



# TWENTY NINTH

## *Annual Report*

2022 - 2023

### **SPECIALIST, FULL STACK BI, DATA ANALYTICS & IT SERVICES**

- ▶ Cloud Strategy & Implementation
- ▶ Data Engineering
- ▶ Data Science
- ▶ Analytics Consulting
- ▶ Business Intelligence
- ▶ Analytics Training

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## CORPORATE INFORMATION

**Board of Directors:**

Mr. K.S. Sarma, IAS (Retd.)  
Mr. Deepankar Tiwari\*  
Mrs. Deepa Chandra  
Mr. L.P. Sashikumar  
Mr. Clinton Travis Caddell  
Mr. Pavan Chavali  
Mr. Bernd Michael Perschke@  
Mr. Seetepalli Venkat Raghunand<sup>§</sup>  
Mr. V. Venkata Ramana<sup>#</sup>

**Board Committees:****Audit Committee:**

Mr. K.S. Sarma, IAS (Retd.)  
Mr. Deepankar Tiwari\*  
Mrs. Deepa Chandra  
Mr. V. Venkata Ramana<sup>#</sup>

**Nomination and Remuneration Committee:**

Mrs. Deepa Chandra  
Mr. K.S. Sarma, IAS (Retd.)  
Mr. Deepankar Tiwari\*  
Mr. L.P. Sashikumar  
Mr. V. Venkata Ramana<sup>#</sup>

**Stakeholders Relationship Committee:**

Mr. K.S. Sarma, IAS (Retd.)  
Mr. Deepankar Tiwari\*  
Mr. L.P. Sashikumar  
Mr. V. Venkata Ramana<sup>#</sup>

**Key Managerial Personnel:**

Mr. Pavan Chavali : Managing Director  
Mr. Vithal VSSNK Popuri : Chief Financial Officer  
Ms. Niralee Rasesh Kotdawala  
: Company Secretary  
& Compliance Officer

**Statutory Auditors:**

M/s. P. Murali & Co., Chartered Accountants  
6-3-655/2/3, Somajiguda,  
Hyderabad-500 082.

**Principal Bankers:**

State Bank of India  
ICICI Bank Limited

**Registrars & Share Transfer Agents:**

M/s. Aarthi Consultants Private Limited,  
1-2-285, Domalguda, Hyderabad – 500 029  
Tel: 91-40-27638111, 4445  
E-mail: info@aarthiconsultants.com

**Stock Exchanges where Company's Securities are listed:**

BSE Limited  
National Stock Exchange of India Limited

**Registered Office:**

My Home Hub, Block-I,  
9<sup>th</sup> Floor, Hitech City,  
Madhapur, Hyderabad – 500 081  
Telangana, India.  
Tel. +91-40-66284999  
Website: www.goldstonetech.com  
E-Mail: corporate@goldstonetech.com  
Investors E-mail: cs@goldstonetech.com  
CIN: L72200TG1994PLC017211  
ISIN: INE805A01014

\* Appointed w.e.f. 14.11.2022

@ Appointed w.e.f. 10.08.2023

<sup>#</sup> Resigned w.e.f. 14.11.2022

<sup>§</sup> Appointed w.e.f. 10.08.2023



## GOLDSTONE TECHNOLOGIES LIMITED

CIN: L72200TG1994PLC017211

**Regd. Off:** My Home Hub, Block-I, 9<sup>th</sup> Floor, Hitech City, Madhapur, Hyderabad-500 081,  
Telangana, Tel: +91-40-66284999, Website: www.goldstonetech.com,  
E-Mail: cs@goldstonetech.com

### NOTICE

Notice is hereby given that the Twenty Ninth Annual General Meeting of the members of Goldstone Technologies Limited will be held on Thursday the 28<sup>th</sup> day of September, 2023 at 04:30 p.m. (IST) through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM') facility to transact the following business:

#### **ORDINARY BUSINESS:**

#### **ITEM No. 1 – ADOPTION OF FINANCIAL STATEMENTS.**

To receive, consider and adopt the Audited Balance Sheet (including the consolidated financial statements) as at 31<sup>st</sup> March, 2023, the Statement of Profit & Loss and Cash Flow Statement for the year ended on that date together with the Notes attached thereto, along with the Reports of Auditor's and Director's thereon.

#### **ITEM No. 2 – TO APPOINT MR. PAUL SASHI KUMAR LAM (DIN: 00016679) AS DIRECTOR, LIABLE TO RETIRE BY ROTATION AND BEING ELIGIBLE, OFFERS HIM-SELF FOR RE-APPOINTMENT.**

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

“**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Paul Sashikumar Lam (DIN: 00016679), who retires by rotation at this meeting and being eligible offers himself for re-appointment, be and is hereby re-appointed as a director liable to retire by rotation.”

#### **SPECIAL BUSINESS:**

#### **ITEM No. 3**

#### **TO APPOINT MR. BERND MICHAEL PERSCHKE (DIN: 10194539) AS DIRECTOR OF THE COMPANY:**

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

“**RESOLVED THAT** pursuant to the provisions of Sections 152 and 161 and all other applicable provisions, if any of the Companies Act, 2013 (“Act”) read with the Companies (Appointment and Qualification of Directors) Rules, 2014 including any statutory modification or reenactment thereof for the time being in force Mr. Bernd Michael Perschke (DIN 10194539) who was appointed as Additional Director by the Board of Directors of the Company effective from 10<sup>th</sup> August, 2023 and who holds office as such up to the date of the ensuing Annual General Meeting and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

“**RESOLVED FURTHER THAT** any of the Directors or the Company Secretary of the Company be and is hereby severally authorized to perform all such acts and deeds as may be necessary, proper or expedient to give effect to this resolution.”

#### **ITEM No. 4**

#### **TO APPOINT MR. SEETEPALLI VENKAT RAGHUNAND (DIN: 10267020) AS DIRECTOR OF THE COMPANY:**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 152 and 161 and all other applicable provisions, if any of the Companies Act, 2013 (“Act”) read with the Companies (Appointment and Qualification of Directors) Rules, 2014 including any statutory modification or reenactment thereof for the time being in force Mr. Seetepalli Venkat Raghunand (DIN 10267020) who was appointed as Additional Director by the Board of Directors of the Company effective from 10<sup>th</sup> August, 2023 and who holds office as such up to the date of the ensuing Annual General Meeting and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company.

**RESOLVED FURTHER THAT** any of the Directors or the Company Secretary of the Company be and is hereby severally authorized to perform all such acts and deeds as may be necessary, proper or expedient to give effect to this resolution.”

#### **ITEM No. 5**

#### **TO APPOINT MR. SEETEPALLI VENKAT RAGHUNAND (DIN: 10267020) AS EXECUTIVE DIRECTOR OF THE COMPANY:**

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

**“RESOLVED THAT** pursuant to the provisions of Section 2(94), 196, 197, 198, and 203 read with Schedule-V and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) (including any statutory modifications or re-enactment(s) thereof, for the time being in force) and the Companies (Appointment and Remuneration) Rules, 2014, the articles of association and such other consents and permissions as may be necessary and on the recommendation of the Nomination and Remuneration Committee of the Board of directors, Mr. Seetepalli Venkat Raghunand

(DIN : 10267020), be and is hereby appointed as the Executive Director of the Company for a period of 3 (Three) years with effect from 10<sup>th</sup> August, 2023 on the following terms and conditions and he shall continue to draw the existing remuneration which he was drawing in the capacity of Senior Director Business & Sales Operations:

#### **1. Salary**

Salary of Rs. 2,37,500/- (Rupees Two Lakhs Thirty Seven Thousand Five hundred only) per month.

#### **2. Perquisites**

The following perquisites will be provided in addition to salary:

#### **Category A**

1. Housing: House Rent Allowance at Rs. 95,000/- (Rupees Ninety-Five Thousand only) per month.
2. Other allowances for Maintenance, Leave travel, Conveyance, Subscription to Professional Journals and Medical costs not exceeding Rs. 82,367/- (Rupees Eighty-Two Thousand Three Hundred and Sixty seven only) per month.

#### **Category B**

Company's contribution towards Provident Fund and payment of Gratuity as per applicable laws. Company's contribution towards Medical Insurance Policy for self and family subject to a ceiling of Rs. 72,085/- (Rupees Seventy Two Thousand Eighty five only) per annum.

Up to an amount of Rs.10,00,000/- (Rupees Ten Lakhs Only) per annum as variable pay depending on individual and company performance parameters as per the rules framed by the Company in this regard.

**RESOLVED FURTHER THAT** the aggregate sum of remuneration and perquisites in any financial year shall be governed by the limits prescribed from time to time under Section 197 and 198 of

the Companies Act, 2013 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and if in any financial year during the tenure of office of Seetepalli Venkat Raghunand, the Company has no profits or its profits are inadequate, he will be paid remuneration by way of salary and perquisites subject to applicable provisions of Schedule V to the Companies Act, 2013 read with Rule 7 of the Companies (Appointment and Remuneration) Rules, 2014.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to alter or vary the terms and conditions of the said appointment so as not to exceed the limits specified in Section 197 read with Schedule V or other applicable provisions, if any, of the Companies Act, 2013 or any other amendments thereto, as may be agreed between the Board and Mr. Seetepalli Venkat Raghunand.”

#### **ITEM No. 6**

#### **TO CHANGE THE NAME OF THE COMPANY**

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

“**RESOLVED THAT** pursuant to Section 13(2) of the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force) and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Incorporation) Rules, 2014, subject to approval of the Central Government and any other Regulatory Authorities as may be necessary, consent of the members be and is here by accorded to change the name of the Company from “GOLDSTONE TECHNOLOGIES LIMITED” to “AIONTECH LIMITED” or any other name as may be approved by the Registrar of Companies, and other relevant Regulatory Authorities, under the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Name Clause being Clause I in the Memorandum of Association of the Company be altered

accordingly and substituted by the following clause:

1. The Name of the Company is AIONTECH LIMITED

**RESOLVED FURTHER THAT** in terms of Section 14 of the Companies Act, 2013 the Articles of Association of the Company be altered by deleting the existing name of the Company wherever appearing and substituting it with the new name of the Company.”

**RESOLVED FURTHER THAT** the Board of Directors or any Committee thereof be and is hereby authorized to accept any other name approved by the relevant Regulatory Authorities in place of AIONTECH LIMITED, if not available to the Company and seek approval for the change in the name of the Company accordingly without making any further reference to the members for their approval and that the Memorandum and Articles of Association of the Company be altered accordingly.”

BY ORDER OF THE BOARD

For **GOLDSTONE TECHNOLOGIES LIMITED**

Sd/-

Niralee Rasesh Kotdawala

Company Secretary & Compliance Officer

Place: Hyderabad

Date : 31.08.2023

#### **NOTES:-**

1. In view of the MCA Circular dated December 28, 2022, read with Circulars dated May 5, 2020, April 13, 2020, and April 8, 2020 issued by the Ministry of Corporate Affairs (“MCA Circulars”) and SEBI Circular dated January 5, 2023, May 13, 2022, January 15, 2021, and May, 12, 2020 and other relevant circulars issued in this regard and in compliance with the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), the 29<sup>th</sup> AGM of the Company is being conducted through VC/OAVM facility,

without physical presence of members at a common venue. The deemed venue for the 29<sup>th</sup> AGM shall be the Registered Office of the Company.

2. **PURSUANT TO THE PROVISIONS OF THE ACT, MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC/OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS AND THE SEBI CIRCULAR, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF THE AGM VENUE ARE NOT ANNEXED TO THIS NOTICE.**
3. A Statement pursuant to the provisions of Section 102(1) of the Companies Act, 2013, relating to the Special Business as mentioned under Item no. 3 to 6 of this notice is annexed hereto.
4. The relevant details as required under regulation 36 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI) in respect of persons seeking appointment/re-appointment at this AGM are annexed hereto as **Annexure C** and forms part of Notice.
5. The Members can join the AGM in the VC/OAVM mode 15 minutes before and 15 minutes 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 to at least 1000 members on first come first served basis. However, 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. are allowed to attend the AGM without restriction on account of first come first serve basis. The detailed instructions for joining the Meeting through VC/OAVM forms part of this Notes.
6. Institutional Investors, who are Members of the Company, are encouraged to attend the 29<sup>th</sup> AGM through VC/OAVM mode and vote electronically. Corporate Members intending to appoint their authorized representatives pursuant to Sections 112 and 113 of the Act, as the case may be, to attend the AGM through VC/OAVM or to vote through remote e-Voting, are requested to send a certified copy of the Board Resolution to the Scrutinizer by e-mail at [csnavjyoth@gmail.com](mailto:csnavjyoth@gmail.com) with a copy marked to [cs@goldstonetech.com](mailto:cs@goldstonetech.com).
7. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
8. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote.
9. In line with aforementioned MCA Circulars and SEBI Circulars, the Notice of the AGM along with the Annual Report 2022-23 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Registrar & Share Transfer Agent (RTA)/Depositories.

The Notice convening the 29<sup>th</sup> AGM has been uploaded on the website of the Company at [www.goldstonetech.com](http://www.goldstonetech.com) and may also be accessed from the relevant section of the websites of the Stock Exchanges i.e. BSE Limited and the National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting and e-Voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).

10. The Register of Members and the Share Transfer Books of the Company will be closed from Friday, September 22, 2023 to Thursday, September 28, 2023 (both days inclusive).
11. As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from April 1, 2019, except in case of request received for transmission or transposition and relodged transfers of securities. Further, SEBI vide its circular no. SEBI/HO/MIRSD/RTAMB/CIR/P/2020/236 dated December 2, 2020 had fixed March 31, 2021 as the cut-off date for relodgement of transfer deeds and the shares that are relodged for transfer shall be issued only in demat mode. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, M/s. Aarthi Consultants Private Limited, 1-2-285, Domalguda, Hyderabad, Telangana, India- 500029, Email Id: [info@aarthiconsultants.com](mailto:info@aarthiconsultants.com); [www.aarthiconsultants.com](http://www.aarthiconsultants.com) ("RTA" or "Registrar") for assistance in this regard.

12. Members are also requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, PAN, registering of nomination, power of attorney registration, Bank Mandate details, etc. to Registrar/their DPs. Further, Members may note that SEBI has mandated the submission of PAN by every participant in securities market.

13. Nomination facility: As per the provisions of Section 72 of the Act, the facility for making nominations is available for the Members in respect of the shares held by them.

Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH- 13. If a Member desires to cancel the earlier nomination and record a fresh nomination, he may submit the same in Form SH-14 through their registered email id. Members are requested to submit the said form to their respective DPs in case the shares are held in electronic form and to the Registrar at [info@aarthiconsultants.com](mailto:info@aarthiconsultants.com) with a copy marked to [cs@goldstonetech.com](mailto:cs@goldstonetech.com) in case the shares are held in physical form, quoting your folio no.

14. Consolidation of Physical Share Certificates: Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or Registrar, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.

15. Members who wish to inspect the relevant documents referred to in the Notice can send an e-mail to [cs@goldstonetech.com](mailto:cs@goldstonetech.com) from their registered e-mail id by mentioning their DP ID & Client ID/Physical Folio Number.



16. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DPs and holdings should be verified from time to time.

17. Details of Unclaimed Shares: The company doesn't have any shares remaining unclaimed in the unclaimed suspense account.

**18. PROCESS FOR THOSE SHAREHOLDERS WHOSE E-MAIL ADDRESSES/MOBILE NO. ARE NOT REGISTERED WITH THE DEPOSITORIES/ COMPANY FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:**

- **In case shares are held in physical form:** please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), self-attested scanned copy of PAN card, self-attested scanned copy of Aadhaar Card, by e-mail to the RTA at [info@aarthiconsultants.com](mailto:info@aarthiconsultants.com) with a copy marked to [cs@goldstonetech.com](mailto:cs@goldstonetech.com).
- **In case shares are held in demat form:** please provide DP ID-Client ID (8 digit DP ID + 8 digit Client ID or 16 digit Beneficiary ID), name, client master or copy of consolidated account statement, self-attested scanned copy of PAN card, self-attested scanned copy of Aadhaar Card, by email to the RTA at [info@aarthiconsultants.com](mailto:info@aarthiconsultants.com) with a copy marked to [cs@goldstonetech.com](mailto:cs@goldstonetech.com).
- The RTA/Company shall co-ordinate with CDSL and provides the login credentials to the above mentioned Shareholders. Please update your e-mail id & mobile no. with your respective Depository Participant

(DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

**THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:**

**A. VOTING THROUGH ELECTRONIC MEANS:**

- i. 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 MCA Circulars 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 entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-Voting as well as the e-Voting system on the date of the AGM will be provided by CDSL.
- ii. Members of the Company holding shares either in physical form or in electronic form **as of the close of business hours on Thursday, 21<sup>st</sup> September, 2023 i.e. cut-off date** may cast their vote by remote e-Voting. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting before the AGM as well as remote e-Voting during the AGM.
- iii. Any person who acquires shares of the Company and becomes a Member of the

Company after the dispatch of the Notice and holding shares as on the cut-off date i.e. as of the close of business hours on **Thursday, 21<sup>st</sup> September, 2023** may obtain a copy of AGM Notice by sending a request to [info@arthiconsultants.com](mailto:info@arthiconsultants.com) or can also be downloaded from the Company's website [www.goldstonetech.com](http://www.goldstonetech.com) and participate in remote e-Voting or e-Voting at AGM by following the instructions provided herein.

- iv. The remote e-Voting period commences on Monday, 25<sup>th</sup> September, 2023 at 9.00 a.m. (IST) and ends on Wednesday, 27<sup>th</sup> September, 2023 at 5.00 p.m. (IST). The remote e-Voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. The voting rights of the Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the cut-off date.
- v. Members will be provided with the facility for voting through electronic voting system during the VC/ OAVM proceedings at the AGM and Members participating at the AGM, who have not already cast their vote by remote e-Voting, will be eligible to exercise their right to vote at the end of discussion on the resolutions on which voting is to be held, upon announcement by the Chairperson. Members who have cast their vote on resolution(s) by remote e-Voting prior to the AGM will also be eligible to participate at the AGM through VC/OAVM but shall not be entitled to cast their vote on such resolution(s) again.
- vi. The remote e-Voting module on the day of the AGM shall be disabled by CDSL for voting 15 minutes after the conclusion of the Meeting.
- vii. Mr. Navajyoth Puttaparthi, Partner of M/s. Puttaparthi Jagannatham & Co, Practicing Company Secretaries (M. No. FCS 9896,

CP No. 16041), Hyderabad have been appointed as the Scrutinizer(s) to scrutinize the e-Voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for the purpose.

- viii. The Scrutinizer will submit his report to the Company Secretary or to any other person authorised by the Company Secretary after completion of the scrutiny of the e-Voting (votes cast during the AGM and votes cast through remote e-Voting), not later than 48 hours from the conclusion of the AGM. The result declared along with the Scrutinizer's report shall be communicated to the Stock Exchanges on which the Company's shares are listed and will also be displayed on the Company's website at [www.goldstonetech.com](http://www.goldstonetech.com).

**Login method for remote e-Voting and joining virtual meeting for individual shareholders holding securities in Demat mode:**

Pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on "e-Voting facility provided by Listed Companies", e-Voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts/websites of Depositories/DPs in order to increase the efficiency of the voting process. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process.

Shareholders are advised to update their mobile number and e-mail ID with their DPs in order to access e-Voting facility.

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b>	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing 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 visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a>.</li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a>. The system will authenticate the user by sending OTP on registered Mobile &amp; E-mail as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b>	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online</li> </ol>

<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)</p>	<p>for IDeAS “Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>
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**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

Login type	Helpdesk details
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 toll free no. 1800 22 55 33
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

- ix. Login method for e-Voting and joining virtual meeting for Physical shareholders and shareholders other than individual holding in Demat form.
- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - 2) Click on “Shareholders” module.
  - 3) Now enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
  - 4) Next enter the Image Verification as displayed and Click on Login.
  - 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
  - 6) If you are a first-time user follow the steps given below:

PAN	<p><b>For Physical Shareholders and other than individual Shareholders holding shares in Demat</b></p> <p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Shareholders who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- 7) After entering these details appropriately, click on “SUBMIT” tab.
- 8) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- 9) For shareholders holding shares in physical form, the details can be used only for e-Voting on the resolutions contained in this Notice.
- 10) Click on the EVSN for the relevant “GOLDSTONE TECHNOLOGIES LIMITED”.
- 11) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting.

Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- 12) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- 13) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- 14) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- 15) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- 16) If a Demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- 17) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

**18) Additional Facility for Non – Individual Shareholders and Custodians – For Remote Voting only**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically and can be delink in case of any wrong mapping.
- It is mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the e-mail address viz; [cs@goldstonetech.com](mailto:cs@goldstonetech.com) if they have voted from individual tab & not uploaded same in the CDSL e-Voting system for the scrutinizer to verify the same.

**B. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-Voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-Voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Members may join the meeting through laptops, smartphones, tablets and iPads for



**GOLDSTONE**

- Further, members will be required to use internet with a good speed/band to avoid buffering/ disconnections during the meeting. Please note that participants connecting from mobile devices or tablets or through laptops connecting via mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any glitches.
5. Members who would like to express their views/ask questions as a speaker at the Meeting may pre-register themselves by sending a request from their registered e-mail address mentioning their names, DP ID and Client ID/folio number, PAN and mobile number at [cs@goldstonetech.com](mailto:cs@goldstonetech.com) before **3.00 p.m. (IST) on Thursday, 21<sup>st</sup> September, 2023**. Only those Members who have preregistered themselves as a speaker will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
  6. Members are encouraged to submit their questions in advance with regard to the financial statements or any other matter to be placed at the 29<sup>th</sup> AGM, from their registered e-mail address, mentioning their name, DP ID and Client ID number/folio number and mobile number, to reach the Company's e-mail address at [cs@goldstonetech.com](mailto:cs@goldstonetech.com) before **3.00 p.m. (IST) on Thursday, 21<sup>st</sup> September, 2023**. Such questions by the Members shall be suitably replied by the Company.
  7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

8. Only those shareholders, who are 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 available during the AGM.
9. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 1800 22 55 33.

**All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 1800 22 55 33.**

**BY ORDER OF THE BOARD  
For GOLDSTONE TECHNOLOGIES LIMITED**

Sd/-

Place: Hyderabad Niralee Rasesh Kotdawala

Date :31.08.2023

Company Secretary

& Compliance Officer

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 READ WITH RULES MADE THERE UNDER SETTING OUT ALL THE MATERIAL FACTS PERTAINING TO EACH OF THE SPECIAL RESOLUTIONS.**

**ITEM No. 3 – TO APPOINT MR. BERND MICHAEL PERSCHKE (DIN: 10194539) AS DIRECTOR OF THE COMPANY:**

The Board of Directors in their meeting held on 10<sup>th</sup> August, 2023, based on recommendation of the Nomination & Remuneration Committee has appointed Mr. Bernd Michael Perschke (DIN 10194539), as an Additional Director (Non – Executive and Non - Independent Director) of the Company w.e.f. 10<sup>th</sup> August, 2023 to hold office upto the date of this Annual General Meeting. A notice proposing his appointment as a director pursuant to Section 160 (1) of the Companies Act, 2013 has been received from a member of the Company. The details of Mr. Bernd Michael Perschke (DIN 10194539), as required under the provisions of Regulation 36(3) of the SEBI (LODR) Regulations, 2015 and other applicable provisions are provided to this Notice. Accordingly, the Board recommends the Ordinary Resolution as set out at Item no. 3 for approval by Shareholders. Except Mr. Bernd Michael Perschke, none of the other Directors, Key Managerial Personnel or their relatives, is concerned or interested, financially or otherwise, in the said resolution.

**ITEM No. 4 – TO APPOINT MR. SEETEPALLI VENKAT RAGHUNAND (DIN: 10267020) AS DIRECTOR**

**&**

**ITEM No. 5 – TO APPOINT MR. SEETEPALLI VENKAT RAGHUNAND (DIN: 10267020) AS EXECUTIVE DIRECTOR:**

Based on the recommendations of the Nomination and Remuneration Committee, the

Board of Directors in their meeting held on 10<sup>th</sup> August, 2023 appointed Mr. Seetepalli Venkat Raghunand (DIN 10267020) as an Additional Director of the Company w.e.f. 10<sup>th</sup> August, 2023 to hold the office upto the date of the Annual General Meeting. He was also appointed as an Executive Director of the Company from the same date i.e. 10<sup>th</sup> August, 2023, for a period of 3(three) years subject to the approval of the members. In terms of section 161(1) of the Companies Act, 2013 Mr. Seetepalli Venkat Raghunand holds the office only upto the date of the Annual General Meeting and is eligible for appointment as a Director. The Company has received Notice under section 160(1) of the Act from a Member signifying his intention to propose Mr. Seetepalli Venkat Raghunand's appointment as a Director.

Mr. Seetepalli Venkat Raghunand holds a degree in Bachelor of Science (BSc. Computers). He has been associated with the Company since more than 10 years in various designations, handling Business Operations, Sales, Programs, Consulting Services business, Program Management, Partner relationship Management. He has an overall experience of 20+ years in IT/ITes industry ranging from end user technical support service, enterprise software support in large ESV's to managing reselling, staffing, and consulting services business lines at Goldstone Technologies Limited. Considering the vast experience and extensive knowledge of Mr. Seetepalli Venkat Raghunand in various fields, he is recommended for the office of the Executive Director of the Company.

With regard to the financial performance of the Company in any financial year, there may be loss or inadequacy of profits for payment of managerial remuneration beyond the ceiling specified in Section II of Part II of Schedule V of



the Companies Act, 2013. Accordingly, approval for payment of remuneration to Mr. Seetepalli Venkat Raghunand is being sought from the shareholders by way of Special Resolution under item no. 5 of this Notice Annual General Meeting for a period of not exceeding three years from the date of his appointment to the office of the Executive Director w.e.f. 10<sup>th</sup> August, 2023 under Section II of Part II of Schedule V of the Companies Act, 2013.

Your Board confirms that the Company has not made any default in repayment of any of its debts as specified in sub-clause (ii) of the second proviso to clause (B) of Section II of Part II of Schedule V of the Companies Act, 2013 and rules made thereunder. The disclosures under Regulation 36(3) of SEBI (LODR) Regulations, 2015 and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India and under sub-clause (iv) of the second proviso of Clause (B) of Section II of Part II of Schedule V of the Companies Act, 2013 are attached herewith as Annexure A & B respectively.

The Board recommends adoption of the resolution set out in Resolution No. 4 & 5 of the accompanying Notice as a Special Resolution.

Except Mr. Seetepalli Venkat Raghunand himself none of the Directors or any Key Managerial Personnel or any relative of any of the Directors of the Company or the relatives of any Key Managerial Personnel is, in anyway, concerned or interested in the above resolution.

#### **ITEM No. 6 – TO CHANGE THE NAME OF THE COMPANY**

In pursuance of the Companies Act, 2013 and all the applicable rules issued under the Companies Act, 2013, the name of the Company predominantly has to reflect the main business of the company. Considering the fact that the Company is expanding its presence Globally and also proposing to enter Joint

Venture with German e-mobility major, Quantron AG, based out of Augsburg, in Germany. The JV shall be catering to major automobile markets of Europe, North America and Middle East, Hence in this endeavour the company is planning to launch a new branding drive as a product driven cutting edge technology company with AI and Telematics technological to cater zero emission mobility solutions, as part of this branding strategy the Company should have a name which should have a global connect, more updated, latest and also should reflect its business.

Hence, the Board of Directors of the Company in their meeting held on 29<sup>th</sup> May, 2023 decided to change the name of the Company from "Goldstone Technologies Limited" to "AIONTECH LIMITED".

The Directors believe that the change in the name of the Company which is being undertaken as part of corporate rebranding would make the name of the Company simple, sharp and focused.

The proposed change of name will not affect any of the rights of the Company or of the shareholders/stakeholders of the Company. All existing share certificates bearing the current name of the Company will, after the change of name, continue to be valid for all purposes.

As per the provisions of Sections 13 of the Companies Act, 2013, approval of the shareholders is required to be accorded for changing the name of the Company & consequent alteration in the Memorandum of Association and Articles of Association by way of passing a Special Resolution. Hence, the resolution is put up for shareholders approval.

The altered copy of the Memorandum of Association of the Company will be available for inspection at the registered office of the Company to any member during any working day except Saturdays between 11:00 A.M. and 1:00 P.M.



### ANNEXURE-A

**Appointment of Mr. Seetepalli Venkat Raghunand (DIN 10267020) as the Executive Director of the Company:** Additional Information of the Director seeking appointment/re-appointment as required under Regulation 36(3) of SEBI (LODR) Regulations, 2015 and Secretarial Standard on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India are provided herein below:

<b>Name of the Director</b>	<b>Seetepalli Venkat Raghunand</b>
<b>Director Identification Number (DIN)</b>	10267020
<b>Date of Birth</b>	11/05/1983
<b>Date of Appointment</b>	He was appointed as an Additional Director and Executive Director for the term of 3 (three) years w.e.f. 10 <sup>th</sup> August, 2023.
<b>Nationality</b>	Indian
<b>Qualifications</b>	Degree in Bachelor of Science (BSc. Computers).
<b>Experience and expertise in specific functional areas</b>	He has an overall experience of 20+ years in IT/ITes industry ranging from end user technical support service, enterprise software support in large ESV's to managing reselling, staffing, and consulting services business lines at Goldstone Technologies Limited.
<b>Terms and Conditions of Appointment</b>	As mentioned in the resolution and Explanatory Statement of Item No. 4 & 5
<b>Remuneration last drawn (including sitting fees, if any)</b>	As mentioned in the Explanatory Statement of Item No. 4 & 5
<b>Remuneration proposed to be paid</b>	As mentioned in the resolution and Explanatory Statement of Item No. 4 & 5
<b>Number of Shares held in the Company as on March 31, 2023</b>	Nil
<b>Directorship held in other Companies as on (March 31, 2023) (excluding alternate directorship, foreign companies and companies under Section 8 of the Companies Act, 2013</b>	Nil
<b>Number of meetings of the Board attended during the financial year</b>	Not Applicable
<b>Committee position held in other companies (Chairmanship/ Membership of Audit &amp; Stakeholders Relationship Committee of other Public Companies as on March 31, 2023)</b>	Nil
<b>Relationship with other Directors/ Key Managerial Personnel</b>	Nil

## ANNEXURE-B

The other Disclosures as required under Schedule V Part II Section II of the Companies Act, 2013-Paragraph B (iv) is provided hereunder:

### I. GENERAL INFORMATION:

1. Nature of Industry: The operations of the Company would come under the purview of Information Technology and Software services.
2. Date or expected date of commencement of commercial production: Non Applicable, since the Company has already commenced its business activities and is in operations since 1994.
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable
4. Financial performance based on given indicators: Financial performance of the Company during last three years:

Financial Parameters	Financial Year		
	2022-23	2021-2022	2020-2021
Total Revenue	759.95	576.44	425.58
Depreciation	7.47	3.78	3.31
Total Expenses (Excluding Depreciation)	714.39	559.59	403.71
Net Profit	26.49	9.70	14.20
Paid up Capital	345.82	345.82	187.82
Reserves & Surplus	230.41	202.79	123.84
Earning Per Share	0.77	0.37	0.76

1. Foreign Investments or collaborations, if any: The Company do not have any foreign investments or collaborations as on date of this report except has a Subsidiary Company i.e. M/s. Staytop Systems Inc located at North Carolina, United States. However, the company is in process of entering into a Joint Venture Agreement to set up a Joint Venture Company partnering with German e-mobility major, **Quantron AG**. The JV will operate out of Augsburg, in Germany and from Hyderabad, with plans to set up a US entity in Q3 2023. The JV company operating out of Germany will be focusing on providing various solutions through an AI supported platform.

### II. INFORMATION ABOUT THE APPOINTEE:

1. Background details:

Mr. Seetepalli Venkat Raghunand, Senior Director Business and Sales Operations, holds a degree in Bachelor of Science (BSc. Computers). He has been associated with the Company since more than 10 years in various designations, handling Business Operations, Sales, Programs, Consulting Services business, Program Management, Partner relationship Management. He has an overall experience of 20+ years in IT/ITes industry ranging from end user technical support service, enterprise software support in large ESV's to managing reselling, staffing, and consulting services business lines at Goldstone Technologies Limited.

2. Past Remuneration:

Mr. Seetepalli Venkat Raghunand's past annual remuneration as the Sr. Director Sales and Business Operations was the same as that being proposed for the position of Executive Director and for which approval is being sought from the shareholders by way of Special Resolution under item no. 5 of this Notice Annual General Meeting.

3. Recognition or awards:

He has been associated with the Company since more than 10 years, having started his career with GTL as Sr. Manages Operations moving to Sr. Director , Sales and Operations and to be appointed as Executive Director for the Company in August, 2023. He has single handedly driven the Analytics Business Line for GTL with the vision of making GTL one of the best Analytics Sales and Support service providers in India by 2025. In line with this vision, GTL today is partnered with some of the major Business Intelligence, Advanced Analytics, Cloud and Full Stack organizations such as – Tableau, Salesforce, Alteryx, Snowflake, AWS, Fivetran, Kyvos, Unscrambl etc. GTL emerged as the No. 1 reselling and services partner with Tableau since 2018 and has been maintaining the same premium reseller status for more than 3 years now. GTL has also been awarded as the 'best marketing innovator partner – 2020' for Asia Pacific region.

Mr. Seetepalli Venkat Raghunand has been working on adding more partnerships and working on developing Analytics Service solutions for the top organizations of varied industry sectors in India. He is leading and expanding the teams' capabilities to cater to international BI/Consulting projects in the Data Analytics and Business Intelligence segments – which is the future of IT Industry.

