. In Lakhs)
Particulars	As at March 31,2022	As at March 31,2021
<b>Secured</b>		
<b>Loans from banks:</b>		
Working capital facilities	5,874.90	6,562.88
Current maturities of long term debts	69.27	152.66
<b>Unsecured</b>		
Inter Corporate Loans	55.00	1,839.62
<b>Total</b>	<b>5,999.17</b>	<b>8,555.17</b>

#### 24.01 The Working Capital facilities taken by Holding Company from Banks :

(i)Rs. 2636.64 Lakhs (March 31,2021 : Rs.2855.35 Lakhs) is secured by the way of Hypothecation of Stock, Work-in-Progress, and Book Debts, also the following properties are collateralized by simple mortgage : 1) Land & Building on Plot No. 10/5, IT Park of MIDC, South Ambazari Road, Mauza Parsodi, in front of VNIT Institute, Tal & Dist . Nagpur. 2) Land & Wind Mill at village Murud, Tal. Patan, Dist. Satara. 3) Unit No. 414, 4th Floor, Tanta Jogani Indl. Premises Co-Op Soc . Ltd. J. R Boricha Marg, Sitaram Mill Compound , Lower Parel, Mumbai. 4) Continuation of Lien on existing all Term Deposits Offered being Margin for BG & LC Limit. This Working Capital Loan carries a interest at the rate of 10.50 % p.a

(ii)Rs. 3238.26 Lakhs (March 31,2021 : Rs.3439.06 Lakhs) is secured by the way of hypothecation of the Co's entire stock comprising of Raw Materials, Work-In-Progress, Finished goods, Consumables Stores & Spares and other materials; Receivables, claims and bills both present and future ranking Pari- passu with other consortium member i.e. Abhyudaya Co-operative Bank Ltd. Apart from the above the following properties have been collateralised in the form of : 1) Pledge of 13.25 Lakh Shares of the Company owned by Raghav Infra Developers 2) Immovable property owned by the Company at Nagpur (Leasehold land) and at Lower Parel (Office) and various other immovable property owned by Promoters at different loactions in India & 3) Personal

Guarantees of a few Directors & their relatives & also Corporate Guarantees of Raghav Infra Developers & Builders Pvt Ltd, SMG Realities Pvt Ltd, SMG Hospitals Pvt Ltd. & Shree Sainath textiles Pvt. Limited This Working Capital Loan carries a interest at the rate of 9.40 % p.a

(iii)Rs. NIL (March 31,2021 : Rs. 268.47 Lakhs) is secured by the way of hypothecation of the Co's entire stock comprising of Raw Materials, Work-In-Progress, Finished goods, Consumables Stores & Spares and other materials; Receivables, claims and bills both present and future ranking Pari- passu with other consortium member i.e. Abhyudaya Co-operative Bank Ltd. Apart from the above the following properties have been collateralised in the form of : 1) Pledge of 13.25 Lakh Shares of the Company owned by Raghav Infra Developers 2) Immovable property owned by the Company at Nagpur (Leasehold land) and at Lower Parel (Office) and various other immovable property owned by Promoters at different loactions in India & 3) Personal Guarantees of Directors & their relatives & also Corporate Guarantees of Raghav Infra Developers & Builders Pvt Ltd, SMG Realities Pvt Ltd, SMG Hospitals Pvt Ltd. & Shree Sainath Textiles Pvt. Ltd. This Working Capital Loan carries a interest at the rate of 6.95 % p.a.

**24.02** Inter Corporate Loans are repayable within 3 months and carries an interest rate ranging from 11% to 13% p.a.

## CEINSYS TECH LIMITED

### Notes forming part to the Consolidated Financial Statements for the year ended March 31, 2022

#### Note : 25 Lease Liabilities

(Rs. In Lakhs)

Particulars	As at March 31,2022	As at March 31,2021
Lease Liabilities	100.47	-
<b>Total</b>	<b>100.47</b>	<b>-</b>

#### Note : 26 Current Financial Liabilities -Trade Payables

(Rs. In Lakhs)

Particulars	As at March 31,2022	As at March 31,2021
Total outstanding of Micro, Small and Medium Enterprises	276.21	156.62
Others	4,358.45	6,313.00
<b>Total</b>	<b>4,634.66</b>	<b>6,469.62</b>

**26.01 :** Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED 2006) have been determined based on the information as received from vendors and the details of amount outstanding due to them are as given below:

(Rs. In Lakhs)

Particulars	As at March 31,2022	As at March 31,2021
(I) Principal amount remaining unpaid to any supplier as at the end of the accounting year;	276.21	156.62
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year;	12.24	11.17
(iii) The amount of Interest paid, along with the amounts of the payment made to the supplier beyond the appointed day;	-	-
(iv) The amount of Interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	12.24	11.17
(vi) The amount of Further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

#### Trade Payable Ageing for March 31, 2022 and March 31, 2021

(Rs. In Lakhs)

Particulars	Not Due	Outstanding from due date of payment as at March 31, 2022				Total
		Less than 1 year	1 - 2 Years	2 - 3 Years	More than 3 years	
i) MSME	201.05	38.32	24.20	4.29	8.35	276.21
ii) Others	1,687.62	2,510.89	39.44	35.31	85.19	4,358.45
iii) Disputed dues - MSME	-	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>1,888.67</b>	<b>2,549.21</b>	<b>63.64</b>	<b>39.60</b>	<b>93.54</b>	<b>4,634.66</b>

(Rs. In Lakhs)

Particulars	Not Due	Outstanding from due date of payment as at March 31, 2021				Total
		Less than 1 year	1 - 2 Years	2 - 3 Years	More than 3 years	
i) MSME	20.17	120.65	7.44	7.66	0.70	156.62
ii) Others	1,699.08	4,240.39	50.97	31.79	290.77	6,313.00
iii) Disputed dues - MSME	-	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>1,719.25</b>	<b>4,361.04</b>	<b>58.41</b>	<b>39.45</b>	<b>291.47</b>	<b>6,469.62</b>

## CEINSYS TECH LIMITED

### Notes forming part to the Consolidated Financial Statements for the year ended March 31, 2022

#### Note : 27 Other Current Financial Liabilities

(Rs. In Lakhs)		
Particulars	As at March 31,2022	As at March 31,2021
Interest Accrued and Due	12.24	11.17
Interest Accrued But Not Due	136.58	-
Lease equilisation	-	7.48
Unclaimed Dividends* (Rs.176)	0.00	0.00
Others #	514.36	734.61
<b>Total</b>	<b>663.18</b>	<b>753.26</b>

\* This figure does not include any amounts, due and outstanding, to be credited to Investor Education and Protection Fund.

# Other mainly includes employee related liabilities, provision for expenses and director sitting fees etc.

#### Note : 28 Other Current Liabilities

(Rs. In Lakhs)		
Particulars	As at March 31,2022	As at March 31,2021
Advance from customers	746.63	455.40
Statutory liabilities	223.88	143.77
Unearned revenue	173.22	128.56
<b>Total</b>	<b>1,143.73</b>	<b>727.73</b>

#### Note : 29 Current Provisions

(Rs. In Lakhs)		
Particulars	As at March 31,2022	As at March 31,2021
<b>Provision for Employee Benefits</b>		
Gratuity (Funded)	109.35	41.26
Leave Obligations	124.82	41.67
<b>Total</b>	<b>234.17</b>	<b>82.93</b>

#### Note : 30 Revenue from Operations (Net of Taxes)

(Rs. In Lakhs)		
Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Enterprise Geospatial & Engineering Services	17,439.49	16,167.17
Sale of software products	2,625.53	2,176.39
Sale of Power	223.62	179.63
<b>Total</b>	<b>20,288.64</b>	<b>18,523.19</b>

##### 30.01 Disaggregated Revenue information

Revenue Disaggregation by types of Services and Product are as follows:

(Rs. In Lakhs)		
Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Enterprise Geospatial & Engineering Services	17,439.49	16,167.17
Software Products	2,625.53	2,176.39
Power Generation	223.62	179.63
<b>Total</b>	<b>20,288.64</b>	<b>18,523.19</b>

##### 30.02 Revenue disaggregation by Geography

(Rs. In Lakhs)		
Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
In India	19,567.99	18,430.82
Outside India	720.65	92.37
<b>Total</b>	<b>20,288.64</b>	<b>18,523.19</b>

## CEINSYS TECH LIMITED

### Notes forming part to the Consolidated Financial Statements for the year ended March 31, 2022

#### 30.03 Contract balances

	(Rs. In Lakhs)	
Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Trade Receivables	8,868.26	12,832.44
Contract Assets/Unbilled Revenue	9,653.82	6,986.92
Contract Liabilities (Refer Note No. 28)	746.63	455.40

**30.04** - The amount of Rs. 243.78 lakhs is the revenue recognised from contract liabilities at the beginning of the year (March 31, 2021- Rs.13.67 Lakhs). Increase/decrease in contract liability is mainly on account of advance receipt from customers and revenue recognized during the year

#### 30.05 Reconciling the amount of revenue recognised in statement of profit and loss with the contracted price

	(Rs. In Lakhs)	
Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Revenue as per contracted price	20,288.64	18,523.34
<b>Adjustments for:</b>		
Rebates, Discounts	-	(0.15)
<b>Revenue from contract with customers</b>	<b>20,288.64</b>	<b>18,523.19</b>

#### 30.06 Transaction price allocated to the remaining performance obligations

The aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as of March 31, 2022 amounts to Rs. 26,780.21 Lakhs (March 31, 2021 Rs. 30,810.53). The remaining performance obligation are subject to change and are affected by several factors including terminations, change in scope of contract, periodic revalidations, adjustment for revenue that has not materialised.

The management of company expects that above 60 to 70% of the unsatisfied performance obligation will be recognised as revenue during the next reporting period with balance in future reporting periods thereafter.

#### Note : 31 Other income

	(Rs. In Lakhs)	
Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Interest Income from Financial Assets measured at amortised cost		
- Fixed Deposits with banks	75.10	89.22
- Others	35.14	53.87
Dividend Received	-	0.27
Profit On Sale of Property, Plant and Equipment	0.10	9.06
Reversal of Rent Equilisation Reserve	16.24	-
Income from Sale of License	23.22	-
Miscellaneous Receipts	17.88	2.34
<b>Total</b>	<b>167.68</b>	<b>154.76</b>

#### Note : 32 Changes in inventories of Stock-in-Trade

	(Rs. In Lakhs)	
Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
<b>Stock-in-Trade</b>		
Opening Stock	9.48	78.38
Less: Closing Stock	28.09	9.48
<b>Changes in inventories of Stock-in-Trade</b>	<b>(18.61)</b>	<b>68.90</b>

#### Note : 33 Project and Other Operating Expenses

	(Rs. In Lakhs)	
Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Consumption of Project Consumables	2,761.15	3,043.34
Outsourcing Expenses	6,593.81	7,285.68
Onsite Expenses	308.90	189.07
<b>Total</b>	<b>9,663.86</b>	<b>10,518.09</b>

## CEINSYS TECH LIMITED

### Notes forming part to the Consolidated Financial Statements for the year ended March 31, 2022

#### Note : 34 Employees benefit expenses

	(Rs. In Lakhs)	
Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Salaries, Wages and Allowances	3,459.66	2,785.45
Contribution to Provident and Other Funds	153.15	100.97
Staff Welfare Expenses	8.09	5.15
<b>Total</b>	<b>3,620.90</b>	<b>2,891.57</b>

34.01 Remuneration paid or provided to Whole- Time Director amounting to Rs. 33.10 Lakhs by the Holding Company was subject to approval of Shareholders of the Holding Company as on March 31, 2022, which has been subsequently approved by the Shareholders of the Holding Company at its meeting held on May 16, 2022 through e-voting postal ballot.

34.02 One of the subsidiary Company has paid managerial remuneration to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act. That Subsidiary Company proposes to obtain required approval of the shareholders at the ensuing annual general meeting for remuneration aggregating to 26.11 Lakhs paid to the directors.

#### (A) Defined Contribution Plan:

The Group's defined contribution plans are Provident Fund, Employees State Insurance Fund and Employees' Pension Scheme (under the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952). The Group has no further obligation beyond making the contributions to such plans.

Contribution to Defined Contribution Plan, recognized as expense for the year are as under:

	(Rs. In Lakhs)	
Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Employer's contribution to Regional Provident Fund Office	118.18	73.57
Employer's contribution to Employees' State Insurance	8.49	9.46
<b>Total</b>	<b>126.67</b>	<b>83.03</b>

#### (B) Defined Benefit Plan:

Gratuity for employees in India is as per the Payment of Gratuity Act, 1972. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for the number of years of service. The gratuity plan is a funded plan and the Company plan assets is administered by an insurer and company funds the plan on periodical basis.

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognised in the same manner as the gratuity.

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
<b>Actuarial assumptions</b>		
Mortality Table	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)
Salary growth	10% & 5%	10.00%
Discount rate	6.19% & 6.30%	5.79%
Withdrawal rates	22% & 20%	32.00%



## CEINSYS TECH LIMITED

### Notes forming part to the Consolidated Financial Statements for the year ended March 31, 2022

Particulars	(Rs. In Lakhs)	
	Gratuity (Funded)	
	2021-22	2020-21
<b><u>Movement in present value of defined benefit obligation</u></b>		
Obligation at beginning of the year	227.90	237.85
Service Cost ( including past service cost)	23.28	13.46
Interest Cost	13.19	14.34
Benefits Paid from the fund	(29.07)	(41.79)
Addition pursuant to acquisition of subsidiaries	39.74	-
Actuarial (Gains)/loss - due to change in Demographic Assumptions	40.55	(13.17)
Actuarial (Gains)/loss - due to change in Financial Assumptions	(1.22)	15.71
Actuarial (Gains)/loss - due to experience adjustments	3.91	1.50
<b>Obligation at the end of the year</b>	<b>318.28</b>	<b>227.90</b>
<b><u>Movement in present value of plan assets</u></b>		
Fair value at the beginning of the year	186.64	174.33
Interest Income	10.81	9.87
Addition pursuant to acquisition of subsidiaries	2.62	-
Contributions from employer	39.19	44.85
Benefits Paid from the fund	(29.06)	(41.79)
Return on Plan Assets, Excluding Interest Income	(1.27)	(0.62)
<b>Fair value at the end of the year</b>	<b>208.93</b>	<b>186.64</b>
<b><u>Amount recognised in Statement of Profit and Loss</u></b>		
Current Service Cost	23.28	14.33
Net interest Cost	2.38	3.60
<b>Total</b>	<b>25.66</b>	<b>17.93</b>
<b><u>Amount recognised in the other comprehensive income</u></b>		
<b>Components of actuarial gain/losses on obligations:</b>		
Due to changes in demographic assumptions	40.55	(13.17)
Due to changes in financial assumptions	(1.22)	15.71
Due to experience adjustment	3.91	1.50
Return on Plan Assets, Excluding Interest Income	1.26	0.62
<b>Total</b>	<b>44.50</b>	<b>4.66</b>

#### ( c ) Fair Value of assets

Particulars	(Rs. In Lakhs)	
	Fair Value of Asset	
	2021-22	2020-21
Life Insurance Corporation of India	208.93	186.64
	<b>208.93</b>	<b>186.64</b>

#### (d) Net Liability Recognised in the balance sheet

Amount recognised in the balance sheet	(Rs. In Lakhs)	
	2021-22	2020-21
Present value of obligations at the end of the year	318.28	227.90
Less: Fair value of plan assets at the end of the year	208.93	186.64
<b>Net liability recognised in the balance sheet</b>	<b>109.35</b>	<b>41.26</b>

## CEINSYS TECH LIMITED

### Notes forming part to the Consolidated Financial Statements for the year ended March 31, 2022

#### (e) Movements in the present value of net defined benefit obligation are as follows:

	(Rs. In Lakhs)	
Particulars	2021-22	2020-21
Opening Net Liability	41.26	63.52
Expenses Recognized in Statement of Profit or Loss	25.66	17.93
Expenses Recognized in OCI	44.50	4.66
Employer's Contribution	(41.81)	(44.85)
Addition pursuant to acquisition of subsidiaries	39.74	-
<b>Net Liability/(Asset) Recognized in the Balance Sheet</b>	<b>109.35</b>	<b>41.26</b>

#### 34.03: Sensitivity Analysis

	(Rs. In Lakhs)	
Projected Benefits Payable in Future Years From the Date of Reporting	For the Year Ended March 31,2022	For the Year Ended March 31,2021
Impact of + 0.5% Change in Rate of Discounting	(6.54)	(1.40)
Impact of -0.5% Change in Rate of Discounting	6.90	1.43
Impact of +1% Change in Rate of Salary Increase	9.89	2.35
Impact of -1% Change in Rate of Salary Increase	(9.40)	(2.31)
Impact of 5% Increase in Withdrawal Rate	(9.26)	(3.41)
Impact of 5% Decrease in Withdrawal Rate	12.70	3.99

The above sensitivity analysis are based on change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet. The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

#### 34.04: Risk exposures

##### Investment risk

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. Plan investment is a qualifying insurance policy with the LIC of India.

##### Interest risk

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's investments.

##### Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

##### Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Gratuity and Leave plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk. The Group has no legal obligation to settle the deficit in the funded plan (Gratuity) with an immediate contribution or additional one off contributions. The Group intends to continue to contribute the defined benefit plans in line with the insurer's latest recommendations.

#### 34.05 Details of Asset-Liability Matching Strategy:-

Gratuity benefits liabilities of the company are funded. There are no minimum funding requirements for a Gratuity benefits plan in India and there is no compulsion on the part of the Company to fully or partially pre-fund the liabilities under the Plan.

The trustees of the plan have outsourced the investment management of the fund to an insurance company. The insurance company in turn manages these funds as per the mandate provided to them by the trustees and the asset allocation which is within the permissible limits prescribed in the insurance regulations. Due to the restrictions in the type of investments that can be held by the fund, it may not be possible to explicitly follow an asset-liability matching strategy to manage risk actively in a conventional fund.

The expected payments towards contributions to the defined benefit plan is within one year.

## CEINSYS TECH LIMITED

### Notes forming part to the Consolidated Financial Statements for the year ended March 31, 2022

#### 34.06 Cash Flow Projection: From the Fund

		(Rs. In Lakhs)
Projected Benefits Payable in Future Years From the Date of Reporting	For the Year Ended	March 31,2022
March 31, 2023		67.62
March 31, 2024		50.93
March 31, 2025		47.03
March 31, 2026		40.49
March 31, 2027		37.82
March 31, 2028 to March 31, 2032		193.56
<b>Total</b>		<b>437.45</b>

#### Other Long Term Employee Benefit Obligations

The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

#### Following disclosures related to Leave obligations

The liability for Leave obligation (Non – Funded) as at year end is Rs. 124.82 Lakhs (March 31, 2021 Rs. 41.67 Lakhs)

#### Note : 35 Finance costs

		(Rs. In Lakhs)
Particulars	For the Year Ended March 31,2022	For the Year Ended March 31,2021
Interest expenses on financial liabilities measured at amortised cost	882.04	1,112.99
Other borrowing costs	40.64	59.40
Interest and finance charges on lease liabilities	0.27	-
<b>Total</b>	<b>922.95</b>	<b>1,172.39</b>

#### Note : 36 Depreciation and amortisation expense

		(Rs. In Lakhs)
Particulars	For the Year Ended March 31,2022	For the Year Ended March 31,2021
Depreciation of Property, Plant and Equipment (Refer Note no. 3)	249.60	279.07
Depreciation of right-of-use assets (Refer Note no. 4)	6.26	-
Amortization of Intangible assets (Refer Note no. 5)	46.67	58.52
<b>Total</b>	<b>302.53</b>	<b>337.59</b>

## CEINSYS TECH LIMITED

### Notes forming part to the Consolidated Financial Statements for the year ended March 31, 2022

#### Note : 37 Other Expenses

Particulars	(Rs. In Lakhs)	
	For the Year Ended March 31,2022	For the Year Ended March 31,2021
Rent	247.95	183.31
Rates and Taxes	28.87	56.56
Professional and Consultancy Charges	816.10	262.20
Power and Fuel	34.56	30.16
Repairs and Maintenance	99.00	56.30
Telephone and Internet Charges	30.97	27.09
Printing and Stationery	17.78	10.86
Travelling and Conveyance Expenses	199.95	89.10
Tender Registration expenses	3.61	13.98
Advertisement and Business Promotion	27.08	8.45
CSR activity expenses (Refer Note No. 37.02)	-	26.00
Payment to Auditor (Refer Note No. 37.01)	51.85	36.00
Director sitting fees	62.40	57.02
Bad debts/advances written off	56.47	127.33
Provision for doubtful financial assets / expected credit loss	418.13	473.52
Bank charges and BG Commission	182.50	162.93
Wind and Solar Expenses	81.10	46.81
Other Expenses	161.23	119.02
Software licenses	15.87	-
<b>Total</b>	<b>2,535.42</b>	<b>1,786.64</b>

#### Note 37.01 : Details of auditors remuneration

Particulars	(Rs. In Lakhs)	
	For the Year Ended March 31,2022	For the Year Ended March 31,2021
<b>Payments to the auditor as:</b>		
For Statutory Audit	21.00	16.40
For Tax Audit Fees	10.00	9.00
For Certifications & Quarterly review	20.65	10.60
For Reimbursement of Expenses	0.20	-
<b>Total</b>	<b>51.85</b>	<b>36.00</b>

#### Note :37.02 Notes related to Corporate Social Responsibility Expenditure (CSR):

(a) As per the legal opinion, Section 135 of the Companies Act, 2013 is not applicable to the Holding Company, accordingly during the year the Holding Company is not required to spend any amount on CSR activities. In the previous year the Holding Company was required to spend Rs. 25.72 Lakhs as per Section 135, read with Schedule VII, of the Companies Act, 2013. Further in respect of other subsidiaries included in the Group are not required to spend CSR as per Section 135 of the Companies Act, 2013

(b) Expenditure related to CSR is Rs. Nil (March 31, 2021 : Rs. 26 Lakhs)

Details of expenditure towards CSR given below:	(Rs. In Lakhs)	
	For the Year Ended March 31,2022	For the Year Ended March 31,2021
(i) Promoting Education	-	26.00
<b>Total</b>	<b>-</b>	<b>26.00</b>

## CEINSYS TECH LIMITED

### Notes forming part to the Consolidated Financial Statements for the year ended March 31, 2022

#### Note 38 : Earnings per share (EPS)

(Rs. In Lakhs)

Particulars		For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
<b>Basic Earnings per Share</b>			
Profit Attributable to Equity Shareholders for Basic EPS	(A)	951.91	199.39
Weighted Average Number of Equity Shares Outstanding During the year for Basic EPS	(B)	1,17,17,970	1,11,17,085
Basic Earnings per Share of Rs.10/- each (In Rs.)	(A)/(B)	8.12	1.79
<b>Diluted Earnings per Share</b>			
Amount available for calculation of diluted EPS	(A)	951.91	199.39
Weighted average number of equity shares		1,17,17,970	1,11,17,085
Add: Potential number of equity shares		-	-
No. of shares used for calculation of diluted EPS	(B)	1,17,17,970	1,11,17,085
Diluted Earnings per Share of Rs.10/- each (In Rs.)	(A)/(B)	8.12	1.79