4. Job profile and suitability:

Mr. Seetepalli Venkat Raghunand as the Executive Director shall be looking after the overall affairs and operations of the Company. His vast experience in handling business operations, Programs, Project Management, Partner relationship Management, would help the Company in various growth aspects. Even during the time of COVID-19, Company has made good progress under his leadership and guidance. He is involved in policy planning, vision, strategy, and long-term development activities in line with the overall vision for the benefit of employees as well as for the growth of the Company.

5. Remuneration proposed:

As set out in the resolution under Item No. 5 of the Notice.

6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:

The Nomination & Remuneration Committee of the Board and the Board of Directors considering the size of the Company, the profile and performance of Mr. Seetepalli Venkat Raghunand during his tenure in the Company and the responsibilities handled by him, and the industry benchmark, approved payment of the same existing remuneration as detailed in the resolution set out in Item No. 5 of the Notice, the remuneration is commensurate with Industry standards and Board Level Positions held in similar sized and similar positional business.

7. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:

Mr. Seetepalli Venkat Raghunand has no other pecuniary relationship with the Company other than being an employee of the Company either directly or indirectly or any relationship with the managerial personnel.

### **III. OTHER INFORMATION:**

#### **1. Reasons for loss or inadequate profits:**

During the financial year 2022-23 the Company has seen an increase in revenue both at the standalone and consolidated levels when compared to the previous years. While there has been notable growth in both the stand-alone and consolidated revenue and profits during the FY 2022-23, the present market situation projects extreme demand for technical and sales resources, especially in the Analytics and Data areas. Increased investments are being made to ensure retention of top talent employees and to ensure attracting new talent in the system, for future growth.

#### **2. Steps taken or proposed to be taken for improvement:**

The Company is concentrating to improve the capacity of business operations by considering the market scenario in the recent trends, compete with market the company is decentralizing the operations by recruiting additional staff in analytics, technical, operations side as per the requirement and other initiative steps to improve the performance in Off-shore Technical Support, Tableau + Alteryx License Sales and Data Analytics Consulting. Company is investing in expanding technology partnerships, investing in hiring and retaining top talent, expansion of office spaces PAN India to ensure talent from all regions is available for growth. Moreover, as mentioned above the Company is in process of entering into a Joint Venture Agreement to set up a Joint Venture Company partnering with German e-mobility major, **Quantron AG**. The JV will operate out of Augsburg, in Germany and from Hyderabad, with plans to set up a US entity in Q3 2023. The JV company operating out of Germany will be focusing on providing various solutions through an AI supported platform. With these developments, the business is expected to grow significantly and expects to increase profits and also the company has put in place measures to reduce cost and improve the bottom-line.

#### **3. Expected increase in productivity and profits in measurable terms:**

In view of the steps mentioned as a part of the strategic growth of technology partnerships, top talent hiring and investment in better infrastructure and technologies is bound to improve productivity and improve profit margins. The company has also taken various initiatives to maintain its leadership, improve market share and financial performance. It has been aggressively pursuing and implementing its strategies to improve financial performance.

### **IV. DISCLOSURES:**

Subject to approval and ratification of the shareholders, the Board has fixed the remuneration/ perquisites/ benefits payable to the aforesaid Mr. Seetepalli Venkat Raghunand, Executive Director from 10<sup>th</sup> August, 2023 as follows:

1. Name of the appointee: Mr. Seetepalli Venkat Raghunand.
2. Designation: Executive Director

3. Tenure: Three Years with effect from 10<sup>th</sup> August, 2023
4. Salary: Rs. 2,37,500/- (Rupees Two Lakhs, Thirty-Seven Thousand Five Hundred only) per month.
5. Perquisites and allowances:
  - i. Housing: House Rent Allowance at Rs. 95,000/- (Rupees Ninety Five Thousand only) per month.
  - ii. Other allowances for Maintenance, Leave travel, Conveyance, Subscription to Professional Journals and Medical costs not exceeding Rs. 82,367/- (Rupees Eighty Two Thousand Three Hundred and Sixty Seven only) per month.
  - iii. Company's contribution towards Provident Fund and payment of Gratuity as per applicable laws. Company's contribution towards Medical Insurance Policy for self and family subject to a ceiling of Rs. 72,085/- (Rupees Seventy Two Thousand Eighty five only) per annum.
  - iv. Up to an amount of Rs. 10,00,000/- (Rupees Ten Lakhs Only) per annum as variable pay depending on individual and company performance parameters as per the rules framed by the Company in this regard.

### **ANNEXURE - C**

**Additional information on Directors seeking appointment/re-appointment at the Annual General Meeting as required under Secretarial Standard on General Meeting and Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

<b>Name of the Director</b>	<b>Mr. Paul Sashikumar Lam</b>	<b>Mr. Bernd Michael Perschke</b>
DIN/PAN	00016679	10194539
Date of Birth	28.10.1950	26.07.1967
Nationality	India	German
Qualification	Bachelors of Science and BS (Business Administration) from Union University, USA	<ul style="list-style-type: none"> <li>- Master of Business Administration (MBA) – Strategy, Marketing, General Business Management from University of Hagen</li> <li>- Executive Education Course for Top Management Talent Development from Daimler Corporate University, IMD Business School.</li> <li>- Executive Education program from Harvard Business School.</li> </ul>
Date of first appointment on the Board of Directors of the Company	30.10.2007	10.08.2023
No. of shares held including shareholding as a beneficial owner (As on 31.03.2023)	757	Nil
Brief Resume/Expertise in functional areas	He is a Bachelors of Science and holds a BS (Business Administration) from Union University, USA. He has 40 years of experience in various industries and business sectors handling a wide range of operations.	Mr. Bernd Michael Perschke is a leading EV Investor and reputed EV Founder. Presently he is the CEO, Member of the Board, and Investor in Quantron AG – the next European Champion in Zero Emission Transportation Solution and strategic partner of Bollard Power (CAN). He was the Ex- CEO of NAD (New Automobile Development) Capital – Growth Holding with Focus on New Mobility Investments – Investor in Rimac Formula E and QEV Tech. Mr. Bernd Michael Perschke (CEO and member of the board of Quantron AG) is a sustainability



		<p>pioneer and visionary for passenger &amp; commercial vehicles with 20 years of experience in the global automotive industry. He has held various C-level and managing director roles, including central functions at Audi AG (including responsibility for the strategic sales launch of the Audi eTron brand), sales director for Mitsubishi in Europe and Mercedes-Benz in India, and the areas of finance, IT and organization for Mercedes-Benz in China. As the Founder-CEO of Automobili Pininfarina, Mr. Bernd Michael Perschke successfully launched an emissions-free luxury car brand, gaining more than 8 years of electric vehicle experience in leading roles.</p>
<p>List of Directorships in Companies (other than Goldstone Technologies Limited) as on 31.03.2023</p>	<ul style="list-style-type: none"> <li>- Goldstone Power Private limited</li> <li>- Aerospace Education &amp; Management Private Limited.</li> <li>- Shepherd Properties Private Limited</li> <li>- All Languages Company Private Limited.</li> <li>- Omega Development Ventures Private Limited</li> <li>- Skylark Estateventures Private Limited.</li> <li>- Alpha Estateholdings Private Limited</li> <li>- United Land Marks Private Limited</li> <li>- Trinity Cleantech Private Limited</li> <li>- TF Solar Power Private Limited</li> <li>- Lemon Realpower Private Limited</li> <li>- Trinity Infracventures Limited</li> <li>- Matrix Insulators Private Limited</li> <li>- Glowmask Technologies Private Limited</li> <li>- Sri Satyasai Agricultural Research and Development Private Limited</li> </ul>	<p>Nil</p>

	<ul style="list-style-type: none"> <li>- Suvishal Power Gen Limited</li> <li>- Golconda Extrusions Private Limited</li> <li>- Keerti Anurag Investments Private Limited</li> <li>- Jayasri Agencies Private Limited</li> </ul>	
Chairman/ Member of the Committee of the Board of Directors of Companies (other than Goldstone Technologies Limited) on which he is a Director as on 31.03.2023	Nil	Nil
Listed entities from which he has resigned in the past three years	Nil	Nil
Remuneration proposed to be paid	Mr. Paul Sashikumar Lam voluntarily chose not to receive any remuneration for his services rendered to the Company other than the sitting fees for attending the meeting.	Mr. Bernd Michael Perschke shall not be receiving any remuneration for his services rendered to the Company other than sitting fees for attending the meetings of the board.
Key Terms and conditions of appointment/ re-appointment	As per the resolution at Item no. 2 of this Notice. Paul Sashikumar Lam's office as Director shall be subject to retirement by rotation	As per the resolution at Item no. 3 of this Notice, Mr. Bernd Michael Perschke's office as Director shall be subject to retirement by rotation.
Relationship between Directors inter-se	Relative to Mr. Clinton Travis Caddell, Director of the Company	Nil
In case of independent directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements	Not Applicable	Not Applicable

## DIRECTORS' REPORT

To  
 The Members  
 Goldstone Technologies Limited

The Board of Directors are pleased to present the Company's Twenty Ninth Annual Report and the Company's audited financial statements (standalone and consolidated) for the financial year ended March 31, 2023.

### FINANCIAL PERFORMANCE:

The financial highlights of the Company for the year ended on 31<sup>st</sup> March, 2023 are summarized as below:

(Rs. In Millions Except Otherwise Stated)

Particulars	Standalone		Consolidated	
	2022-23	2021-22	2022-23	2021-22
Revenue from Operations	748.60	549.09	929.61	609.21
Other Income	11.35	27.35	11.35	27.35
Total Expenses	711.03	558.15	911.00	622.64
<b>PBITDA</b>	<b>48.92</b>	<b>18.29</b>	<b>29.96</b>	<b>13.92</b>
Interest	3.36	1.44	5.46	1.52
Depreciation & Amortization expense	7.47	3.78	8.20	3.79
<b>Profit before Tax</b>	<b>38.09</b>	<b>13.07</b>	<b>16.30</b>	<b>8.61</b>
Current Tax	12.42	1.91	12.56	2.07
Deferred Tax	(0.82)	1.46	(0.82)	1.46
<b>Profit for the year</b>	<b>26.49</b>	<b>9.70</b>	<b>4.56</b>	<b>5.08</b>
Other Comprehensive Income				
Re-measurement of gains on defined benefit plan	1.56	1.83	5.61	5.61
Income tax effect	(0.43)	(0.51)	(0.43)	(0.51)
<b>Total Comprehensive Income for the Year</b>	<b>27.62</b>	<b>11.02</b>	<b>15.81</b>	<b>10.18</b>
Equity Share Capital (3,45,82,066 Shares of Rs 10/- each)	345.82	345.82	345.82	345.82
E.P.S (After Prior Period Items) (Rupees)	0.77	0.37	0.13	0.19
Net Worth	576.23	548.61	691.01	675.11
Book Value in Rs. (Face Value of Rs. 10/- each )	16.66	15.86	19.98	19.52

## **STATE OF AFFAIRS/GENERAL REVIEW OF OPERATIONS:**

### **Standalone:**

During the year under review, your Company has achieved Standalone turnover of Rs. 748.60 million as against a turnover of Rs. 549.09 million during the previous year. The Standalone Net Profit is Rs. 26.49 million during the year in comparison to Net Profit of Rs. 9.70 million during the previous year.

### **Consolidated:**

During the year under review, your Company has achieved a consolidated turnover of Rs. 929.61 million as compared to Rs. 609.21 million for the previous financial year. The Consolidated Net Profit for the year 2022-23 is Rs. 4.56 million in comparison to Net Profit Rs. 5.08 million during the previous year.

### **TRANSFER TO GENERAL RESERVES:**

No amount has been transferred to General Reserves during the year.

### **DIVIDEND:**

During the year the Company does not have adequate profits and hence, your Board has not recommended any dividend for the financial year 2022-23.

### **SHARE CAPITAL:**

During the year under review there were no changes in authorized capital and the paid-up share capital of the Company. The Authorised Share Capital of the company is Rs. 50,00,00,000 (Rupees Fifty Crores Only) divided in to 5,00,00,000 (Five Crores Only) equity shares of Rs. 10/- each and the Paid-up capital of the company is Rs. 34,58,20,660/- (Rupees Thirty Four Crores, Fifty Eight Lakhs, Twenty Thousand, Six Hundred and Sixty Only) divided in to 3,45,82,066 (Three Crores Forty Five Lakhs Eighty Two Thousand Sixty Six Only) equity shares of Rs 10/- each

As on March 31, 2023, except Mr. L.P. Sashikumar having 757 shares none of the other Directors of the Company hold shares or convertible instruments of the Company.

## **EMPLOYEE STOCK OPTION PLAN (ESOP):**

The management is of the view that Equity based compensation is considered to be integral part of employee compensation across sectors which enables alignment of personal goals of the employees with organizational objectives. Management believes that equity-based compensation schemes are an effective tool to reward the employees of the Company in the growth of the Company, to create an employee ownership in the Company, to attract new talents, to retain the key resources in the organization and for the benefit of the present and future employees of the Company. With this objective, management intends to implement the Employee Stock Option Plan 2022 for the employees of the Company.

Further the management is keen on implementing the equity based compensation to its' employees in this regard the Board again in their meeting held on 11<sup>th</sup> February, 2022 has discussed on implementation of the 'Goldstone Technologies Limited Employee Stock Option Plan-2022' ('GTLESOP 2022') and in view of the same and in pursuance of the Section 62 of the Companies Act, 2013 and rules thereof, SEBI (Share Based Employee Benefits) Regulations, 2014 and SEBI (LODR) Regulations, 2015 and other relevant provisions, the Board of Directors of the Company at their meeting held on 11<sup>th</sup> February, 2022 has approved the 'Goldstone Technologies Limited Employee Stock Option Plan-2022' ('GTLESOP 2022'), and the same was also approved by the shareholders vide special resolution passed through postal ballot notice dated 28<sup>th</sup> March, 2022 the resolution was deemed to approved by the members as on 15<sup>th</sup> May, 2022 (Last date of E-Voting for Postal Ballot). The management is taking further steps to implement 'Goldstone Technologies Limited Employee Stock Option Plan-2022' ('GTLESOP 2022') in the best interest of the Company as well as its' Employees. The updates on the same will be disseminated to the members through announcements to the stock exchanges.

## ACCOUNTING TREATMENT

There is no change in accounting treatment in the year under review, as compared to previous Financial Year.

## CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL:

During the year under the review the following changes were made.

### Appointments:

- Mr. Deepankar Tiwari (DIN: 07621583), was appointed as an Independent Director of the company with effect from 14<sup>th</sup> November, 2022 in the Board Meeting held on 14<sup>th</sup> November, 2022 and the same was approved by the members through Special Resolution passed through postal ballot notice dated 10<sup>th</sup> January, 2023 and the resolution was deemed to approved by the members as on 12<sup>th</sup> February, 2023 (Last date of e-Voting for Postal Ballot).
- After the closure of financial year 2022-23, based on the recommendations of the Nomination and Remuneration Committee and approval of the Board Mr. Srinivas Chilukuri was appointed as the Chief Executive Officer (CEO) and whole time Key Managerial Personnel (KMP) of the Company with effect from 29<sup>th</sup> May, 2023, for a term of Three years i.e. upto 28<sup>th</sup> May, 2026, subject to approval of members. However, the Board of Directors of the Company (Based on the recommendations of the Nomination and Remuneration Committee), has approved Change in role of **Mr. Srinivas Chilukuri** from the position of CEO to enable him to focus on building new product development in the field of emerging Technologies like Artificial Intelligence etc. His role and designation would be decided by the board after receiving the detailed product development plan from him. Accordingly, Mr. Srinivas Chilukuri ceased to be the Chief Executive Officer (CEO) and Whole Time

### Key Managerial Personnel (KMP) of the Company with effect from 10.08.2023.

- Mr. Bernd Michael Perschke (DIN: 10194539) was appointed as an Additional Director of the Company with effect from 10<sup>th</sup> August, 2023, in the Board meeting held on 10<sup>th</sup> August, 2023. The Board recommends the Ordinary Resolution set out at Item no. 3 of the Notice for approval of the Members. Brief profile of Mr. Bernd Michael Perschke has been given in the Notice convening the Annual General Meeting.
- Mr. Seetepalli Venkat Raghunand (DIN: 10267020) was appointed as an Additional Director and Executive Director of the Company with effect from 10<sup>th</sup> August, 2023, in the Board meeting held on 10<sup>th</sup> August, 2023. The Board recommends the Special Resolution set out at Item no. 4 & 5 of the Notice for approval of the Members. Brief profile of Mr. Settepali Venkat Raghunand has been given in the Notice convening the Annual General Meeting.

### Retire by Rotation:

- Based on the terms of appointment, executive directors and the non-executive and non-independent chairman are subject to retirement by rotation. Accordingly, **Mr. Paul Sashikumar Lam (DIN: 00016679)**, retires by rotation at the 29<sup>th</sup> Annual General Meeting and being eligible, offers himself for re-appointment. Brief profile of Mr. Paul Sashikumar Lam has been given in the Notice convening the Annual General Meeting. Based on performance evaluation and the recommendation of the nomination and remuneration committee, the Board recommends his re-appointment.

### Resignations & Cessation:

- **Mr. Venkata Ramana Vedula (DIN: 02660082)** has resigned as the Independent Director of the Company with

effect from 14<sup>th</sup> November, 2022 due to personal reasons and pre-occupations.

- The Board of Directors of the Company (Based on the recommendations of the Nomination and Remuneration Committee), has approved Change in role of **Mr. Srinivas Chilukuri** from the position of CEO to enable him to focus on building new product development in the field of emerging Technologies like Artificial Intelligence etc. His role and designation would be decided by the board after receiving the detailed product development plan from him. Accordingly, Mr. Srinivas Chilukuri ceased to be the Chief Executive Officer (CEO) and Whole Time Key Managerial Personnel (KMP) of the Company with effect from 10.08.2023.

### **Key Managerial Personnel**

In accordance with the provisions of Section(s) 2(51), and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The following are the Key Managerial Personnel as on the Board's Report date:

- Mr. Pavan Chavali - Managing Director
- Mr. Vithal VSSNK Popuri - Chief Financial Officer
- Ms. Niralee Rasesh Kotdawala - Company Secretary & Compliance Officer

### **BOARD EVALUATION:**

Pursuant to the provisions of the Companies Act, 2013 and the applicable regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and Stakeholders' Relationship Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

The performance evaluation of the Independent Directors was completed during the year under review. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors and Non-Executive Directors. The Board of Directors expressed their satisfaction with the evaluation process.

The Ministry of Corporate Affairs ('MCA') vide Notification No. G.S.R. 804(E) dated October 22, 2019 and effective from December 01, 2019 has introduced the provision relating to inclusion of names of Independent Directors in the Data Bank maintained by Indian Institute of Corporate Affairs ('IICA'). All Independent Directors of your Company are registered with IICA.

In the opinion of the Board, the independent directors possess the requisite integrity, experience, expertise, proficiency and qualifications.

### **REMUNERATION POLICY :**

The Board has on the recommendation of the Nomination & Remuneration Committee framed and adopted a policy for selection and appointment of Directors, Key Managerial Personnel and other employees and their remuneration. The Nomination and Remuneration Policy is placed on website of the Company at <https://www.goldstonetech.com/investor-corner/>.

The Nomination and Remuneration Policy and other matters provided in Section 178(3) of the Act and Regulation 19 of SEBI Listing Regulations have been disclosed in the Corporate Governance Report, which forms part of this Report.

### **MEETINGS:**

During the year under review, 8 (Eight) Board Meetings, 6 (Six) Audit Committee Meetings, 3 (Three) Nomination and Remuneration Committee Meeting, 6 (Six) Stakeholder Relationship Committee Meetings and 1 (One) Independent Directors Meeting were convened

and held. The details of which are given in the Corporate Governance Report.

The intervening gap between the Meetings were within the period prescribed under the Companies Act, 2013 and Listing Regulations.

#### **COMMITTEES OF THE BOARD:**

There are various Board constituted Committees as stipulated under the Act and Listing Regulations namely Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee. Brief details pertaining to composition, terms of reference, meetings held and attendance of these Committees during the year have been enumerated in the Corporate Governance Report.

#### **AUDIT COMMITTEE RECOMMENDATIONS:**

During the year, all recommendations of Audit Committee were approved by the Board of Directors.

#### **FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS:**

The details on the familiarization program for Independent Directors are reported in the Corporate Governance Report.

#### **DIRECTOR'S RESPONSIBILITY STATEMENT:**

In terms of Section 134 (5) of the Companies Act, 2013, the directors would like to state that:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **SUBSIDIARIES AND ASSOCIATES:**

As on 31<sup>st</sup> March 2023, we are having two wholly owned subsidiary Companies;

- a) **Staytop Systems Inc.**, having its Registered Office situated at 9660 Falls of Neuse Rd., Ste. 138 Unit 161, Raleigh, North Carolina, 27615 and
- b) **Wowtruck Technologies Private Limited (formerly known as Equitas Technologies Private Limited)** having its Registered Office situated at 601, 6<sup>th</sup> Floor, Phase I, Spencer Plaza, 769, Anna Salai, Mount Road, Chennai – 600002, Tamil Nadu.

We would like to bring to the notice of the members that during the financial year, the Board in its meeting held on 16<sup>th</sup> May, 2022 had decided to acquire substantial stake ranging from 51% to 100% in the equity share capital of M/s. Equitas Technologies Private Limited (“ETPL”). Consequently on 5<sup>th</sup> July, 2022, the Company had completed the acquisition of M/s. Equitas Technologies Private Limited (“ETPL”) (now known as “**Wowtruck Technologies**”).

**Private Limited**”) by acquiring the equity shares from M/s. Equitas Holdings Limited in terms of the Share Purchase Agreement and other related documents (the “**Agreement**”) which were executed between the Company, M/s. Equitas Technologies Private Limited (“**ETPL**”) and M/s. Equitas Holdings Limited. Therefore, pursuant to the acquisition of 2,49,99,999 equity shares (99.62% stake) by the company from Equitas Holdings Limited, and balance 96,000 equity shares (0.38% stake) from an Individual shareholder Mr. MVP Mohan Sharma, M/s. Equitas Technologies Private Limited (“**ETPL**”) now known as M/s. Wowtruck Technologies Private Limited has become Wholly-Owned Subsidiary of the Company i.e. M/s. Goldstone Technologies Limited. Post the acquisition the name of the Company was changed from M/s. Equitas Technologies Private Limited to M/s. Wowtruck Technologies Private Limited w.e.f. 4<sup>th</sup> November, 2022. The acquisition will help the Company in its foray into the e-commerce and fintech space as M/s. Wowtruck Technologies Limited (“**WTPL**”) (formally known as “**Equitas Technologies Private Limited**”) is an existing aggregator of trucks/logistics provider having substantial presence in Southern India region with 30,000 plus registered users. Post this acquisition, the Company is planning to introduce electric vehicle fleet into the portal and also providing finance solutions for the fleet owners through tie ups with NBFCs/Financing organizations under one umbrella.

During the year under review except as mentioned above, no further investments were made in the subsidiaries. Other than the above no other company is Associate or Joint Venture during the year under review.

M/s. Staytop Systems Inc and M/s. Wowtruck Technologies Private Limited (formerly known as M/s. Equitas Technologies Private Limited, are material subsidiaries of the Company as per the thresholds laid down under the applicable regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure

Requirements), Regulations, 2015. The Company has framed a policy on Material Subsidiaries as approved by the Board and the same has been uploaded on the Company's website <https://www.goldstonetech.com/investor-corner/>

Pursuant to sub-section (3) of section 129 of the Act, the statement containing the salient feature of the financial statement of a company's subsidiary or subsidiaries, associate company or companies and joint venture or ventures is in the prescribed format AOC-1 are appended as “**Annexure 1**” to the Board’s report.

#### **CONSOLIDATED FINANCIAL STATEMENTS:**

The Board of Directors ('the Board') reviewed the affairs of the Subsidiaries. In accordance with Section 129 (3) of the Companies Act, 2013 and applicable Accounting Standards we have prepared consolidated financial statements of the Company and its subsidiaries which will form part of the Annual 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 each of its subsidiaries are available on website of the Company <https://www.goldstonetech.com/investor-corner/>. These documents will also be available for inspection during the business hours at the registered office of the Company.

#### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

At Goldstone, we maintain a system of well-established policies and procedures for internal control of operations and activities. We constantly strive to integrate the entire organisation, strategic support functions, such as finance, human resources, and regulatory affairs into core operations, such as Analytics segment, consulting services and license reselling, technical, support, and the supply chain. The internal audit function is further strengthened in conjunction with the statutory auditors to monitor



statutory and operational matters. Adherence to statutory compliance is a key focus area for the entire leadership team of the Company.

The Audit Committee deliberated with the members of the management, considered the systems as laid down and met the internal auditors and statutory auditors to ascertain, their views on the internal financial control systems. The Audit Committee satisfied itself as to the adequacy and effectiveness of the internal financial control system as laid down and kept the Board of Directors informed. Internal Audit system brings significant issues to the attention of the Audit Committee for periodic review. However, the Company recognizes that no matter how the internal control framework is, it has inherent limitations and accordingly, periodic audits and reviews ensure that such systems are updated on regular intervals.

#### **DEPOSITS:**

The deposits covered under Chapter V of the Companies Act, 2013 were neither accepted during the year nor remained unpaid or unclaimed as at the end of the financial year 2022- 23. As such, there has been no default in repayment of deposits or payment of interest thereon at the beginning or at the end of the year.

#### **COST RECORDS:**

Maintenance of cost records as specified by the Central Government under Section 148(1) of the Companies Act, 2013, is not applicable on the Company. Accordingly, such records are not made and maintained.

#### **CORPORATE SOCIAL RESPONSIBILITY (CSR):**

As per the provisions of Section 135 of Companies Act, 2013, every company having net worth of rupees five hundred crore or more or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more, during immediately preceding financial year shall constitute a Corporate Social Responsibility Committee of the Board. As your

company doesn't fall under the provisions of section 135 of Companies Act, 2013, hence it is not applicable to company.

#### **INSURANCE:**

All the properties of your Company including its building, systems, servers & Machinery has been covered by adequate Insurance Coverage and also the Company has Insurance coverage for Director and Officer and other liability insurance have been adequately insured.

#### **AUDITORS:**

##### **Statutory Auditors:**

M/s. P. Murali & Co., Chartered Accountants, Hyderabad were appointed as the statutory auditors of the Company by the Board of Directors of the Company in their meeting held on 27<sup>th</sup> May, 2022 for a term of 5 (Five) consecutive years commencing from the conclusion of the 28<sup>th</sup> Annual General Meeting until the conclusion of the 33<sup>rd</sup> Annual General Meeting. The appointment was also approved by the members of the Company by way Ordinary Resolution in the 28<sup>th</sup> Annual General Meeting of the Company held on 28<sup>th</sup> September, 2022.

Pursuant to the amendments made to Section 139 by the Companies (Amendment) Act, 2017, effective from May 7, 2018, the requirement of seeking ratification of the members for appointment of Statutory Auditors has been withdrawn. In view of the same, the ratification of members for continuance of appointed M/s. P. Murali & Co., Chartered Accountants, as the Statutory Auditors of the Company, will not be sought in the ensuing Annual General Meetings.

The Audit Committee of your Company meets periodically with Statutory Auditors and Internal Auditors to review the performance of the Internal Audit, to discuss the nature and scope of statutory auditors functions, and to discuss auditing, internal control and financial reporting issues. To ensure complete independence, the statutory auditor and the internal auditor have full access to the Members of the Audit Committee to discuss any matter of substance.

The Report of the Auditors for the year ended 31<sup>st</sup> March, 2023 forming part of this Annual Report does not contain any qualification, reservation, observation, adverse remark or disclaimer.

**Internal Auditors:**

M/s. CKS & Associates, Chartered Accountants, Hyderabad were appointed as internal Auditors for conducting the internal audit of the company for the financial year 2022-23. The main thrust of internal audit is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry.

The summary of Significant Audit Observations along with recommendations and its implementations are reviewed by the Audit Committee on a periodical basis and concerns, if any, are reported to Board. There were no adverse remarks or qualification on accounts of the Company from the Internal Auditor.

**Secretarial Auditor:**

The company had appointed M/s. Prathap Satla & Associates, Practising Company Secretaries, Hyderabad to undertake the Secretarial Audit of the Company for the financial year 2022-23 pursuant to provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Secretarial Audit report for the financial year 2022-23 is annexed herewith as “**Annexure - 2**” to the Board Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark. During the year under review, the Company has complied with the applicable provisions of the Secretarial Standards.

**Annual Secretarial Compliance Report:**

M/s. Prathap Satla & Associates, Practising Company Secretaries, Hyderabad had undertaken an audit for the financial year ended March 31, 2023 and accordingly issued the Annual Secretarial Compliance Report for

the year ended 31<sup>st</sup> March, 2023, with all applicable compliances as per SEBI's Regulations and Circulars/Guidelines issued thereunder. The Annual Secretarial Compliance Report issued by M/s. Prathap Satla & Associates, Practising Company Secretaries, Hyderabad had been submitted to the Stock Exchanges.

**Reporting of frauds by auditors:**

During the year under review, neither the statutory auditors nor the secretarial auditor has reported any instances of fraud committed against the Company by its officers or employees to the audit committee, under Section 143 (12) of the Companies Act, 2013.

**SECRETARIAL STANDARDS:**

The Board has devised proper systems and processes for complying with the requirements of applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) and that such systems were adequate and operating effectively.

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

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of The Companies Act, 2013 are given in Note no. 31 of Standalone Financial Statements and to Note No. 30 of Consolidated Financial Statements.

**RELATED PARTY DISCLOSURES:**

There are no materially significant related party transactions made by the Company with Promoters, Key Managerial Personnel or with entities where promoter/KMPs /Directors are interested and other related parties who may have potential conflict of interest with the Company. All the related party transactions which were entered into by the Company during the year under review, were on arms' length basis and in the ordinary course of business. The related party transactions are disclosed in the notes to the accounts, as per the relevant accounting standards.

Accordingly, the disclosure of related party transactions as required in Form AOC- 2 pursuant to Rule 8 (2) of the Companies (Accounts) Rules, 2014 are not required.

During the year, pursuant to Regulation 23 of the SEBI Listing Regulations, all related party transactions were placed before the Audit Committee for approval and also disclosed to the stock exchanges on half yearly basis. The same are also available on the website of the Company.

A Policy on materiality of RPTs stipulating the threshold limits and also on dealing with, pursuant to SEBI Listing Regulations has been placed on the Company's website <https://www.goldstonetech.com/investor-corner/>.

#### **RISK MANAGEMENT:**

Pursuant to Section 134 (3) (n) and Regulation 21 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 read with relevant provisions of the Companies Act 2013, the Company is implementing all measures to mitigate and manage the risk including identification therein of elements of risk if any which in the opinion of the Board may threaten the existence of the company.

At present the company has not identified any element of risk which may threaten the existence of the company.

#### **PREVENTION OF INSIDER TRADING:**

Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended, the Company has adopted the Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Designated Persons and their Immediate Relatives along with Code of Fair Disclosures and a copy of the same are available on company's website at <https://www.goldstonetech.com/investor-corner>.

#### **POLICIES UNDER SEBI (LODR) REGULATIONS 2015:**

We seek to promote and follow the highest level of ethical standards in all our business transactions guided by our value system. The Board has formulated and adopted the following policies as required under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

- ❖ Archival Policy
- ❖ Policy on Material Subsidiary
- ❖ Determination of Materiality of Events
- ❖ Preservation of Documents Policy

All the policies adopted are hosted on the website of the Company <https://www.goldstonetech.com/investor-corner>. The policies are reviewed periodically by the Board and updated as needed.

#### **VIGIL MECHANISM / WHISTLE BLOWER POLICY:**

As per the provisions of the Section 177 (9) & (10) of the Companies Act 2013, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board adopted a Vigil Mechanism called 'Whistle Blower Policy' for directors and employees to report the management / Audit Committee instances of unethical behavior, actual or suspected, fraud or violation of company's code of conduct or ethics policy. There were no allegations / disclosures / concerns received during the year under review in terms of the vigil mechanism established by the Company.

The Vigil Mechanism also provided adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit committee in exceptional cases further it has also been uploaded in the Company's web site; <https://www.goldstonetech.com/investor-corner/>

#### **DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:**

Your Company strongly supports the rights of all its employees to work in an environment free

from all forms of harassment. In order to comply with provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder, the Company has formulated and implemented a policy on prevention, prohibition and redressal of complaints related to sexual harassment of women at the workplace. All women employees permanent, temporary or contractual are covered under the above policy. The policy aims to provide protection to Employees at the workplace.

An Internal Complaint Committee (ICC) has been set up in compliance with the said Act. To build awareness in this area, the Company has been conducting awareness sessions during induction. During the year under review, no complaints pertaining to sexual harassment of women employees were reported.

#### **EXTRACT OF ANNUAL RETURN:**

In pursuant to the provisions of Section 134 (3)(a) of the Companies Act, 2013, extract of Annual Return in form MGT-9 is placed on the website of the Company. Pursuant to provisions of section 92(3) of the Act, Form MGT-9 is available on the website of the company at [www.goldstonetech.com/investor-corner/](http://www.goldstonetech.com/investor-corner/).

#### **LISTING ON STOCK EXCHANGES:**

Presently, the Company's Shares are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). The Company confirms that it has paid Annual Listing Fees due to all the Stock Exchanges where the Company's securities are listed for the year 2023-24.

#### **CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS REPORTS:**

As per the Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 the Corporate Governance and Management Discussion & Analysis Report, which form an integral part of this Report, are attached as

“Annexure - 3” and “Annexure - 4” respectively, together with the Certificate from the auditors of the Company regarding compliance with the requirements of Corporate Governance.

#### **MANAGING DIRECTOR AND CFO CERTIFICATION:**

As required under the SEBI (LODR) Regulations, 2015, the Managing Director and the CFO Certification is attached to Corporate Governance Report.

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

The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, that he/ she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Independent Directors have also confirmed that they have complied with Schedule IV of the Act and the Company's Code of Conduct.

In terms of Regulations 25(8) of the Listing Regulations, the Independent Directors have confirmed that he/ she meets the criteria of independence as provided in clause (b) of sub-regulation (1) of regulation 16 and that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

During the year, Independent Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board of Directors and Committee(s). The Directors possess integrity, expertise and experience in their respective fields.

### **NON-EXECUTIVE DIRECTORS' COMPENSATION AND DISCLOSURES:**

None of the Independent / Non-Executive Directors have any pecuniary relationship or transactions with the Company which in the Judgment of the Board may affect the independence of the Directors.

### **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:**

There were no material changes and commitments affecting the financial position of the Company that have occurred between the end of the financial year i.e. 31<sup>st</sup> March, 2023 to which the financial statements relate and the date of the Report except for the fact that the Company is in process of entering into a Joint Venture Agreement to set up a Joint Venture Company partnering with German e-mobility major, **Quantron AG**. The JV will operate out of Augsburg, in Germany and from Hyderabad, with plans to set up a US entity in Q3 2023. The JV company operating out of Germany will be focusing on providing various solutions through an AI supported platform. With these developments, the business is expected to grow significantly and expects to increase profits and also the company has put in place measures to reduce cost and improve the bottom-line.

### **PARTICULARS OF CONSERVATION OF ENERGY / TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGOINGS:**

Information on conservation of energy, technology absorption, foreign exchange and outgo as required under sec 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of the companies (Account) Rules, 2014 is annexed herewith as "**Annexure - 5**".

### **PARTICULARS OF EMPLOYEES:**

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial

Personnel) Rules, 2014 ('Rules') are enclosed as "**Annexure – 6**" to the Board's report.

During the year none of the employees is drawing a remuneration of Rs. 1,02,00,000/- and above per annum or Rs. 8,50,000/- and above in aggregate per month, the limits specified under the Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

In terms of the first proviso to Section 136 of the Act, the Reports and Accounts are being sent to the Shareholders excluding the information required under Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Members who are interested in obtaining the same may write to the Company Secretary at the Registered Office of the Company. The said information is available for inspection by the Members at the Registered Office of the Company on any working days of the Company upto the date of the 29<sup>th</sup> Annual General Meeting.

### **PERSONNEL:**

Personnel relations have remained very cordial during the period.

### **GOING CONCERN STATUS:**

There were no significant and material orders passed by Regulators or Courts or Tribunal impacting the Company's going concern status and / or its future operations.

### **EVENT BASED DISCLOSURES:**

#### **a) Postal Ballot Notice sent on 15.04.2022:**

Based on the approval of the Board of Directors of the Company in their meetings held on 11.02.2022 and 28.03.2022, the following resolutions were also passed by the members of the Company vide postal ballot notice date 28.03.2022, sent on Friday, 15th April, 2022 to those Members of the

Company whose names appeared in the Register of Members / List of Beneficial Owners maintained by the Company/ Depositories respectively as at close of business hours on Friday 8th April, 2022 (the 'Cut-off date') seeking their approval on the following resolutions, being Special Resolution(s), through Postal Ballot. The remote e-voting period for this postal ballot notice commenced on **Saturday, April 16, 2022 from 9.00 a.m. (IST)** and ended on **Sunday, May 15, 2022 at 5.00 p.m. (IST)** and the following resolutions were deemed to be approved on 15.05.2022 (the last date of E-Voting).

- a. Alteration of the main objects clause of the Memorandum of Association of the Company.
  - b. Adoption of new set of Memorandum of Association of the Company as per the Companies Act, 2013.
  - c. Adoption of new set of Articles of Association of the Company as per the Companies Act, 2013.
  - d. Approve Goldstone Technologies Limited Employee Stock Option Plan (GTLESOP 2022).
  - e. Change in designation of Mr. Pavan Chavali (DIN: 08432078) from Whole-time Director of the Company to Managing Director of the Company for a term of 5 (five) years.
  - f. To approve increase in remuneration of Mr. Pavan Chavali, Managing Director of the Company.
- b) Acquisition of M/s. Wowtruck Technologies Private Limited (Formally known as Equitas Technologies Private Limited):**

As approved by the Board of Directors of the Company in their meeting held on 16<sup>th</sup> May, 2022, the Company completed the acquisition of M/s.

Wowtruck Technologies Private Limited (formally known as M/s. Equitas Technologies Private Limited ("ETPL") on 5<sup>th</sup> July, 2022 by acquiring the equity shares from M/s. Equitas Holdings Limited in terms of the Share Purchase Agreement and other related documents (the "Agreement") which were executed between the Company, M/s. Equitas Technologies Private Limited ("ETPL") and M/s. Equitas Holdings Limited. Therefore, pursuant to the acquisition of 2,49,99,999 equity shares (99.62% stake) by the company from Equitas Holdings Limited, and balance 96,000 equity shares (0.38% stake) from an Individual shareholder Mr. MVP Mohan Sharma, M/s. Equitas Technologies Private Limited ("ETPL") now known as M/s. Wowtruck Technologies Private Limited has become Wholly-Owned Subsidiary of the Company. Post the acquisition the name of the Company was changed from M/s. Equitas Technologies Private Limited to M/s. Wowtruck Technologies Private Limited w.e.f. 4<sup>th</sup> November, 2022. The acquisition will help the Company in its foray into the e-commerce and fintech space as M/s. Wowtruck Technologies Limited ("WTPL") (formally known as "Equitas Technologies Private Limited") is an existing aggregator of trucks/logistics provider having substantial presence in Southern India region with 30,000 plus registered users. Post this acquisition, the Company is planning to introduce electric vehicle fleet into the portal and also providing finance solutions for the fleet owners through tie ups with NBFCs/Financing organizations under one umbrella.

**c) Postal Ballot Notice sent on 12.01.2023:**

Based on the approval of the Board of

Directors of the Company in their meetings held on 10<sup>th</sup> January, 2023, the Postal Ballot notice dated 10<sup>th</sup> January, 2023 was sent on Thursday, 12<sup>th</sup> January, 2023 to those Members of the Company whose names appeared in the Register of Members / List of Beneficial Owners maintained by the Company/ Depositories respectively as at close of business hours on Friday 6<sup>th</sup> January, 2023 (**the 'Cut-off date'**) seeking their approval for Appointment of Mr. Deepankar Tiwari (DIN: 07621583) as the Independent Director of the Company. The remote e-voting period for this postal ballot notice commenced on Saturday, January 14, 2023 from 9.00 a.m. (IST) and ended on **Sunday, February 12, 2023 at 5.00 p.m. (IST)** and the special resolution for approval of Appointment of Mr. Deepankar Tiwari (DIN: 07621583) as the Independent Director of the Company was deemed to be approved on 12.02.2023 (the last date of E-Voting).

## ACKNOWLEDGEMENTS

Your Directors convey their sincere thanks to ICICI Bank and State Bank of India for their support, guidance and assistance.

Your Directors wish to place on record their appreciation, for the contribution made by the employees at all levels but for whose hard work, and support, your Company's achievements would not have been possible. Your Directors also wish to thank its customers, dealers, agents, suppliers, consultants, investors for their continued support and faith reposed in the Company.

**For and on behalf of the Board of  
Goldstone Technologies Limited**

Sd/-  
**L.P. Sashikumar**  
Director  
(DIN: 00016679)

Sd/-  
**Pavan Chavali**  
Managing Director  
(DIN: 08432078)

Place: Hyderabad  
Date: 31.08.2023

**Form AOC-1**

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

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

**Part "A": Subsidiaries**

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

Sl.No.	Particulars	1	2
1.	Name of the Subsidiary	<b>STAYTOP SYSTEMS, INC.</b>	<b>WOWTRUCK TECHNOLOGIES PRIVATE LIMITED</b>
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	April 2022 to March 2023	July 2022 to March 2023
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	For Profit & Loss Each US\$ is Rs. 73.66 & For Balance Sheet Each US\$ is Rs. 82.21	Not Applicable
4.	Share capital	INR 79,599	INR 25,09,60,000
5.	Reserves & Surplus	INR 13,49,26,923	INR (20,00,08,443)
6.	Total Assets	INR 17,45,22,146	INR 11,93,77,485
7.	Total Liabilities	INR 17,45,22,146	INR 11,93,77,485
8.	Investments	NIL	NIL
9.	Turnover	INR 5,44,91,820	INR 17,34,31,519
10.	Profit before taxation	INR (16,43,667)	INR (20,14,44,781)
11.	Provision for taxation	INR 1,44,181	-
12.	Profit after taxation	INR (17,87,848)	INR (2,01,44,781)
13.	Proposed Dividend	NIL	NIL
14.	% of Shareholding	100%	100%

Names of Subsidiaries which are yet to commence operations: Nil

Names of subsidiaries which have been liquidated or sold during the year: Nil



**Part "B": Associates and Joint Ventures - NIL**

Statement Pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures - **Not Applicable**

for **P Murali & Co.**  
**Chartered Accountants**  
**Firm's Registration No: 0072575**

For and on behalf of the Board of  
**Goldstone Technologies Limited**

**Sd/-**  
**M.V Joshi**  
Partner  
Membership No. 020085  
**UDIN: 23024784BGVPTQ9657**

**Sd/-**  
**L.P. Sashikumar**  
Director  
(DIN: 00016679)

**Sd/-**  
**Pavan Chavali**  
Managing Director  
(DIN: 08432078)

**Place:** Hyderabad

**Date:** 29.08.2023

**MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023**

(Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To  
The Members  
GOLDSTONE TECHNOLOGIES LIMITED  
Hyderabad.

We have conducted Secretarial Audit pursuant to Section 204 of the Companies Act 2013, on the compliance of applicable Statutory Provisions and the adherence to good corporate practices by GOLDSTONE TECHNOLOGIES LIMITED (hereinafter called as “the Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

1. Based on our verification of the books, papers, minutes books, forms, returns filed and other records maintained by the Company and also the information and according to the examinations carried out by us and explanations furnished and representations made to us by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has during the audit period covering the Financial Year ended on 31<sup>st</sup> March, 2023 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.
2. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2023 (“Audit Period”) according to the provisions of:
  - i. The Companies Act, 2013 (the Act) and the rules made there-under;
  - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there-under;
  - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there-under;
  - iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the Extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
  - v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
    - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - b. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client;
    - c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not applicable to the Company during the audit period);
- e. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the audit period);
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the audit period);
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2009 (Not applicable to the Company during the audit period);

The management has identified and confirmed the following laws as being specifically applicable to the Company:

- a. Information Technology Act, 2005 and the Rules made there under,
- b. Software Technology Parks of India Rules made there under,
- c. The Trade Marks Act, 1999,

We report that during the period under review the company has complied with provisions of the Act, Rules, Regulation, Guidelines etc., mentioned above.

3. We, further report that:

- i. The company has complied with Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The Company has complied with the Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

4. We, further report that:

- a. 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.
- b. Adequate notice was given to all Directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance.
- c. All the decisions at the Board Meetings and Committee Meetings have been carried out unanimously as recorded in the Minutes of the Meetings of the Board of Directors or Committee of the Board, as the case may be.
- d. It is also noted that 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.

5. We further report that the Company has complied with other laws applicable to the Company as per the representations made by the Management.

**For Prathap Satla & Associates**  
Company Secretaries

**(Prathap Satla)**

Proprietor

M.No. F11086

C P No. 11879

UDIN: F011086E000402391

Place: Hyderabad

Date: 29.05.2023

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

**(Annexure)**

To  
The Members of  
GOLDSTONE TECHNOLOGIES LIMITED  
Hyderabad

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. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices 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. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we 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. Our 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.

For **Prathap Satla & Associates**  
Company Secretaries

**(Prathap Satla)**

Proprietor

M.No. F11086

C P No. 11879

UDIN: F011086E000402391

Place: Hyderabad

Date: 29.05.2023

## CORPORATE GOVERNANCE

### 1. Company's Philosophy on Code of Governance:

Goldstone Technologies Limited ("The Company") governance philosophy is based on trusteeship, professionalism, transparency and accountability. As a good corporate citizen, our business fosters a culture of ethical behavior and disclosures aimed at building trust and confidence of our stakeholders.

Your Company aims to achieve the objective of enhancing the shareholders' value by ensuring effective relationship with stakeholders and protecting their interests. The Company believes that good Corporate Governance is a continuous process and strives to improve the Corporate Governance practices to meet shareholder's expectations.

The Company's Code of Ethics and Business Conduct serves as a guide to the employees on the values, ethics and business principles expected of them. This ensures effective control and management of business.

The company's objective is to adopt the best emerging practices, adhering to not just the regulatory requirements but also to be committed to the sound corporate governance principles and practices.

### 2. Date of Report:

The information provided in the Report on Corporate Governance for the purpose of uniformity is as on 31<sup>st</sup> March, 2023. The Report is updated as on the date of report wherever applicable.

### 3. Board of Directors:

The Board of Company consists of an optimal blend of Executive and Non-Executive Directors with an appropriate balance of skills, experience, diversity and independence. The Non-Executive Directors including Independent Directors on the Board are experienced, competent and renowned persons having requisite qualifications and competencies in the areas of finance, accounting, regulatory matters, sustainability, operations, strategy, governance and other disciplines related to the Company's business. They actively participate at the Board and Committee meetings by providing valuable guidance to the Management on various aspects of business, policy direction, governance, compliance etc.

#### a) Composition and category of Directors

The composition of the Board of Directors of Goldstone Technologies Limited is an appropriate combination of executive and non-executive Directors with right element of independence. During the financial year 2022-23 and till 9<sup>th</sup> August, 2023, the Board comprised of Six (6) Directors and to ensure transparent and professional conduct of board procedures in all aspects and related thereto 3 out of this 6 Directors were Independent Directors. Accordingly, the composition of the Board was in conformity with Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 till 10<sup>th</sup> August, 2023.

As on August 10, 2023, the Board of Directors in their meeting held on 10th August, 2023, based on recommendation of the Nomination & Remuneration Committee has appointed Mr. Bernd Michael Perschke (DIN 10194539), as an Additional Director (Non – Executive and Non -

Independent Director) of the Company w.e.f. 10th August, 2023 to hold office upto the date of this Annual General Meeting. Also, based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors in their meeting held on 10<sup>th</sup> August, 2023 appointed Mr. Seetepalli Venkat Raghunand (DIN 10267020) as an Additional Director of the Company w.e.f. 10<sup>th</sup> August, 2023 to hold the office upto the date of the Annual General Meeting. He was also appointed as an Executive Director of the Company from the same date i.e. 10<sup>th</sup> August, 2023, for a period of 3(three) years subject to the approval of the members. In terms of section 161(1) of the Companies Act, 2013 Mr. Seetepalli Venkat Raghunand holds the office only upto the date of the Annual General Meeting. The Board has recommended the appointment of both Mr. Bernd Michael Perschke and Mr. Seetepalli Venkat Raghunand to the shareholders vide item no. 3,4 & 5 of the Notice to the Annual General Meeting. Hence, as on date of this report the board comprises of Eight (8) Directors out of which 3 directors are Independent. As per the Regulation 17 & 25(6) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 read with Regulation 17(IE) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), (Second Amendment) Regulations, 2023 any vacancy in the office of a director which includes Independent Director shall be filled by the listed entity at the earliest and in no case later than three months from the date of such vacancy. Hence, considering the same the company is in process of regularizing the composition of the Board to a balanced 50:50 composition with regards to the Independent and Non-independent Directors and the same shall be complied with within the prescribed timeline.

<b>Name of the Director</b>	<b>Category &amp; Designation</b>
Mr. K.S. Sarma	Non-Executive, Independent Director
Mr. V. Venkata Ramana*	Non-Executive, Independent Director
Mr. Deepankar Tiwari <sup>#</sup>	Non-Executive, Independent Director
Mrs. Deepa Chandra	Non-Executive, Independent Director
Mr. L.P. Sashikumar	Promoter & Non-Executive Director
Mr. Clinton Travis Caddell	Promoter & Non-Executive Director
Mr. Pavan Chavali	Executive & Managing Director
Mr. Bernd Michael Pershcke <sup>@</sup>	Non-Executive & Non Independent Director
Mr. Seetepalli Venkat Raghunand <sup>\$</sup>	Executive Director

<sup>#</sup> Appointed w.e.f. 14.11.2022

\* Resigned w.e.f. 14.11.2022

<sup>@</sup> Appointed on 10.08.2023

<sup>\$</sup> Appointed on 10.08.2023

The Directors bring with them rich and varied experience in different fields of corporate functioning. The Board meets at regular intervals for planning, assessing and evaluating all important business activities.

#### **b) Attendance of each Director at the Board Meetings and the last AGM**

The table hereunder gives the attendance record of the Directors at the Eight (8) Board Meetings held during the year 2022-23 and the last Annual General Meeting (AGM) held on 28<sup>th</sup> September, 2022:

Name of the Director	Number of Board Meetings held	Number of Board Meetings attended	Attendance at the last AGM
Mr. K.S. Sarma	8	8	Yes
Mr. V. Venkata Ramana*	6	0	No
Mr. Deepankar Tiwari <sup>#</sup>	2	2	No
Mrs. Deepa Chandra	8	8	Yes
Mr. L.P. Sashikumar	8	8	Yes
Mr. Clinton Travis Caddell	8	1	No
Mr. Pavan Chavali	8	8	Yes

# Appointed w.e.f. 14.11.2022

\* Resigned w.e.f. 14.11.2022

**c) Number of other Boards or Board Committees in which he/she is a member or Chairperson**

Name of the Director	Number of Other Directorships in other companies <sup>^</sup>	Number of Other Board, Committees <sup>§</sup>		List of Directorship held in other Listed Companies & Category of Directorship
		Chairman ship	Member ship	
Mr. K.S. Sarma	Nil	Nil	Nil	Nil
Mr. V. Venkata Ramana*	Nil	Nil	Nil	Nil
Mr. Deepankar Tiwari <sup>#</sup>	NIL	Nil	Nil	Nil
Mrs. Deepa Chandra	Nil	Nil	Nil	Nil
Mr. L.P. Sashikumar	2	Nil	Nil	Nil
Mr. Clinton Travis Caddell	Nil	Nil	Nil	Nil
Mr. Pavan Chavali	Nil	Nil	Nil	Nil

<sup>^</sup> Excluding Goldstone Technologies Limited, Private Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013.

<sup>§</sup> Only Audit Committee and Stakeholders' Relationship Committee are considered as per Regulation 26 of SEBI (LODR) Regulations, 2015.

# Appointed w.e.f. 14.11.2022

\* Resigned w.e.f. 14.11.2022

None of the Directors on the Board is a member of more than 10 committees or Chairman of more than 5 committees as specified in Regulation 26 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 across all the Companies in which he/she is a Director. Necessary disclosures regarding Committee positions have been made by the Directors.

**d) Number of Board Meetings held, dates on which held**

During the Financial Year 2022-23, the Board of Directors met 8 (Eight) times on the following dates:



16<sup>th</sup> May 2022, 27<sup>th</sup> May 2022, 1<sup>st</sup> July 2022, 10<sup>th</sup> August 2022, 29<sup>th</sup> August 2022, 14<sup>th</sup> November 2022, 10<sup>th</sup> January 2023 and 14<sup>th</sup> February 2023. The maximum gap between any of two consecutive meetings did not exceed 120 days and proper notices were given for all the Board meetings and proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.

- e) There are no Inter-Se relationships between the Board Members except Mr. L.P. Sashikumar and Mr. Clinton Travis Caddell who hold relationship.

**f) Shares held by Non- Executive Directors**

S. No.	Name of the Director	Number of Equity Shares
1.	Mr. K.S. Sarma	Nil
2.	Mr. V. Venkata Ramana	Nil
3.	Mr. Clinton Travis Caddell	Nil
4.	Mr. L.P. Sashikumar	757
5.	Mrs. Deepa Chandra	Nil
6.	Mr. Deepankar Tiwari	Nil

- g) The letter(s) of appointment(s) to the above Independent Directors and the details of the familiarization programs imparted to the Independent Directors are disclosed on the website of the company i.e. [www.goldstonetech.com](http://www.goldstonetech.com)

**4. Audit Committee;**

**a) Brief description of terms of reference:**

The terms of reference stipulated by the Board of Directors to the Audit Committee as contained in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 and Section 177 of the Companies Act, 2013, are as follows:

- i) Recommend appointment, remuneration and terms of appointment of auditors of the company;
- ii) Approve payment to statutory auditors for any other services rendered by them;
- iii) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- iv) Examine the financial statement(s) and the auditors' report thereon;
- v) Approve or any subsequent modification of transactions of the company with related parties;
- vi) Oversight the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- vii) Review, with the management, the quarterly financial statements before submission to the Board for approval;
- viii) Review, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

- a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of Section 134(3)(c) of the Companies Act, 2013;
  - b) changes, if any, in accounting policies and practices and reasons for the same;
  - c) major accounting entries involving estimates based on the exercise of judgment by management;
  - d) significant adjustments made in the financial statements arising out of audit findings;
  - e) compliance with listing and other legal requirements relating to financial statements;
  - f) disclosure of any related party transactions;
  - g) modified opinion(s) in the draft audit report;
- ix) Review, 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;
  - x) Scrutinize inter-corporate loans and investments;
  - xi) Valuation of undertakings or assets of the company, wherever it is necessary;
  - xii) Evaluate internal financial controls and risk management systems;
  - xiii) Review, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  - xiv) Review the adequacy of internal audit function, 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;
  - xv) Discuss with internal auditors of any significant findings and follow up there on;
  - xvi) Review 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;
  - xvii) Discuss with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
  - xviii) Look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  - xix) Review the functioning of the whistle blower mechanism;
  - xx) Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
  - xxi) Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification / amendment or modification as may be applicable;

- xxii) reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;
- xxiii) Review management discussion and analysis of financial condition and results of operations;
- xxiv) Review statement of significant related party transactions, submitted by management;
- xxv) Review management letters / letters of internal control weaknesses issued by the statutory auditors;
- xxvi) Review internal audit reports relating to internal control weaknesses;
- xxvii) Review the appointment, removal and terms of remuneration of the chief internal auditor;
- xxviii) Review statement of deviations:
  - a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI (LODR) Regulations, 2015;
  - b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of SEBI (LODR) Regulations, 2015.

**b) The composition of the Audit Committee and particulars of meetings attended by the members are as follows:**

The Audit Committee of the Board consists of Three(3) Directors, all of them are Independent Directors. Accordingly, the Composition of the Audit Committee is in conformity with Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Name	Designation	No. of meetings held	No. of meetings attended
Mr. K.S. Sarma	Chairperson	6	6
Mr. V. Venkata Ramana*	Member	4	0
Mr. Deepankar Tiwari <sup>#</sup>	Member	1	1
Mrs. Deepa Chandra	Member	6	6

# Appointed on 14.11.2022

\* Resigned on 14.11.2022

- c) During the Financial Year 2022-2023, Six (6) Audit Committee meetings were held the dates are: 16<sup>th</sup> May 2022, 27<sup>th</sup> May 2022, 10<sup>th</sup> August 2022, 29<sup>th</sup> August 2022, 14<sup>th</sup> November 2022 and 14<sup>th</sup> February 2023. The necessary quorum was present at all meetings.
- d) Previous Annual General Meeting of the Company was held on 28<sup>th</sup> September, 2022 and Mr. K.S. Sarma, Chairman of the Audit Committee for that period, attended previous AGM.
- e) On quarterly basis, the members of the audit committee meet and interact with both the statutory auditors and internal auditors without the presence of the management.

## 5. Nomination and Remuneration Committee

### a) Brief description of terms of reference

The terms of reference stipulated by the Board of Directors to the Nomination and Remuneration Committee as contained in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 and Sub Section (1) of Section 178 of the Companies Act 2013, are as follows:

- ❖ Formulate the criteria for determining qualifications, attributes, and Independence of a director.
- ❖ Identify the persons who are qualified to become directors and who may be appointed in senior management in accordance with criteria laid down, recommend to the Board their appointment and removal.
- ❖ Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
- ❖ Devising a policy on diversity of Board of Directors.
- ❖ Recommend to the Board appointment and removal of directors and senior management and carry out evaluation of every director`s performance.
- ❖ Review the remuneration policy of the company, relating to the remuneration for the directors, Key Managerial Persons and other employees from time to time.
- ❖ whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- ❖ Recommend to the board, all remuneration, in whatever form, payable to senior management.

### b) The composition of the Nomination and Remuneration Committee and particulars of meetings attended by the members are as follows:

The Nomination and Remuneration Committee of the Board consists of Four (4) Directors of which Three (3) are Independent Directors.

Name	Designation	No. of meetings held	No. of meetings attended
Mrs. Deepa Chandra	Chairperson	3	3
Mr. K.S. Sarma	Member	3	3
Mr. V. Venkata Ramana*	Member	1	0
Mr. Deepankar Tiwari <sup>#</sup>	Member	1	1
Mr. L.P. Sashikumar	Member	3	3

# Appointed w.e.f. 14.11.2022

\*Resigned w.e.f. 14.11.2022

- c) Three (3) meetings of the Committee were held during the financial year 2022-2023 i.e. on 1<sup>st</sup> July, 2022, 14<sup>th</sup> November 2022 and 14<sup>th</sup> February 2023. The necessary quorum was present at all meetings.

**d) Evaluation:****Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and Stakeholders' Relationship Committees.

A structured questionnaire was prepared after taking into consideration various parameters such as attendance and participation in meetings, monitoring corporate governance practices, independence of judgment, culture, execution and performance of specific duties, obligations and safeguarding the interests of the company etc.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

**i) Separate Meeting of Independent Directors:**

A separate meeting of Independent Directors of the Company, without the attendance of Non-Independent Directors and members of management was held on 14<sup>th</sup> February, 2023 all the Independent Directors attended the meeting. As required under Schedule IV to the Companies Act, 2013 (Code for Independent Directors) and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**ii) Evaluation by Board:**

The Board has carried out the annual performance evaluation of its own performance, the Directors individually (excluding the director being evaluated) as well as the evaluation of the working of its Committees. A structured questionnaire was prepared after taking into consideration various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, effectiveness in developing Corporate Governance structure to fulfill its responsibilities, execution and performance of specific duties etc. The Board decided that the performance of individual directors, its own performance and working of the committees is good. The Board has confirmed that in its opinion the independent directors fulfill the conditions specified in these regulations and are independent of the management.

All Independent Directors have furnished a declaration that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 and during the year under review, Mr. V. Venkata Ramana has resigned as Independent Director of the Company w.e.f. 14.11.2022 due to personal reasons and preoccupation.

### iii) **Familiarization Programme for Independent Directors:**

The Independent Directors of Company are eminent personalities having wide experience in the field of business, finance, education, industry, commerce and administration. Their presence on the Board has been advantageous and fruitful in taking business decisions.

Independent Directors have been appointed as per the applicable provisions of the Companies Act, 2013 and the applicable regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015. All Independent Directors have been given induction and orientation with respect to the Company's vision, strategic direction, core values, including ethics, corporate governance practices, financial matters, business operations, their roles, rights, responsibilities in the company, Code for the Independent Directors and the Board Members, updates on business model, nature of industry, operations and financial performance of the Company along with the significant developments in the Company, policies of the Company on Remuneration Criteria, Vigil Mechanism, Related Party Transactions, Risk Management etc, updates on significant amendments in corporate and other laws and its impact on the Company. All Independent Directors were also requested to access the necessary documents / brochures, Code of Conducts, Letter of Appointments, Annual Reports and internal policies available at our website [www.goldstonetech.com](http://www.goldstonetech.com) to enable them to familiarize with the Company's procedures and practices.

Periodic presentations are made by Senior Management and Internal Auditors, invitees at the Board/Committee meetings on business and performance updates of the Company, global business environment, business risks and its mitigation strategy, impact of regulatory changes on strategy etc.

A formal familiarization programme was conducted about the amendments in the Companies Act, Rules prescribed thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all other applicable laws to the Company.

It is the general practice of the Company to notify the changes in all the applicable laws from time to time in Board Meetings conducted.

The details of the Familiarization Programme for Independent Directors is disclosed on the Company's website at [www.goldstonetech.com](http://www.goldstonetech.com).

### iv) **Monitoring Governance of Subsidiary Companies:**

The Company has one foreign unlisted material subsidiary i.e. Staytop Systems Inc., and is required to appoint Independent Director on the Board of its material subsidiary. Pursuant to regulation 16(1)(c) and Regulation 24 of the SEBI (LODR) Regulations, 2015 the Company has appointed Mr. K S Sarma on the Board of Staytop System Inc; USA.

The financial statements of the subsidiaries are reviewed by the Audit Committee and the Board has periodically noted and reviewed all significant transactions entered into by the subsidiaries. Investment proposals beyond threshold values are executed by the subsidiary companies only after positive recommendation by the Board/Audit Committee of the Company.

### v) **List of Core Skills/Expertise/Competencies identified by the Board of Directors:**

The Board of Directors of your Company comprises of qualified and proficient Members who bring appropriate expertise and competence enabling them to make effective

contribution to the Board and its committees. The skill sets identified by the board along with its availability assessment collectively for the board and individually for each Director are as under:

Core skills/ Experience/ Competence	Mr. K.S.Sarma, IAS (Retd.)	Mr. V.Venkata Ramana*	Mr. Deepankar Tiwari <sup>#</sup>	Mrs. Deepa Chandra	Mr. L.P. Sashikumar	Mr. Clinton Travis Caddell	Mr. Pavan Chavali
Information Technology, software services, video conference technology and Computers	✓	✓	✓	✓	✓	✓	✓
Management and Strategy	✓	✓	✓	✓	✓	✓	✓
Legal/ Finance/ Accountancy	✓	✓	✓	✓	✓	✓	✓
IT Business Operations	✓	✓	✓	✓	✓	✓	✓
Stakeholder Engagement	✓	✓	–	✓	✓	✓	✓
Audit and Risk Management	✓	✓	✓	✓	✓	✓	✓
Leadership	✓	✓	✓	✓	✓	✓	✓
Regulatory, Government and Security matters	✓	✓	✓	✓	✓	✓	✓

# Appointed on 14.11.2022

\* Resigned on 14.11.2022

## 6. Remuneration of Directors

- a) **There are no pecuniary transactions with any non-executive director of the Company.**
- b) **Policy for selection and appointment of Directors/KMPs and their Remuneration;**

The Nomination and Remuneration Committee has adopted a policy namely Nomination and Remuneration Policy which, inter alia, deals with the manner of selection of Board of Directors, Managing Director & KMP's evaluation of their performance and their remuneration. The policy is hosted on the website of the Company [www.goldstonetech.com](http://www.goldstonetech.com).

### Criteria of selection of Non-Executive Directors

The Non-Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of manufacturing, marketing, finance, taxation, law, governance and general management.

In case of appointment of Independent Directors, the Nomination and Remuneration Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.

The Nomination and Remuneration Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.

The Nomination and Remuneration Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director.

- i. Qualification, expertise and experience of the Directors in their respective fields;
- ii. Personal, Professional or business standing;
- iii. Diversity of the Board.

In case of re-appointment of Non-Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

### **c) Remuneration**

The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board meetings. Commission may be paid within monitoring limit approved by the shareholders subject to the limit not exceeding 1% of the profits of the Company computed as per applicable provisions of the Act.

A Non-Executive Director shall be entitled to receive sitting fees for each meeting of the Board attended by him, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014;

Non-Executive Directors are paid sitting fee for attending the Board and Committee meetings.

Apart from receiving the Sitting Fees from the Company the Non-Executive Directors do not have any pecuniary relationship or transactions with the Company.

#### **CEO & Managing Director (MD)/ Whole-Time Director (WTD) - Criteria for selection / appointment**

For the purpose of selection of the CEO & MD/WTD, the Nomination and Remuneration Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board. The Committee will also ensure that the incumbent fulfills such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

#### **Remuneration for the Managing Director (MD)/Whole Time Director (WTD)**

At the time of appointment or re-appointment, the MD/WTD shall be paid as may be recommended by the Nomination and Remuneration Committee and such remuneration as may be mutually agreed between the Company and the Whole Time Director/Managing Director shall be within the overall limits prescribed under the Companies Act, 2013.

#### **Mr. Pavan Chavali – Managing Director**

The Nomination Remuneration Committee and Board of Directors at their meeting held on 25<sup>th</sup> June, 2021 had approved the appointment of Mr. Pavan Chavali, as a Whole Time Director of



the company for a further term of 3 years w.e.f. 25<sup>th</sup> June, 2021 with the same remuneration as he was drawing at that time. Accordingly, approval for re-appointment of Mr. Pavan Chavali, as a Whole Time Director was sought from the shareholders by way of Special resolution under the Notice for the General Body Meeting (AGM) held on 27.09.2021 for the further term of 3 years, as per the applicable provisions of the Companies Act, 2013. Thereafter, again the Nomination Remuneration Committee and Board of Directors at their meeting held on 28<sup>th</sup> March, 2022 considered the responsibilities shouldered on Mr. Pavan Chavali and accordingly approved the appointment of Mr. Pavan Chavali, as a Managing Director of the company for a term of 5 years w.e.f. 28<sup>th</sup> March, 2022 with the remuneration of Rs. 71,00,000/- (Rupees Seventy One Lakhs Only) including all other perquisites plus variable of Rs. 5,00,000/- (Rupees Five Lakhs only). Accordingly, approval for appointment of Mr. Pavan Chavali, as a Managing Director and approval for increase in his remuneration was sought from the members vide postal ballot notice dated 28.03.2022 through remote e-voting [The remote e-voting period commenced on Saturday, April 16, 2022 from 9.00 a.m. (IST) and ended on Sunday, May 15, 2022 at 5.00 p.m. (IST)]. The members of the Company have approved the appointment of Mr. Pavan Chavali as the Managing Director of the Company w.e.f. 28.03.2022 for the term of 5 years, as per the applicable provisions of the Companies Act, 2013 and the resolution was deemed to be approved on 15.05.2022 (the last date of E-Voting).