#### Note 39 Group Information

	Name	Principal Place of Business	% Equity interest	
			March 31, 2022	March 31, 2021
<b>A</b>	<b>Indian subsidiary</b>			
(i)	ADCC Infocom Private Limited	India	100.00%	100.00%
(ii)	Allygrow Technologies Private Limited (ATPL)	India	82.69%	-
	<b>Step down Subsidiaries / joint Venture of ATPL</b>			
(i)	Technology Associates Inc	Outside India	82.69%	-
(ii)	Allygrow Engineering Services Private Limited	India	82.69%	-
(iii)	Allygrow Technologies B.V	Outside India	82.69%	-
	Allygrow Technologies GmbH (subsidiary of Allygrow Technologies B.V)	Outside India	82.69%	-
	Allygrow Technologies UK Limited (subsidiary of Allygrow Technologies B.V)	Outside India	82.69%	-
(iv)	Allygram Systems and Technologies Private Limited (Joint Venture)	India	57.88%	-

39.01 During the year, the Company received approval from its shareholders for an acquisition of 100% equity stake in Allygrow Technologies Private Limited (ATPL) and the Company entered into a Share Purchase Agreement ("SPA Agreement") with the ATPL and its existing Shareholders to acquire all the equity shares of ATPL. As per the SPA Agreement, the Company acquired 2,09,049 Equity Shares (i.e. 82.69% equity stake) of ATPL for a consideration of Rs. 5,627.74 Lakhs by issuance of 36,07,530 equity shares of the Company of Rs. 10/- each at an Issue price of Rs. 156/- per equity share on a preferential basis. As a result ATPL along with its subsidiaries and Joint Venture (JV) became the subsidiary / fellow subsidiaries / JV of the Company w.e.f. February 9, 2022 as detailed above. Further as per SPA agreement, the Company will acquire the remaining 43,740 equity shares (i.e. 17.31% equity stake) of ATPL in the FY 2022-23 at a cash consideration of Rs. 1,179.20 Lakhs

## CEINSYS TECH LIMITED

### Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

#### Note 40 Contingent Liabilities and Commitments

##### 40.01 Contingent Liabilities

		(Rs. In Lakhs)
Particulars	March 31, 2022	March 31, 2021
<b>Claims against the Group not acknowledged as Debts</b>		
<b>A Bank Guarantees</b>	7,578.33	5,821.13
(Bank guarantees are provided under contractual/legal obligation. No cash outflow is expected) (Deposits of Rs.1,017.53 Lakhs are pledged as margin money against the same)		
<b>B Corporate Guarantee</b>	-	2,500.00
(Corporate guarantee given by Holding company towards utilisation of bank guarantee facility of third party of Rs. 2500 Lakhs.)		

**40.02** There are no capital commitments as at the end of any of the reported years.

**40.03** The Holding Company received one demand notices in previous year from the Income Tax Department, however since there were Tax computation errors by the said department, the Company has filed rectification application under section 154 of the Income Tax Act, 1961, accordingly no contingent liability disclosed for the same.

**40.04** On April 28, 2016, a civil suit has been filed on one of the subsidiary company and its key employees by an erstwhile employer of these employees, in relation to breach and violation of their employment contracts, alleging that they have breached confidentiality obligations in order to favour that subsidiary, and seeking inter alia the following reliefs:

- Ceasing the use of alleged confidential information, trade secrets and know how of the erstwhile employer for the Subsidiary Company's business

- Damages to be paid to the tune of ₹ 20 Crores.

Based on management evaluation in consultation with legal counsel, the case holds no merit, hence, no provision in respect of this matter in the books as at March 31, 2022.

##### Note 41 Related Party Disclosures

In accordance with the requirements of Ind AS 24, on related party disclosures, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods, are as detailed below:

##### I Enterprise which is Joint Venture of entities under Common Control

Allygram Systems and Technologies Private Limited (Joint Venture of Allygrow Technologies Private Limited)

##### II Key Management Personnel (KMP)

Mr. Sagar Meghe – Chairman and Managing director (till August 12, 2021) and thereafter Non-Executive Chairman (w.e.f. August 13, 2021)\$

Mr. Prashant Kamat-Vice Chairman and Chief Executive Officer (w.e.f. February 17, 2022)

Mr. Abhay Kimmatkar - Managing director \$

Mr. Rahul Johrapurkar - Joint Managing Director

Mr. Hemant Thakare- Whole Time Director and Chief Operating Officer (Till February 14, 2022)

Mr. Chanchal Gopladas Bhaiyya- Chief Financial Officer (Till February 28, 2022)

Mr. Krishnan Rathnam – Chief Financial Officer (w.e.f. February 17, 2022)

Mr. Rajesh Joshi – Deputy Chief Financial Officer (w.e.f. February 17, 2022)

Mr. Saurabh Somani – Company Secretary (Till July 15, 2021)

Ms. Pooja Karande- Company Secretary (w.e.f. August 13, 2021)

##### III Relative of KMP

Mr. Sameer Meghe \$

Mrs. Shalinitai Meghe \$

Mrs. Devika Meghe \$

Mrs. Vrinda Meghe

Mrs. Radhika Meghe

##### IV Enterprises in which Key Managerial Personnel and their Relatives are able to exercise significant influence with whom transactions have taken place during the year:

- (I) Datta Meghe Institute of Eng Tech and Research
- (ii) Raghav Infradevelopers and Builders Private Limited \$
- (iii) Mai Manpower LLP
- (iv) Radha Ridhi Enterprises Private Limited
- (v) Primus Finance Private Limited
- (vi) SMG Realities Private Limited \$
- (vii) SMG Hospitals Private Limited \$
- (viii) Nagar yuvak shikshan sansthan (NYSS)
- (ix) Jawaharlal Nehru Medical College
- (x) Yeshwantrao Chavan College of Engineering
- (xi) Sai Ashram
- (xii) Datta Meghe Institute of Medical Sciences
- (xii) Shri Vidyarthi Sudhar Sangh (P)
- (xiv) Shree Sainath Textile Private Limited \$
- (xv) Perception Solutions Private Limited
- (xvi) Datta Meghe institute of Management Studies

\$ These parties have provided guarantees to the banks for loans and other banking facilities taken by the Company.

## CEINSYS TECH LIMITED

### Notes forming part to the Consolidated Financial Statements for the year ended March 31, 2022

#### B. Transaction with related parties

The following transactions occurred with related parties

Nature of Transaction	(Rs. In Lakhs)					
	Key Management Personnel		Entities in which significant influence by Key managerial personnel & their relative		Relative of Key management personnel	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
<b>Revenue From operations</b>						
<b>(i) Enterprise Geospatial &amp; Engineering Services</b>						
Datta Meghe Institute of Medical Sciences Hostel	-	-	9.60	7.06	-	-
Datta Meghe Institute of Medical Sciences	-	-	-	1.75	-	-
Yeshwantrao Chavan College of Engineering	-	-	2.92	1.25	-	-
Perception Solutions Private Limited	-	-	-	8.17	-	-
<b>(ii) Sales of Software Products / Other Product</b>						
Datta Meghe Institute of Medical Sciences	-	-	0.96	0.85	-	-
Nagar Yuvak Shikshan sanstha	-	-	2.61	-	-	-
Shri Vidyarthi Sudhar Sangh	-	-	1.19	-	-	-
Datta Meghe Institute of Medical Sciences	-	-	1.42	-	-	-
<b>(iii) Sales of Power</b>						
Jawaharlal Nehru Medical College	-	-	86.55	85.14	-	-
Nagar Yuvak Shikshan Sanstha	-	-	9.74	10.27	-	-
<b>Interest expenses on loans taken</b>						
Primus Finance Private Limited	-	-	83.20	1.08	-	-
<b>Rent paid</b>			-	-	-	-
Ms Radhika Meghe	-	-	-	-	31.94	31.94
Radha Ridhi Enterprises Private Limited	-	-	-	5.10	-	-
SMG Realities Private Limited	-	-	7.20	-	-	-
<b>Managerial Remuneration</b>						
Mr Sagar Meghe	67.79	162.01	-	-	-	-
Mr Mihir Dharkar	-	16.87	-	-	-	-
Mr Abhay Kimmattkar	125.10	95.82	-	-	-	-
Mr Rahul Joharapurkar	83.37	45.01	-	-	-	-
Mr Dinesh Kumar Singh	-	30.82	-	-	-	-
Mr H O Thakare	68.75	52.69	-	-	-	-
Mr Chanchal Bhaiyya	41.46	25.28	-	-	-	-
Mr Saurabh Somani	3.64	8.44	-	-	-	-
Ms. Pooja Karande	3.81	-	-	-	-	-
Mr. Krishnan Rathnam	8.24	-	-	-	-	-
Mr. Prashant Kamat	33.10	-	-	-	-	-
Mr. Rajesh Joshi	5.92	-	-	-	-	-
<b>Sitting Fees</b>						
Mr Sagar Meghe	5.00	-	-	-	-	-
<b>CSR Expenditure</b>						
Sai Ashram	-	-	-	26.00	-	-
<b>Other Expenses</b>						
<b>Security Service Expense: Mai Manpower LLP</b>	-	-	-	2.67	-	-



## CEINSYS TECH LIMITED

### Notes forming part to the Consolidated Financial Statements for the year ended March 31, 2022

Nature of Transaction	(Rs. In Lakhs)					
	Key Management Personnel		Entities in which significant influence by Key managerial personnel & their relative		Relative of Key management personnel	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
<b>Office Expense:</b> Mai Manpower LLP	-	-	-	1.68	-	-
<b>Professional &amp; Consultancy Charges:</b>						
Yeshwantrao Chavan College of Engineering	-	-	4.80	7.04	-	-
<b>Professional &amp; Consultancy Charges:</b> Nagar Yuvak Shikshan Sanstha	-	-	7.83	9.92	-	-
<b>Training Expenses:</b> Datta Meghe institute of Management Studies	-	-	2.50	-	-	-
<b>Equity Share Allotment</b>						
Mr. Sagar Meghe	551.29	-	-	-	-	-
Mrs. Devika Meghe	-	-	-	-	551.29	-
<b>Inter Corporate Loans -Taken</b>						
Primus Finance Private Limited	-	-	2,219.00	300.00	-	-
<b>Inter Corporate Loans Repaid</b>						
Primus Finance Private Limited	-	-	2,219.00	300.00	-	-

#### C. Balances as at the year end

Nature of Transaction	(Rs. In Lakhs)					
	Key Management Personnel		Entities in which significant influence by Key managerial personnel & their relative		Relative of Key management personnel	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
<b>Managerial Remuneration payable</b>						
Mr Sagar Meghe	43.92	1.87	-	-	-	-
Mr Abhay Kimmatkar	-	26.07	-	-	-	-
Mr H O Thakare	-	14.56	-	-	-	-
Mr Rahul Joharapurkar	-	12.61	-	-	-	-
<b>Sitting Fees payable</b>						
Mr Sagar Meghe	1.80	-	-	-	-	-
<b>Trade Receivables</b>						
Yeshwantrao Chavan College of Engineering	-	-	0.06	0.16	-	-
Nagar Yuvak Shikshan Sanstha	-	-	2.92	2.58	-	-
Jawaharlal Nehru Medical College	-	-	3.01	12.04	-	-
Datta Meghe Institute of Medical Sciences	-	-	10.37	0.54	-	-
Datta Meghe Institute of Medical Sciences (DU)	-	-	-	6.14	-	-
Perception Solutions Private Limited	-	-	-	1.17	-	-
Shri Vidyarthi Sudhar Sangh (P)	-	-	0.21	-	-	-
<b>Trade Payable</b>						
Yeshwantrao Chavan College of Engineering	-	-	-	0.16	-	-
Mai Manpower LLP	-	-	-	0.12	-	-
Radhika Meghe	-	-	-	-	5.74	5.88
<b>Security deposit Given</b>						
SMG Realities Private Limited	-	-	0.70	-	-	-
Radhika Meghe	-	-	-	-	5.00	5.00

## CEINSYS TECH LIMITED

### Notes forming part to the Consolidated Financial Statements for the year ended March 31, 2022

#### D Key managerial personnel compensation :

The remuneration of key managerial personnel during the year was as follows:

Particulars	(Rs. In Lakhs)	
	March 31, 2022	March 31, 2021
Short-term employment benefit	441.53	437.26
Post-employment benefit	0.05	0.69
<b>Total Compensation</b>	<b>441.58</b>	<b>437.95</b>

All the transactions with related parties were made in normal commercial terms and conditions and at market rate.