#### **Mr. Seetepalli Venkat Raghunand - Executive Director**

Based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors in their meeting held on 10<sup>th</sup> August, 2023 appointed Mr. Seetepalli Venkat Raghunand (DIN 10267020) as an Additional Director of the Company w.e.f. 10<sup>th</sup> August, 2023 to hold the office upto the date of the Annual General Meeting. He was also appointed as an Executive Director of the Company from the same date i.e. 10<sup>th</sup> August, 2023, for a period of 3(three) years with the same remuneration as he was drawing as a Senior Director, Sales and Business Operations, subject to the approval of the members. In terms of section 161(1) of the Companies Act, 2013 Mr. Seetepalli Venkat Raghunand holds the office only upto the date of the Annual General Meeting. The Board has recommended the appointment of Mr. Seetepalli Venkat Raghunand as the Executive Director of the Company for a period of 3(three) years to the shareholders vide item no. 4 & 5 of the Notice to the Annual General Meeting,

The remuneration of the MD/WTD comprises of both fixed and variable component. The fixed component comprises salary, allowances, perquisites, amenities and retrial benefits.

#### **Remuneration Policy for the Senior Management Employees**

In determining the remuneration of the Senior Management Employees (i.e. KMPs and Executive Committee Members) the Nomination and Remuneration Committee shall ensure the relationship of remuneration and performance benchmark is clear.

The Managing Director/Whole-Time Director will carry out the individual performance review based on the standard appraisal matrix and shall take into account the appraisal score card and other factors mentioned herein above, whilst recommending the annual increment and performance incentive to the Nomination and Remuneration Committee for its review and approval.

## Remuneration Policy

The remuneration policy is to pay compensation and benefits adequately, so as to attract, motivate and retain talent. The Company follows a compensation of fixed pay. Performance of the individuals measured through the annual appraisal process. The Board has approved Employee Stock Option Scheme (GTLESOP 2022) during the financial year 2021-22 in their meeting held on 11.02.2022 and the members approval by way of special resolution for the same was sought vide postal ballot notice dated 28.03.2022 through E-Voting and the resolution was deemed to be passed and approved by the members on 15.05.2022 (Last date of E-voting). The Nomination and Remuneration Policy is also hosted on the website of the Company [www.goldstonetech.com](http://www.goldstonetech.com).

## Details of Remuneration and other terms of appointment of Directors

All the Non-Executive Directors (NEDs), they are paid sitting fees for attending either Board or its Committee meetings except Shareholders/Investors' Grievance Committee Meeting. The Company reimburses the out of pocket expenses incurred by the Directors for attending meetings.

Shareholdings of the Directors in the Company as on March 31, 2023:

Name	Category	No. of Shares of Rs.10/- each
Mr. L.P. Sashikumar	Promoter & Non-Executive Director	757

## Remuneration of Directors

Details of remuneration paid to Directors during the financial year 2022-23:

(Rs. in millions)

Name of the Director	Category	Sitting Fee	Salary	Benefits	Total
Mr. K.S. Sarma	Independent Director	0.35	-	-	0.35
Mr. V. Venkata Ramana*	Independent Director	-	-	-	-
Mr. Deepankar Tiwari <sup>#</sup>	Independent Director	0.08	-	-	0.08
Mrs. Deepa Chandra	Independent Director	0.26	-	-	0.26
Mr. L.P. Sashikumar	Non-Executive Director	0.23	-	-	0.23
Mr. Clinton Travis Caddell	Non-Executive Director	-	-	-	-
Mr. Pavan Chavali	Managing Director	-	6.76	0.59	7.35

<sup>#</sup> Appointed w.e.f. 14.11.2022

\* Resigned w.e.f. 14.11.2022

Benefits include contribution to Provident Fund, Gratuity Fund, payment of Perquisites and Commission.

During the financial year 2021-22 the management has decided to take further steps on implementing the ESOP Scheme and extending such benefits to the employees of the Company, in this regard the Board of Directors of the Company in their meeting held on 11.02.2022 has approved Employee Stock Option Scheme (GTLESOP 2022) and the members approval by way of special resolution for the same was sought vide postal ballot notice dated 28.03.2022

through e-voting and the resolution was deemed to be passed and approved by the members of the Company on 15.05.2022 (Last date of E-voting). The GTLESOP Scheme – 2022 is placed on the website of the Company at [www.goldstonetech.com](http://www.goldstonetech.com). The updates on the same will be disseminated to the members through announcements to the stock exchanges.

### **Mechanism for Evaluation of the Board**

Pursuant to provisions of Regulation 17(10) of the SEBI Listing Regulations and the provisions of the Companies Act, 2013, The Board of Directors of the Company on recommendation of Nomination and Remuneration Committee, adopted Board Evaluation Policy to comply with the various provisions of the Act, the Listing Regulations and the SEBI circular dated January 5, 2017 which provides further clarity on the process of Board Evaluation (“SEBI Guidance Note”) and SEBI circular dated February 5, 2019.

Evaluation of Independent Directors, in their absence, by the entire Board was undertaken, based on their performance and fulfilment of the independence criteria prescribed under the Act and SEBI Listing Regulations; and

Evaluation of the Board of Directors, its Committees and individual Directors, including the role of the Board and Chairman.

An Independent Director's meeting, in accordance with the provisions of Section 149(8) read with Schedule IV of the Act and Regulation 25(3) and 25(4) of the SEBI Listing Regulations, was convened on 14<sup>th</sup> February, 2023 and the performance of Independent Directors and the Chairman & Managing Director and also the Board as a whole was reviewed. All Independent Directors were present at the said meeting.

The above evaluation was done keeping in view the following factors:

- (i) Board: Composition, responsibilities, stakeholder value and responsibility, Board development, diversity, governance, leadership, directions, strategic input, etc.
- (ii) Executive Directors: Skill, knowledge, performance, compliances, ethical standards, risk mitigation, sustainability, strategy formulation and execution, financial planning & performance, managing human relations, appropriate succession plan, external relations including CSR, community involvement and image building, etc.
- (iii) Independent Directors: Participation, managing relationship, ethics and integrity, Objectivity, bringing independent judgement, time devotion, protecting interest of minority shareholders, domain knowledge contribution, etc.
- (iv) Chairman: Managing relationships, commitment, leadership effectiveness, promotion of training and development of directors etc.
- (v) Committees: Terms of reference, participation of members, responsibility delegated, functions and duties, objectives alignment with company strategy, composition of committee, committee meetings and procedures, management relations.

The evaluation process elicited responses from the directors in a judicious manner ranging from composition and induction of the board to effectiveness and governance. It also sought feedback on board and committee charters, strategy, risk management and quality of discussion and deliberations at the board. The evaluation process also ensures the fulfilment of

independence criteria as specified in the applicable regulations and that the latter are independent of the management. Performance evaluation was done on the scale of 1 to 4, 1 being very poor and 4 being outstanding. The outcome of performance evaluation is given below:

Categories	Rating (Out of 4)
Board as a whole	4.00
Mr. Pavan Chavali	4.00
Mr. L.P. Sashikumar	3.95
Mr. K.S. Sarma	4.00
Mr. Deepankar Tiwari <sup>#</sup>	3.85
Mrs. Deepa Chandra	4.00
Mr. Clinton Travis Caddell	3.00
Audit Committee	3.95
Nomination & Remuneration Committee	3.88
Stakeholder Relationship Committee	3.50

<sup>#</sup> Appointed w.e.f. 14.11.2022

Disclosures as prescribed under SEBI circular dated May 10, 2018 are given below:

Observations of Board evaluation carried out for the year	No observations
Previous year's observations and actions taken	Since no observations were received, no actions were taken
Proposed actions based on current year observations	Since no observations were received, no actions were taken

## 7. Stakeholders Relationship Committee:

The Stakeholders Relationship Committee is to perform all the functions relating to handling of all sorts of shareholders' grievances like non-transfer of shares, loss of share certificates, non-receipt of notices/annual reports etc., and to look after share transfers/transmissions periodically. The Committee *inter-alia* also approves issue of duplicate share certificates and oversees and reviews all matters connected with the securities transfers.

- i. The Stakeholders Relationship Committee of the Company consists of three directors, two of them are Independent Directors.
- ii. The Composition of the Stakeholders Relationship Committee and the number of meetings attended by its members is given below.

Name	Designation	No. of Meetings held	No. of Meetings attended
Mr. K.S. Sarma	Chairperson	6	6
Mr. V. Venkata Ramana*	Member	3	0
Mr. Deepankar Tiwari <sup>#</sup>	Member	3	3
Mr. L.P. Sashikumar	Member	6	6

<sup>#</sup> Appointed on 14.11.2022

\* Resigned on. 14.11.2022

- iii. Six (6) Stakeholders Relationship Committee Meetings were held during the financial year 2022-23 on 27<sup>th</sup> May 2022, 10<sup>th</sup> August 2022, 14<sup>th</sup> November 2022, 23<sup>rd</sup> December 2022, 31<sup>st</sup> December 2022, and 14<sup>th</sup> February 2023. The necessary quorum was present at all meetings.
- iv. Details of investor complaints received and redressed during the year 2022-23 are as follows.

Complaints as on 1 <sup>st</sup> April, 2022	Received during the Year	Resolved during the Year	Number of pending Complaints as on 31 <sup>st</sup> March, 2023
Nil	Nil	Nil	Nil

- v. Scores: The Securities Exchange Board of India has initiated a platform for redressing the investor grievances through SCORES, a web-based complaints redressal system. The system processes complaints in a centralized web-based mechanism. The company is in compliance with this system.
- vi. Name and Designation of Compliance Officer: Ms. Niralee Rasesh Kotdawala is Company Secretary & Compliance Officer.

## 8. General Body Meetings

General Body Meetings : The Annual General Meeting for the Financial Year 2021-2022 was held through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM') and previous two Annual General Meeting for the Financial Year 2020-21 & 2019-20 were also held through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM') as detailed below:

- i) Location, date and time of last three Annual General Meetings:

Year	No. of Meeting	Venue of the Meeting	Day, Date and Time of the Meeting
2021-22	28 <sup>th</sup> AGM	Held through Video Conferencing/ Other Audio Visual Means ("VC/OAVM") pursuant to notifications issued by Ministry of Corporate Affairs, hence deemed venue being the Registered Office: 1 <sup>st</sup> Floor, GNR's RV Insignia Building, Image Garden Road, Madhapur, Hyderabad, Rangareddi-500081, Telangana, India.	Wednesday September 28, 2022 at 3.00 P.M

2020-21	27 <sup>th</sup> AGM	Held through Video Conferencing/ Other Audio Visual Means ("VC/ OAVM") pursuant to notifications issued by Ministry of Corporate Affairs, hence deemed venue being the Registered Office: 1 <sup>st</sup> Floor, GNR's RV Insignia Building, Image Garden Road, Madhapur, Hyderabad, Rangareddi-500081, Telangana, India.	Monday September 27, 2021 at 3.00 P.M
2019-20	26 <sup>th</sup> AGM	Held through Video Conferencing/ Other Audio Visual Means ("VC/ OAVM") pursuant to notifications issued by Ministry of Corporate Affairs, hence deemed venue being the Registered Office: 9-1-83 & 84, Amarchand Sharma Complex, S.D. Road, Secunderabad-500 003, Telangana, India.	Monday September 28, 2020 at 3.00 P.M

ii) During the previous three Annual General Meetings of the Company, Special Resolutions were passed as specified below.

No. of AGM	Item on which special resolution was passed
28 <sup>th</sup> AGM (2021-22)	No
27 <sup>th</sup> AGM (2020-21)	Yes - Appointment of Mr. Pavan Chavali (DIN: 08432078) as a Whole-Time Director of the Company - Issue of 1,58,00,000 Equity Shares on Preferential basis - To enhance borrowing limits of the Board or a Committee thereof from Rs. 150 crores to Rs. 200 crores - To authorize the Board or a Committee thereof to sell, lease, mortgage or otherwise dispose of the whole or substantially the whole of the undertaking(s) of the Company both present and future.
26 <sup>th</sup> AGM (2019-20)	Yes - To approve Goldstone Technologies Limited Employee Stock Option Plan 2020 (GTLESOP 2020) - To approve increase in remuneration of Mr. Pavan Chavali (DIN: 08432078), Whole Time Director of the Company

iii) Resolutions passed during the year through Extraordinary General Meetings: NIL

iv) Resolutions passed during the year through Postal Ballot: The following resolutions were passed through Postal Ballot during the year under review:

Sr. No.	Description of Resolution	Details of E- Voting Period	Last Date of E voting (Approval Date)	Scrutinizer	Voting Pattern
1	Approval for Alteration of the main objects clause of the Memorandum of Association of the Company.	Saturday, April 16, 2022 from 9.00 a.m. (IST) to Sunday, May 15, 2022 at 5.00 p.m. (IST).	May 15, 2022	Mr. Prathap Satla, Company Secretary in Practice, Proprietor, Prathap Satla & Associates M.No. FCS11086 CP No. 11879	In Favour – 99.9999% Against – 0.0001%
2	Approval for Adoption of new set of Memorandum of Association of the Company as per the Companies Act, 2013.	Saturday, April 16, 2022 from 9.00 a.m. (IST) to Sunday, May 15, 2022 at 5.00 p.m. (IST).	May 15, 2022	Mr. Prathap Satla, Company Secretary in Practice, Proprietor, Prathap Satla & Associates M.No. FCS11086 CP No. 11879	In Favour – 99.9999% Against – 0.0001%
3	Approval for Adoption of new set of Articles of Association of the Company as per the Companies Act, 2013.	Saturday, April 16, 2022 from 9.00 a.m. (IST) to Sunday, May 15, 2022 at 5.00 p.m. (IST).	May 15, 2022	Mr. Prathap Satla, Company Secretary in Practice, Proprietor, Prathap Satla & Associates M.No. FCS11086 CP No. 11879	In Favour – 99.9997% Against – 0.0003%
4	Approval to Goldstone Technologies Limited Employee Stock Option Plan 2022 (GTLESOP 2022).	Saturday, April 16, 2022 from 9.00 a.m. (IST) to Sunday, May 15, 2022 at 5.00 p.m. (IST).	May 15, 2022	Mr. Prathap Satla, Company Secretary in Practice, Proprietor, Prathap Satla & Associates M.No. FCS11086 CP No. 11879	In Favour – 99.9918% Against – 0.0082%
5	Approval to Change in designation of Mr. Pavan Chavali (DIN: 08432078) from Whole-Time Director of the Company to Managing Director of the Company for a term of 5 (five) years	Saturday, April 16, 2022 from 9.00 a.m. (IST) to Sunday, May 15, 2022 at 5.00 p.m. (IST).	May 15, 2022	Mr. Prathap Satla, Company Secretary in Practice, Proprietor, Prathap Satla & Associates M.No. FCS11086 CP No. 11879	In Favour – 99.9950% Against – 0.0050%
6	Approval to increase in remuneration of Mr. Pavan Chavali, Managing Director of the Company	Saturday, April 16, 2022 from 9.00 a.m. (IST) to Sunday, May 15, 2022 at 5.00 p.m. (IST).	May 15, 2022	Mr. Prathap Satla, Company Secretary in Practice, Proprietor, Prathap Satla & Associates M.No. FCS11086 CP No. 11879	In Favour – 99.9723% Against – 0.0277%
7	Appointment of Mr. Deepankar Tiwari (DIN 07621583) as an Independent Director of the Company	Saturday, January 14, 2023 from 9.00 a.m. (IST) to Sunday, February 12, 2023 at 5.00 p.m. (IST).	February 12, 2023	Mr. Navajyoth Puttapparathi, Partner of M/s. Puttapparathi Jagannatham & Co, Practicing Company Secretaries (M. No. FCS 9896, CP No. 16041)	In Favour – 99.98% Against – 0.02%

## 9. Means of Communication

### a) Quarterly results:

The quarterly Unaudited and the Annual Audited Financial Results as approved and taken on record are immediately intimated to the stock exchanges, where the equity shares of the Company are listed.

### b) Newspapers wherein results normally published:

These financial results are normally published in the Financial Express / Business Standard (National Newspaper) and Nava Telangana (Regional Newspaper).

### c) Any website, where displayed:

Quarterly/Half Yearly / Annual Audited Results, Annual Reports, Investor information, Policies etc., are displayed on the Company's website [www.goldstonetech.com](http://www.goldstonetech.com) under the Investors section.

### d) Whether it also displays official news releases: No

### e) Presentations made to institutional investors or to the analysts : Nil

## 10. General Information for Shareholders

a) **Day & Date** - Annual General Meeting will be held on Thursday, the 28<sup>th</sup> day of September, 2023 at 4.30 p.m. (IST)

b) **Venue** - Video Conferencing ('VC') / Other Audio Visual Means ('OAVM')

c) **Financial Year** - 2022-2023 (1st April to 31st March)

### Tentative calendar for declaration of financial results in financial year 2022-23

First Quarterly Results	On or before 14.08.2023
Second Quarterly Results	On or before 14.11.2023
Third Quarterly Results	On or before 14.02.2024
Fourth Quarterly Results	On or before 30.05.2024

d) **Dividend Payment date** - Not Applicable

e) **Dates of Book Closure** - Friday September 22, 2023 to Thursday September 28, 2023 (both days inclusive)

### f) Listing on Stock Exchanges:

Stock Exchange	Address	Security Id / Symbol	Scrip Code
BSE Limited (BSE)	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001	GOLDTECH	531439
National Stock Exchange of India Limited (NSE)	Exchange Plaza, Bandra- Kurla Complex, Bandra (E), Mumbai-400 051	GOLDTECH	NA

The Annual Listing Fee for the FY 2023-24 were paid to both the Stock Exchanges.



**g) Electronic Connectivity**

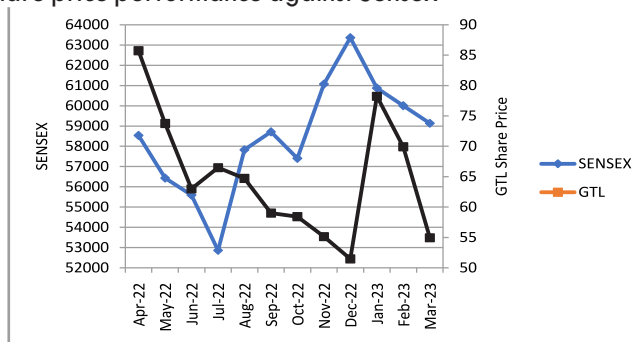
Demat ISIN number: INE805A01014  
 NATIONAL SECURITIES DEPOSITORY LIMITED  
 Trade World, Kamala Mills Compound,  
 Senapati Bapat Marg, Lower Parel,  
 Mumbai – 400 013  
 CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED  
 25<sup>th</sup> Floor, A Wing, Marathon Futurex,  
 Mafatlal Mills Compaund, NM Joshi Marg,  
 Lower Parel (E), Mumbai – 400 013

**h)** There was no suspension of trading in securities of the Company during the year under review.

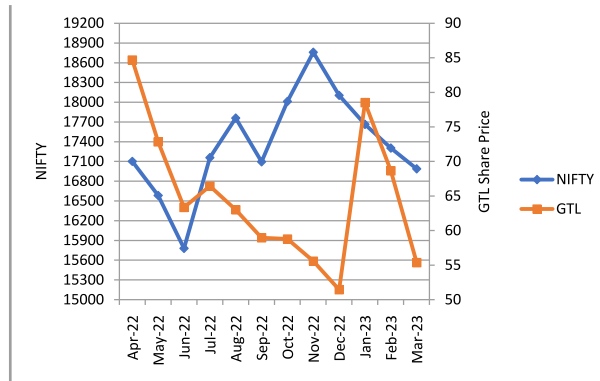
**i) Market Price Data:** Monthly high and low, volume of Company's shares on BSE Limited & National Stock Exchange of India Limited during the financial year 2022-23

2022-23	BSE			NSE		
Month	High (Rs.)	Low (Rs.)	Volume (Nos.)	High (Rs.)	Low (Rs.)	Volume (Nos.)
Apr-22	85.70	62.80	3,81,721	84.70	61.65	14,10,000
May-22	73.75	51.95	2,01,403	72.85	51.80	6,98,000
Jun-22	63.00	44.05	1,09,050	63.35	42.35	5,59,000
Jul-22	66.50	43.90	2,87,370	66.45	43.50	8,66,000
Aug-22	64.70	49.20	2,65,563	63.00	48.75	12,28,000
Sep-22	59.00	48.25	2,27,347	58.95	47.85	10,34,000
Oct-22	58.40	46.05	1,57,069	58.80	50.00	9,52,000
Nov-22	55.15	48.20	1,14,531	55.60	49.80	7,98,000
Dec-22	51.45	39.30	1,17,033	51.45	36.55	6,99,000
Jan-23	78.25	43.60	5,72,020	78.50	43.40	54,52,000
Feb-23	69.90	50.30	2,21,989	68.65	50.00	8,47,000
Mar-23	54.96	45.01	1,38,934	55.35	45.05	8,18,000

**j) Performance of the Share Price of the Company in comparison to the BSE Sensex and NSE Nifty: GTL Share price performance against Sensex**



### GTL Share price performance against Nifty



#### k) Registrar and Transfer Agents:

Name & Address : Aarathi Consultants Private Limited,  
 1-2-285, Domalguda,  
 Hyderabad – 500 029,  
 Tel: 91 - 40-27638111/ 4445;  
 Fax: 91 - 40-27632184  
 E-mail: info@aarthiconsultants.com

Contract Person : Mr. Bhaskara Murthy

#### l) Share Transfer System:

The Company's Registrar and Transfer Agent is the common agency to look after physical and Demat share work. Trading of equity shares on BSE and NSE is permitted only in dematerialized form. The shares lodged for transfer at the registrar are processed and returned to shareholders within the stipulated time.

#### m) Distribution of Shareholding as on March 31, 2023:

##### i) According to Category of Shareholders

Category	No. of Shareholders		No. of Shares	
	Total	%	Total	%
1 – 5000	14361	85.15	1542823	4.46
5001 – 10000	1108	6.57	910463	2.63
10001 – 20000	577	3.42	876817	2.54
20001 – 30000	258	1.53	656068	1.90
30001 – 40000	121	0.72	434236	1.26
40001 – 50000	88	0.52	419095	1.21
50001 – 100000	181	1.07	1335239	3.86
100001 and above	172	1.02	28407325	82.14
<b>TOTAL</b>	<b>16866</b>	<b>100</b>	<b>34582066</b>	<b>100</b>

**ii) According to number of equity shares held:**

Category	No. of shares	% to share capital
Promoters	1,86,34,698	53.89
Mutual Funds and UTI	0	0.00
Foreign Portfolio Investors	0	0.00
Insurance Companies	0	0.00
Banks	2,900	0.01
FIs	0	0.00
Private Corporate Bodies	14,77,837	4.27
Indian Public	1,38,32,211	40.00
NRIs / OCBs	4,35,685	1.26
Trust	100	0.00
Clearing Members	4,829	0.01
NBFC	17,500	0.05
IEPF	1,76,306	0.51
<b>Grand Total</b>	<b>3,45,82,066</b>	<b>100.00</b>

**n) Dematerialization of shares and liquidity:**

3,44,30,437 Equity Shares representing 99.56% of the company's share capital are dematerialized as on March 31, 2023.

The Securities and Exchange Board of India has mandated that shares which are lodged for transfer are mandatorily be in dematerialized form with effect from 01<sup>st</sup> April, 2019.

The particulars of dematerialization are as follows:

Sl. No.	Category	Total No. of Shares	% of Equity
1	PHYSICAL	1,51,629	0.44
2	NSDL	1,21,08,393	35.01
3	CDSL	2,23,22,044	64.55
	<b>Total</b>	<b>3,45,82,066</b>	<b>100.00</b>

The Company's shares are regularly traded on Bombay Stock Exchange Limited & The National Stock Exchange of India Limited.

- o) As on March 31, 2023, the company did not have any outstanding GDRs / ADRs / Warrants or any convertible instruments.

**p) Compliance Officer** : Niralee Rasesh Kotdawala  
 Company Secretary & Compliance Officer  
 Tel: 91 - 40-66284999  
 E-mail: cs@goldstonetech.com

**q) Location of Software Divisions/ facilities :**

Registered Office : My Home Hub, Block-1,  
9th Floor, Hitech City Madhapur,  
Hyderabad-500081  
Telangana, India.

U.S Office : 9660 Falls of Neuse Rd, Ste. 138 Unit 161, Raleigh,  
North Carolina, 27615, United States of America.

**r) Address for Correspondence :** Goldstone Technologies Limited  
My Home Hub, Block-1, 9th Floor, Hitech City,  
Madhapur, Hyderabad-500081  
Telangana, India.

**s) Investor Relations:** All the queries received from shareholders during the financial year 2022-23 have been responded to. The Company generally replies to the queries within a week of their receipt.

**t) Credit Ratings:** There are no debt instruments, or any fixed deposit programme or any scheme or proposal of the Company involving mobilization of funds, whether in India or abroad and therefore no credit ratings was required to be obtained by the Company during the financial year under review.

**u) Nomination Facility:** Shareholders holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013, are requested to contact the Company's Share Transfer Agents M/s. Aarthi Consultants Private Limited, 1-2-285, Domalguda, Hyderabad – 500 029.

**v) Commodity price risk or foreign exchange risk and hedging activities:** The Company has not undertaken any hedging activities for commodity price risk and foreign exchange risk.

**11. Other Disclosures:**

**a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of company at large**

There were no materially significant related party transactions which may have potential conflict with the interests of the Company. Disclosures of transactions of the listed entity with any person or entity belonging to the promoter/promotor group which holds 10% or more shareholding in the listed entity are disclosed in Note 32 of Standalone Financial Statements and Note 31 of Consolidated Financial Statements of the company for the financial year ended March 31, 2023. All the transactions are on arm's length basis and have no potential conflict with the interest of the Company at large and are carried out on an arm's length or fair value basis.

**b) Details of non-compliance by the company, penalties, strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years**

During the year under the review the Company has complied with all requirements specified under the Listing Regulations as well as other regulations and guidelines of SEBI.

Consequently, there were no strictures or penalties imposed by either SEBI or Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital markets during the last three Financial years.

A statement of Compliance with all laws and regulations as certified by the designated Director is placed before the Board for its review on quarterly basis. The Board reviews the compliance of all the applicable laws and gives appropriate directions wherever necessary.

**c) Vigil Mechanism/ Whistle Blower policy and affirmation that no personnel has been denied access to the Audit Committee**

In pursuant to the provisions of the Section 177 (9) & (10) of the Companies Act 2013, read with the Regulation 22 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company has formulated 'Whistle Blower Policy' for directors and employees to report the management /Audit Committee instances of unethical behavior, actual or suspected, fraud or violation of company's code of conduct or ethics policy. The Vigil Mechanism also provided adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit committee in exceptional cases further it has also been uploaded on the Company's website; [https://www.goldstonetech.com/wp-content/uploads/GTL\\_Whistle\\_Blower\\_Policy.pdf](https://www.goldstonetech.com/wp-content/uploads/GTL_Whistle_Blower_Policy.pdf).

**d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements**

During the year the Company complied with all mandatory requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015. The Board has taken cognizance of the non-mandatory requirements of Regulation 27 of the Listing Regulations and shall consider adopting the same at an appropriate time.

**e) Policy for determining 'material subsidiaries':**

The updated policy on determination of material subsidiaries is displayed on the website of the Company i.e. [https://www.goldstonetech.com/wp-content/uploads/Policy\\_on\\_Material\\_Subsiary-GTL.pdf](https://www.goldstonetech.com/wp-content/uploads/Policy_on_Material_Subsiary-GTL.pdf)

**f) Policy on dealing with related party transactions:**

The policy on dealing with related party transactions is displayed on the website of the Company i.e. <https://www.goldstonetech.com/wp-content/uploads/Policy-on-Related-Party-Transactions.pdf>

**g) During the financial year 2022-23, the Board has accepted all the recommendations of its Committees.**

**h) Management Discussion and Analysis Report:**

The Report on Management Discussion and Analysis is annexed to the Directors' Report and forms part of this Annual Report.

**i) Share Capital Audit:**

A firm of qualified Company Secretaries is conducting the Secretarial Audit on quarterly basis to reconcile the total admitted equity capital with National Securities Depository

Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity capital. The Secretarial Audit Report confirms that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

**j) Code of conduct:**

The Company has laid down a Code of Conduct for all Board members and the Senior Management of the Company, containing duties of Independent Directors as provided under schedule IV to the Act. The said Code of Conduct is also posted on the website of the Company at [www.goldstonetech.com](http://www.goldstonetech.com)

In terms of Regulation 26(3) of the Listing Regulations, all Directors and Senior Management have affirmed compliance with the Code of Conduct for the financial year 2022-23. A declaration to this effect, signed by the Managing Director of the Company has been annexed to this Corporate Governance Report.

**k) Risk Management:**

The Board of Directors reviews the reports of compliance to all applicable laws and regulations on a quarterly basis. Any non-compliance is seriously taken up by the Board and the action taken for rectification of non-compliance is reported to the Board.

**l) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):**

During the year the company has not raised any funds through QIP as specified under Regulation 32 (7A) of Listing Regulations, but in the financial year 2021-22 the Company has received the funds of Rs. 22,59,40,000/- through preferential allotment made to M/s. Trinity Infraventures Limited and Mr. Srinivas Pagadala and the details of the utilization are submitted to the exchanges on a quarterly basis. On 5<sup>th</sup> July, 2022 the company has utilized Rs. 8,00,00,000/- towards acquisition of 99.99% stake in the equity share capital of M/s. Equitas Technologies Private Limited (“ETPL”) (Presently known as Wowtruck Technologies Private Limited). By this acquisition ETPL (Presently known as Wowtruck Technologies Private Limited) has become a wholly owned subsidiary of the company and Rs. 3,00,00,000 have been utilized for operational expenses of the Company. As on 31.03.2023 the entire proceeds received through preferential allotment has been utilized and the same has been intimated to the exchanges on quarterly basis.

**m) A certificate from a Company Secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority:**

The Certificate of Company Secretary in practice is annexed herewith as a part of the report.

**n) Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part:**

Details relating to fees paid to the Statutory Auditors are given in Note 29 & 34 to the Standalone Financial Statements and Note 28 & 33 to the Consolidated Financial Statements.

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

In order to comply with provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder, An Internal Complaint Committee (ICC) has been set up in compliance with the said Act. The complaints received by the committee will be brought to the notice of the board. However, during the year no complaint received by the ICC.

**p) Remuneration Policy:**

The remuneration policy is to pay compensation and benefits adequately, so as to attract, motivate and retain talent. The Company follows a compensation of fixed pay. Performance of the individuals is measured through the annual appraisal process. No shares have been allotted to any of the employees under the Employee Stock Option Scheme during the financial year ended March 31, 2023.

**12. The status of compliance with discretionary requirements as specified in Part E of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided below:**

- a. Non-Executive Chairman's Office: The Company did not appoint any Non-Executive Chairman but the Board elects a Chairman for each of its meeting.
- b. Shareholders' Rights: The quarterly and half-yearly financial performance are submitted to the Stock Exchange(s), published in newspapers and hosted on the website of the Company. Even the significant events are promptly and immediately informed to the Stock Exchange(s). Hence, none of these are sent to the shareholders separately.
- c. Modified opinion(s) in audit report: The Company's financial statements for the year 2022-23 do not contain any audit qualification.
- d. Separate posts of Chairperson and Chief Executive Officer:
  - i. The Company has not appointed a Chairperson.
  - ii. After the closure of financial year 2022-23, based on the recommendations of the Nomination and Remuneration Committee and approval of the Board Mr. Srinivas Chilukuri was appointed as the Chief Executive Officer (CEO) and whole time Key Managerial Personnel (KMP) of the Company with effect from 29<sup>th</sup> May, 2023, for a term of Three years i.e. upto 28<sup>th</sup> May, 2026, subject to approval of members. However, the Board of Directors of the Company (Based on the recommendations of the Nomination and Remuneration Committee), has approved Change in role of Mr. Srinivas Chilukuri from the position of CEO to enable him to focus on building new product development in the field of emerging Technologies like Artificial Intelligence etc. His role and designation would be decided by the board after receiving the detailed product development plan from him. Accordingly, Mr. Srinivas Chilukuri ceased to be the Chief Executive Officer (CEO) and Whole Time Key Managerial Personnel (KMP) of the Company with effect from 10.08.2023.
  - iii. The Company has appointed a Managing Director and the Board elects a Chairman for each of its meeting.
- e. Reporting of Internal Auditor: The Internal Auditors report's directly to the Audit Committee.

**13. Compliance with Corporate Governance:**

The Company has complied with the Corporate Governance requirements specified in Regulations 17 to 27 and Regulation 46 (2) (b) to (i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**14. Certificate from Managing Director and Chief Financial Officer of the Company:**

Pursuant to Part B of Schedule II under Regulation 17(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the compliance certificate from the Managing Director and Chief Financial Officer was placed before the Board of Directors of the Company in its meeting held on 29<sup>th</sup> May, 2023 is annexed to the Corporate Governance Report.

**15. Declaration signed by Managing Director/Whole Time Director:**

The Declaration, in terms of Part D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 from the Managing Director is annexed to the Corporate Governance Report.

**16. Compliance Certificate from a Practicing Chartered Accountant:**

The Company has obtained, in terms of Part E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Compliance Certificate from a Practicing Chartered Accountant and the same is annexed to the Corporate Governance Report.

The Company has complied with corporate governance requirements specified in regulation 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**17. Disclosure with respect to demat suspense account / unclaimed suspense account: Nil****18. Disclosure with respect to funds transferred to IEPF Account:**

As per Section 124 of The Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 any dividend remaining unpaid or unclaimed for a period of 7 years from the date of transfer to the unpaid dividend account is to be credited to Investor Education and Protection Fund (IEPF).

Company has not issued any dividend in Financial Years 2013-14, 2014-15 and 2015-16 therefore no such amount was due which should be transferred to IEPF Account.

**For and on behalf of the Board**

**Sd/-**  
**Pavan Chavali**  
Managing Director  
(DIN: 08432078)

**Sd/-**  
**L.P. Sashikumar**  
Director  
(DIN: 00016679)

Place : Hyderabad  
Date: 31.08.2023



**CERTIFICATE FROM THE MANAGING DIRECTOR & CHIEF FINANCIAL OFFICER**

We, Mr. Pavan Chavali, Managing Director and Mr. Vithal VSSNK Popuri, Chief Financial Officer certify that we have reviewed financial statements and the cash flow statement for year ended 31<sup>st</sup> March, 2023 and to best of our knowledge and belief:

- The results do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- The results together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- To the best of our knowledge and belief, no transactions entered into by the Company during the period which are fraudulent, illegal or violative of the Company's code of conduct.

We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.

We have indicated to the auditors and the Audit committee

- (1) significant changes in internal control over financial reporting during the period;
- (2) significant changes in accounting policies during the period and that the same have been disclosed in the notes to the financial results; and
- (3) there were no instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

Sd/-  
**Pavan Chavali**  
Managing Director  
DIN: 08432078

Sd/-  
**Vithal VSSNK Popuri**  
Chief Financial Officer

Place: Hyderabad  
Date: 29.05.2023

**Declaration as required Pursuant To Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015**

I hereby declare that all the Directors and Senior Management of the Company have affirmed compliance with the Company's Code of Conduct for the Financial Year ended March 31, 2023.

For and on behalf of the Board

Sd/-  
**Pavan Chavali**  
Managing Director  
DIN: 08432078

Place: Hyderabad  
Date: 31.08.2023

**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  
 Goldstone Technologies Limited  
 Hyderabad.

We, M/s. Prathap Satla & Associates, Company Secretaries have examined the relevant registers, records, forms, returns and disclosures received from the Directors of M/s. Goldstone Technologies Limited having CIN: L72200TG1994PLC017211 and having registered office at My Home Hub, Block-I, 9<sup>th</sup> Floor, Hitech City, Madhapur, Hyderabad-500081, Telangana (hereinafter referred to as 'the Company'), produced before us 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 as amended.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2023 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.

Sl. No.	Name of the Director	DIN	Designation
1.	Pavan Chavali	08432078	Managing Director
2.	Paul Sashikumar Lam	00016679	Director
3.	Clinton Travis Caddell	01416681	Director
4.	Kambhampati Subramanya Sarma	01505787	Independent Director
5.	Venkata Ramana Vedula*	02660082	Independent Director
6.	Deepakar Tiwari <sup>#</sup>	07621583	Independent Director
7.	Deepa Chandra	08952283	Independent Director

#Appointed w.e.f. 14.11.2022

\*Resigned w.e.f. 14.11.2022

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our 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.

**For Prathap Satla & Associates**  
**Company Secretaries**

Sd/-  
 Prathap Satla  
 Proprietor

M.No. F11086, CP No. 11879  
 UDIN: F011086E000866787

Place: Hyderabad  
 Date: 31.08.2023

## CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE

To  
The Members of  
Goldstone Technologies Limited  
Hyderabad

1. We have examined the compliance of conditions of Corporate Governance by **M/s. Goldstone Technologies Limited** ("the Company"), for the year ended on March 31, 2023, as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. We have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant, and as per the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India.
4. In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Regulations.
5. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**P. Murali & Co**  
Chartered Accountants  
FRN: 007257S

Sd/-  
**MV Joshi**  
Partner  
Membership No. 020085  
UDIN: 23024784BGVPTP8958

Place: Hyderabad  
Date: 29.08.2023

## MANAGEMENT DISCUSSION ANALYSIS AND BUSINESS OUTLOOK

(This review contains Management's discussion of the Company's operational results and financial condition and should be read in conjunction with the accompanying audited financial statements and associated notes).

### Industry Structure, Development and Outlook

#### Outlook for India in 2023-24

This year began with the anticipation that runaway inflation, aggressive policy rate hikes, and high commodity prices might topple a few major economies into recession in 2023. We are halfway past 2023 and, while the world is still in the woods, the probability of a recession this year has trimmed. Labor markets in several advanced countries remain tight, while the largest economy, the United States, is seeing a rebound in consumer confidence and spending. Risk spreads are declining on both sides of the Atlantic after the recent banking crisis in the United States.

India, meanwhile, enjoys a Goldilocks moment as it sees its economic activity gaining momentum amid continuing global uncertainties. The last quarter's GDP data was pleasantly surprising but not completely unexpected. The GDP growth in the fourth quarter has pushed up the full-year GDP growth of FY2022–23 to 7.2%, 200 basis points (bps) higher than the earlier estimate. The recently released Annual Economic Review for the month of May 2023 highlighted that the post pandemic quarterly trajectories of consumption and investment have crossed pre-pandemic levels.

Evidently, economists and analysts are bullish about the Indian economy. Our growth forecasts for FY2023–24 remain similar to our April forecast, although higher-than-expected growth in FY2022–23 has raised our base for comparison. That said, we have raised our lower limit of the range given the buoyancy of the economy. We expect India to grow between 6% and 6.3% in FY2023–24 and have a stronger outlook thereafter. In fact, if global uncertainties recede, we expect growth to surpass 7% over the next two years.

There are multiple downside risks to our forecasts, but we find the uncertainties around the actions of the central banks of major economies and the oil price movements this past quarter particularly interesting. In this edition, we highlight the significance of these developments and their future implications for India.

India grew by 6.1% in the last quarter, which is approximately ~100 bps higher than what the market had anticipated. While the overall growth was broad-based, many sectors such as construction and agriculture experienced more-than-expected growth. In fact, strong growth in manufacturing proved to be a reassuring development as modest growth in the sector in previous quarters had been a concern for policymakers.

On the expenditure side, exports performed well despite global headwinds, while imports recorded their slowest growth since December 2020, primarily because of easing crude oil prices bringing down India's import bills. Private consumption, the largest component of India's final demand, with a modest growth of 7.5% in FY2022–23, emerged as the weakest link in overall growth. The share of private consumption in GDP fell in the last quarter and was the lowest in the past seven quarters, dragged down by weak rural demand. However, things might be changing on that front as well.

Urban demand conditions have remained resilient, as evidenced by the sales of mid- to high-end segments of automobiles, the number of UPI transactions, and domestic air passenger traffic data.

Rural demand, which was lagging, has also been rising lately, as seen in the sales of tractors, IIP nondurable goods, and Mahatma Gandhi National Rural Employment Guarantee Act data.

Overall, the first-quarter data of FY2024 instills confidence in the improving health of the economy. Inflation in the first quarter was 4.5%, the lowest since the quarter of September 2019. Goods and Services Tax collections remain strong, suggesting that revenue buoyancy will aid in improving the budgeted fiscal deficit ratio to GDP. At the same time, India's external account has been improving, thanks to the falling import bills as oil prices ease.

### What lies ahead:

The first-quarter data points to further building on the positive momentum in the economic data. We continue to remain optimistic about the economy this year and expect India to grow between 6.0% and 6.3% during FY2023–24 in our baseline scenario, followed by 6.6% and 7.2% over the next two years as the global economy turns buoyant. However, if downside risks weigh on the economic fundamentals and outlook, we may see a substantial economic slowdown. For more on our optimistic and pessimistic scenarios, read “Key assumptions.”

### Data Analytics, Business Intelligence and AI trends in FY 2023-24

As we move into the next year, there are a few key trends that are shaping the data analytics and business intelligence industry. These trends are driven by advancements in technology, shifts in consumer behavior, and an increasing demand for actionable insights that can drive business success. In this blog, we'll look at the top trends in data analytics and business intelligence for 2023. Business Intelligence (BI) trends:

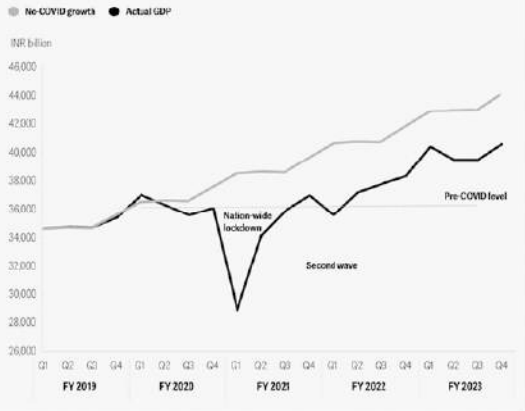
#### Artificial Intelligence (AI) and Machine Learning (ML)

Progressively relying more and more on Artificial Intelligence and Machine Learning, modern data analytics and business intelligence. They are used to make predictions about the future, automate processes, and unearth new insights. Organizations may implement AI & ML in 2023 to improve decisions and gain a competitive edge.

Businesses find it increasingly challenging to assess and make sense of the growing amount of data accessible. Insights from unstructured data, such as customer reviews, comments on social media, and emails, can be extracted by organizations using NLP technology. In several

#### India's GDP is experiencing a strong rebound

Real GDP (seasonally adj, level values)



industries, this technology is currently in use, and by 2023, we may anticipate seeing it employed even more frequently.



## **Natural Language Processing (NLP)**

### **Data Storytelling**

Data storytelling is the process of leveraging data to tell an engaging story that stakeholders will find understandable. The use of data storytelling by enterprises to explain difficult information to non-technical audiences is predicted to increase in 2023. In order to do this, business intelligence specialists and data analysts will need to improve their communication abilities and learn how to present data in a more interesting and persuasive manner.

### **Augmented Analytics**

Augmented analytics enhances human decision-making by design, utilizing AI. It works by automatically identifying patterns and insights in data and presenting them to analysts in an easy-to-understand format. In 2023, more businesses to adopt augmented analytics for faster and accurate decisions.

### **Cloud-based Data Analytics**

As more businesses move their operations to the cloud, we can expect to see a similar shift in the data analytics and business intelligence industry. Cloud-based data analytics tools offer many benefits, including increased scalability, faster deployment, and lower costs. In 2023, more businesses to adopt cloud-based data analytics for cost-cutting and streamlined operations.

### **Data Security and Privacy**

As data collection and analysis expand, organizations require more data security and privacy measures to ensure protection. In 2023, we can expect to see businesses placing an even greater emphasis on data security and privacy as they look to protect sensitive information and comply with new regulations such as the General Data Protection Regulation (GDPR).

### **Predictive Analytics**

Predictive analytics is the use of statistical algorithms and machine learning techniques to

identify patterns in data and make predictions about future events. In 2023, we can expect to see more businesses adopting predictive analytics tools to help them make better decisions and improve their forecasting accuracy.

### **Data Visualization**

The data visualization involves the use of charts, graphs, and other visual tools to help businesses understand complex data. The data governance focus to rise in 2023, as businesses strive for reliable and trustworthy data.

### **Data Governance**

A Data collection, storage, and use within an organization are all governed by a set of policies and processes known as data governance. Data governance will be key for businesses in 2023, boosting data reliability and integrity.

### **Democratization of Data**

Finally in 2023, we may anticipate that the democratization of data will continue to gain momentum in 2023. Increasing data accessibility for non-technical stakeholders is a current trend. Democratizing data crucial for firms using it as strategic asset. More so as 2023 nears.

### **Conclusion:**

In 2023, data analytics and business intelligence will undergo major changes due to tech advancements and changing customer preferences. Data-driven trends and investments in infrastructure and tech can position companies for success in our increasingly data-driven world.

The demand for data analytics and Business Intelligence expertise and professionals is increasing rapidly. With companies in all industries seeking individuals with skills in data analysis, data management, and data visualization. Data's importance in decision-making is rising, making data-savvy professionals more vital for extracting valuable insights.

## Top AI Statistics and Trends in 2023

Do Alexa, automated chatbots, robots or self-driving vehicles intrigue you? If they do, then you must know that they are all based on the technology of “AI” or “artificial intelligence”. AI is a branch of computer science, developed on the basis of those computer-based programs which possess the power of replicating human behavior.

Whether it's AI's effect on productivity, employment and investments, this new and upcoming world of big data, ChatGPT, robotics, virtual digital assistants, voice search and recognition has all the potential to shape the future.

### AI Global Market Size and Its Forecast

The global artificial intelligence market size was valued at \$136.55 billion in 2022 and is expected to grow exponentially in the upcoming years backed by mounting investments in AI technologies, digital disruption and competitive advantage in this fast-growing global economy. Let's have a look at some amazing stats:

- The global artificial intelligence market size is projected to expand at a compound annual growth rate (CAGR) of 37.3% from 2023 to 2030. It is projected to reach \$1,811.8 billion by 2030.
- AI has the humongous potential to contribute to the global economy. AI is expected to contribute more than the current output of India and China combined, to the world economy by 2030.
- AI is expected to contribute \$15.7 trillion to the global economy by 2030, more than the current output of China and India combined.

### AI Growth in India

The demand for AI-based tools and systems is rising across India on account of fast digitization in all the major segments of our economy such as banking and financial services, healthcare, automobile, telecommunication, as AI simply assists in automation, minimizing errors and also helps in managing repetitive tasks. Let's have a look at some of the important projections which show India to be the leader of AI in future.

- The India artificial intelligence market size reached \$680 million in 2022 and further it is expected to reach \$3,935.5 million by

2028, showcasing a growth rate (CAGR) of 33.28% during 2023-2028.

- AI expenditure in India surged by 109.6% or \$665 million in 2018 and is estimated to surge at a CAGR of 39% to reach \$11,781 million by 2025.
- AI has the potential to add close to \$500 billion to the country's GDP by 2025.

### AI Evolution Led by ChatGPT

ChatGPT has given a glimpse of AI and generated quite a buzz about its astounding progress to the entire world. This new AI chatbot allows its users to engage in human-like conversations, which can respond to your questions immediately and helps you with tasks, such as composing emails, essays, and code. ChatGPT has a huge impact on employment and productivity as well. Let's have a look at the key figures which clearly show how big a deal ChatGPT is.

### Chat GPT fastest growing app with 100 million active users

- OpenAI's ChatGPT has taken off in record-breaking fashion. According to OpenAI, even Chat GPT, the most talked about AI tool, surpassed 10 lakh users in mere five days, after its launch in November, 2022.<sup>8</sup>
- If we compare it to its peers, then it took Instagram nearly 2.5 months to reach 1 million downloads and Netflix around 3.5 years to reach 1 million users.<sup>9</sup>
- By January 2023, ChatGPT hit 100 million active users, making it the fastest-growing application in history.

## Key Insights and Facts about ChatGPT

- According to Similarweb, openai.com receives nearly 1.8 billion visits per month.
- Almost 60% of ChatGPT's social media traffic comes from YouTube, followed by WhatsApp, Facebook, Twitter and others.
- ChatGPT has a bounce rate of 17.33%.
- The most commonly google searched keyword is "chat gpt login" hitting nearly 6 million searches per month.

## Region-Based Statistics of ChatGPT

- The maximum proportion of ChatGPT users reside in the U.S. (15.22%) followed by India (6.32%), Japan (4.01%) and others.

## Chat GPT Boosts Business Productivity and Work Quality

- Worker productivity was boosted by 14% with artificial intelligence tools such as ChatGPT in one of the tech firms. This research is thought to be the first major real-world application of generative AI in the workplace which measured productivity of more than 5,000 customer support agents.
- According to Forbes Advisor, a staggering 97% of business owners believe that ChatGPT will benefit their businesses. In fact, one in three businesses plan to use ChatGPT to create website content, while 44% aim to generate content in multiple languages.



## Growth Drivers of the AI World

With the advent of AI and its applications across the globe, AI is enabling many segments to grow and changing the way we envision the future. The ongoing technological advancements such as wearable technology and chip market solutions, self-driving cars or automated medical procedures, have a remarkable impact on market growth. Let's see how these growth drivers are going to bring in a drastic change in the years to come.

## Automotive Artificial Intelligence Market Size Expands, One in Ten Vehicles Self-Driving Globally

- The self-driving car market is expected to increase from 20.3 million in 2021 to 13.7 billion by 2030. It is expected that 10% of vehicles will be driverless by 2030.
- Fully automated cars are expected to contribute some \$13.7 billion by 2030.
- Robo-taxis are projected to become the top use case for driverless vehicles.

## Opportunities, Threats, Risks and Concerns

Goldstone Technologies continues to focus on rapid growth opportunities in the technology sector. Business analytics domain has been the main stay of GTL for years. Since the last year we began focusing on the sustainability sector, specific to the EV Industry which is the next big growth path on technology combining the strengths of analytics, data and sustainable platforms for zero emission vehicles/fleet.

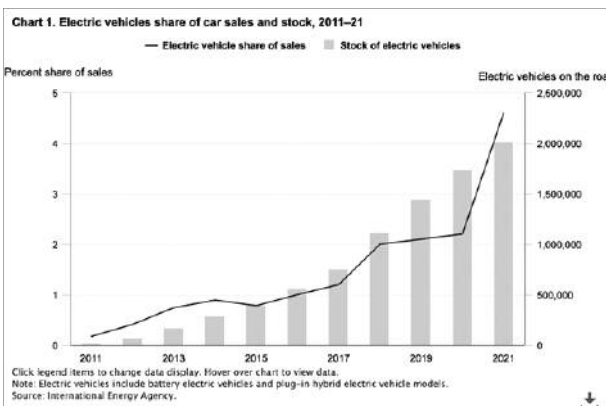
## Electric vehicles are not just the wave of the future, they are saving lives today.

- Electric vehicles now include cars, transit buses, trucks of all sizes, and even big-rig tractor trailers that are at least partially powered by electricity.
- Electric vehicles are saving the climate — and our lives.



- Electric vehicles have a smaller carbon footprint than gasoline-powered cars, no matter where your electricity comes from.
- Through their entire lifetime, electric cars are better for the climate.
- Electric vehicles can charge up at home, at work, while you're at the store.
- Planning now by states and utilities to build infrastructure for charging electric vehicles will go a long way.
- Electric trucks — delivering goods from warehouses to homes — can make a big, clean difference. We need more of them.

The vast data collected from the Smart grids and EVs equipped with IoT devices is potentially a powerful stride in the right direction. The analysis and processing of the obtained big data (through numerous data analytics) can be utilized to develop control and energy management strategies for other EVs, plan optimal policies and siting of new charging stations or relocate the existing ones, design smart charging policies and algorithms to lower charging times, improve the efficacy and plan optimal EMS and battery management schemes, improve the EV load handling capacity of the distribution systems or estimate the new capacity to be added to endure the EV loading burden, improve power quality and customer satisfaction and determine the market value for EV based services and products.



Advances and innovations are crucial for a sustainable electricity system that includes smart grid technologies, renewable energy sources, and greater energy efficiency. These technologies are often layered on top of the existing infrastructure and legacy information systems. The management and utilization of the data generated from the different components of the electrical system are critical for the successful deployment and operation of this system. This paper reviews the issues and opportunities of the use of Big Data for electric utilities. Big Data provides the opportunity to better monitor, correct, and integrate smart grid technologies and renewable energy. At the same time, data management and utilization must be integrated into organizational operations if the potentials are to be realized. Electric utilities are conservative, heavily regulated, and concerned with both system reliability and overall profitability. Thus, technological, economic, institutional, and policy constraints must all be addressed. After reviewing these issues and opportunities, we empirically analyze whether these are part of the discussions about electric utilities with federal policymakers. The results show that while conversations about electric utilities overall are plentiful, conversations about data in the context of electric utilities are relatively rare.

The Indian market is responding positively to the growing eco-system of electric vehicles. Businesses in this sector have found the best time to enter and rule. Whereas companies like Tata Motors are already coming up with features like Ziptron technology to provide the best possible experience to the customers.

But, India being a developing country still has a lot to innovate and develop. As world leaders often say, this decade belongs to India. Moreover, this century belongs to India. There are a lot of opportunities for businesses in the electric vehicle sector in India. How do we manifest some of them.

GTL has forayed into the software application and platform development space, and

successfully built multiple applications for customers in the zero emissions space.

Environment and Sustainable solutions are the need of the hour. Electric Vehicle revolution is going to play a major role in bringing this global change and India is embracing the concept and solutions at a rapid pace.

Electrification is also bringing in a major change in the way automobile industry is being perceived, with 'technology on wheels' becoming a norm. In line with this GTL is ramping up in building data solutions and application platforms on EV's, with the cutting-edge Analytics and Data Science solutions on the offer.

### **Analysis of financial performance of the company and Segment wise performance:**

There is an increase of 52.59% in GTL Consolidated revenues for the current FY2022-23 i.e. INR 929.61 Million as against the previous FY 2021-22 revenue of INR 609.21 Million. Also, there is an increase of 36.33% in the GTL Standalone revenues for the Current FY2022-23 INR 748.60 million as against of INR 549.09 million of previous FY 2021-22. The Consolidated Net Profit after Tax for the current FY 2022-23 is INR 4.56 million, 0.48% against Consolidated Net (Loss) of INR 5.08 million, 0.83% during the previous FY 2021-22. The GTL Standalone Net Profit after Tax in the current FY 2022-23 INR 26.49 million, 3.49% as against INR 9.70 million, 1.77% in the previous FY 2021-22.

**Segment-wise performance:** In GTL Standalone Financials, there is an increase of 36.26% in the revenue segment - Data Analytics Software License Sale in the current FY 2022-23 INR 586.31 million in comparison to INR 430.28 million in the previous FY 2021-22. Also, in the revenue segment Information Technology / Software Services there is an increase in revenue 36.60% i.e. in current FY 2022-23 INR 162.29 million in comparison to INR 118.81 million in previous FY 2021-22. Whereas in GTL Consolidated Financials, there is an increase of 36.04% in revenue segment - Data Analytics Software License Sale in the current FY 2022-23 INR 587.76 million in comparison to INR 432.06 million in the previous FY 2021-22. In the Information Technology / Software Services segment (both USA and India segments combined together) there is a decrease of (4.93%) i.e. INR 168.42 million in current FY 2022-23 in comparison to INR 177.15 million in previous FY 2021-22 due to decrease in Information Technology / Software Services segment turnover in Subsidiary, Staytop Systems, Inc., USA. Regarding segment profitability, in GTL Standalone segment profit for Information Technology / Software Services has been increased by 97.01% i.e. in current FY 2022-23 INR 40.84 million in comparison to INR 20.73 million in previous FY 2021-22. The segment profit in Data Analytics Software Licenses Sale segment increased by >100% i.e. in current FY 2022-23 INR 8.08 million in comparison to INR(2.44)million in previous FY 2021-22. In GTL Consolidated Financials, the Information Technology / Software Services segment (both India and US) profit increased by >100% to INR 37.72 million in current FY 2022-23 from INR 8.98 million in the previous FY2021-22 due to increase in margin in Information Technology / Software Services segment in India. Further, the Data Analytics Software License Sale segment profit has increased by 96% i.e. INR 9.67million in current FY 2022-23 in comparison to INR 4.94 million in previous FY 2021-22.

During the current financial year 2022-23 the Company acquired 100% of the Equity Capital of M/s. Wowtruck Technologies Private Limited (Formerly known as Equitas Technologies Private Limited) for a total purchase consideration of INR 80 million. M/s. Wowtruck Technologies Private Limited became a wholly owned subsidiary with effect from 4<sup>th</sup> July, 2022. The transaction was accounted for in line with Ind AS 103 Business Combinations. M/s. Wowtruck Technologies Private Limited (Formerly known as Equitas Technologies Private Limited) achieved a turnover of INR 173.43

million (post-acquisition for nine month i.e. From July 2022 to March 2023) and INR 216.74 million for full FY2022-23. The PBT (Loss Before Tax) has been reported at INR (20.15) million (post-acquisition for nine month i.e. From July 2022 to March 2023) and PBT (Loss Before Tax) of INR 40.54 million for full FY 2022-23. M/s. Wowtruck Technologies Private Limited (Formerly known as Equitas Technologies Private Limited) owns and operates a technology platform called Wowtruck that connects vehicle owners and customers (Corporate/Retail) to enable transportation of goods. The Platform provides cost-effective last mile connectivity to customers and a higher earning potential for truck drivers.

On 12<sup>th</sup> Sep, 2022 the Company acquired 13,55,976 Equity Shares of M/s ETO Motors Private Limited (Related Party) @INR50/- per Equity Share (Face Value of INR10/- per Equity Share) for a total consideration of INR 6,77,98,800/- which is 4.95% of the total Paid-up Capital of the Investee Company.

### **Liquidity and capital resources:**

The secured loans as at 31<sup>st</sup> March, 2023 stood at INR0.05million as against INR37.26 million in Previous year.

The Company's ability to generate funds from operating activities, including product and service sales, equity funds and debt financing from its banks and others are expected to provide sufficient liquidity to meet current and future fund requirements.

### **Internal Control & Systems and their adequacy:**

The Company has proper and adequate system of internal controls commensurate with its size and nature of operations to provide reasonable assurance that all assets are safeguarded, transactions are authorized, recorded and reported properly and applicable statutes & corporate policies are duly complied with, the internal audit function has been structured to continuously review adequacy and efficacy of the internal controls. The statutory auditors and internal auditors while conducting the statutory audit, review and evaluate the internal controls and their observations are discussed with the Audit committee of the Board.

### **Human Resource Development:**

The Company considers its human capital as the greatest component at work in the organization. This includes a robust mix of experience and young talent which provides an all-round point of view to various challenges and development of informed solutions. Continuous enrichment of knowledge of employees is a core value of the company and emphasis has been laid on the training and development of the human capital of the company. The skill levels of the workforce have been honed continuously by conducting in-house training programs such as effective operating & maintenance of machinery, which has ensured in high productivity of manpower and low maintenance costs. To enhance the Positive Team Dynamics at the workplace, Development Programs such as Team Building, Communication, Super Leadership for Super Success, Effective Management Skills, etc. have been conducted. Company has successfully resumed working from office, post successfully battling the COVID period.

### **Details of significant changes in key financial ratios:**

**Debtors Turnover:** In GTL Standalone Financials, this Ratio has increased from 4.08 in FY2021-22 to 4.31 in current FY2022-23. The increase in Debtors Turnover Ratio is 5.60% in comparison to previous FY. The increase in GTL standalone is due to company strengthened its process to realize the

Accounts Receivable (AR) particularly from the Sale of Software Licenses during the current financial year. Also in GTL Consolidated Financials, this Ratio has marginally decreased from 4.78 in FY2021-22 to 4.67 in current FY2022-23. The decrease in Debtors Turnover Ratio is (2.22%) in comparison to previous FY.

**Interest Coverage Ratio:** In GTL Standalone Financials - Interest coverage ratio decreased to 24.05 in current FY2022-23 from 15.89 in previous FY2021-22. The percentage increase is 51% in comparison to the previous FY. This increase is because the company improved the margin in the Software License Sale segment. In GTL Consolidated Financials, this ratio has decreased to 4.84 in current FY 2022-23 from 11.97 in previous FY 2021-22. The said decrease is because Subsidiary acquired in the current FY2022-23 has incurred loss. The Decrease in percentage is (60%).

**Current Ratio:** In GTL Standalone Financials - Current Ratio increased to 3.17 in current FY2022-23 from 3.84 in previous FY2021-22. The said increase is (17.52%) due to reduction in the Cash and Cash Equivalents which are used to acquire 100% Equity Stake of M/s. Wowtruck Technologies Private Limited (formerly known as M/s. Equitas Technologies Private Limited) and 4.95% Equity Stake purchase in M/s. ETO Motors Private Limited (Related Party). In GTL Consolidated Financials, this ratio decreased to 3.23 in current FY2022-23 from 4.25 in the previous FY2021-22. The said decrease is (24.02%) due to the fact that Overdraft Facility Against Fixed Deposits Credit (ODFD) Facility has been obtained in subsidiary Wowtruck Technologies Private Limited (formerly known as M/s. Equitas Technologies Private Limited) for INR 59.75 million (utilized INR 59.74 million as at 31-March-2023) and also due to reduction in the Cash and Cash Equivalents which are used to acquire 100% Equity Stake of M/s. Wowtruck Technologies Private Limited (formerly known as M/s. Equitas Technologies Private Limited) and 4.95% Equity Stake purchase in M/s. ETO Motors Private Limited (Related Party).

**Debt /Equity Ratio:** In GTL Standalone Financials – this Ratio has decreased by 83.30% to 0.06 in current FY 2022-23 from 0.33 in the previous FY 2021-22 because low utilization of Overdraft Facility Against Fixed Deposits (ODFD) Credit Facility. The utilization of ODFD Credit facility stood at INR 0.05 million as on 31-March-2023 as against a sanctioned limit of INR 78.00 million. Also in GTL Consolidated Financials, the same Ratio has increased by 29.39% to 0.13 in Current FY2022-23 from 0.10 in the previous FY2021-22. This is due to Overdraft Facility Against Fixed Deposits Credit (ODFD) Facility has been obtained in subsidiary M/s. Wowtruck Technologies Private Limited (formerly known as M/s. Equitas Technologies Private Limited) for INR59.75 million (utilized INR59.74 million as at 31-March-2023).

**Operating Profit Margin Ratio:** In GTL Standalone Financials – this Ratio has increased by >100% to 3.77% in current FY2022-23 from (1.71%) in the previous FY2021-22. The said increase in GTL Standalone is due to an increase in margin in Software License Sale. Also in GTL Consolidated Financials, the same Ratio has increased by >100% to 0.91% in Current FY2022-23 from (2.27%) in the previous FY2021-22. The said increase is due to an increase in margin in Software License Sale.

**Net Profit Margin (%):** In GTL Standalone Financials - there is increase in Net Profit Ratio by 97% to 3.49% in current FY2022-23 in comparison to 1.77% in previous FY2021-22 because increase in margin in Software License Sale. In GTL Consolidated Financials, the Net Profit Ratio in current FY2022-23 stood at 0.48% against 0.83% in previous FY 2021-22 a decrease of (42%) because subsidiary company M/s. Wowtruck Technologies Private Limited (formerly known as M/s. Equitas Technologies Private Limited) acquired during the current FY incurred loss. The said subsidiary company incurred a loss due to termination of advertisement revenue (Web Banner Income of approximately INR60.00 million) contract by ICICI Prudential before acquisition.

**Details of any change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation thereof:** Net Profit / Net Worth: In GTL Standalone Financials - there is an increase in this Ratio to 4.66% in current FY 2022-23 in comparison to 1.77% in previous FY2021-22, an increase of >100% because of increase in margin on Software License Sale. In GTL Consolidated Financials, The same Ratio in current FY2022-23 stood at 0.66% against 0.75% in previous FY 2021-22 because the subsidiary company M/s. Wowtruck Technologies Private Limited (formerly known as M/s. Equitas Technologies Private Limited) acquired in the current FY 2022-23 incurred loss.

**Disclosure of Accounting Treatment:**

The Company has complied with the appropriate accounting policies and has ensured that they have been applied consistently. There have been no deviations from the Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013 read with the relevant rules.

**Cautionary Statement:**

Statements in the Management Discussion and Analysis describing the Company's Objectives, projections, estimates, expectations may be forward looking statements within the meaning of applicable securities laws and regulations. Actual results would differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand, supply and price conditions in the domestic/overseas markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and other incidental factors.

**PARTICULARS OF CONSERVATION OF ENERGY / TECHNOLOGY ABSORPTION,  
FOREIGN EXCHANGE EARNINGS AND OUTGO**

Particulars in respect of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo required as per Section 134 (3) (m) of the Companies Act, 2013 and Rule 8(3) of the Companies (Accounts) Rules, 2014 are as follows:

**A. Conservation of Energy:**

Your Company's operations are not energy intensive. Adequate measures have been taken to conserve energy wherever possible by using energy efficient computers, Electric Bulbs, servers. There was no major capital investment on energy conservation equipment's during the year.

**B. Technology Absorption:**

Your company regularly strives to utilize newer technologies with the view to conserve the energy and create an environmentally friendly work environment. The company continues to use state-of-the-art technology for improving the quality services. To create adequate infrastructure, your company continues to invest in the latest hardware and software.

**C. Foreign Exchange Earnings and Outgo:**

Rs. In Millions

<b>Particulars</b>	<b>2022-23</b>	<b>2021-22</b>
Foreign Exchange Earnings	126.03	111.00
Foreign Exchange Outgo	90.99	181.60

**Information as required under Section 197 of the Act read with Rule 5(1) of Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.**

- a) the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;

<b>Non Executive Director<sup>@</sup></b>	<b>Ratio to Median Remuneration</b>
Mr. K.S. Sarma	Not Applicable
Mr. V. Venkata Ramana*	Not Applicable
Mr. Deepankar Tiwari <sup>#</sup>	Not Applicable
Mrs. Deepa Chandra	Not Applicable
Mr. L.P. Sashikumar	Not Applicable
Mr. Clinton Travis Caddell	Not Applicable
<b>Executive Director</b>	
Mr. Pavan Chavali	8 times

<sup>#</sup> Appointed w.e.f. 14.11.2022      \*Resigned w.e.f. 14.11.2022

<sup>@</sup> Non-Executive directors are not receiving any specific remuneration other than receiving sitting fees for attending the Board Meetings.