All outstanding balance are unsecured.

#### Note 42: Fair Value

##### 42.01 Financial Instruments by category:

Set out below is a comparison by class of the carrying amounts and fair value of the Group's financial assets and liabilities that are recognised in the financial statements.

##### a) Financial Assets / Financial Liabilities measured at fair value:

Particulars	(Rs. In Lakhs)	
	As at March 31, 2022	As at March 31, 2021
<b>Financial Assets designated at fair value through profit or loss:-</b>		
- Investments	7.61	7.61

##### b) Financial Assets designated at amortised cost:-

Particulars	(Rs. In Lakhs)			
	As at March 31, 2022		As at March 31, 2021	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial Assets designated at amortised cost:-</b>				
Trade receivables	8,868.26	8,868.26	12,832.44	12,832.44
Cash and cash equivalents	1,400.39	1,400.39	7.82	7.82
Bank balances other than cash and cash equivalents	1,269.53	1,269.53	964.41	964.41
Loans	0.24	0.24	0.54	0.54
Unbilled Revenues	9,653.82	9,653.82	6,986.92	6,986.92
Other financial assets	758.67	758.67	760.50	760.50
<b>Total</b>	<b>21,950.91</b>	<b>21,950.91</b>	<b>21,552.63</b>	<b>21,552.63</b>

##### c) Financial Liabilities designated at amortised cost:-

Particulars	(Rs. In Lakhs)			
	As at March 31, 2022		As at March 31, 2021	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial Liabilities designated at amortised cost:-</b>				
Borrowings	6,039.03	6,039.03	8,664.95	8,664.95
Trade payables	4,634.66	4,634.66	6,469.62	6,469.62
Other financial liabilities	663.83	663.83	762.03	762.03
Lease Liabilities	243.70	243.70	-	-
<b>Total</b>	<b>11,581.22</b>	<b>11,581.22</b>	<b>15,896.60</b>	<b>15,896.60</b>

##### 42.02 Fair Valuation techniques used to determine fair value

The following methods and assumptions were used to estimate the fair values:

- 1 Fair value of cash and cash equivalents, other bank balances, trade receivables, trade payables, unbilled receivables, current loans, current borrowings, deposits and other current financial assets and liabilities are approximate at their carrying amounts largely due to the short-term maturities of these instruments.

- 2 The fair values of non-current borrowings and Margin money are approximate at their carrying amount due to interest bearing features of these instruments.

##### 42.03 Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation techniques:-

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

## CEINSYS TECH LIMITED

### Notes forming part to the Consolidated Financial Statements for the year ended March 31, 2022

**Level 2-** Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

**Level 3-** Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The following table provides hierarchy of the fair value measurement of Group's asset and liabilities, grouped into Level 1 (Quoted prices in active markets), Level 2 (Significant observable inputs) and Level 3 (Significant unobservable inputs) as described below:

Particulars	(Rs. In Lakhs)		
	As at March 31, 2022		
	Level 1	Level 2	Level 3
<b>Financial Assets designated at fair value through profit or loss:-</b>			
- Investments	-	-	7.61

Particulars	(Rs. In Lakhs)		
	As at March 31, 2021		
	Level 1	Level 2	Level 3
<b>Financial Assets designated at fair value through profit or loss:-</b>			
- Investments	-	-	7.61

\* Since the investments under level 3 category are not material, so the disclosure for the same is not given.

#### Note 43 Financial risk management

The Group's activities expose it to market risk, credit risk and liquidity risk. The Group's financial risk management is an integral part of how to plan and execute its business strategies. The Group's financial risk management policy is set by the Committee of Board of Directors.

##### A Market Risk

Market Risk is the risk that the future value of a financial instrument will fluctuate due to moves in the market factors. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments.

The Group manages market risk through a treasury department headed by the CFO, which evaluates and exercises independent control over the entire process of market risk management and the processes of risk management is also approved by Senior Management and the Audit Committee.

The most common types of market risks include

- interest rate risk,
- foreign currency risk and
- equity price risk.

##### (i) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group having non current borrowing in the form of Term Loan . Also, the Group is having current borrowings in the form of working capital facility and Inter Corporate Loans. There is a fixed rate of interest in case of Inter corporate deposit and Vehicle Loan hence, there is no interest rate risk associated with these borrowings. The Group is exposed to interest rate risk associated with Term Loan and working capital facility due to floating rate of interest.

The table below illustrates the impact of a 0.5% increase in interest rates on interest on financial liabilities assuming that the changes occur at the reporting date and has been calculated based on risk exposure outstanding as of date. The year end balances are not necessarily representative of the average debt outstanding during the year.

##### Interest rate risk exposure:

The exposure of Group's borrowing to interest rate changes at the end of reporting period are as follows:

Particulars	(Rs. In Lakhs)	
	March 31, 2022	March 31, 2021
Variable rate borrowings-Non current	86.87	223.68
Variable rate borrowings-Current	5,874.90	6,562.88
<b>TOTAL</b>	<b>5,961.77</b>	<b>6,786.56</b>

## CEINSYS TECH LIMITED

### Notes forming part to the Consolidated Financial Statements for the year ended March 31, 2022

#### Sensitivity:

Profit or loss is sensitive to higher/lower interest rate expenses from borrowings as result of change in interest rates

Particulars	(Rs. In Lakhs)	
	(Decrease) / Increase on profit before tax	
	March 31, 2022	March 31, 2021
Interest rate increased by 50 basis points*	(29.81)	(33.93)
Interest rate decreased by 50 basis points*	29.81	33.93

\* Holding all other variables constant

#### (ii) Foreign Currency Risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign currency exchange rates. The Group transacts business primarily in USD and Euro. The Group has foreign currency Trade Receivables and is therefore, exposed to foreign currency exchange risk. The Group regularly reviews and evaluates exchange rate exposure arising from foreign currency transactions.

The following table demonstrates the sensitivity in the USD and Euro to the Indian Rupee with all other variables held constant. The impact on the Group's profit before tax (PBT) due to changes in the fair values of monetary assets and liabilities is given below:

Unhedged Foreign Currency exposure as at March 31, 2022	Currency	Amount in FC	Rs in Lakhs
Trade Receivables	USD	1,32,727	100.61
Trade Receivables	EURO	41,389	35.04

#### Foreign Currency Sensitivity

2% increase or decrease in foreign exchange rates will have the following impact on Profit Before Tax (PBT):-

Particulars	2021-22	
	2% increase	2% decrease
USD	2.01	(2.01)
EURO	0.70	(0.70)
<b>Increase / (Decrease) in Profit Before Tax</b>	<b>2.71</b>	<b>(2.71)</b>

#### (iii) Equity price risk

The Group's investments in unquoted equity shares are subject to market price risk arising from uncertainties about future values of the invested securities. The Group's investments in unquoted equity shares other than Joint Venture is very limited and the same is reviewed and approved by senior management on a regular basis.

#### B Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligation as agreed. To manage this, the Group periodically assesses financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are periodically reviewed on the basis of such information.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where loans or receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made in respect of written off are recognised as income in the statement of profit and loss.

**Cash and cash equivalents and deposits:** Balances and deposits with banks are subject to low credit risks due to good credit ratings assigned to the banks.

#### Trade and other receivables:

The Group measures the expected credit loss of trade receivables, retention with customers and other financial assets which are subject to credit risk, based on historical trend, industry practices and the business environment in which the entity operates and adjusted for forward looking information. Loss rates are based on actual credit loss experience and past trends.

The Group has used practical expedient by computing the expected credit loss allowance for trade receivables based on provision matrix. The provision matrix taken into account historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on ageing of the days the receivables are due.

The following table summarizes the Gross carrying amount of the financial assets and provision made.

## CEINSYS TECH LIMITED

### Notes forming part to the Consolidated Financial Statements for the year ended March 31, 2022

Particulars	(Rs. In Lakhs)			
	March 31, 2022		March 31, 2021	
	Gross Carrying Amount	Loss Allowance	Gross Carrying Amount	Loss Allowance
Trade Receivables	10,317.29	(1,449.03)	13,933.74	(1,101.30)
Security Deposits	308.18	(51.88)	273.46	(55.37)
Unbilled Revenue	9,808.29	(154.47)	7,067.50	(80.58)

The following table summarizes the changes in the Provisions made for the receivables:

Particulars	(Rs. In Lakhs)	
	March 31, 2022	March 31, 2021
Opening balance	(1,237.25)	(763.73)
Provided during the year (net of write off)	(418.13)	(473.52)
<b>Closing balance</b>	<b>(1,655.38)</b>	<b>(1,237.25)</b>

No significant changes in estimation techniques or assumptions were made during the reporting period.

#### C Liquidity risk

Liquidity Risk refers to insufficiency of funds to meet financial obligations. Liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Management monitors rolling forecasts of the Group's liquidity position comprising the undrawn borrowing facilities and cash and cash equivalents on the basis of expected cash flows.

#### Maturity profile of financial liabilities:

Particulars	(Rs. In Lakhs)			
	On Demand	0 to 1 years	More than 1 years	Total
<b>March 31, 2022</b>				
<b>Maturity of Financial Liabilities</b>				
Borrowings	5,874.90	124.27	39.86	<b>6,039.03</b>
Trade payables	-	4,634.66	-	<b>4,634.66</b>
Other financial liabilities	-	663.18	-	<b>663.18</b>
Lease Liabilities	-	100.47	143.23	<b>243.70</b>
<b>March 31, 2021</b>				
<b>Maturity of Financial Liabilities</b>				
Borrowings	8,402.50	152.66	109.79	<b>8,664.95</b>
Trade payables	-	6,469.62	-	<b>6,469.62</b>
Other financial liabilities	-	762.03	-	<b>762.03</b>
Lease Liabilities	-	-	-	<b>-</b>

#### Note 44 Capital Management

The primary objective of capital management is to safeguard their ability to continue as going concern, so they can continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Group considers the amount of capital in proportion to risk and manages the capital structure in light of changes in economic conditions and risk management of the underlying assets.

The Group monitors the capital structure on the basis of total debt and equity ratio and maturity profile of overall debt portfolio of the Company. Net Debt (total borrowing net of cash and cash equivalents) divided by Total 'equity' (as shown in the balance sheet)

## CEINSYS TECH LIMITED

### Notes forming part to the Consolidated Financial Statements for the year ended March 31, 2022

(Rs. In Lakhs)		
Particulars	As at March 31, 2022	As at March 31, 2021
Net Debt	3,369.11	7,692.72
Equity	16,286.21	8,913.54
<b>Capital and net debt</b>	<b>19,655.32</b>	<b>16,606.26</b>
<b>Debt equity ratio</b>	<b>0.21</b>	<b>0.86</b>
<b>Gearing Ratio</b>	<b>17.14%</b>	<b>46.32%</b>

#### Calculation of net debt is as follows:

(Rs. In Lakhs)		
Particulars	As at March 31, 2022	As at March 31, 2021
<b>Borrowings</b>		
Non Current	39.86	109.79
Current	5,999.17	8,555.16
	<b>6,039.03</b>	<b>8,664.95</b>
Cash and cash equivalents	1,400.39	7.82
Bank balances other than cash and cash equivalents	1,269.53	964.41
	<b>2,669.92</b>	<b>972.23</b>
<b>Net Debt</b>	<b>3,369.11</b>	<b>7,692.72</b>

#### Dividends

(Rs. In Lakhs)		
Particulars	Financial Year 2021-22	Financial Year 2020-21
<b>(i) Equity shares</b>		
Final dividend paid during the year ended March 31, 2022 of Rs. 2.25 (March 31, 2021 of Rs. 2.50 ) per fully paid share	250.13	277.92

#### Note 45 Provisions

##### Disclosures as required by Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets:-

##### Movement in provisions:-

(Rs. In Lakhs)		
Nature of provision	Provision for Expected Credit Loss	Total
<b>As at 31st March, 2020</b>	<b>763.73</b>	<b>763.73</b>
Provision during the year	473.52	473.52
<b>As at 31st March, 2021</b>	<b>1,237.25</b>	<b>1,237.25</b>
Provision during the year	418.13	418.13
<b>As at 31st March, 2022</b>	<b>1,655.38</b>	<b>1,655.38</b>

## CEINSYS TECH LIMITED

### Notes forming part to the Consolidated Financial Statements for the year ended March 31, 2022

Note 46 : Disclosures mandated by Schedule III by way of additional information - March 31, 2022

Name of the entity	(Rs. In Lakhs)				(Rs. In Lakhs)			
	Net Assets (total assets minus total liabilities) as at March 31, 2022		Share in Profit or (loss) for the year ended March 31, 2022		Share in Other Comprehensive Income for the year ended March 31, 2022		Share in Total Comprehensive Income for the year ended March 31, 2022	
	As a % of Consolidated net assets	Amount (Rs. Lakhs)	As a % of Consolidated profit or loss	Amount (Rs. Lakhs)	As a % of Consolidated Other Comprehensive Income	Amount (Rs. Lakhs)	As a % of Consolidated Total Comprehensive Income	Amount (Rs. Lakhs)
<b>Parent</b>								
Ceinsys Tech Limited	98.08%	15,974.03	83.42%	767.00	89.30%	(24.09)	83.24%	742.91
<b>Subsidiaries</b>								
<b>Indian</b>								
ADCC Infocom Private Limited	0.99%	160.90	-0.29%	(2.71)	0.00%	-	-0.30%	(2.71)
Allygrow Technologies Private Limited (ATPL) (Consolidated Financial Statements post Acquisition)	28.15%	4,585.17	20.41%	187.62	12.94%	(3.49)	20.63%	184.13
Non Controlling Interest	-4.89%	(795.74)	-3.53%	(32.45)	-2.24%	0.60	-3.57%	(31.85)
<b>Adjustments on consolidation</b>	-22.34%	(3,638.14)	0.00%	-	-	-	-	-
<b>Total</b>	<b>100.00%</b>	<b>16,286.22</b>	<b>100.00%</b>	<b>919.46</b>	<b>100.00%</b>	<b>(26.98)</b>	<b>100.00%</b>	<b>892.48</b>

Disclosures mandated by Schedule III by way of additional information - March 31, 2021

Name of the entity	(Rs. In Lakhs)				(Rs. In Lakhs)			
	Net Assets (total assets minus total liabilities) as at March 31, 2021		Share in Profit or (loss) for the year ended March 31, 2021		Share in Other Comprehensive Income for the year ended March 31, 2021		Share in Total Comprehensive Income for the year ended March 31, 2021	
	As a % of Consolidated net assets	Amount (Rs. Lakhs)	As a % of Consolidated profit or loss	Amount (Rs. Lakhs)	As a % of Consolidated Other Comprehensive Income	Amount (Rs. Lakhs)	As a % of Consolidated Total Comprehensive Income	Amount (Rs. Lakhs)
<b>Parent</b>								
Ceinsys Tech Limited	98.18%	8,750.93	138.74%	276.64	100.00%	(3.36)	139.41%	273.28
<b>Subsidiaries</b>								
<b>Indian</b>								
ADCC Infocom Private Limited	1.84%	163.61	-6.14%	(12.25)	-	-	-6.25%	(12.25)
<b>Adjustments on consolidation</b>	-0.01%	(1.00)	-32.60%	(65.00)	-	-	-33.16%	(65.00)
<b>Total</b>	<b>100.00%</b>	<b>8,913.54</b>	<b>100.00%</b>	<b>199.39</b>	<b>100.00%</b>	<b>(3.36)</b>	<b>100.00%</b>	<b>196.03</b>



## CEINSYS TECH LIMITED

### Notes forming part to the Consolidated Financial Statements for the year ended March 31, 2022

#### Note 47 : Segment Information

The Chief Operating Decision maker of the Group examines the Group's performance from a product offering perspectives. The management has identified the following reportable segments business:

1. Enterprise Geospatial & Engineering Services
2. Software Products
3. Power Generation

Mapping. Engineering consultancy services includes hydraulic modelling, water metering solutions, municipal solutions, Consultancy services for the DPR preparations for water supply scheme, Road and Highways using LiDAR Technology.

Software Products: This segment includes sale of standard software products of Autodesk, Bentley, ESRI, DigitalGlobe, Schneider, Seimens, Ansys, Intergraph etc.

Power Generation: This segment aiming to create renewable energy that is revolutionising and redefining the way sustainable energy sources are harnessed across the world. At present Ceinsys has invested in Wind Mills and Solar Plants to generate renewable clean energy.

Enterprise Geospatial & Engineering Services: This segment includes Geospatial solution for Cadastral mapping, Resource survey, mapping & analysis, Mining applications & Heritage

Particulars	Enterprise Geospatial & Engineering Services *		Software Products *		Power Generation #		Unallocable		Total	
	March 2022	March 2021	March 2022	March 2021	March 2022	March 2021	March 2022	March 2021	March 2022	March 2021
<b>Revenue from operations</b>	17,439.49	16,167.17	2,625.53	2,176.39	223.62	179.63	-	-	20,288.64	18,523.19
Segment Results	2,553.54	1,831.02	121.17	201.17	71.24	63.72	-	-	2,745.95	2,095.91
Add: Unallocable Income	-	-	-	-	-	-	167.68	154.76	167.68	154.76
Less: Finance Cost	-	-	-	-	-	-	922.95	1,172.39	922.95	1,172.39
Less: Other unallocable expenditure	-	-	-	-	-	-	829.00	834.71	829.00	834.71
<b>Profit before tax</b>									<b>1,161.68</b>	<b>243.57</b>
<b>Share of net profit of joint venture accounted for using the equity method</b>									<b>186.08</b>	<b>-</b>
<b>Income Tax/deferred tax</b>									<b>(395.85)</b>	<b>(44.18)</b>
<b>Profit for the year</b>									<b>951.91</b>	<b>199.39</b>

\* Segment results represent Earnings before Interest, Tax and Depreciation and Amortisation.

# Segment results represents Earnings before Interest and Tax.

Particulars	Enterprise Geospatial & Engineering Services		Software Products		Power Generation		Unallocable		Total	
	March 2022	March 2021	March 2022	March 2021	March 2022	March 2021	March 2022	March 2021	March 2022	March 2021
Segment Assets	18,088.47	19,988.57	831.76	582.89	930.95	1,059.63	10,189.24	3,989.71	30,040.42	25,620.80
<b>Total Assets</b>									<b>30,040.42</b>	<b>25,620.80</b>
Segment Liabilities	4,897.26	6,882.58	472.74	119.88	-	-	7,588.47	9,704.80	12,958.47	16,707.26
<b>Total Liabilities</b>									<b>12,958.47</b>	<b>16,707.26</b>
<b>Other Information</b>										
Capital Expenditure	-	-	-	-	-	-	225.82	41.67	225.82	41.67
Depreciation and amortisation expenses	-	-	-	-	71.28	69.10	231.25	268.49	302.53	337.59
Non-Cash Expenditure	56.47	127.33	-	-	-	-	418.13	473.52	474.60	600.85

## CEINSYS TECH LIMITED

### Notes forming part to the Consolidated Financial Statements for the year ended March 31, 2022

#### Geographic Informations

(Rs. In Lakhs)

Particulars	Within India		Outside India		Total	
	Mar-22	Mar-21	Mar-22	Mar-21	Mar-22	Mar-21
Revenue from operations	19,567.99	18,430.82	720.65	92.37	20,288.64	18,523.19

#### Note 47.01: Non current Assets by location of Assets.

Non- Current Assets	March 31,2022	March 31, 2021
Domestic	7,851.06	3,470.42
Overseas	189.88	-
<b>TOTAL</b>	<b>8,040.94</b>	<b>3,470.42</b>

#### Information about major customers

Revenue from operations include Rs. 4004.26 Lakhs, (March 31, 2021 : 7856.44 Lakhs) from One customer (March 31, 2021: two customers) having more than 10% of the total revenue.

#### Note 48 : Interest in Joint Venture

Name of Entity	Place of Business	% of Ownership interest	Relationship	Accounting Method	Carrying Amount	
					March 31, 2022	March 31, 2021
Allygram Systems and Technologies Private Limited	US	57.88%	Joint Venture	Equity Method	1,855.76	-

\* Unlisted entity – no quoted price available.

#### Summarised financial information for Joint venture

Summarised balance sheet	Allygram Systems and Technologies Private Limited	
	March 31,2022	March 31, 2021
<b>Current assets</b>		
Cash and cash equivalents	302.52	-
Other assets	1,820.63	-
<b>Total current assets</b>	<b>2,123.15</b>	<b>-</b>
<b>Total non-current assets</b>	<b>939.88</b>	<b>-</b>
<b>Current liabilities</b>		
Financial liabilities (excluding trade payables)	145.14	-
Other liabilities	200.68	-
<b>Total current liabilities</b>	<b>345.82</b>	<b>-</b>
<b>Non-current liabilities</b>		
Financial liabilities	40.57	-
Other liabilities	59.73	-
<b>Total non-current liabilities</b>	<b>100.30</b>	<b>-</b>
<b>Net assets</b>	<b>2,616.91</b>	<b>-</b>

## CEINSYS TECH LIMITED

### Notes forming part to the Consolidated Financial Statements for the year ended March 31, 2022

Summarised Statement of Profit and Loss	Allygram Systems and Technologies Private Limited	
	March 31,2022	March 31, 2021
Revenue	554.52	-
Other Income	20.1	-
Employee benefits expense	208.04	-
Depreciation and amortisation	38.28	-
Other Expenses	69.82	-
Interest expense	2.25	-
Income tax expense	-9.59	-
<b>Profit for the year</b>	<b>265.83</b>	-
Other comprehensive income	3.29	-
<b>Total comprehensive income</b>	<b>269.12</b>	-

#### Share of profits from Joint venture

Particulars	March 31,2022	March 31, 2021
Owners of the company	153.89	-
Non-controlling interests	32.19	-

#### Share of other comprehensive income from Joint venture

Particulars	March 31,2022	March 31, 2021
Owners of the company	1.91	-
Non-controlling interests	0.40	-

## CEINSYS TECH LIMITED

### Notes forming part to the Consolidated Financial Statements for the year ended March 31, 2022

#### Note 49 Other Statutory Information

- i) There are no balances outstanding on account of any transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- ii) The Group does not have any such transaction which is not recorded in the books of account surrendered or disclosed as income during the year in the tax assessments under the Income-tax act, 1961.
- iii) No proceeding has been initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- iv) The Group is not declared wilful defaulter by any bank or financial institution or other lender.
- v) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- vi) The Group has not received any fund from any person(s) or entity(s), including entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- vii) The Group has not traded or invested in crypto currency or virtual currency during the financial year .