- b) the percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year;

<b>Name of the person</b>	<b>Designation</b>	<b>Percentage increase in remuneration</b>
Mr. Pavan Chavali	Managing Director	No Change in Salary
Mr. Vithal V S S N K Popuri	Chief Financial Officer	15%
Ms. Niralee Rasesh Kotdawala	Company Secretary	19%

- c) The percentage increase in the median remuneration of employees in the financial year: **9.9 %**
- d) The number of permanent employees on the rolls of company: 143 as on 31<sup>st</sup> March, 2023.
- e) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration  
 The average increase in salaries of employees other than managerial personnel in the FY 2022-23 was 17%.
- f) The Key parameters for any variable component of remuneration availed by the Directors. Not applicable as there is no variable component of remuneration availed by all the other directors except Mr. Pavan Chavali, Managing Director of the Company. Mr. Pavan

Chavali, Managing Director of the company was entitled for a variable pay of Rs. 5,00,000 for the FY 2022-23. The payment of variable pay depends on individual and company performance parameters as per the rules framed by the Nomination and Remuneration Committee in this regard.

**g) Affirmation that the remuneration is as per the remuneration policy of the Company**

The Company affirms that the remuneration paid to the employees is as per the remuneration policy of the Company. The Company's remuneration policy is driven by the success and performance of the individual employees and the Company. Through its compensation package, the Company endeavours to attract, retain, develop and motivate a high performance staff Individual performance pay is determined by business performance and the performance of the individuals measured through the annual appraisal process.



## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF GOLDSTONE TECHNOLOGIES LIMITED

#### Report on the Audit of the Standalone Ind AS Financial Statements

#### Opinion

We have audited the accompanying Ind AS standalone Ind AS financial statements of **Goldstone Technologies Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS 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, 2023, its profit including other comprehensive income, changes in equity and its cash flows for the year then ended.

#### Basis for Opinion

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

#### Key Audit Matters

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

Depending on the facts and circumstances of the entity and the Audit, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How the Key Audit Matter was addressed in our audit Our audit procedures included the following:
The Company has obtained leasehold land by entering into lease agreement with individual parties attracting the adoption of Ind AS 116 "Leases".	<ul style="list-style-type: none"> <li>• Obtained an understanding of the Company's adoption of Ind AS 116 and identified the internal controls including entity level control adopted by the Company for accounting, processes and systems under the accounting standard;</li> <li>• Assessed the discount rates applied in determining lease liabilities;</li> </ul>

<p>Significant judgement is required in the assumptions and estimates used in order to apply the definition of lease, application of discount rate, and lease term for computation of ROU asset and lease liability.</p> <p>We considered this a key audit matter due to the inherently judgmental nature to determine the lease liabilities.</p>	<ul style="list-style-type: none"> <li>• We assessed and evaluated the reasonableness of lease terms used for computation lease liabilities and right-of -use assets;</li> <li>• We obtained the company's quantification of ROU assets and lease liabilities. We agreed the inputs used in the quantification to the lease agreements and performed re-computation of lease liabilities and ROU asset in accordance with the lease registration documents;</li> <li>• We assessed whether the related presentations and disclosures within the financial statements are appropriate in compliance with the requirements of Ind AS 116 “Leases”.</li> </ul>
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### **Information Other than the Standalone Ind AS financial statements and Auditor's Report Thereon**

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

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

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

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

### **Management's Responsibility for the Standalone Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of

adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibilities for the Audit of the Standalone Ind AS financial statements**

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS 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 Ind AS 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 Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If

we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone Ind AS 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 Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Materiality is the magnitude of misstatements in the standalone Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS 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 Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- 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: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have pending litigations which would impact on its financial position in its standalone Ind AS financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv. The Management has represented that, to the best of its knowledge and belief, 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, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- v. The Management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- vi. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement
- vii. The company has not declared or paid any dividend during the year.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For P. Murali & Co.,  
Chartered Accountants  
FRN:007257S

**M V Joshi**  
Partner

M.No:024784

UDIN:23024784BGVPLR2501

Place: Hyderabad

Date: 29.05.2023

## **ANNEXURE “A” TO THE INDEPENDENT AUDITOR'S REPORT**

**(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of GOLDSTONE TECHNOLOGIES LIMITED of even date)**

### **Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of **GOLDSTONE TECHNOLOGIES LIMITED** (“the Company”) as of March 31, 2023 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 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 Companies Act, 2013.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial

reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India 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. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external

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

#### **Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject

to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

In our opinion, 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 over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For P. Murali & Co.,  
Chartered Accountants  
FRN:007257S

**M V Joshi**  
Partner

M.No:024784

UDIN:23024784BGVPLR2501

Place: Hyderabad  
Date: 29.05.2023



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

**(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of GOLDSTONE TECHNOLOGIES LIMITED of even date)**

- I. In respect of the Company's Property, Plant and Equipment:
- (a) 1. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
  - 2. The company has maintained proper records showing full particulars of intangible assets
  - (b) According to the information and explanations given to us and on the basis of our examination of records of the Company, PPE have been physically verified by the management at regular intervals; as informed to us no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable.
  - (c) According to the information and explanations given to us and on the basis of our examination of records of the company, the title deeds of immovable properties are held in the name of the company.
  - (d) According to the information and explanations given to us and on the basis of our examination of records, the company has not revalued the Property Plant and Equipment or intangible assets during the period under review.
  - (e) No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988.
- ii. The Company is in the business of providing software services and does not have any physical inventories.
  - iii. The company has not granted any loans, secured or unsecured, to companies, firms, and Limited Liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
  - iv. In our opinion and according to the information and explanations given to us, the company has not granted any loans to the parties covered under section 185 and 186 of the Companies Act, 2013. The Company has complied with the provisions of Section 185 and 186 of the Act in respect of Guarantees or security provided and Investments made by the Company.
  - v. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits within the meaning of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.
  - vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company.
  - vii. According to the information and explanations given to us, in respect of statutory dues:
    - (a) The Company is regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
    - (b) There were no undisputed amounts payable in respect of Provident

- Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us and based on the records of the company examined by us, there are no dues of Sales Tax, Service Tax, Excise Duty, Income Tax and Value Added Tax which have not been deposited as at March 31, 2023 on account of disputes.
- viii. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the company does not have any transactions which are not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act.
- ix. In our opinion, and according to the information and explanations given to us the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year. The company has not issued any debentures.
- x. According to the information and explanations given to us,
- (a) The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- xi. During the course of examination of books of account and records of the company, carried out in accordance with the generally accepted auditing practices in India and according to information and explanations given to us, we have neither come across any instance of material fraud on or by the company, noticed or reported during the year, nor have been informed of such cases by the management.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of section 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting standard (Ind AS) 24, related party disclosures specified under section 133 of the Act, read with relevant rules issued there under.
- xiv. (a) In our opinion the company has an adequate internal audit system which commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditors for the period under audit were duly considered by us in determining the nature, timing and extent of our audit procedures
- xv. The Company has not entered into non-cash transactions with its directors or persons connected with him.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- xvii. The Company has not incurred cash losses in the current and in the immediately preceding financial year
- xviii. There has been no resignation of the "statutory auditors" during the year.

- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, based on our knowledge of the Board of Directors' and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report and company is capable of meeting its liabilities existing at the date of balance sheet
- xx. Company does not have any liability to transfer the funds to the corporate social

responsibility account under section 135 of Companies Act 2013, hence this clause is not applicable to the company.

For P. Murali & Co.,  
Chartered Accountants  
FRN:007257S

**M V Joshi**  
Partner

M.No:024784

UDIN:23024784BGVPLR2501

Place: Hyderabad

Date: 29.05.2023

**STANDALONE BALANCE SHEET AS AT 31 MARCH 2023**

(All amounts in Indian Rupees Millions, except Share data and where otherwise stated)

Particulars	Note	As at 31 March 2023	As at 31 March 2022
<b>Assets</b>			
<b>Non-current Assets</b>			
Property, Plant and Equipment	4	98.08	100.02
Right of use Assets	5	46.05	-
Financial Assets			
Investments	6	240.46	92.76
Loans	7	1.41	1.41
Deferred Tax Assets, net	8	7.09	6.70
		<b>393.09</b>	<b>200.89</b>
<b>Current Assets</b>			
Financial Assets			
Trade Receivables	9	171.88	141.87
Cash and Cash Equivalents	10	2.68	0.72
Other Bank Balances	11	156.32	319.18
Loans	7	6.04	5.39
Other Financial Assets	12	2.11	1.97
Current Tax Assets, net	13	42.85	52.59
Other Current Assets	14	6.24	8.81
		<b>388.12</b>	<b>530.53</b>
<b>Total Assets</b>		<b>781.21</b>	<b>731.42</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Equity Share Capital	15	345.82	345.82
Other Equity	16	230.41	202.79
<b>Total Equity</b>		<b>576.23</b>	<b>548.61</b>
<b>Non-current Liabilities</b>			
Financial Liabilities			
Borrowings	17	-	-
Lease Liabilities	18	36.60	-
Provisions	19	13.80	12.61
Other non-current Liabilities	22	32.01	32.01
		<b>82.41</b>	<b>44.62</b>
<b>Current Liabilities</b>			
Financial Liabilities			
Borrowings	17	0.05	37.26
Lease Liabilities	18	8.97	-
Trade Payables			
> Due to MSME	20	-	-
> Due to Others	20	88.58	77.67
Other Financial Liabilities	21	-	-
Other Current Liabilities	22	23.78	22.15
Provisions	19	1.19	1.11
		<b>122.57</b>	<b>138.19</b>
<b>Total Liabilities</b>		<b>204.98</b>	<b>182.81</b>
<b>Total Equity and Liabilities</b>		<b>781.21</b>	<b>731.42</b>

Summary of significant Accounting Policies

3

The accompanying notes are an integral part of the Standalone Financial Statements.

As per our report of even date

 for **P Murali & Co**

Chartered Accountants

ICAI Firm Registration Number: 0072575

for and on behalf of the Board of Directors of

**Goldstone Technologies Limited**

CIN: L72200TG1994PLC017211

Sd/-

**M V Joshi**

Partner

Membership No.: 020085

Sd/-

**Pavan Chavali**

Managing Director

DIN: 08432078

Sd/-

**L.P. Sashikumar**

Director

DIN: 00016679

Sd/-

**Vithal V S S N K Popuri**

Chief Financial Officer

Sd/-

**Niralee Resesh Kotdawala**

Company Secretary

Place: Hyderabad

Date: 29 May 2023

**STANDALONE STATEMENT OF PROFIT AND LOSS AS AT 31 MARCH 2023**

(All amounts in Indian Rupees Millions, except Share data and where otherwise stated)

Particulars	Note	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>Income</b>			
Revenue from Operations	23	748.60	549.09
Other Income	24	11.35	27.35
<b>Total Income</b>		<b>759.95</b>	<b>576.44</b>
<b>Expenses</b>			
Cost of Materials Consumed	25	489.62	360.56
Employee Benefits Expense	26	177.87	155.47
Finance Costs	28	3.36	1.44
Depreciation and Amortization Expense	27	7.47	3.78
Other Expenses	29	43.54	42.12
<b>Total Expense</b>		<b>721.86</b>	<b>563.37</b>
<b>Profit before Tax</b>		<b>38.09</b>	<b>13.07</b>
<b>Tax Expense</b>			
Current Tax	30	12.42	1.91
Deferred Tax	30	(0.82)	1.46
<b>Total Tax Expense</b>		<b>11.60</b>	<b>3.37</b>
<b>Profit for the year</b>		<b>26.49</b>	<b>9.70</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to Profit or Loss:</b>			
Re-measurement gains on Defined Benefit Plan		1.56	1.83
Income-tax effect	30	(0.43)	(0.51)
<b>Other Comprehensive Income for the year, net of Tax</b>		<b>1.13</b>	<b>1.32</b>
<b>Total Comprehensive Income for the year</b>		<b>27.62</b>	<b>11.02</b>
<b>Earnings Per equity Share (nominal value of INR 10) in INR</b>	38		
Basic		0.77	0.37
Diluted		0.77	0.37

Summary of significant Accounting Policies

3

The accompanying notes are an integral part of the Standalone Financial Statements.

As per our report of even date

 for **P Murali & Co**

Chartered Accountants

ICAI Firm Registration Number: 007257S

for and on behalf of the Board of Directors of

**Goldstone Technologies Limited**

CIN: L72200TG1994PLC017211

Sd/-

**M V Joshi**

Partner

Membership No.: 020085

Sd/-

**Pavan Chavali**

Managing Director

DIN: 08432078

Sd/-

**L.P. Sashikumar**

Director

DIN: 00016679

Place: Hyderabad

Date: 29 May 2023

Sd/-

**Vithal V S S N K Popuri**

Chief Financial Officer

Sd/-

**Niralee Resesh Kotdawala**

Company Secretary

**STANDALONE STATEMENT OF CASH FLOWS AS AT 31 MARCH 2023**

(All amounts in Indian Rupees Millions, except Share data and where otherwise stated)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>I. Cash flows from Operating Activities</b>		
<b>Profit Before Tax</b>	<b>38.09</b>	<b>13.07</b>
<i>Adjustments to reconcile Profit before Tax to net Cash Flows:</i>		
Depreciation of Tangible Assets	7.47	3.78
Finance Income (including fair value change in financial instruments)	(11.35)	(27.35)
Finance Costs (including fair value change in financial instruments)	3.36	1.44
Re-measurement losses on Defined Benefit Plans	1.56	1.83
<b>Operating Profit before Working Capital changes</b>	<b>39.13</b>	<b>(7.23)</b>
<i>Changes in Working Capital:</i>		
Adjustment for (increase)/decrease in Operating Assets		
Trade Receivables	(30.01)	(38.03)
Loans - Current	(0.66)	(2.63)
Other Financial Assets - Current	(0.13)	(0.12)
Other Assets - Current	2.56	(5.36)
Adjustment for (increase)/decrease in Operating Liabilities		
Trade Payables	10.92	28.57
Other Financial Liabilities - Current	-	(1.26)
Other Non-current Liabilities	-	(5.00)
Other Current Liabilities	1.62	12.61
Provisions	1.27	(2.27)
<b>Cash generated from Operations</b>	<b>24.70</b>	<b>(20.72)</b>
Income Taxes paid	(2.67)	43.42
<b>Net Cash generated from/(used in) operating activities</b>	<b>22.03</b>	<b>22.70</b>
<b>II. Cash Flows from Investing Activities</b>		
Purchase of Property, Plant and Equipment and Intangibles (including Capital Work in Progress)	(51.58)	(4.20)
Sale of Property, Plant and Equipment	-	-
Investment in Equity Shares	(147.70)	-
(Investments in)/ redemption of Bank Deposits (having original maturity of more than three months) - net	162.86	(318.18)
Interest received (Finance Income)	11.35	27.35
<b>Net Cash used in Investing Activities</b>	<b>(25.07)</b>	<b>(295.03)</b>

**STANDALONE STATEMENT OF CASH FLOWS AS AT 31 MARCH 2023**

(All amounts in Indian Rupees Millions, except Share data and where otherwise stated)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>III. Cash Flows from Financing Activities</b>		
Proceeds from/(repayment of) Long-term Borrowings, net	-	-
Proceeds from/(repayment of) Short-term Borrowings, net	(37.21)	37.26
Proceeds from issue of share capital	-	225.94
Payment of lease liabilities	45.57	-
Interest paid	(3.36)	(1.44)
<b>Net Cash provided by Financing Activities</b>	<b>5.00</b>	<b>261.76</b>
<b>Net increase in Cash and Cash Equivalents (I+II+III)</b>	1.96	(10.57)
Cash and Cash Equivalents at the beginning of the year	0.72	11.29
<b>Cash and Cash Equivalents at the end of the year (refer note below)</b>	<b>2.68</b>	<b>0.72</b>
<b>Note:</b>		
<b>Cash and Cash Equivalents comprise:</b>		
Cash on Hand	0.03	0.03
Balances with Banks:		
- in current accounts	2.65	0.69
<b>Total Cash and Cash Equivalents</b>	<b>2.68</b>	<b>0.72</b>

Summary of significant Accounting Policies

3

The accompanying notes are an integral part of the Standalone Financial Statements.

As per our report of even date

 for **P Murali & Co**

Chartered Accountants

ICAI Firm Registration Number: 0072575

for and on behalf of the Board of Directors of

**Goldstone Technologies Limited**

CIN: L72200TG1994PLC017211

Sd/-

**M V Joshi**

Partner

Membership No.: 020085

Sd/-

**Pavan Chavali**

Managing Director

DIN: 08432078

Sd/-

**Vithal V S N K Popuri**

Chief Financial Officer

Sd/-

**L.P. Sashikumar**

Director

DIN: 00016679

Sd/-

**Niralee Resesh Kottawala**

Company Secretary

Place: Hyderabad

Date: 29 May 2023

## STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH, 2023

(All amounts in Indian Rupees Millions, except Share data and where otherwise stated)

### a. Equity Share Capital

	No. of Shares		Amount	
	31 March 2022	31 March 2023	34,582,066	345.82
Balance as at 31 March 2022			34,582,066	345.82
Balance as at 31 March 2023			34,582,066	345.82

### b. Other equity

Particulars	Reserves and Surplus					Total
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings		
<b>At 1 April 2021</b>	59.78	218.38	18.30	(172.62)		123.84
Profit/(Loss) for the year				9.70		9.70
Additions during the year		67.93				67.93
<b>Other Comprehensive Income</b>						
Re-measurement Gains / (Losses) on Defined Benefit Plans, net of Tax				1.83		1.83
Income-tax effect				(0.51)		(0.51)
<b>At 31 March 2022</b>	59.78	286.31	18.30	(161.60)		202.79
Profit/(Loss) for the year				26.49		26.49
Additions during the year						-
<b>Other Comprehensive Income</b>						
Re-measurement Gains / (Losses) on Defined Benefit Plans, net of Tax				1.56		1.56
Income-tax effect				(0.43)		(0.43)
<b>Balance as of 31 March 2023</b>	59.78	286.31	18.30	(133.98)		230.41

Summary of significant Accounting Policies 3

The accompanying notes are an integral part of the Standalone Financial Statements. As per our report of even date for and on behalf of the Board of Directors of

**Goldstone Technologies Limited**  
CIN: L72200TG1994PLC017211

Sd/-  
**M V Joshi**  
Partner  
Membership No.: 020085

Place: Hyderabad  
Date: 29 May 2023

Sd/-  
**Pavan Chavali**  
Managing Director  
DIN: 08432078

Sd/-  
**Vithal V S N K Popuri**  
Chief Financial Officer

Sd/-  
**L.P. Sashikumar**  
Director  
DIN: 00016679

Sd/-  
**Niralee Resesh Kotdawala**  
Company Secretary



## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except Share data and where otherwise stated)

### 1 General Information

Goldstone Technologies Limited ('the Company') is a Public Limited Company incorporated in India, having its registered office at Hyderabad, India. The Company is primarily engaged in the business of IT and ITES services. The Company is listed in the National Stock Exchange of India Limited (NSE) and the BSE Ltd (BSE).

### 2 Basis of preparation of Financial Statements

#### 2.1 Statement of Compliance

The Standalone Financial Statements have been prepared in accordance of Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules 2015 notified under Section 133 of Companies Act 2013 (the 'Act') and other relevant provisions of the Act.

The Standalone Financial Statements were authorized for issue by the **Company's Board of Directors on 29 May 2023**.

Details of the Accounting Policies are included in Note 3.

#### 2.2 Basis of measurement

These Standalone Financial Statements have been prepared on the historical cost convention and on an accrual basis, except for the following material items in the Statement of Financial position:

- Certain Financial Assets and Liabilities are measured at Fair Value;
- Employee Defined Benefit Assets/(Liability) are recognized as the net total of the fair value of Plan Assets, plus Actuarial Losses, less Actuarial Gains and the present value of the Defined Benefit Obligation;

- Long Term Borrowings are measured at amortized cost using the effective interest rate method.

#### 2.3 Functional Currency

The Standalone Financial Statements are presented in Indian Rupees Millions, which is the functional currency of the Company. Functional currency of an entity is the currency of the primary economic environment in which the entity operates.

All amounts are in Indian Rupees Millions except share data, unless otherwise stated.

#### 2.4 Current and Non-current classification

All the Assets and Liabilities have been classified as Current or Non-current as per the Company's Normal Operating Cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

#### Assets:

An Asset is classified as Current when it satisfies any of the following criteria:

- a) it is expected to be realized in, or is intended for sale or consumption in, the Company's Normal Operating Cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is expected to be realized within twelve months after the reporting date; or
- d) it is Cash or Cash equivalent unless it is restricted from being exchanged or used to settle a Liability for at least twelve months after the reporting date.

#### Liabilities:

A Liability is classified as Current when it satisfies any of the following criteria:

- a) it is expected to be settled in the Company's Normal Operating Cycle;

- b) it is held primarily for the purpose of being traded;
- c) it is due to be settled within twelve months after the reporting date; or
- d) the Company does not have an unconditional right to defer settlement of the Liability for at least twelve months after the reporting date. Terms of a Liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current Assets / Liabilities include the current portion of Non-current Assets / Liabilities respectively. All other Assets/ Liabilities are classified as Non-current.

## 2.5 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's Accounting Policies, which are described in note 3, the management of the Company are required to make judgements, estimates and assumptions about the carrying amounts of Assets and Liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the areas of estimation uncertainty and critical judgements that the management has made in the process of applying the Company's Accounting

Policies and that have the most significant effect on the amounts recognized in the Financial Statements:

### ***Provision and Contingent Liability***

On an ongoing basis, Company reviews pending cases, claims by third parties and other contingencies. For Contingent Losses that are considered probable, an estimated loss is recorded as an accrual in Financial Statements. Loss Contingencies that are considered possible are not provided for but disclosed as Contingent liabilities in the Financial Statements. Contingencies the likelihood of which is remote are not disclosed in the Financial Statements. Gain Contingencies are not recognized until the Contingency has been resolved and amounts are received or receivable.

### ***Useful lives of Depreciable Assets***

Management reviews the useful lives of Depreciable Assets at each reporting. **As at 31 March 2023** management assessed that the useful lives represent the expected utility of the assets to the Company. Further, there is no significant change in the useful lives as compared to previous year.

## 2.6 Measurement of Fair Values

A number of the Company's Accounting Policies and disclosures require the measurement of fair values, for both Financial and Non-financial Assets and Liabilities.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: Quoted Prices (unadjusted) in active markets for identical Assets or Liabilities.
- Level 2: inputs other than Quoted Prices included in Level 1 that are observable for the Asset or Liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

– Level 3: inputs for the Asset or Liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an Asset or a Liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an Asset or a Liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

### **3 Significant Accounting Policies**

#### **3.1 New Standards adopted by the Company**

On 24 July 2020, the Ministry of Corporate Affairs (MCA) has issued amendments to certain Ind AS as summarised below:

#### **Amendments to Ind AS 1 and Ind AS 8: Definition of Material**

The amendments provided a new definition to the word material as follows: 'Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.'

The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it

could reasonably be expected to influence decisions made by the primary users.

An information is considered to be obscured if it is communicated in a way that would have a similar effect for primary users of financial statements to omitting or misstating that information. The amendments provided examples of circumstances that may result in information being obscured.

An entity should apply the amendments prospectively for annual periods beginning on or after 1 April 2020.

The amendments to the definition of material had no impact on the standalone financial statements of the Company.

#### **3.2 Revenue recognition**

Revenue is recognized upon transfer of control of promised licenses or services to customers in an amount that reflects the consideration which the company expects to receive in exchange for those licenses or services.

The company's revenues are derived from sale of goods and services.

- Revenue from sale of licenses is recognized where control is transferred to the company's customers at the time of receipt of licenses by the customers.
- Service income, is recognized as and when the underlying services are performed. Upfront non-refundable payments received under these arrangements continue to be deferred and are recognized over the expected period that related services are to be performed.
- Dividend income is accounted for when the right to receive the income is established.
- Difference between the sale price and carrying value of investment is recognized as profit or loss on sale /

redemption on investment on trade date of transaction.

- Interest income is accrued on, time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

### 3.3 Leases

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.

#### Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative standalone price of the lease component and the aggregate standalone price of the non-lease components.

The Company recognizes right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the

lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognized in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised substance fixed lease payments. The Company recognizes the amount of the remeasurement of lease liability due to modification as an adjustment to the right-

of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

### 3.4 Foreign Currencies

In preparing the Financial Statements of the Company, transactions in currencies other than the Company's functional currency (Foreign Currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in Foreign Currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a Foreign Currency are not retranslated. Exchange differences on monetary items are recognized in Profit or Loss in the period in which they arise.

### 3.5 Borrowing Costs

Specific Borrowing Costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of such asset till such time the asset is ready for its intended use and borrowing costs are being incurred. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred.

Borrowing Cost includes Interest Expense, Amortization of Discounts, Ancillary Costs incurred in connection with borrowing of funds and exchange difference arising from Foreign Currency Borrowings to the extent they are regarded as an adjustment to the Interest Cost.

### 3.6 Taxation

Income Tax expense consists of Current and Deferred Tax. Income Tax expense is recognized in the Income Statement except to the extent that it relates to items recognized directly in Equity, in which case it is recognized in Equity.

#### Current tax

Current Tax is the expected tax payable on the Taxable Income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

#### Deferred tax

Deferred Tax is recognized using the Balance Sheet method, providing for temporary differences between the carrying amounts of Assets and Liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred Tax is not recognized for the following temporary differences: the initial recognition of Assets or Liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit; differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future; and taxable temporary differences arising upon the initial recognition of goodwill. Deferred Tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or

substantively enacted by the reporting date. Deferred Tax Assets and Liabilities are offset if there is a legally enforceable right to offset Current Tax Liabilities and Assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax Liabilities and Assets on a net basis or their Tax Assets and Liabilities will be realized simultaneously.

A Deferred Tax Asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred Tax Assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

### **3.7 Earnings Per Share**

The Company presents Basic and Diluted Earnings Per Share (“EPS”) data for its ordinary Shares. The Basic Earnings Per Share is computed by dividing the Net Profit attributable to Equity Shareholders for the period by the weighted average number of Equity Shares outstanding during the year.

Diluted earnings per share is computed by dividing the Net Profit attributable to Equity Shareholders for the year relating to the dilutive potential Equity Shares, by the weighted average number of Equity Shares considered for deriving basic Earnings Per Share and the weighted average number of Equity Shares which could have been issued on the conversion of all dilutive potential Equity Shares. Potential Equity Shares are deemed to be dilutive only if their conversion to Equity Shares would decrease the Net Profit Per Share.

### **3.8 Property, Plant and Equipment (PPE)**

The initial cost of PPE comprises its purchase price, including import duties and

non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use, including relevant borrowing costs and any expected costs of decommissioning, less accumulated depreciation and accumulated impairment losses, if any. Expenditure incurred after the PPE have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred.

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

Material items such as spare parts, stand-by equipment and service equipment are classified as PPE when they meet the definition of PPE as specified in Ind AS 16 – Property, Plant and Equipment.

### **3.9 Expenditure during construction period**

Expenditure during construction period (including financing cost related to borrowed funds for construction or acquisition of qualifying PPE) is included under Capital Work-in-Progress, and the same is allocated to the respective PPE on the completion of their construction. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under “Other Non-current Assets”.

### **3.10 Depreciation**

Depreciation is the systematic allocation of the depreciable amount of PPE over its useful life and is provided on a straight-line basis over the useful lives as prescribed in Schedule II to the Act or as per technical assessment.

Depreciable amount for PPE is the cost of PPE less its estimated residual value. The useful life of PPE is the period over which

PPE is expected to be available for use by the Company, or the number of production or similar units expected to be obtained from the asset by the Company

The Company has componentized its PPE and has separately assessed the life of major components. In case of certain classes of PPE, the Company uses different useful lives than those prescribed in Schedule II to the Act. The useful lives have been assessed based on technical advice, taking into account the nature of the PPE and the estimated usage of the asset on the basis of management's best estimation of obtaining economic benefits from those classes of assets.

Such classes of Assets and their estimated useful lives are as under:

Particulars	Useful life
Buildings	30 years
Plant and Machinery	15 years
Electrical Equipment	5 years
Office Equipment	5 years
Computers - Laptops & Desktops	3 years
Computers - Servers	6 Years
Furniture and Fixtures	10 years
Vehicles - Four Wheelers	8 years
Vehicles - Two Wheelers	10 years

Depreciation on additions is provided on a pro-rata basis from the month of installation or acquisition and in case of Projects from the date of commencement of commercial production. Depreciation on deductions/disposals is provided on a pro-rata basis up to the date of deduction/disposal.

### 3.11 Intangible Assets and Amortization

Intangible Assets are stated at cost less accumulated amortization and impairment.

Intangible Assets are amortized over their respective estimated useful lives on a straight-line basis, from the date that they are available for use.

#### Amortization

The estimated useful life of an identifiable Intangible Asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Software is amortized over a period of three to five years.

### 3.12 Cash and Cash Equivalents

Cash and Cash Equivalents in the Balance Sheet comprise Cash at Bank and in Hand and Short-term Deposits with Banks that are readily convertible into Cash which are subject to insignificant risk of changes in value and are held for the purpose of meeting Short-term Cash commitments.

### 3.13 Cash Flow Statement

Cash Flows are reported using the indirect method, whereby net Profit Before Tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The Cash Flows from Operating, Investing and Financing activities of the Company are segregated.

### 3.14 Government Grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

Where the Company receives non-monetary grants, the asset and the grant are accounted at fair value and recognized in the Statement of Profit and

Loss over the expected useful life of the Asset.

### **3.15 Impairment of non Financial Assets**

The carrying amounts of the Company's Non-financial Assets, Inventories and Deferred Tax Assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the Asset's recoverable amount is estimated.

The recoverable amount of an Asset or Cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future Cash Flows are discounted to their present value using a Pre-tax Discount Rate that reflects current market assessments of the time value of money and the risks specific to the asset or the cash-generating unit. For the purpose of impairment testing, Assets are grouped together into the smallest group of Assets that generates Cash Inflows from continuing use that are largely independent of the Cash Inflows of other Assets or groups of Assets (the "cash-generating unit").

An Impairment Loss is recognized in the Income Statement if the estimated recoverable amount of an asset or its Cash-generating unit is lower than its carrying amount. Impairment Losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An Impairment Loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An Impairment Loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of Depreciation or Amortization, if no

Impairment Loss had been recognized. Goodwill that forms part of the carrying amount of an Investment in an Associate is not recognized separately, and therefore is not tested for impairment separately. Instead, the entire amount of the investment in an associate is tested for impairment as a single Asset when there is objective evidence that the investment in an associate may be impaired.

An Impairment Loss in respect of Equity accounted investee is measured by comparing the recoverable amount of investment with its carrying amount. An Impairment Loss is recognized in the Income Statement, and reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

### **3.16 Employee Benefits**

#### **Short-term Employee Benefits**

Short-term Employee Benefits are expensed as the related service is provided. A Liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

#### **Defined Contribution Plans**

The Company's contributions to Defined Contribution Plans are charged to the Income Statement as and when the services are received from the employees.

#### **Defined Benefit Plans**

The liability in respect of Defined Benefit Plans and other Post-employment Benefits is calculated using the projected unit credit method consistent with the advice of qualified actuaries. The present value of the defined benefit obligation is determined by



discounting the estimated future cash outflows using interest rates of high-quality Corporate Bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related defined benefit obligation. In countries where there is no deep market in such bonds, the market rates on Government Bonds are used. The current service cost of the Defined Benefit Plan, recognized in the Income Statement in Employee Benefit expense, reflects the increase in the Defined Benefit Obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognized immediately in income. 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 Income Statement. Actuarial Gains and Losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to Equity in Other Comprehensive Income in the period in which they arise.

### **Termination Benefits**

Termination Benefits are recognized as an expense when the Company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognized as an expense if the Company has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

### **Other Long Term Employee Benefits**

The Company's net obligation in respect of other Long Term Employee Benefits is the amount of future benefit that employees have earned in return for their service in the current and previous periods. That benefit is discounted to determine its present value. Re-measurements are recognized in the Statement of Profit and Loss in the period in which they arise.

### **3.17 Provisions**

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected Future Cash Flows at a Pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

### **3.18 Contingent Liabilities & Contingent Assets**

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

Contingent Assets are not recognized in the Financial Statements. However, Contingent Assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the Asset and related Income are recognized in the period in which the change occurs.

### 3.19 Financial Instruments

#### a. Recognition and Initial recognition

The Company recognizes Financial Assets and Financial Liabilities when it becomes a party to the contractual provisions of the instrument. All Financial Assets and Liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issues of Financial Assets and Financial Liabilities that are not at fair value through profit or loss, are added to the fair value on initial recognition.

A Financial Asset or Financial Liability is initially measured at fair value plus, for an item not at Fair Value Through Profit and Loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

#### b. Classification and Subsequent measurement

##### Financial Assets

On initial recognition, a Financial Asset is classified as measured at

- Amortized Cost;
- FVTPL

Financial Assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing Financial Assets.

A Financial Asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold Assets to collect contractual Cash Flows; and

- the contractual terms of the Financial Asset give rise on specified dates to Cash Flows that are solely payments of Principal and Interest on the Principal amount outstanding.

All Financial Assets not classified as measured at amortized cost as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a Financial Asset that otherwise meets the requirements to be measured at amortized cost at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

##### Financial Assets: Business Model Assessment

The Company makes an assessment of the objective of the business model in which a Financial Asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated Policies and Objectives for the Portfolio and the operation of those Policies in practice. These include whether management's strategy focuses on earning contractual Interest Income, maintaining a particular interest rate profile, matching the duration of the Financial Assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the Assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the Business Model (and the financial

assets held within that business model) and how those risks are managed;

- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of Financial Assets in prior periods, the reasons for such sales and expectations about future sales activity. Transfers of Financial Assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the Assets.