**Note 50** Previous Year's figures have been regrouped / rearranged wherever necessary to make them comparable with those of current year

#### As per our report of even date

#### FOR CHATURVEDI & SHAH LLP

Chartered Accountants

Firm Registration Number : 101720W / W100355

For and on behalf of Board of Directors

**R. Koria**

(Partner)

Membership Number : 035629

**Prashant Kamat**

(Vice-Chairman and Chief Executive Officer)

(Din No.07212749)

**Place : Nagpur**

**Abhay Kimmatkar**

(Managing Director)

(Din No.01984134)

**Place : Nagpur**

**Rahul Joharapurkar**

(Jt. Managing Director)

(Din No.08768899)

**Place : Nagpur**

**Krishnan Rathnam**  
(Chief Financial Officer)

**Place : Pune**

**CS Pooja Karande**  
(Company Secretary)  
(Membership No. A54401)

**Place : Nagpur**

**Date : May 30, 2022**

**Place : Mumbai**

## NOTICE

### CEINSYS TECH LIMITED

Reg. Office: 10/5, I.T. Park, Nagpur-440022

Corporate Identification Number (CIN): L72300MH1998PLC114790 Tel No. 91 712 6782800

Web: [www.ceinsys.com](http://www.ceinsys.com), email: [cs@ceinsys.com](mailto:cs@ceinsys.com)

## NOTICE OF THE 24<sup>TH</sup> ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT THE 24<sup>TH</sup> ANNUAL GENERAL MEETING OF THE MEMBERS OF CEINSYS TECH LIMITED WILL BE HELD ON FRIDAY, 30<sup>TH</sup> SEPTEMBER, 2022 11:30 A.M (IST) THROUGH VIDEO CONFERENCING ('VC') / OTHER AUDIO-VISUAL MEANS ('OAVM'), TO TRANSACT THE FOLLOWING BUSINESS:**

### ORDINARY BUSINESS

#### Item No. 1 – Adoption of Audited Standalone Financial Statements

To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2022 together with the Reports of the Board of Directors and the Auditors thereon.

#### Item No. 2–Adoption of Audited Consolidated Financial Statements

To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2022 together with the Report of the Auditors thereon.

#### Item No. 3 – Declaration of Dividend

To declare Final Dividend of Rs. 2.25/- (Two Rupees Twenty-Five Paise Only) per Equity share of Rs. 10/- each for the Financial Year ended March 31, 2022.

#### Item No. 4 – Re-Appointment of Director

To appoint a director in place of Mr. Rahul Joharapurkar (DIN: 08768899), who retires by rotation and being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS

#### Item No. 5 – Re-appointment of Mr. Dhruv Kaji (DIN: 00192559) as a Non-Executive Independent Director of the Company to hold office for a Second term of 5 (Five) consecutive years with effect from July 14, 2022 to July 13, 2027:

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to regulation 17 (1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force) and based on the recommendations of Nomination and Remuneration Committee and Audit Committee, Mr. Dhruv Kaji (DIN: 00192559) whose appointment was approved by the Board at their meeting held on July 12, 2022 and who has submitted a declaration that he meets the criteria of independence under Section 149(6) of the

Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations and who being eligible for re-appointment for a second term, be and is hereby re-appointed as a Non-Executive Independent Director of the Company, not liable to retire by Rotation and to hold office for second term of 5 (Five) consecutive years with effect from July 14, 2022 to July 13, 2027 on the Board of Directors of the Company.”

**“RESOLVED FURTHER THAT** any of the Executive Directors and/or Chief Financial Officer and/or Company Secretary and Compliance Officer of the Company be and are hereby authorised to do all such acts deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

#### Item No. 6 – Re-appointment of Dr. Satish Wate (DIN: 07792398) as a Non-Executive Independent Director of the Company to hold office for a Second term of 5 (Five) consecutive years with effect from July 14, 2022 to July 13, 2027:

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force) and based on the recommendations of Nomination and Remuneration Committee and Audit Committee, Dr. Satish Wate (DIN: 07792398) whose appointment was approved by the Board in their meeting held on July 12, 2022 and who has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations and who being eligible for re-appointment for a second term, be and is hereby re-appointed as a Non-Executive Independent Director of the Company, not liable to retire by Rotation and to hold office for second term of 5 (Five) consecutive years with effect from July 14, 2022 to July 13, 2027 on the Board of Directors of the Company.”

**“RESOLVED FURTHER THAT** any of the Executive Directors and/or Chief Financial Officer and/or Company Secretary and Compliance Officer of the Company be and are hereby authorised to do all such acts deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

**Item No. 7 – Re-appointment of Mrs. Renu Challu (DIN: 00157204) as a Non-Executive Independent Director of the Company to hold office for a Second term of 5 (Five) consecutive years with effect from August 31, 2022 to August 30, 2027:**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force) and based on the recommendations of Nomination and Remuneration Committee and Audit Committee, Mrs. Renu Challu (DIN: 00157204) whose appointment was approved by the Board in their meeting held on August 30, 2022 and who has submitted a declaration that she meets the criteria of independence under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations and who being eligible for re-appointment for a second term, be and is hereby re-appointed as a Non-Executive Independent Director of the Company, not liable to retire by Rotation and to hold office for second term of 5 (Five) consecutive years with effect from August 31, 2022 to August 30, 2027 on the Board of Directors of the Company.”

**“RESOLVED FURTHER THAT** any of the Executive Directors and/or Chief Financial Officer and/or Company Secretary and Compliance Officer of the Company be and are hereby authorised to do all such acts deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

**Item No. 8 – Re-appointment of Mr. Kishore Dewani (DIN: 00300636) as a Non-Executive Independent Director of the Company to hold office for a Second term of 5 (Five) consecutive years with effect from January 15, 2023 to January 14, 2028:**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force) and based on the recommendations of Nomination and Remuneration Committee and Audit Committee Mr. Kishore Dewani (DIN: 00300636), whose appointment was approved by the Board at their meeting held on August 30, 2022 and who has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations and who being eligible for re-appointment on a second term, be and is hereby re-appointed as a Non-Executive Independent Director of the Company, not liable to retire by Rotation and to hold

office for second term of 5 (Five) consecutive years with effect from January 15, 2023 to January 14, 2028 on the Board of Directors of the Company.”

**“RESOLVED FURTHER THAT** any of the Executive Directors and/or Chief Financial Officer and/or Company Secretary and Compliance Officer of the Company be and are hereby authorised to do all such acts deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

Place: Nagpur  
Date: August 30, 2022

**By order of the Board of Directors for  
CEINSYS TECH LIMITED**

Registered office:  
10/5, I.T. Park, Nagpur - 440022,  
Maharashtra, India

SD/-  
Pooja Karande  
(Company Secretary and  
Compliance Officer)

## NOTES

1. In view of the ongoing COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA"), vide its General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 5, 2020, General Circular No. 22/2020 dated June 15, 2020, General Circular No. 33/2020 dated September 28, 2020, General Circular No. 39/2020 dated December 31, 2020, Circular No. 02/2021 dated January 13, 2021 and General Circular No. 02/2022 dated May 5, 2022 (collectively "MCA Circulars") and Securities and Exchange Board of India ("SEBI") vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 on May 13, 2022 (collectively "SEBI Circulars"), have permitted companies to conduct AGM through VC or other audio visual means, subject to compliance of various conditions mentioned therein. In compliance with the aforesaid MCA and SEBI Circulars, applicable provisions of the Companies Act, 2013 and rules made thereunder, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations") the 24<sup>th</sup> Annual General Meeting (AGM) of the Company is being convened and conducted through Video Conferencing (VC) or other Audio Visual Means (OAVM). The registered office of the Company shall be deemed to be the venue for the AGM.

2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.

3. The Company has enabled the Members to participate at the 24<sup>th</sup> AGM through VC/OAVM facility. The instructions for participation by Members are given in the subsequent pages. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

4. As per the provisions under the MCA Circulars, Members attending the 24<sup>th</sup> AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has appointed National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of

casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.

6. In line with the Ministry of Corporate Affairs (MCA) Circulars, the Notice calling the 24<sup>th</sup> AGM has been uploaded on the website of the Company at [www.ceinsys.com](http://www.ceinsys.com). The Notice can also be accessed from the website of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

7. Pursuant to the provisions of Section 91 of the Act, the Register of Members and Share Transfer Books of the Company will remain closed from Saturday, September 24, 2022 to Friday, September 30, 2022, (both days inclusive), for the purpose of AGM.

8. Shareholders may note that the Board of Directors at their meeting held on August 13, 2022 has recommended a final dividend of Rs. 2.25 per equity share. The record date for the purposes of final dividend for fiscal 2022 will be September 23, 2022.

9. Payment of dividend shall be made through electronic mode to the Members who have updated their bank account details. Dividend warrants / demand drafts / Cheques will be dispatched to the registered address of the members who have not updated their bank account details, at the earliest. In order to receive dividend/s in a timely manner, Members are requested to register / update their complete bank details: a) with their Depository Participant(s) with whom they maintain their demat accounts if shares are held in dematerialised mode by submitting the requisite documents, and b) with Bigshare Services Private Limited (Registrar and Share Transfer Agent), if shares are held in physical mode (i) scanned copy of the signed request letter which shall contain shareholder's name, folio number, bank details (Bank account number, Bank and Branch Name and address, IFSC, MICR details), (ii) self-attested copy of the PAN card and (iii) cancelled cheque leaf.

10. Members may note that pursuant to the Finance Act, 2020, dividend income is taxable in the hands of the Shareholders effective April 1, 2020 and the Company is required to deduct tax at source from dividend paid to Members at the prescribed rates. To enable compliance with TDS requirements, Members are requested to complete and/or update their Residential status, PAN and Category with their Depository Participants ('DPs') or in case shares are held in physical form with the Company / RTA by sending documents through e-mail.

A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/ 15H, to avail the benefit of non-deduction of tax at source by email [tds@bigshareonline.com](mailto:tds@bigshareonline.com) by 11:59 p.m. IST on September 23, 2022. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to [tds@bigshareonline.com](mailto:tds@bigshareonline.com). The aforesaid declarations and documents need to be submitted by the shareholders by 11:59 p.m. IST on September 23, 2022.



11. Pursuant to the provisions of Sections 124 and 125 of the Act and Rules thereunder, any money transferred to the Unpaid Dividend Account of a company, which remains unpaid or unclaimed for a period of seven years from the date of such transfer, is required to be transferred by the Company to the Investor Education and Protection Fund (IEPF).

Members are requested to send their claims to the Company and the Company's Registrar and Share Transfer Agent (R & T Agent), i.e., Bigshare Services Private Limited, if any, before the amount becomes due for transfer to the above Fund. Members are requested to encash the dividend warrant(s) immediately on the receipt by them. Members who have not yet encashed their dividend warrant(s) are requested to make their claims without any delay to the R & T Agent. Due dates for transfer of unclaimed dividend to the IEPF are as follows:

Dividend for the Financial Year	Year in Which Dividend Will Become Part Of IEPF
2020-21	2028
2019-20	2027
2018-19	2026
2015-16	2023

#### A. VOTING THROUGH ELECTRONIC MEANS

- The remote e-voting period commences on Tuesday, September 27, 2022 (9.00 a.m. IST) and ends on Thursday, September 29, 2022 (5.00 p.m. IST). The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.
- The Members, whose names appear in the Register of Members as on the record date cut-off date i.e. Friday, September 23, 2022 may cast their vote electronically. The voting rights of Members shall be in

proportion to their shares of the paid up equity share capital of the Company as on the cut-off date, being Friday, September 23, 2022.

- The Board of Directors has appointed Mr. Sushil Kawadkar, Practicing Company Secretary (Membership No.5725) as the Scrutinizer to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner.
- The Members who have cast their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.
- Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.

- The details of the process and manner for remote e-voting are explained herein below:

#### How do I vote electronically using NSDL e-Voting system?

*The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:*

##### Step 1: Access to NSDL e-Voting system


##### A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the "<b>Beneficial Owner</b>" icon under "<b>Login</b>" which is available under '<b>IDeAS</b>' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "<b>Access to e-Voting</b>" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "<b>Register Online for IDeAS Portal</b>" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>



Type of shareholders	Login Method
	<p>4. Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</p> 
Individual Shareholders holding securities in demat mode with CDSL	<p>1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</p> <p>2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</p> <p>3. If the user is not registered for Easi/Easiest, option to register is available at: <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p> <p>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022- 23058542-43

**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

(i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and

Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

**Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

**How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [sushilkawadkar@rediffmail.com](mailto:sushilkawadkar@rediffmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on

"Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
- In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request to [Mr. Anubhav Saxena](mailto:Mr. Anubhav Saxena) and/or [Ms. Soni Singh](mailto:Ms. Soni Singh) at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

- In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [cs@ceinsys.com](mailto:cs@ceinsys.com).
- In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [cs@ceinsys.com](mailto:cs@ceinsys.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
- Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
- In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

- The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
- Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall

be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

- Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "Join General meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
- Members are encouraged to join the Meeting through Laptops for better experience.
- Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at [cs@ceinsys.com](mailto:cs@ceinsys.com). The same will be replied by the company suitably.
- Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at [cs@ceinsys.com](mailto:cs@ceinsys.com) at least 4 days in advance before the start of the 24<sup>th</sup> AGM. Those members who have registered themselves as a speaker will only be allowed to express their views / ask questions during the 24<sup>th</sup> AGM, depending upon the availability of time.
- Members can submit questions in advance concerning the resolutions to be considered at the AGM, from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number to [cs@ceinsys.com](mailto:cs@ceinsys.com), to be received at least 4 days in advance before the start of the 24<sup>th</sup> AGM.

**OTHER INSTRUCTIONS:**

- The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
- The result declared along with the Scrutinizer's Report shall be placed on the Company's website [www.ceinsys.com](http://www.ceinsys.com) and on the website of NSDL <https://www.evoting.nsdl.com> immediately. The Company shall simultaneously forward the results to BSE Limited, where the shares of the Bank are listed.

## GENERAL

1. The relevant Statement pursuant to Section 102 of the Companies Act, 2013, setting out material facts concerning the Item Nos. 5, 6, 7 and 8 of the Notice dated August 30, 2022 is annexed hereto.
2. All correspondence regarding shares of the Company should be addressed to the Company's Registrar and Transfer Agent, Bigshare Services Private Limited, Office No S6-2, 6th floor Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai - 400093, India."
3. Members may avail of the facility for making nominations in respect of the shares held by them. All rights of transfer and/or to amounts payable in respect of the shares shall vest in the nominee in the event of the death of the shareholder. A minor may be a nominee provided that the name of the guardian is mentioned in the Nomination form. The facility of nomination is not available to non-individual members such as bodies corporate, karta of Hindu Undivided Families, partnership firms, societies, trusts and holders of Power of Attorney.
4. The Register of directors and key managerial personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. Electronic copy of relevant documents referred to in the Notice and Explanatory Statement will be made available through email for inspection by the Members. A Member is requested to send an email to [cs@ceinsys.com](mailto:cs@ceinsys.com) for the same.
5. A brief profile of the Directors of the Company including profile of Directors seeking appointment/reappointment and as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India forms part of this Notice.
6. The Securities and Exchange Board of India (SEBI) vide its circular dated April 20, 2018 has mandated registration of Permanent Account Number (PAN) and Bank Account Details for all securities holders. Members holding shares in physical form are therefore, requested to submit their PAN and Bank Account Details to Bigshare Services Private Limited / Company by sending a duly signed letter along with self-attested copy of PAN Card and original cancelled cheque. The original cancelled cheque should bear the name of the Member. In the alternative Members are requested to submit a copy of bank passbook / statement attested by the bank. Members holding shares in demat form are requested to submit the aforesaid information to their respective Depository Participant.
7. The Members are requested to register their e-mail ID or new e-mail ID (if there is any change in email ID which has already been registered with the, Depository Participant (for shares held in demat form) or Company (for shares held in physical form)).
8. SEBI vide its Notification dated June 8, 2018 and further amendment vide its Notification dated November 30, 2018, prescribed that the requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 1, 2019 unless the securities are held in the dematerialized form with the depositories. Therefore, the Members holding shares in physical form are requested to take action to dematerialize the equity shares of the Bank promptly.

9. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

## EXPLANATORY STATEMENT CONTAINING MATERIAL FACTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

### Item No. 5

Mr. Dhruv Kaji (DIN: 00192559) was appointed as a Non-Executive Independent Directors on the Board of the Company by the members at the 19<sup>th</sup> AGM of the Company for a period of 5 (five) consecutive years commencing from July 14, 2017 up to July 13, 2022.

The Board of Directors at their meeting held on July 12, 2022, based on the performance evaluation and recommendations of the Nomination and Remuneration Committee, have approved the re-appointment of Mr. Dhruv Kaji as a Non- Executive Independent Director of the Company, not liable to retire by rotation to hold office for a second term of 5 (Five) consecutive years from July 14, 2022 up to July 13, 2027, even though he would attain the prescribed age of seventy five years during the proposed second term of appointment, subject to approval of the Shareholders.

Section 149 of the Companies Act, 2013 (Act) and provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") inter alia prescribe that an Independent Director of a company shall meet the criteria of independence as provided in Section 149(6) of the Act and regulation 16(1)(b) of the Listing Regulations.

Further Section 149(10) of the Act provides that an Independent Director shall hold office for a term of up to 5 (five) consecutive years on the Board and shall be eligible for re-appointment on passing a special resolution by the company and disclosure of such appointment in its Board's report. Section 149(11) provides that an Independent Director may hold office for up to two consecutive terms.

Further, pursuant to the provisions of the Listing Regulations, the approval of the Members by way of a Special Resolution is required for continuing the appointment of a Non-Executive Director (which includes independent director), who shall attain the age of seventy five years during his/her term of appointment.

Mr. Dhruv Kaji is not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given his consent to act as Directors.

The Company has also received declaration from Mr. Dhruv Kaji that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under regulation 16(1)(b) of the Listing Regulations.

In the opinion of the Board, Mr. Dhruv Kaji fulfils the conditions for appointment as Independent Directors as specified in the Act and the Listing Regulations.

This explanatory statement along with the additional information as per Regulation 36 of the SEBI Listing Regulations and Secretarial Standard 2 on General Meetings issued by Institute of Company Secretaries of India (ICSI), as annexed herewith may also be regarded as disclosure under the provisions of the Act and SEBI Listing Regulations.

Except the appointee director Mr. Dhruv Kaji with regard to the

resolution of his respective re-appointment, none of the other Directors / Key Managerial Personnel of the Company / his relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

Accordingly, the approval of the Members of the Company is being sought by way of a Special Resolution as set out at Item No. 5 of the Notice.

#### Item No. 6

Dr. Satish Wate (DIN: 07792398) was appointed as a Non-Executive Independent Directors on the Board of the Company by the members at the 19<sup>th</sup> AGM of the Company for a period of 5 (five) consecutive years commencing from July 14, 2017 up to July 13, 2022.

The Board of Directors at their meeting held on July 12, 2022, based on the performance evaluation and recommendations of the Nomination and Remuneration Committee, have approved the re-appointment of Dr. Satish Wate as a Non- Executive Independent Director of the Company, not liable to retire by rotation to hold office for a second term of 5 (Five) consecutive years from July 14, 2022 up to July 13, 2027, subject to approval of the Shareholders.

Section 149 of the Act and provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") inter alia prescribe that an Independent Director of a company shall meet the criteria of independence as provided in Section 149(6) of the Act and regulation 16(1)(b) of the Listing Regulations.

Further, Section 149(10) of the Act provides that an Independent Director shall hold office for a term of up to 5 (five) consecutive years on the Board and shall be eligible for re-appointment on passing a special resolution by the company and disclosure of such appointment in its Board's report. Section 149(11) provides that an Independent Director may hold office for up to two consecutive terms.

Dr. Satish Wate is not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors.

The Company has also received declaration from Dr. Satish Wate that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under regulation 16(1)(b) of the Listing Regulations.

In the opinion of the Board, Dr. Satish Wate fulfils the conditions for appointment as Independent Directors as specified in the Act and the Listing Regulations.

This explanatory statement along with the additional information as per Regulation 36 of the SEBI Listing Regulations and Secretarial Standard 2 on General Meetings issued by Institute of Company Secretaries of India (ICSI), as annexed herewith may also be regarded as disclosure under the provisions of the Act and SEBI Listing Regulations.

Except the appointee director Dr. Satish Wate with regard to the resolution of his respective re-appointment, none of the other Directors / Key Managerial Personnel of the Company / his relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

Accordingly, the approval of the Members of the Company is being sought by way of a Special Resolution as set out at Item No. 6 of the Notice.

#### Item No. 7

Ms. Renu Challu (DIN: 00157204) was appointed as a Non-Executive Independent Directors on the Board of the Company by the members at the 19<sup>th</sup> AGM of the Company for a period of 5 (five) consecutive years commencing from August 31, 2017 up to August 30, 2022.

The Board of Directors at their meeting held on August 30, 2022, based on the performance evaluation and on the recommendations of Nomination and Remuneration Committee, have approved the re-appointment of Ms. Renu Challu as a Non- Executive Independent Director of the Company, not liable to retire by rotation to hold office for a second term of 5 (Five) consecutive years from August 31, 2022 up to August 30, 2027, even though she would attain the prescribed age of seventy five years during the proposed second term of appointment, subject to approval of the Shareholders.

Section 149 of the Act and provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") inter alia prescribe that an Independent Director of a company shall meet the criteria of independence as provided in Section 149(6) of the Act and regulation 16(1)(b) of the Listing Regulations.

Further, Section 149(10) of the Act provides that an Independent Director shall hold office for a term of up to 5 (five) consecutive years on the Board and shall be eligible for re-appointment on passing a special resolution by the company and disclosure of such appointment in its Board's report. Section 149(11) provides that an Independent Director may hold office for up to two consecutive terms.

Further, pursuant to the provisions of the Listing Regulations, the approval of the Members by way of a Special Resolution is required for continuing the appointment of a Non-Executive Director (which includes independent director), who shall attain the age of seventy five years during his/her term of appointment.

Ms. Renu Challu is not disqualified from being appointed as Director in terms of Section 164 of the Act and have given their consent to act as Director.

The Company has also received declaration from Ms. Renu Challu that she meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the Listing Regulations.

In the opinion of the Board, Ms. Renu Challu fulfils the conditions for appointment as Independent Directors as specified in the Act and the Listing Regulations.

This explanatory statement along with the additional information as per Regulation 36 of the SEBI Listing Regulations and Secretarial Standard 2 on General Meetings issued by Institute of Company Secretaries of India (ICSI), as annexed herewith may also be regarded as disclosure under the provisions of the Act and SEBI Listing Regulations.

Except the appointee director Ms. Renu Challu with regard to the resolution of her respective re-appointment, none of the other Directors / Key Managerial Personnel of the Company / her relatives are, in any



way, concerned or interested, financially or otherwise, in these resolutions.

Accordingly, the approval of the Members of the Company is being sought by way of a Special Resolution as set out at Item No. 7 of the Notice.

#### Item No. 8

Mr. Kishore Dewani (DIN: 00300636) was appointed as a Non- Executive Independent Directors on the Board of the Company by the members at the 20<sup>th</sup> AGM of the Company for a period of 5 (five) consecutive years commencing from January 15, 2018 up to January 14, 2023.

The Board of Directors at their meeting held on August 30, 2022, based on the performance evaluation and on the recommendations of Nomination and Remuneration Committee, have approved the re-appointment of Mr. Kishore Dewani as a Non-Executive Independent Director of the Company, not liable to retire by rotation to hold office for a second term of 5 (Five) consecutive years from January 15, 2023 to January 14, 2028, subject to approval of the Shareholders.

Section 149 of the Act and provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") inter alia prescribe that an Independent Director of a company shall meet the criteria of independence as provided in Section 149(6) of the Act and regulation 16(1)(b) of the Listing Regulations.

Section 149(10) of the Act provides that an Independent Director shall hold office for a term of up to 5 (five) consecutive years on the Board and

shall be eligible for re-appointment on passing a special resolution by the company and disclosure of such appointment in its Board's report. Section 149(11) provides that an Independent Director may hold office for up to two consecutive terms.

Mr. Kishore Dewani is not disqualified from being appointed as Director in terms of Section 164 of the Act and have given their consent to act as Director.

The Company has also received declarations from Mr. Kishore Dewani that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the Listing Regulations.

In the opinion of the Board, Mr. Kishore Dewani fulfil the conditions for appointment as Independent Directors as specified in the Act and the Listing Regulations.

This explanatory statement along with the additional information as per Regulation 36 of the SEBI Listing Regulations and Secretarial Standard 2 on General Meetings issued by Institute of Company Secretaries of India (ICSI), as annexed herewith may also be regarded as disclosure under the provisions of the Act and SEBI Listing Regulations.

Except the appointee director Mr. Kishore Dewani, with regard to the resolution of his respective re-appointment, none of the other Directors / Key Managerial Personnel of the Company / his relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board recommends the passing of Special Resolution as set out at Item No. 8 of the Notice for approval by the members.

#### ANNEXURE TO ITEM NO: 4, 5, 6, 7 AND 8

#### DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT. INFORMATION PURSUANT TO 1.2.5 OF THE SECRETARIAL STANDARDS ON GENERAL MEETINGS (SS- 2) AND REGULATION 36 (3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 REGARDING DIRECTOR SEEKING RE-APPOINTMENT.

##### Item No. 4:

Name of Director	Mr. Rahul Joharapurkar
DIN	08768899
Date of Birth	October 30, 1970
Age	51 years
Date of Appointment	June 25, 2020
Qualifications	B.E- Instrumentation and Control Engineering
Nature of Expertise in specific functional areas	IT & ITES Services & Business Development
Experience/ Brief profile	Over 30 years Rahul Joharapurkar is a Joint Managing Director at Ceinsys Tech Limited. An Instrumentation and Control Engineering graduate, he has over 30 years of experience in the ITES industry. Apart from being the director, he is also the Joint Managing Director at Ceinsys Tech Limited & is a vital cog with specialized business, operational intelligence, and progressive quality improvement initiatives across the board. Over the years, he has also been instrumental in the successful execution of large, complex, and high valued multi-stream projects for the Ceinsys Tech in the domains of Geographical Information System, Smart Water Management Solutions, Professional Consultancy Services, Control Systems & Automation, etc. His high technical skills and business acumen have been widely recognized and has been awarded the Award of Excellence for the year 2015-16 and the Exceptional Technical Execution Navigation GIS data project for European countries for the year 2008-09.

Directorship held in other listed entities	NIL
Other Directorships	ADCC Infocom Private Limited Allygrow Technologies Private Limited
Chairmanships/Memberships of the Committees of other public limited companies	Nil
Number of Shares held in the Company	6300 Shares
Relationship with any Director(s) of the Company	Not Related

**Item No 5 :**

Name of Director	Mr. Dhruv Subodh Kaji
DIN	00192559
Date of Birth	February 2, 1951
Age	71 years
Date of Appointment	July 14, 2017
Qualifications	Chartered Accountant, B.Com
Nature of Expertise in specific functional areas	Strategic Planning, Evaluating and Guiding Business Projects
Experience/ Brief profile	Over 35 years CA Dhruv Subodh Kaji is a Chartered Accountant with immense knowledge and experience base of over 35 years. He held prominent positions like Finance Director, Member of Advisory Board, and Chairman/Member of various Board Committees and carries expertise in strategic planning, evaluating, and guiding business projects.
Directorship held in other listed entities Other Directorships	NIL 1.Network18 Media & Investments Limited 2.HDFC Asset Management Company Limited 3.TV18 Broadcast Limited
Chairmanships/Memberships of the Committees of other public limited companies	<b><u>Chairmanship in other Companies:</u></b> 1.Network18 Media & Investments Limited - Nomination and Remuneration Committee 2.TV18 Broadcast Limited - Stakeholders Relationship Committee 3.TV18 Broadcast Limited- Nomination and Remuneration Committee 4.HDFC Asset Management Company Limited - Audit Committee <b><u>Membership in Other Companies:</u></b> 1.Network18 Media & Investments Limited – Audit Committee 2.Network18 Media & Investments Limited -Stakeholders’ Relationship Committee 3.TV18 Broadcast Limited - Audit Committee 4.TV18 Broadcast - Corporate Social Responsibility Committee 5.HDFC Asset Management Company Limited – Stakeholder Relationship Committee 6.HDFC Asset Management Company Limited- Nomination and Remuneration Committee
Number of Shares held in the Company	Nil
Relationship with any Director(s) of the Company	Not Related

**Item No 6 :**

Name of Director	Dr. Satish Wate
DIN	07792398
Date of Birth	December 22,1955
Age	66 years
Date of Appointment	July 14, 2017
Qualifications	Masters in Bio Chemistry, Doctorate in Bio Chemistry
Nature of Expertise in specific functional areas	Enviromental Impact and Risk Assesment, Water Resource Management, Enviromental Systems Design, Modelling and Optimization, Carrying Capicity Based Developmental Planning, Enviromental Biotechnology, Wastewater Treatment and Environmental Materials for Field Applications

Experience/Brief Profile	<p>Over 30 years</p> <p>Dr. Satish Wate, Master and Doctorate in Biochemistry from Nagpur University started his career as a Scientist and leveraged as a Director at CSIR-NEERI, Nagpur. His area of expertise is Water Resources Management and Environmental impact assessment Dr. Wate held an Additional charge of Director Central Leather Research Institute, Chennai. In his professional tenure, he has been associated with several innovative programs at NEERI &amp; CSIR. He was also appointed by the Home Ministry, Rajbhasha Prabhaag as the President of Nagar Rajbhasha Karyanvayan Samiti for Nagpur City during 2010-2013. He was also appointed by Prime Minister as Chairman Recruitment and Assessment Board of CSIR from 2016-19.</p> <p>Apart from various prominent positions held, Dr. Wate currently holds Chairmanship of Expert Appraisal Committee (EAC) Non-Coal Mining, MoEFCC, Delhi; Chairmanship of Water sector for IMPRINT projects for HRD ministry; Presidentship of Vigyan Bharati, Vidarbha Prant; and Chairmanship of Governing Council, International Institute of Waste Management.</p>
Directorship held in other listed entities	Shradha Infraprojects Limited
Other Directorships	<ol style="list-style-type: none"> <li>1. Maharashtra Enviro Power Limited</li> <li>2. Suntech Infraestate Nagpur Private Limited</li> <li>3. Allygrow Technologies Private Limited</li> <li>4. Allygram Systems And Technologies Private Limited</li> </ol>
Chairmanships/Memberships of the Committees of other public limited companies	<p><b>Chairmanship in other Companies:</b></p> <ol style="list-style-type: none"> <li>1. Shradha Infraprojects Limited - Audit Committee</li> </ol> <p><b>Membership in Other Companies:</b></p> <ol style="list-style-type: none"> <li>1. Shradha Infraprojects Limited - Stakeholder Relationship and grievance</li> <li>2. Shradha Infraprojects Limited – Nomination and Remuneration Committee</li> </ol>
Number of Shares held in the Company	Nil
Relationship with any Director(s) of the Company	Not Related

**Item No 7 :**

Name of Director	Mrs. Renu Challu
DIN	00157204
Date of Birth	December 22, 1955
Age	69 years
Date of Appointment	August 31, 2017
Qualifications	M A (Economics)
Nature of Expertise in specific functional areas	Banking and Financial Services
Experience/Brief Profile	<p>Over 40 years</p> <p>Mrs. Renu Challu has over four decades of professional experience in commercial banking, investment banking, and the field of financial services. She has years of expertise in strategy formulation, planning, and achievement of goals in her various assignments in the State Bank of India and its subsidiaries. She has served as, the Managing Director of State Bank of Hyderabad, the MD and CEO of SBIDFHI, the President and Chief Operating Officer of SBI Capital Markets Ltd. and Dy. Managing Director (Corporate Strategies and New Businesses) in State Bank of India. In her various assignments, she played an inestimable role in the growth of the organizations through path-breaking initiatives.</p>
Directorship held in other listed entities	<ol style="list-style-type: none"> <li>1. NCC Limited</li> <li>2. Schaeffler India Limited</li> </ol>
Other Directorships	NIL
Chairmanships/Memberships of the Committees of other public limited companies as on March 31, 2022:	<p><b>Chairmanship in other Companies:</b></p> <ol style="list-style-type: none"> <li>1. Schaeffler India Limited - Audit Committee</li> <li>2. Schaeffler India Limited- Stakeholders Relationship Committee</li> <li>3. Schaeffler India Limited- Nomination and Remuneration Committee</li> </ol>



	4. NCC Limited- Nomination and Remuneration Committee 5. NCC Limited- Stakeholders Relationship Committee <b>Membership in Other Companies:</b> 1. NCC Limited – Audit and Compliance Committee
Number of Shares held in the Company	Nil
Relationship with any Director(s) of the Company	Not Related

**Item No 8 :**

Name of Director	Mr. Kishore Dewani
DIN	00300636
Date of Birth	November 30,1956
Age	65 years
Date of Appointment	January 15,2018
Qualifications	Chartered Accountant, LLB, B.com
Nature of Expertise in specific functional areas	Direct Tax Matters/ Expertise in financial & legal matters
Experience/Brief Profile	Over 40 years Mr. Kishore Dewani is a senior Tax Advocate with 37+ years of experience in Direct Tax matters along with strong legal & Tax background. He has a Bachelor's Degree in Commerce from Nagpur University. He is a President of the ITAT Bar Association & Treasurer of the Income Tax Bar Association.
Directorship held in other listed entities	NIL
Other Directorships	1. Jagruti Mines and Minerals Private Limited 2. Ajanta Distilleries Ltd 3. Vandana Distilleries Private Limited 4. Wine King Private Limited 5. Premier Liquor (India) Private Limited 6. Advanced Distilleries Limited 7. Vidarbha Builders Limited 8. Premier Lifestyle Housing Private Limited 9. Jagruti Commercial Limited 10. Orangecity Hotels Limited 11. Premier Port Links Private Limited 12. Dewani Brothers Investment Private Limited 13. Mintree Premier Lifestyle and Beauty Private Limited 14. Spark Consultancy Services Private Limited 15. Premier Port Terminal Private Limited 16. Lemonstone Warehousing Private Limited 17. The Central Provinces Club Nagpur Limited 18. VCA Recreation Club 19. Dewani Brothers Services Private Limited
Chairmanships/Memberships of the Committees of other public limited companies as on March 31, 2022:	<b>Membership in Other Companies:</b> 1. Premier Liquor (India) Private Limited –Nomination and Remuneration Committee
Number of Shares held in the Company	3300 Shares
Relationship with any Director(s) of the Company	Not Related

## Connect us :

### **Registered Office:**

Ceinsys Tech Ltd, 10/5, IT Park,  
Nagpur - 440022. Maharashtra, India  
EPBX: +91 712 2249033/358/930 | Fax: +91 712 2249605

### **Corporate Office:**

Ceinsys Tech Ltd, 1601, Lodha Supremus, Senapati Bapat Marg,  
Lower Parel West, Mumbai - 400013, Maharashtra, India  
EPBX: +91 22 49472200

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