Financial Assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial Assets: Assessment whether contractual cash flows are solely payments of Principal and Interest

For the purposes of this assessment, 'Principal' is defined as the fair value of the Financial Asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the Principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of Principal and Interest, the Company considers the contractual terms of the instrument. This includes assessing whether the Financial Asset contains a contractual term that could change the timing or amount of contractual cash

flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of Cash Flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified Assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of Principal and interest criterion if the prepayment amount substantially represents unpaid amounts of Principal and Interest on the Principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a Financial Asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

### **Financial Assets: Subsequent measurement and gains and losses**

Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any Interest or Dividend Income, are recognized in Profit or Loss.

**Financial Assets at Amortized Cost:** These Assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest Income, Foreign Exchange Gains and Losses and Impairment are recognized in Profit or Loss. Any gain or loss on derecognition is recognized in Profit or Loss.

**Financial Liabilities: Classification, Subsequent measurement and Gains and Losses**

Financial Liabilities are classified as measured at amortized cost or FVTPL. A Financial Liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial Liabilities at FVTPL are measured at fair value and net Gains and Losses, including any interest expense, are recognized in Profit or Loss. Other Financial Liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange Gains and Losses are recognized in Profit or Loss. Any Gain or Loss on derecognition is also recognized in Profit or Loss.

### **c. Derecognition**

#### **Financial Assets**

The Company derecognizes a Financial Asset when the contractual rights to the cash flows from the Financial Asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the Financial

Asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the Financial Asset.

If the Company enters into transactions whereby it transfers Assets recognized on its Balance Sheet, but retains either all or substantially all of the risks and rewards of the transferred Assets, the transferred Assets are not derecognized.

#### **Financial Liabilities**

The Company derecognizes a Financial Liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognizes a Financial Liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new Financial Liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the Financial Liability extinguished and the new Financial Liability with modified terms is recognized in Profit

#### **d. Offsetting**

Financial Assets and Financial Liabilities are offset and the net amount presented in the Balance Sheet when and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the Liability simultaneously.

#### **e. Impairment**

The Company recognizes loss allowances for expected credit losses on Financial Assets measured at amortized cost;

At each reporting date, the Company assesses whether Financial Assets carried at amortized cost and debt securities at fair value through other comprehensive income (FVOCI) are credit impaired. A Financial Asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the Financial Asset have occurred.

Evidence that a Financial Asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for a security because of financial difficulties.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk. When determining whether the credit risk of a Financial Asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

### **Measurement of expected credit losses**

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for Financial Assets measured at amortized cost are

deducted from the gross carrying amount of the Assets.

**Write-off**

The gross carrying amount of a Financial Asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the

trade receivable does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, Financial Assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except Share data and where otherwise stated)

### 4 Property, Plant and Equipment

Particulars	Land	Buildings	Plant and Machinery	Electrical Equipment	Office Equipment	Computers	Furniture and Fixtures	Vehicles	Leasehold Improvements	Total
Deemed Cost										
At 1 April 2022	78.67	13.35	1.27	0.71	1.11	10.51	2.97	8.57	0.53	117.69
Additions	-	-	-	-	0.01	2.50	0.07	-	-	2.58
Deletions	-	-	-	-	-	-	-	-	-	-
At 31 March 2023	78.67	13.35	1.27	0.71	1.12	13.01	3.04	8.57	0.53	120.27
Accumulated Depreciation										
At 1 April 2022	-	4.98	0.54	0.10	0.52	4.97	2.22	3.92	0.42	17.67
Charge for the year	-	0.83	0.09	-	0.07	2.29	0.07	1.10	0.07	4.52
Less: Adjustments	-	-	-	-	-	-	-	-	-	-
At 31 March 2023	-	5.81	0.63	0.10	0.59	7.26	2.29	5.02	0.49	22.19
Carrying amount										
At 1 April 2022	78.67	8.37	0.73	0.61	0.59	5.54	0.75	4.65	0.11	100.02
At 31 March 2023	78.67	7.54	0.64	0.61	0.53	5.75	0.75	3.55	0.04	98.08

#### Note

a) Charge on Property, Plant and Equipment: Out of Property, Plant and Equipment, Land and Buildings with a carrying amount of INR 81,709,510/- (31 March 2022 - INR 82,539,813/-) are offered as Collateral Security to secure the Bank Loans of Olectra Greentech Limited (formerly known as Goldstone Infratech Limited).

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**

(All amounts in Indian Rupees Millions, except Share data and where otherwise stated)

**5 Right of Use Assets**

Particulars	Buildings (Leasehold)	Total
<b>Deemed Cost</b>		
<b>At 1 April 2022</b>	-	-
Additions	49.00	49.00
Deletions	-	-
<b>At 31 March 2023</b>	49.00	49.00
<b>Accumulated Depreciation</b>		
<b>At 1 April 2022</b>	-	-
Charge for the year	2.95	2.95
Less: Adjustments	-	-
<b>At 31 March 2023</b>	2.95	2.95
<b>Carrying amount</b>		
At 1 April 2022	-	-
<b>At 31 March 2023</b>	<b>46.05</b>	<b>46.05</b>

Particulars	31 March 2023	31 March 2022
<b>6 Investments</b>		
<b>Non-current Investments</b>		
<i>Investments carried at cost</i>		
<i>Unquoted Equity Shares</i>		
<i>Investments in Subsidiaries</i>		
10,000 (31 March 2022: 10,000)		
Equity Shares in Staytop Systems Inc, USA	92.66	92.66
9,900 (31 March 2022: 9,900) Equity Shares of 10 each in Staytop Systems and Software Private Limited	-	0.10
Wowtruck Technologies Private Limited (formerly known as Equitas Technologies Private Limited - Equity Shares of 25,096,000 @ Rs.3.188/- Each	80.00	-
<b>Investments in Other Companies:</b>		
ETO Motors Private Limited - Equity Shares of 1,355,976 @ Rs.50/- Each	67.80	-
<b>Total Investments</b>	<b>240.46</b>	<b>92.76</b>
<b>7. Loans (Unsecured, considered good unless otherwise stated)</b>		
<b>Non-current</b>		
Security Deposits	1.41	1.41
	<b>1.41</b>	<b>1.41</b>
<b>Current</b>		
Security Deposits	6.04	5.39
	<b>6.04</b>	<b>5.39</b>
<b>8. Deferred Tax Asset, net</b>		
Deferred Tax Asset		
- Tangible and Intangible Assets	2.37	2.88
- Provision allowed under tax on payment basis	4.72	3.82
<b>Total</b>	<b>7.09</b>	<b>6.70</b>



**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**

(All amounts in Indian Rupees Millions, except Share data and where otherwise stated)

Particulars	31 March 2023	31 March 2022
Deferred Tax Liability - Tangible and Intangible Assets	-	-
<b>Deferred Tax Asset, net</b>	<b>7.09</b>	<b>6.70</b>
<b>9. Trade Receivables</b>		
Trade Receivables considered good - Secured	-	-
Less: Allowance for expected credit loss	-	-
<b>Trade Receivables considered good - Secured</b>	<b>-</b>	<b>-</b>
Trade Receivables considered good - Unsecured	173.83	141.87
Less: Allowance for expected credit loss	-	-
Less: Allowances for bad and doubtful trade receivables	1.95	-
<b>Trade Receivables considered good - Unsecured</b>	<b>171.88</b>	<b>141.87</b>
Trade Receivables which have significant increase in Credit Risk	-	-
Less: Allowance for expected credit loss	-	-
<b>Trade Receivables which have significant increase in Credit Risk</b>	<b>-</b>	<b>-</b>
Trade Receivables - credit impaired	-	-
Less: Allowance for credit impairment	-	-
<b>Trade Receivables - credit impaired</b>	<b>-</b>	<b>-</b>
<b>Total Trade Receivables</b>	<b>171.88</b>	<b>141.87</b>

Trade receivables ageing schedule for the year ended as on March 31, 2023							
Particulars	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6-12 months	1-2 Years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables — considered good	107.67	55.86	6.10	2.25	-	1.95	173.83
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables — credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables — considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables — credit impaired	-	-	-	-	-	-	-
Less: Allowances for bad and doubtful trade receivables	-	-	-	-	-	1.95	1.95
<b>Total Trade Receivables</b>	<b>107.67</b>	<b>55.86</b>	<b>6.10</b>	<b>2.25</b>	<b>-</b>	<b>-</b>	<b>171.88</b>

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except Share data and where otherwise stated)

Trade receivables ageing schedule for the year ended as on March 31, 2022							
Particulars	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6-12 months	1-2 Years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables — considered good	124.87	3.26	3.26	2.09	8.39	-	141.87
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables — credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables — considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables — credit impaired	-	-	-	-	-	-	-
Less: Allowance for credit loss	-	-	-	-	-	-	-
<b>Total Trade Receivables</b>	<b>124.87</b>	<b>3.26</b>	<b>3.26</b>	<b>2.09</b>	<b>8.39</b>	<b>-</b>	<b>141.87</b>

Particulars	31 March 2023	31 March 2022
<b>10 Cash and Cash Equivalents</b>		
Balances with Banks:		
- On Current Accounts	2.65	0.69
Cash on Hand	0.03	0.03
<b>Total Cash and Cash Equivalents</b>	<b>2.68</b>	<b>0.72</b>
<b>11 Other Bank Balances</b>		
Term deposits with Banks with original maturities of more than 6 months and less than 2 years*	156.32	319.18
<b>Total Other Bank Balances</b>	<b>156.32</b>	<b>319.18</b>
*Includes Margin Money Deposits of INR 0.32		
<b>12 Other Financial Assets (Unsecured, considered good unless otherwise stated)</b>		
<b>Current</b>		
Interest accrued on Deposits	2.11	1.97
	<b>2.11</b>	<b>1.97</b>
<b>13 Current Tax Assets, net</b>		
Advance Taxes and TDS	55.42	58.08
Less: Provision for Taxes	12.57	5.49
	<b>42.85</b>	<b>52.59</b>

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**

(All amounts in Indian Rupees Millions, except Share data and where otherwise stated)

Particulars	31 March 2023	31 March 2022
<b>14 Other Assets</b>		
Current Assets		
<i>Unsecured, considered good</i>		
Advances other than Capital Advances		
Supplier Advances	0.64	5.23
Prepaid Expenses	5.17	0.07
Balances with Government Departments	0.43	3.51
	<b>6.24</b>	<b>8.81</b>
<b>15 Share Capital</b>		
<b>Authorized Share Capital</b>		
50,000,000 (31 March 2022: 50,000,000)		
Equity Shares of INR 10/- Each	500.00	500.00
<b>Issued, Subscribed and Fully Paid-up</b>		
34,582,066 (31 March 2022: 34,582,066) Equity Shares		
of INR 10/- Each fully paid-up	345.82	345.82
	<b>345.82</b>	<b>345.82</b>

**(a) Reconciliation of Shares outstanding at the beginning and end of the reporting year**

Particulars	31 March 2023		31 March 2022	
	No. of Equity Shares	INR Million	No. of Equity Shares	INR Million
Outstanding at the beginning of the year	34,582,066	345.82	18,782,066	187.82
Issued during the year	-	-	15,800,000	158.00
Outstanding at the end of the year	34,582,066	345.82	34,582,066	345.82

**(b) Terms / rights attached to the Equity Shares**

Equity Shares of the Company have a par value of INR 10/- Per Share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining Assets of the Company, after distribution of all Preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.

**(c) Details of Shareholders holding more than 5% shares in the Company**

Particulars	31 March 2023		31 March 2022	
	No. of Equity Shares held	% holding in the class	No. of Equity Shares held	% holding in the class
Trinity Infraventure Limited	18,520,417	53.55%	18,520,417	53.55%

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except Share data and where otherwise stated)

Particulars	31 March 2023	31 March 2022
<b>16 Other Equity</b>		
Capital Reserve:		
Opening Balance	59.78	59.78
Additions during the year	-	-
Closing Balance	<b>59.78</b>	<b>59.78</b>
Securities Premium:		
Opening Balance	286.31	218.38
Additions during the year	-	67.93
Closing Balance	<b>286.31</b>	<b>286.31</b>
Securities Premium consists of the difference between the face value of the Equity Shares and the consideration received in respect of Shares issued.		
General Reserve:		
Opening Balance	18.30	18.30
Add: Transfers during the year	-	-
Closing Balance	<b>18.30</b>	<b>18.30</b>
The General Reserve is used from time to time to transfer Profits from Retained Earnings for appropriation purposes. As the General Reserve is created by a transfer from one component of Equity to another and is not an item of Other Comprehensive Income, items included in the General Reserve will not be reclassified subsequently to Profit or Loss		
Retained Earnings:		
Opening Balance	(161.60)	(172.62)
Profit / (Loss) for the year	26.49	9.70
Other Comprehensive Income	1.13	1.32
Less: Transfers to General Reserve	-	-
Closing Balance	<b>(133.98)</b>	<b>(161.60)</b>
<b>Total Other Equity</b>	<b>230.41</b>	<b>202.79</b>
Retained Earnings reflect Surplus / Deficit after Taxes in the Profit or Loss. The amount that can be distributed by the Company as Dividends to its Equity Shareholders is determined based on the balance in this reserve and also considering the requirements of the Companies Act, 2013.		

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**

(All amounts in Indian Rupees Millions, except Share data and where otherwise stated)

Particulars	31 March 2023	31 March 2022
<b>17 Borrowings</b>		
<b>Non-current Borrowings</b>		
<b>Secured Loans</b>		
- From Banks	-	-
<b>Total Non-current Borrowings</b>	-	-
<b>Current Borrowings</b>		
<b>Secured Loans repayable on demand</b>		
- Overdraft facility against Fixed Deposit (ODFD)		
Loans from Banks (refer note A below)	0.05	37.26
<b>Total Current Borrowings</b>	<b>0.05</b>	<b>37.26</b>
<b>A. Overdraft Credit Facility against Fixed Deposit:</b>		
During the F.Y 2022-23, the Company availed Rs.40,000,000/- Overdraft Credit facility with a interest of 5.60% per annum against Fixed Deposit of Rs.50,000,000/- (interest rate on FD is 5.10% per annum) from State Bank of India, NRI Branch, Hyderabad, TS State, India.		
Also during the F.Y 2022-23, the Company availed Rs.38,000,000/- Overdraft Credit facility with a interest of 5.65% per annum against Fixed Deposit of Rs.40,000,000/- (interest rate on FD is 5.15% per annum) from ICICI Bank Limited, M.G. Road Branch, Secunderabad, TS State, India.		
Particulars	31 March 2023	31 March 2022
<b>18 Lease Liability</b>		
<b>Leasehold Property</b>		
Opening Balance	-	-
Additions during the Year	47.25	-
Deletions during the Year	-	-
Interest on Lease Liability	1.44	-
Payments during the year	(3.12)	-
	<b>45.57</b>	<b>-</b>
- Non-Current Portion of Lease Liabilities	36.60	-
-Current Portion of Lease Liabilities	8.97	-
<b>19. Provisions</b>		
<b>Non-Current</b>		
Provision for Employee Benefits		
- Gratuity (Non-funded, refer note 35)	11.05	9.89
-Compensated Absences	2.75	2.72
	<b>13.80</b>	<b>12.61</b>
<b>Current</b>		
- Gratuity (Non-funded, refer note 35)	0.50	0.41
-Compensated Absences	0.69	0.70
	<b>1.19</b>	<b>1.11</b>
<b>20 Trade payables</b>		
Trade Payables		
- Total outstanding dues of Micro Enterprises and Small Enterprises (refer note 36)	-	-
- Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	88.58	77.67
	<b>88.58</b>	<b>77.67</b>

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**

(All amounts in Indian Rupees Millions, except Share data and where otherwise stated)

Trade payables ageing schedule for the year ended as on March 31, 2023							
Particulars	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6-12 months	1-2 Years	2-3 years	More than 3 years	Total
(I) MSME	-	-	-	-	-	-	-
(ii) Others	62.49	22.58	3.51	-	-	-	88.58
(iii) Disputed dues — MSME	-	-	-	-	-	-	-
(iv) Disputed dues — Others	-	-	-	-	-	-	-
<b>Total</b>	<b>62.49</b>	<b>22.58</b>	<b>3.51</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>88.58</b>

Trade payables ageing schedule for the year ended as on March 31, 2022							
Particulars	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6-12 months	1-2 Years	2-3 years	More than 3 years	Total
(I) MSME	-	-	-	-	-	-	-
(ii) Others	66.53	11.14	-	-	-	-	77.67
(iii) Disputed dues — MSME	-	-	-	-	-	-	-
(iv) Disputed dues — Others	-	-	-	-	-	-	-
<b>Total</b>	<b>66.53</b>	<b>11.14</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>77.67</b>

Particulars	31 March 2023	31 March 2022
<b>21 Other Financial Liabilities</b>		
Current maturities of Long-term Debts	-	-
	-	-
<b>22 Other Liabilities</b>		
<b>Non-current</b>		
Advance received against Sale of Asset from Related Party	32.01	32.01
	<b>32.01</b>	<b>32.01</b>
<b>Current</b>		
Statutory and Other Liabilities	14.47	13.44
Advance received from Customers	9.31	8.71
	<b>23.78</b>	<b>22.15</b>

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**

(All amounts in Indian Rupees Millions, except Share data and where otherwise stated)

Particulars	31 March 2023	31 March 2022
<b>23 Revenue from Operations</b>		
Revenue from Information Technology / Software Services and Sale of Software Licenses		
Export	107.61	106.73
Domestic	640.99	442.36
	<b>748.60</b>	<b>549.09</b>
<b>Disaggregated Revenue Information</b>		
<b>Revenues by type of goods and service</b>		
- Sale of Software	586.31	430.28
- IT Consultancy Services	162.29	118.81
	<b>748.60</b>	<b>549.09</b>
<b>Revenues by geography</b>		
- India	640.99	442.36
- Outside India	107.61	106.73
	<b>748.60</b>	<b>549.09</b>
<b>Revenues by timing of revenue recognition</b>		
- Services transferred over time	748.60	549.09
	<b>748.60</b>	<b>549.09</b>
<b>Contract balances</b>		
- Trade receivables	171.88	141.87
- Contract liabilities (Advance from customers)	9.31	8.71
	<b>181.19</b>	<b>150.58</b>
<b>24 Other Income</b>		
<b>Finance Income</b>		
Interest on Deposits	10.33	26.75
Miscellaneous Income	1.02	0.60
	<b>11.35</b>	<b>27.35</b>
<b>25 Cost of Materials Consumed</b>		
Purchase cost of Software Licenses	489.62	360.56
	<b>489.62</b>	<b>360.56</b>
<b>26 Employee Benefits Expense</b>		
Salaries, Wages and Bonus	168.44	147.52
Contribution to Provident and other Funds	3.74	3.54
Gratuity Expenses (Refer Note 35)	3.96	3.40
Staff Welfare Expenses	1.73	1.01
	<b>177.87</b>	<b>155.47</b>
<b>27 Depreciation and Amortization Expense</b>		
Depreciation of Tangible Assets	4.52	3.78
Depreciation of Right to Use Asset	2.95	-
	<b>7.47</b>	<b>3.78</b>
<b>28 Finance Costs</b>		
Interest on Loans	1.50	1.13
Bank Charges	0.42	0.31
Interest on Lease Liability	1.44	-
	<b>3.36</b>	<b>1.44</b>

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**

(All amounts in Indian Rupees Millions, except Share data and where otherwise stated)

Particulars	31 March 2023	31 March 2022
<b>29 Other Expenses</b>		
Power/Electricity & Fuel	1.78	1.99
Rent	6.63	7.87
Repairs to Office Equipment	0.05	0.62
Insurance	0.39	0.52
Car Hire Charges & Transportation	0.01	0.18
Telephone, Postage and Others	0.98	0.93
Business Promotion Expenses	1.60	0.25
Conveyance & Travelling Expenses	5.61	1.38
Office Maintenance	4.64	4.28
Printing & Stationery Expenses	0.82	0.58
Security Charges	0.32	0.20
Rates & Taxes	0.55	1.17
Seminar Fee/Training/Legal Fee/Listing Fee	1.37	0.83
Professional Consultancy Fee	14.43	15.35
Audit Fee	0.48	0.48
Reimbursement of expenses Auditors	0.04	0.01
Director Sitting Fee	0.92	0.72
Vehicle Maintenance Charges	0.29	0.13
Secretarial Expenses	0.06	0.04
Bad Debts Written-off	1.95	-
Foreign Exchange Loss	0.58	2.91
Other Expenses	0.04	1.68
	<b>43.54</b>	<b>42.12</b>
<b>30 Tax Expenses</b>		
Current Income Tax:		
Current Year	12.42	1.91
Deferred Tax:	(0.82)	1.46
<b>Income Tax Expense recognized in the Statement of Profit or Loss</b>	<b>11.60</b>	<b>3.37</b>
<b>Deferred Tax related to items considered in OCI during the year</b>		
Re-measurement Gains / (Losses) on Defined Benefit Plan	(0.43)	0.51
<b>Income Tax charge to OCI</b>	<b>(0.43)</b>	<b>0.51</b>
<b>Reconciliation of Tax Expense with the Accounting Profit multiplied by Domestic Tax Rate:</b>		
Accounting Profit before Income Tax	38.09	13.07
Tax on accounting profit at statutory income tax rate 27.82% (31 March 2022: 27.82%)	10.60	3.63
Expenses not deductible for tax purposes	1.82	(1.72)
Others	(0.39)	1.97
<b>Tax Expense reported in the Statement of Profit and Loss</b>	<b>12.03</b>	<b>3.88</b>
Effective Tax Rate	31.58%	29.71%



**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**

(All amounts in Indian Rupees Millions, except Share data and where otherwise stated)

Particulars	As at 31 March 2023	As at 31 March 2022
<b>31 Contingent liabilities and commitments</b>		
i) Contingent liabilities:		
- Corporate Guarantees given on behalf of Related Parties (Refer Note below	920.00	1,120.00
- Bank Guarantees	0.32	-
ii) Commitments:		
- Estimated amount of contracts remaining to be executed on Capital Account and not provided for, net of Advances	Nil	Nil

The Company offered the Land owned by it to the extent of 26,092 Sq. Yds. situated at Survey No. 249 (Part), 250 (Part) and 251 (part) and Building there on as collateral security to State Bank of India, Commercial Branch, Hyderabad against the credit facilities availed by M/s Olectra Greentech Limited (formerly known as Goldstone Infratech Ltd.) and also given corporate guarantee for INR 920.00 Millions. However the Company's liability is restricted to the value of the property offered as collateral security.

**32 Related Party disclosures**

a) The following table provides the Name of the Related Party and the nature of its relationship with the Company:

Name of the Parties	Relationship
<b>Subsidiary Companies:</b>	
Staytop Systems, Inc.	Wholly Owned Subsidiary
Staytop Systems and Software Private Limited	Subsidiary
Wowtruck Technologies Private Limited (formerly known as Equitas Technologies Limited) During the current financial year 2022-23 the Company acquired 100% of the Equity Capital of Wowtruck Technologies Private Limited (Formerly known as Equitas Technologies Private Limited) for a total purchase consideration of INR 80 million. Wowtruck Technologies Private Limited became a wholly owned subsidiary with effect from 4-July-2022. The transaction was accounted for in line with Ind AS 103 Business Combinations.	Subsidiary (from 4-July-2022)
Trinity Infraventures Limited	Entity Belonging to the Promoters group and holding 53.55% in the Shareholding of the Company

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except Share data and where otherwise stated)

<p>ETO Motors Private Limited          On 12-Sep-2022 the Company acquired 1,355,976 Equity Shares of ETO Motors Private Limited @INR 50/- per Equity Share (Face Value of INR10/- per Equity Share) for a total consideration of INR 67,798,800/- which is 4.95% of the total Paid-up Capital of the Investee Company.</p>	Sister Concern	
<b>Key Management Personnel (KMP):</b>		
Pavan Chavali	Managing Director	
Vithal V S S N K Popuri	Chief Financial Officer	
Niralee Rasesh Kotdawala	Company Secretary	
<b>b) Details of all transactions with Related Parties during the year:</b>		
<b>Particulars</b>	<b>31 March 2023</b>	<b>31 March 2022</b>
<b>i) Revenue from Subsidiary:</b> Staytop Systems, Inc.	40.66	75.61
<b>ii) Revenue from Subsidiary:</b> Wowtruck Technologies Private Limited	0.18	-
<b>iii) Revenue from Sister Concern:</b> ETO Motors Private Limited	4.51	-
<b>ii) Managerial Remuneration / Consultancy Fee to Key Managerial Personnel *</b>	13.49	9.98
*Does not include Insurance, which is paid for the Company as a whole and Gratuity and Compensated Absences as this is provided in the books of accounts on the basis of Actuarial Valuation for the Company as a whole and hence individual amount cannot be determined.		
<b>c) Details of balances receivable from and payable to Related Parties are as follows:</b>		
<b>Particulars</b>	<b>31 March 2023</b>	<b>31 March 2022</b>
<b>i) Trade Receivables:</b> Staytop Systems, Inc.	30.67	49.58
<b>ii) Trade Receivables:</b> Wowtruck Technologies Private Limited	0.18	-
<b>iii) Trade Receivables:</b> ETO Motors Private Limited	2.00	-
<b>iv) Financial Liabilities - Others:</b> Trinity Infraventures Ltd.	32.01	32.01

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except Share data and where otherwise stated)

v) <b>Wowtruck Technologies Private Limited Stake Acquired 100% of the Equity Capital</b> Acquired 25,096,000 Equity Shares of RS.3.188/- Per Equity Share (Face Value of RS.10/- EACH).	80.00	-
vi) <b>Inter Corporate Advance given to Wholly Owned Subsidiary Wowtruck Technologies Private Limited</b>	0.50	-
vii) <b>Fixed Deposits of Holding Company: Goldstone Technologies Limited given fixed deposits for Obtaining Overdraft Facility against Fixed Deposit (ODFD) for INR 59.75 Millions by its Wholly Owned Subsidiary Wowtruck Technologies Pvt. Ltd. (formerly known as Equitas Technologies Pvt. Ltd)</b>	65.00	-
viii) <b>Investment in ETO Motors Private Limited</b> Acquired 1,355,976 Equity Shares of ETO Motors Private Limited @INR50/- per Equity Share (Face Value of INR10/- per Equity Share) for a total consideration of INR 67,798,800/- which is 4.95% of the total Paid-up Capital of the Investee Company.	67.80	-
d) Terms and conditions of transactions with Related Parties:		

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free.

### 33 Segment Information

Ind AS 108 "Operating Segment" ("Ind AS 108") establishes standards for the way that public business enterprises report information about Operating and Geographical Segments and related disclosures about products and services, geographic areas, and major customers. Based on the "management approach" as defined in Ind AS 108, Operating Segments and Geographical Segments are to be reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM evaluates the Company's performance and allocates resources on overall basis.

During the year, the Company has two reportable segments i.e. Information Technology / Software Services and Software License

The Segment Revenue, Profitability, Assets and Liabilities are as under:

Revenue by Segment	For the year ended 31 March 2023	For the year ended 31 March 2022
a) Information Technology / Software Services	162.29	118.81
b) Software Licenses	586.31	430.28
<b>Total Revenue</b>	<b>748.60</b>	<b>549.09</b>

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except Share data and where otherwise stated)

Segment Results	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit before Tax & Interest:		
a) Information Technology / Software Services	40.84	20.73
b) Software Licenses	8.08	(2.44)
<b>Total:</b>	<b>48.92</b>	<b>18.29</b>
Less: (i) Interest	3.36	1.44
(ii) Unallocable Expenditure (Net of Un-allocable Income)	7.47	3.78
<b>Total Profit Before Tax</b>	<b>38.09</b>	<b>13.07</b>

### Segment Assets, Segment Liabilities & Segment Capital Employed:

Segment Capital Employed: Segregation of assets, liabilities, depreciation and other non-cash expenses into various primary segments has not been done, as the assets are used interchangeably between segments. Accordingly no disclosure relating to segmental assets and liabilities has been made.

### 34 Auditors' Remuneration include:

Particulars	31 March 2023	31 March 2022
	<b>INR</b>	
Statutory Audit Fee (including Limited Review)	450,000	450,000
Tax Audit Fee	25,000	25,000
<b>Total</b>	<b>475,000</b>	<b>475,000</b>

### 35 Gratuity (Non-Funded)

The Company provides its employees with benefits under a defined benefit plan, referred to as the "Gratuity Plan". The Gratuity Plan entitles an employee, who has rendered at least five years of continuous service, to receive 15 days salary for each year of completed service (service of six months and above is rounded off as one year) at the time of retirement/exit, restricted to a sum of INR 2,000,000.

The following tables summarize the components of net benefit expense recognized in the statement of profit or loss and the amounts recognized in the balance sheet for the plan:

Reconciliation of opening and closing balances of the present value of the defined benefit obligations:

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**

(All amounts in Indian Rupees Millions, except Share data and where otherwise stated)

Particulars	31 March 2023	31 March 2022
<b>Opening Balance</b>	<b>10.30</b>	<b>11.54</b>
Current Service Cost	3.23	2.64
Past Service Cost	-	-
Interest Cost	0.73	0.77
Benefits Paid	(1.15)	(2.82)
Actuarial Gain	(1.56)	(1.83)
<b>Closing Balance</b>	<b>11.55</b>	<b>10.30</b>
Present value of Projected Benefit Obligation at the end of the year	11.55	10.30
Fair value of Plan Assets at the end of the year	-	-
Net Liability recognized in the Balance Sheet	<b>11.55</b>	<b>10.30</b>
Current Provision	0.50	0.41
Non Current Provision	11.05	9.89
<b>Expenses recognized in Statement of Profit and Loss</b>	<b>31 March 2023</b>	<b>31 March 2022</b>
Service Cost	3.23	2.64
Interest Cost	0.73	0.77
<b>Gratuity Cost</b>	<b>3.96</b>	<b>3.41</b>
<b>Re-measurement Gains/ (Losses) in OCI</b>		
Actuarial Loss / (Gain) due to demographic assumption changes	-	-
Actuarial Loss / (Gain) due to financial assumption changes	(0.39)	(0.49)
Actuarial Loss / (Gain) due to experience adjustments	(1.17)	(1.34)
Return on Plan Assets greater (less) than discount rate	-	-
<b>Total expenses routed through OCI</b>	<b>(1.56)</b>	<b>(1.83)</b>
<b>Key Actuarial Assumptions:</b>	<b>31 March 2023</b>	<b>31 March 2022</b>
Discount Rate (per annum)	7.50%	7.20%
Future salary increases	7.00%	7.00%
<b>A quantitative sensitivity analysis for significant assumption and its impact in percentage terms on projected benefit obligation are as follows:</b>		
	<b>31 March 2023</b>	
	<b>Discount Rate</b>	<b>Salary Escalation Rate</b>
Impact of increase in 50 bps on projected benefit obligation	-5.27%	4.14%
Impact of decrease in 50 bps on projected benefit obligation	5.73%	-3.99%
These sensitivities have been calculated to show the movement in projected benefit obligation in isolation and assuming there are no other changes in market conditions.		

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except Share data and where otherwise stated)

### 36 Dues to Micro, Small and Medium Enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2023 has been made in the financial statements based on information received and available with the Company. Further in view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Micro, Small and Medium Enterprises Development Act, 2006 ('The MSMED Act') is not expected to be material. The Company has not received any claim for interest from any supplier.

Particulars	31 March 2023	31 March 2022
a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year.	Nil	Nil
b) the amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil
c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this MSMED Act	Nil	Nil
d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	Nil	Nil

### 37 Leases

#### Where the Company is a Lessee:

Effective 1st April 2019, the Company adopted Ind AS 116, Leases. This standard brings most leases on-balance sheet for lessees under a single model, eliminating the distinction between operating and finance leases. Company has recognized Right of use asset or Lease liability in accordance of this standard.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short term leases of some of the assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases amounting to INR 7.56 Million (Previous Year: INR 7.87 Million) are recognized as an expense on a straight-line basis over the lease term.

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except Share data and where otherwise stated)

### 38 Earnings Per Share

Basic EPS amounts are calculated by dividing the Profit for the year attributable to Equity Holders by the weighted average number of Equity Shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the Profit attributable to Equity Holders by the weighted average number of Equity Shares outstanding during the year plus the weighted average number of Equity Shares that would be issued on conversion of all the dilutive potential Equity Shares into Equity Shares.

### 38 Earnings Per Share (Continued)

The following table sets out the computation of Basic and Diluted Earnings Per Share:

Particulars	31 March 2023	31 March 2022
Profit for the year attributable to Equity Share Holders	26.51	9.70
<b>Shares</b>		
Weighted average number of Equity Shares outstanding during the year – basic	34,582,066	26,227,545
Weighted average number of Equity Shares outstanding during the year – diluted	34,582,066	26,227,545
<b>Earnings Per Share</b>		
Earnings per share of par value INR 10 – basic (INR)	0.77	0.37
Earnings per share of par value INR 10 – diluted (INR)	0.77	0.37

### 39 Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support Company's operations. The Company's principal financial assets include inventory, trade and other receivables, cash and cash equivalents and refundable deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below.

#### a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and other price risk, such as commodity risk. Financial instruments affected by market risk include loans and borrowings and refundable deposits. The sensitivity analysis in the following sections relate to the position as at 31 March 2023 and 31 March 2022. The sensitivity analyses have been prepared on the basis that the amount of net debt and the ratio of fixed to floating interest rates of the debt.

The analysis excludes the impact of movements in market variables on: the carrying values of gratuity and other post retirement obligations; provisions.

The below assumption has been made in calculating the sensitivity analysis:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2023 and 31 March 2022.

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except Share data and where otherwise stated)

### 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's exposure to the risk of changes in market interest rates relates primarily to the Company's short-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a balanced portfolio of variable rate borrowings. The Company does not enter into any interest rate swaps.

### Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Increase/decrease in interest rate	Effect on Profit Before Tax
<b>31 March 2023</b>		
INR	+1%	-
INR	-1%	-
<b>31 March 2022</b>		
INR	+1%	(0.37)
INR	-1%	0.37

### b) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The credit risk arises principally from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks and financial institutions and other financial instruments.

Credit risk is controlled by analyzing credit limits and creditworthiness of customers on a continuous basis to whom credit has been granted after obtaining necessary approvals for credit. The collection from the trade receivables are monitored on a continuous basis by the receivables team.

The Company establishes an allowance for credit loss that represents its estimate of expected losses in respect of trade and other receivables based on the past and the recent collection trend. The maximum exposure to credit risk as at reporting date is primarily from trade receivables amounting to INR 171.88 Millions (31 March 2022: INR 141.87 Million). Basis the estimate, there is no allowance for expected credit loss provided by the Company.

The top 5 customers account for around 25% of the revenue as of 31 March 2023 and around 45% of the revenue as of 31 March 2022 as the Company has diversified business in the areas of IT Consulting, IT Staffing, Off-shore Technical Support and Big Data Analytics Software License Sales. Credit risk on Cash and Cash equivalent is limited as the Company generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.



## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except Share data and where otherwise stated)

### c) Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank deposits and loans.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	>5 years	Total
<b>Year ended 31 March 2023</b>						
Borrowings	0.05	-	-	-	-	0.05
Trade Payables	-	88.58	-	-	-	88.58
<b>Year ended 31 March 2022</b>						
Borrowings	37.26	-	-	-	-	37.26
Trade Payables	-	77.67	-	-	-	77.67

### Foreign Currency Risk:

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are as under:

Particulars	In foreign currency			In Rupees	
	Currency	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
		US\$	INR	US\$	INR
Trade payables	US\$	0.14	0.27	11.86	20.82
Trade receivables	US\$	0.45	0.72	35.75	54.67
Cash & Cash Equivalents	US\$	0.01	-	0.61	-
<b>Total</b>		<b>0.60</b>	<b>0.99</b>	<b>48.22</b>	<b>75.49</b>

### Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

Change in USD rate	31 March 2023	31 March 2022
	<b>US\$</b>	
5% increase	0.03	0.05
5% decrease	(0.03)	(0.05)

### 40 Capital Management

The Company's policy is to maintain a stable Capital base so as to maintain Investor, Creditor and Market confidence and to sustain future development of the business. Management monitors Capital on the basis of Return on Capital Employed as well as the Debt to Total Equity Ratio.

For the purpose of Debt to Total Equity Ratio, Debt considered is Long-term and Short-term Borrowings. Total Equity comprise of issued Share Capital and all other Equity Reserves.

The Capital Structure as of 31 March 2023 and 31 March 2022 was as follows:

<b>Particulars</b>	<b>31 March 2023</b>	<b>31 March 2022</b>
Total Equity attributable to the Equity Shareholders of the Company	576.23	548.61
As a percentage of Total Capital	99.99%	93.64%
Long Term Borrowings including Current Maturities	-	-
Short Term Borrowings	0.05	37.26
Total Borrowing	0.05	37.26
As a percentage of total Capital	0.01%	6.36%
<b>Total Capital (Equity and Borrowings)</b>	<b>576.28</b>	<b>585.87</b>

#### **41 Other Statutory Information**

- 41.1 The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- 41.2 The Company do not have any transactions with companies struck off.
- 41.3 The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- 41.4 The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- 41.5 The Company have no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- 41.6 The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- 41.7 The Company have 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:
- 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 to or on behalf of the Ultimate Beneficiaries.
- 41.8 The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company 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.
- 41.9 The company is not declared as a wilful defaulter by any bank or financial Institution or other lender.

## 42 Ratio Analysis

S.No	Particulars	Measurement	Numerator	Denominator	2022-23	2021-22	%Change
1	Current Ratio	In Times	Current Asset	Current Liabilities	3.17	3.84	-17.52%
2	Debt - Equity Ratio	In Times	Debt = Long Term Borrowings + Short Term Borrowings	Total Equity	0.06	0.33	83.30%
3	Debt Service Coverage Ratio	In Times	Earnings for Debt Service = Net Profit after Taxes + Non Cash Operating Expenses + Finance Cost	Debt Service = Interest & Lease Payments + Principal Payments	24.05	15.89	51.37%
4	Return on Equity Ratio	In Percentage	Profit after Tax	Average Shareholder's Fund	4.71%	2.26%	108.86%
5	Trade Receivables Turnover Ratio	In Times	Net Credit Sales = Gross Credit Sales - Sales Return (Excluding Other Income)	Average Trade Receivable	4.31	4.08	5.64%
6	Trade Payable Turnover Ratio	In Times	Operating Expenses + Other Expenses	Average Trade Payable	4.97	4.95	0.38%
7	Net Capital Turnover Ratio	In Times	Net Sales = Total Sales - Sales Return (Including Other Income)	Working Capital = Current Assets - Current Liabilities	2.86	1.47	95%
8	Net Profit Ratio	In Percentage	Profit After Tax	Net Sales = Total Sales - Sales Return (Including Other Income)	3.49%	1.77%	96.94%
9	Return on Capital Employed	In Percentage	Earnings Before Interest and Tax	Capital Employed = Net Worth + Total Debt	6.81%	2.48%	174.79%
10	Return on Investment	In Percentage	Profit After Tax	Total Assets	3.39%	1.33%	155.69%

### Note

- 42.1 Decrease in Current Ratio is due to decrease in Cash and Cash Equivalents. The Company acquired 100% Equity of Wowtruck Technologies Pvt. Ltd., and made investment 4.95% Equity of ETO Motors Private Limited. This resulted in decrease of Cash and Cash Equivalents and also the Current Ratio.
- 42.2 The decrease in Debt - Equity Ratio due to low utilization of ODFD Facility. The said ODFD utilization as at 31-March-2023 is INR0.05 Millions.
- 42.3 Increase in Debt - Service coverage ratio on account of reduced finance cost on account of low utilization of ODFD Facility.
- 42.4 Increase in Return on Equity Ratio due to increase in Net Profit. During the Year there is an increase in margin in Software License Sale.
- 42.5 Improvement in Trade Receivables Turnover Ratio is due to collection of majority of Accounts Receivables as per agreed credit period.

- 42.6 The increase in Trade Payable Turnover Ratio is due to timely payment to Vendors
- 42.7 Improvement in net Capital Turnover Ration is due to increase in Net Profit. During the Year there is an increase in margin in Software License Sale.
- 42.8 Increase in Net Profit Ratio due to increase in margin in Software License Sale
- 42.9 Increase in Return on Capital Employed due to increase in margins in Software License Sale
- 42.10 Increase in Return on Investment Ratio due to increase in Net Profit. During the Year there is an increase in margin in Software License Sale.

### **43 Significant Accounting Estimates, Judgements and Assumptions**

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

#### **43 (a) Judgements**

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

The Company determines the lease term as non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

#### **43 (b) Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

- I Deferred tax assets (including MAT credits) are recognised for unused tax credits to the extent that it is probable that taxable profit will be available against which the credits can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Refer Note 30.

#### **II Defined benefit plan**

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. 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.

### **III Depreciation on property, plant and equipment**

Depreciation on property, plant and equipment is calculated on a straight-line basis using the rates arrived at based on the useful lives and residual values of all its property, plant and equipment estimated by the management. The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of property, plant and equipment, which are equal to the life prescribed under Schedule II of the Companies Act, 2013.

**IV** The Company assesses at each balance sheet date whether there is any indication that an asset or a group of assets comprising a cash generating unit may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. For an asset or group of assets that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. 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 if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost. An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined, if no impairment loss had been recognised.

### **V Leases- Estimating the incremental borrowing rate**

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company presently pays on Borrowings availed by the Company.

## **44 Standards issued but not yet effective**

### **I Definition of Accounting Estimates - Amendments to Ind AS 8**

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates. The amendments are not expected to have a material impact on the Company's financial statements.

### **II Disclosure of Accounting Policies - Amendments to Ind AS 1**

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. The Company is currently revisiting their accounting policy information disclosures to ensure consistency with the amended requirements.

**III** The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences. The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest

comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. Consequential amendments have been made in Ind AS 101.

The Company is currently assessing the impact of the amendments.

- 45** The Indian Parliament has approved the code on Social Security, 2020 which could impact the contributions by the company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and the rules for quantifying the financial impact are yet to be framed. The company will complete evaluation and will give appropriate impact in the financial results in the period in which, the code and related rules become effective.

**46 Prior Year comparatives**

The figures of the previous year have been regrouped/reclassified, where necessary, to conform with the current year's classification.

As per our report of even date  
for **P Murali & Co**  
Chartered Accountants  
ICAI Firm Registration Number: 0072578

Sd/-  
**M V Joshi**  
Partner  
Membership No.: 020085

Place: Hyderabad  
Date: 29 May 2023

for and on behalf of the Board of Directors of  
**Goldstone Technologies Limited**  
CIN: L72200TG1994PLC017211

Sd/-  
**Pavan Chavali**  
Managing Director  
DIN: 08432078

Sd/-  
**Vithal V S S N K Popuri**  
Chief Financial Officer

Sd/-  
**L.P. Sashikumar**  
Director  
DIN: 00016679

Sd/-  
**Niralee Rasesh Kotdawala**  
Company Secretary

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF  
GOLDSTONE TECHNOLOGIES LIMITED**

**Report on the Audit of the Consolidated Ind AS Financial Statements**

**Opinion**

We have audited the accompanying consolidated Ind AS financial statements of GOLDSTONE TECHNOLOGIES LIMITED ("the Company") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS 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 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 consolidated state of affairs of the Group as at March 31, 2023, the consolidated Profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

**Basis for Opinion**

We conducted our audit of the Consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under

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

**Information Other than the Consolidated Ind AS financial statements and Auditor's Report Thereon:**

- The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Consolidated Ind AS financial statements and our auditor's report thereon.
- Our opinion on the Consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained

during the course of our audit or otherwise appears to be materially misstated.

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

### **Management's Responsibility for the Consolidated Ind AS Financial Statements**

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

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

The respective Board of Directors of the companies included in the Group is also responsible for overseeing the financial reporting process of the Group.

### **Auditor's Responsibilities for the Audit of the Consolidated Ind AS financial statements**

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS 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 Ind AS 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, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- 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 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 Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Ind AS financial statements, including the disclosures, and whether the Consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group and its associates and jointly controlled entities to express an opinion on the consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated Financial

Results, 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 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 Ind AS 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 Paragraph:**

The Consolidated Ind AS financial statements include the audited Financial statements of Staytop Systems, Inc., USA an Wholly owned foreign subsidiary and Wowtruck Technologies Private Limited, an Wholly owned Indian subsidiary whose Financial Statements reflect Group's share of total assets of Rs.192.05 Millions as at 31st March 2023, and Group's share of total revenue of Rs. 181.01 Millions

and Group's share of total net profit/(loss) after tax of Rs.(21.93) Millions and Group's share of Total comprehensive income of Rs.(11.81) Millions for the period from 01-04-2022 to 31-03-2023, as considered in the Consolidated Ind AS financial statements, which have been audited by their respective independent auditors. The independent auditors' reports on financial statements of this entity have been furnished to us by the management and our opinion on the Consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of this entity, is based solely on the report of such auditor and the procedures performed by us are as stated in paragraph above.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit 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 of the aforesaid Consolidated Ind AS financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books.
  - 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 Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Ind AS financial statements.
  - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors of the company and its subsidiaries, none of the directors of the group companies is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the Auditor's reports of the Company and its subsidiary companies. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of those companies, for reasons stated therein.
  - 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: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

- i. The Group does not have pending litigations as at March 31st , 2023 which would have impact on its consolidated financial position of the group.
- ii. The group does not have any long term contracts, including derivate contracts and did not have any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its subsidiary companies.
- iv. The Management has represented that, to the best of its knowledge and belief, 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 group companies 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, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- v. The Management has represented that, to the best of its knowledge and belief, no funds have been received by the Company or group companies from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company or group companies shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- vi. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.
- vii. The company or group companies has not declared or paid any dividend during the year.

For P. Murali & Co,  
Chartered Accountants  
FRN:007527S

**M V Joshi**

Partner

M.No:024784

UDIN: 23024784BGVPLS6542

Place: Hyderabad

Date: 29.05.2023

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

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of GOLDSTONE TECHNOLOGIES LIMITED of even date

### **Report on the Internal Financial Controls over Financial Reporting under clause (i) of the Sub-section 3 of the Section 143 of the Companies Act, 2013 (‘The Act’)**

In conjunction with our audit of the Consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls over financial reporting of GOLDSTONE TECHNOLOGIES LIMITED (herein after referred to as “Company”) and its subsidiary company, which is incorporated in India, as of that date. We have not audited the internal financial controls of the foreign subsidiary.

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

The Board of Directors of the Holding Company and its subsidiary companies are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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. 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 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 Companies Act, 2013.

### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company and its subsidiary companies based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India 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. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

### **Meaning of Internal Financial Controls Over Financial Reporting**

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

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting:**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur

and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company and its subsidiary companies, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting 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.

**For P. Murali & Co,**  
Chartered Accountants  
FRN:007527S

**M V Joshi**  
Partner  
M.No:024784  
UDIN: 23024784BGVPLS6542

Place: Hyderabad  
Date: 29.05.2023

**CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2023**

(All amounts in Indian Rupees Millions, except Share data and where otherwise stated)

Particulars	Note	As at 31 March 2023	As at 31 March 2022
<b>Assets</b>			
<b>Non-current Assets</b>			
Property, Plant and Equipment	4	100.21	100.02
Goodwill		109.75	92.58
Right of use Assets	5	46.05	-
Financial Assets			
Investment	6	67.80	-
Loans	7	3.35	1.41
Deferred Tax Assets, net	8	7.08	6.70
		<b>334.24</b>	<b>200.71</b>
<b>Current Assets</b>			
Financial Assets			
Trade Receivables	9	236.83	130.28
Cash and Cash Equivalents	10	7.99	7.89
Other Bank Balances	11	156.32	319.18
Loans	7	159.06	144.87
Other Financial Assets	12	2.11	1.97
Current Tax Assets, net	13	52.88	52.59
Other Current Assets	14	23.83	22.02
		<b>639.02</b>	<b>678.80</b>
		<b>973.26</b>	<b>879.51</b>
<b>Total Assets</b>			
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Equity Share Capital	15	345.82	345.82
Other Equity	16	345.19	329.29
		<b>691.01</b>	<b>675.11</b>
<b>Non-current Liabilities</b>			
Financial Liabilities			
Borrowings	17	-	-
Lease Liabilities	18	36.60	-
Provisions	19	15.66	12.61
Other Non-current Liabilities	22	32.01	32.01
		<b>84.27</b>	<b>44.62</b>
<b>Current Liabilities</b>			
Financial Liabilities			
Borrowings	17	59.79	37.26
Lease Liabilities	18	8.97	-
Trade Payables			
> Due to MSME	20	-	-
> Due to Others	20	91.60	86.05
Other Financial Liabilities	21	2.12	-
Other Current Liabilities	22	33.46	35.36
Provisions	19	2.04	1.11
		<b>197.98</b>	<b>159.78</b>
<b>Total Liabilities</b>		<b>282.25</b>	<b>204.40</b>
<b>Total Equity and Liabilities</b>		<b>973.26</b>	<b>879.51</b>

Summary of significant Accounting Policies

3

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our report of even date

 for **P Murali & Co**

Chartered Accountants

ICAI Firm Registration Number: 007257S

for and on behalf of the Board of Directors of

**Goldstone Technologies Limited**

CIN: L72200TG1994PLC017211

Sd/-

**M V Joshi**

Partner

Membership No.: 020085

Sd/-

**Pavan Chavali**

Managing Director

DIN: 08432078

Sd/-

**L.P. Sashikumar**

Director

DIN: 00016679

Place: Hyderabad

Date: 29 May 2023

Sd/-

**Vithal V S S N K Popuri**

Chief Financial Officer

Sd/-

**Niralee Resesh Kotdawala**

Company Secretary

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS AS AT 31 MARCH 2023**

(All amounts in Indian Rupees Millions, except Share data and where otherwise stated)

Particulars	Note	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>Income</b>			
Revenue from Operations	23	929.61	609.21
Other Income	24	11.35	27.35
<b>Total Income</b>		<b>940.96</b>	<b>636.56</b>
<b>Expenses</b>			
Cost of Materials Consumed	25	647.85	360.56
Employee Benefits Expense	26	208.56	213.31
Finance Costs	28	5.46	1.52
Depreciation and Amortization Expense	27	8.20	3.79
Other Expenses	29	54.59	48.77
<b>Total Expense</b>		<b>924.66</b>	<b>627.95</b>
<b>Profit Before tax</b>		16.30	8.61
<b>Tax Expense</b>			
Current Tax	30	12.56	2.07
Deferred Tax	30	(0.82)	1.46
<b>Total Tax Expense</b>		11.74	3.53
<b>Profit/(Loss) for the Year before Non-controlling Interest</b>		<b>4.56</b>	<b>5.08</b>
Profit/(Loss) attributable to Non-controlling Interest		-	-
Profit/(Loss) attributable to Owners of the Parent		4.56	5.08
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to Profit or Loss:</b>			
Re-measurement gains on Defined Benefit Plan		1.56	1.83
Income-Tax effect	30	(0.43)	(0.51)
<b>Other Comprehensive Income for the year, net of Tax</b>		<b>1.13</b>	<b>1.32</b>
<b>Items that will be reclassified to Profit or Loss:</b>			
Foreign Currency Translation Adjustments		10.12	3.78
Income-tax Effect		-	-
<b>Total items that will not be reclassified to Profit or Loss</b>		<b>10.12</b>	<b>3.78</b>
Other Comprehensive Income before Non-controlling Interest		11.25	5.10
Other Comprehensive Income attributable to Non Controlling Interest		-	-
Other Comprehensive Income attributable to Owners of the Parent		<b>11.25</b>	<b>5.10</b>
<b>Total Comprehensive Income for the year before Non Controlling Interest</b>		<b>15.81</b>	<b>10.18</b>
Total Comprehensive Income attributable to Non controlling Interest		-	-
Total Comprehensive Income attributable to Owners of the Parent		15.81	10.18
<b>Earnings Per equity Share (nominal value of INR 10) in INR</b>	38		
Basic		0.13	0.19
Diluted		0.13	0.19

Summary of significant Accounting Policies

3

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our report of even date

 for **P Murali & Co**

Chartered Accountants

ICAI Firm Registration Number: 0072575

for and on behalf of the Board of Directors of

**Goldstone Technologies Limited**

CIN: L72200TG1994PLC017211

Sd/-

**M V Joshi**

Partner

Membership No.: 020085

Sd/-

**Pavan Chavali**

Managing Director

DIN: 08432078

Sd/-

**L.P. Sashikumar**

Director

DIN: 00016679

Sd/-

**Vithal V S S N K Popuri**

Chief Financial Officer

Sd/-

**Niralee Resesh Kotdawala**

Company Secretary

 Place: Hyderabad  
 Date: 29 May 2023

**CONSOLIDATED STATEMENT OF CASH FLOWS AS AT MARCH 2023**

(All amounts in Indian Rupees Millions, except Share data and where otherwise stated)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>I. Cash Flows from Operating activities</b>		
<b>Profit Before Tax</b>	16.30	8.61
<i>Adjustments to reconcile Profit Before Tax to Net Cash Flows:</i>		
Depreciation of Tangible Assets	8.20	3.79
Finance Income (including fair value change in Financial Instruments)	(11.35)	27.35
Finance Costs (including fair value change in Financial Instruments)	5.46	1.52
Re-measurement Losses on Defined Benefit Plans	1.56	1.83
Foreign Currency Translation Reserve	10.12	3.78
<b>Operating Profit before Working Capital changes</b>	<b>30.29</b>	<b>46.88</b>
<i>Changes in Working Capital:</i>		
Adjustment for (increase)/decrease in Operating Assets		
Trade Receivables	(112.44)	(28.65)
Loans - current	(18.15)	(7.18)
Other Financial Assets - Current	(0.13)	(0.12)
Other Assets - Current	(2.53)	(17.12)
Adjustment for (increase)/decrease in Operating Liabilities		
Trade Payables	5.56	23.83
Other Financial Liabilities - Current	2.12	(1.71)
Other Non-current Liabilities	-	(5.00)
Other Current Liabilities	(1.91)	24.68
Provisions	3.98	(2.27)
<b>Cash generated from Operations</b>	<b>(93.21)</b>	<b>33.34</b>
Income Taxes paid	<b>(12.85)</b>	<b>43.26</b>
<b>Net Cash generated from/(used in) Operating Activities</b>	<b>(106.06)</b>	<b>76.60</b>
<b>II. Cash Flows from Investing Activities</b>		
Purchase of Property, Plant and Equipment and Intangibles (including Capital Work in progress)	(62.89)	(4.11)
Sale of Property, Plant and Equipment	-	-
Investments in equity share	(67.80)	-
(Investments in)/ redemption of Bank Deposits (having original maturity of more than three months) - net	162.86	(318.18)
Interest received (Finance income)	11.35	(27.35)
<b>Net Cash used in Investing Activities</b>	<b>43.52</b>	<b>(349.64)</b>
<b>III. Cash Flows from Financing Activities</b>		
Proceeds from/(repayment of) Long-term Borrowings, net	-	-
Proceeds from/(repayment of) Short-term Borrowings, net	22.53	37.26
Proceeds from issue of share capital	-	225.94
Payment of lease Liability	45.57	-
Interest paid	(5.46)	(1.52)
<b>Net Cash provided by Financing Activities</b>	<b>62.64</b>	<b>261.68</b>



**CONSOLIDATED STATEMENT OF CASH FLOWS AS AT MARCH 2023**  
 (All amounts in Indian Rupees Millions, except Share data and where otherwise stated)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>Net increase in Cash and Cash Equivalents (I+II+III)</b>	0.10	(11.36)
Cash and Cash Equivalents at the beginning of the year	7.89	19.25
<b>Cash and Cash Equivalents at the end of the year (refer note below)</b>	<b>7.99</b>	<b>7.89</b>
<b>Note:</b>		
<b>Cash and Cash Equivalents comprise:</b>		
Cash on Hand	0.03	0.03
Balances with Banks:		
- in Current Accounts	7.96	7.86
<b>Total Cash and Cash Equivalents</b>	<b>7.99</b>	<b>7.89</b>

Summary of significant Accounting Policies

3

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our report of even date  
 for **P Murali & Co**  
 Chartered Accountants  
 ICAI Firm Registration Number: 007257S

for and on behalf of the Board of Directors of  
**Goldstone Technologies Limited**  
 CIN: L72200TG1994PLC017211

Sd/-  
**M V Joshi**  
 Partner  
 Membership No.: 020085

Sd/-  
**Pavan Chavali**  
 Managing Director  
 DIN: 08432078

Sd/-  
**L.P. Sashikumar**  
 Director  
 DIN: 00016679

Place: Hyderabad  
 Date: 29 May 2023

Sd/-  
**Vithal V S N K Popuri**  
 Chief Financial Officer

Sd/-  
**Niralee Resesh Kotdawala**  
 Company Secretary

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2023

(All amounts in Indian Rupees Millions, except Share data and where otherwise stated)

## a. Equity Share Capital

	No. of Shares	Amount
Balance as at 31 March 2022	34,582,066	345.82
Balance as at 31 March 2023	34,582,066	345.82

## b. Other equity

Particulars	Reserves and Surplus				Items of Other Comprehensive Income	Total other Equity	Non-controlling Interest	Total
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings				
<b>As at 1 April 2022</b>	59.78	218.38	18.30	(112.38)	67.10	251.18	-	251.18
Profit/(Loss) for the year				5.08		5.08	-	5.08
Additions during the year		67.93				67.93		67.93
<b>Other Comprehensive Income</b>				1.83		1.83		1.83
Re-measurement Gains/ (Losses) on Defined Benefit Plans,				(0.51)		(0.51)		(0.51)
Foreign Currency Translation Adjustments				3.78		3.78		3.78
Income-tax effect								
<b>At 31 March 2022</b>	59.78	286.31	18.30	(105.98)	70.88	329.29	-	329.29
Profit / (Loss) for the year				4.56		4.56	-	4.56
Addition during the year				0.09		0.09		0.09
<b>Other Comprehensive Income</b>				1.56		1.56		1.56
Re-measurement Gains / (Losses) on Defined Benefit Plans, net of Tax				(0.43)		(0.43)		(0.43)
Foreign Currency Translation adjustments					10.12	10.12		10.12
Income-tax effect								
<b>Balance as of 31 March 2023</b>	59.78	286.31	18.30	(100.20)	81.00	345.19	-	345.19

Summary of significant Accounting Policies

The accompanying notes are an integral part of the Consolidated Financial Statements. As per our report of even date

As per our report of even date

for **P Murali & Co**

Chartered Accountants

ICAI Firm Registration Number: 0072575

Sd/-

**M V Joshi**

Partner

Membership No.: 020085

Place: Hyderabad

Date: 29 May 2023

3

for and on behalf of the Board of Directors of

**Goldstone Technologies Limited**

CIN: L72200TG1994PLC017211

Sd/-

**Pavan Chavali**

Managing Director

DIN: 08432078

Sd/-

**Vithal V S N K Popuri**

Chief Financial Officer

Sd/-

**L.P. Sashikumar**

Director

DIN: 00016679

Sd/-

**Niralee Resesh Koidawala**

Company Secretary

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except Share data and where otherwise stated)

### 1 General Information

Goldstone Technologies Limited ('the Company') is a Public Limited Company incorporated in India, having its registered office at Hyderabad, India. The Company along with its subsidiaries (hereinafter referred to as "the Group") is primarily engaged in the business of IT and ITES services. The Company is listed in the National Stock Exchange of India Ltd. (NSE) and the BSE Ltd. (BSE).

### 2 Basis of preparation of Financial Statements

#### 2.1 Statement of Compliance

The Consolidated financial statements have been prepared in accordance of Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules 2015 notified under Section 133 of

Companies Act 2013 (the 'Act') and other relevant provisions of the Act.

The Group's financial statements up to and for the year ended **31 March 2023** were prepared in accordance with the Companies (Accounting Standards) Rules 2006, notified under Section 133 of Companies Act 2013 (the 'Act') and other relevant provisions of the Act.

The Consolidated financial statements were authorized for issue by the **Company's Board of Directors on 29 May 2023**.

Details of the accounting policies are included in Note 3.

#### 2.2 Group Information

The consolidated financial statements of the Group includes subsidiaries listed in the table below:

Name of Investee	Principal Activities	Country of Incorporation	Percentage of ownership/ voting rights	
			31 March 2023	31 March 2022
Staytop Systems, Inc.	IT and ITES	USA	100%	100%
Wowtruck Technologies Pvt. Ltd. (formerly known as Equitas Technologies Pvt. Ltd.)	Goods Transport Services	India	100%	100%

#### 2.3 Basis of Consolidation

(i) The Consolidated Financial Statements incorporate the financial statements of the Parent Company and its Subsidiaries. For this purpose, an entity which is, directly or indirectly, controlled by the Parent Company is treated as Subsidiary. The Parent Company together with its Subsidiaries constitute the Group. Control exists when the Parent Company, directly or indirectly, has power over the investee, is exposed to variable returns from its involvement with the investee and has

the ability to use its power to affect its returns.

(ii) Consolidation of a subsidiaries begins when the Parent Company, directly or indirectly, obtains control over the Subsidiary and ceases when the Parent Company, directly or indirectly, loses control of the Subsidiary. Income and expenses of a Subsidiary acquired or disposed off during the year are included in the Consolidated Statement of Profit and Loss from the date the Parent Company, directly or indirectly, gains control until the date when the

Parent Company, directly or indirectly, ceases to control the Subsidiary.

- (iii) The Consolidated Financial Statements of the Group combines Financial Statements of the Parent Company and its Subsidiary line-by-line by adding together the like items of Assets, Liabilities, Income and Expenses. All intra-group Assets, Liabilities, Income, Expenses and Unrealized Profits/Losses on intra-group transactions are eliminated on consolidation. The Accounting Policies of Subsidiaries have been harmonized to ensure the consistency with the policies adopted by the Parent Company.

The Consolidated Financial Statements have been presented to the extent possible, in the same manner as Parent Company's Standalone Financial Statements. Profit or Loss and each component of other Comprehensive Income are attributed to the owners of the Parent Company and to the non-controlling interests and have been shown separately in the Financial Statements.

- (iv) Non-controlling interest represents that part of the total Comprehensive Income and net assets of Subsidiaries attributable to interests which are not owned, directly or indirectly, by the Parent Company.
- (iv) Non-controlling interest represents that part of the total Comprehensive Income and net assets of Subsidiaries attributable to interests which are not owned, directly or indirectly, by the Parent Company. (iv) Goodwill on consolidation as on the date of transition represents the excess of cost of acquisition at each point of time of making the investment in the Subsidiary over the Group's share in the net worth

of a Subsidiary. For this purpose, the Group's share of Net Worth is determined on the basis of the latest Financial Statements, prior to the acquisition, after making necessary adjustments for material events between the date of such Financial Statements and the date of respective acquisition. Capital Reserve on consolidation represents excess of the Group's share in the Net Worth of a Subsidiary over the cost of acquisition at each point of time of making the investment in the Subsidiary. Goodwill arising on consolidation is not amortized, however, it is tested for impairment annually. In the event of cessation of operations of a Subsidiary, the unimpaired goodwill is written off fully.

Goodwill on consolidation arising on acquisitions on or after the date of transition represents the excess of the cost of acquisition at each point of time of making the investment in the Subsidiary, over the Group's share in the fair value of the Net Assets of a Subsidiary.

Goodwill on consolidation is allocated to cash generating units or group of cash generating units that are expected to benefit from the synergies of the acquisition.

## 2.4 Basis of measurement

These consolidated financial statements have been prepared on the historical cost convention and on an accrual basis, except for the following material items in the statement of financial position:

- certain Financial Assets and Liabilities are measured at Fair Value;
- employee defined benefit Assets/ (Liability) are recognized as the net

total of the fair value of Plan Assets, plus Actuarial Losses, less Actuarial Gains and the present value of the Defined Benefit Obligation;

- Long Term Borrowings are measured at amortized cost using the effective interest rate method.

## 2.5 Functional Currency

The consolidated financial statements are presented in Indian Rupees Millions, which is the functional currency of the Group. Functional currency of an entity is the currency of the primary economic environment in which the entity operates.

All amounts are in Indian Rupees Millions except Share data, unless otherwise stated.

## 2.6 Current and Non-current classification

All the Assets and Liabilities have been classified as Current or Non-current as per the Group's normal Operating Cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

### Assets:

An Asset is classified as Current when it satisfies any of the following criteria:

- it is expected to be realized in, or is intended for sale or consumption in, the Group's Normal Operating Cycle;
- it is held primarily for the purpose of being traded;
- it is expected to be realized within twelve months after the reporting date; or
- it is Cash or Cash Equivalent unless it is restricted from being exchanged or used to settle a Liability for at least twelve months after the reporting date.

### Liabilities:

A Liability is classified as Current when it satisfies any of the following criteria:

- it is expected to be settled in the Group's Normal Operating Cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within twelve months after the reporting date; or
- the Group does not have an unconditional right to defer settlement of the Liability for at least twelve months after the reporting date. Terms of a Liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current Assets / Liabilities include the current portion of Non-current Assets / Liabilities respectively. All other Assets / Liabilities are classified as Non-current.

## 2.7 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described in note 3, the management of the Group are required to make judgements, estimates and assumptions about the carrying amounts of Assets and Liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the areas of estimation uncertainty and critical judgements that the

management has made in the process of applying the Group's Accounting Policies and that have the most significant effect on the amounts recognized in the Financial Statements:

### Provision and Contingent liability

On an ongoing basis, Group reviews pending cases, claims by third parties and other contingencies. For Contingent Losses that are considered probable, an estimated Loss is recorded as an accrual in Financial Statements. Loss Contingencies that are considered possible are not provided for but disclosed as Contingent Liabilities in the Financial Statements. Contingencies the likelihood of which is remote are not disclosed in the Financial Statements. Gain contingencies are not recognized until the contingency has been resolved and amounts are received or receivable.

### Useful lives of Depreciable Assets

Management reviews the useful lives of Depreciable Assets at each reporting. As at **31 March 2023** management assessed that the useful lives represent the expected utility of the assets to the Group. Further, there is no significant change in the useful lives as compared to previous year.

## 2.8 Measurement of Fair Values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both Financial and Non-financial Assets and Liabilities.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

–Level 1: Quoted Prices (unadjusted) in active markets for identical Assets or Liabilities.

–Level 2: inputs other than Quoted Prices included in Level 1 that are observable for the Asset or Liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

–Level 3: inputs for the Asset or Liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an Asset or a Liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an Asset or a Liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

## 3. Significant Accounting Policies

### 3.1 New Standards adopted by the Company

On 24 July 2020, the Ministry of Corporate Affairs (MCA) has issued amendments to certain Ind AS as summarised below:

#### Amendments to Ind AS 1 and Ind AS 8: Definition of Material

The amendments provided a new definition to the word material as follows:

'Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.'

The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users.

An information is considered to be obscured if it is communicated in a way that would have a similar effect for primary users of financial statements to omitting or misstating that information. The amendments provided examples of circumstances that may result in information being obscured.

An entity should apply the amendments prospectively for annual periods beginning on or after 1 April 2020.

The amendments to the definition of material had no impact on the standalone financial statements of the Company.

### 3.2 Revenue recognition

Revenue is recognized upon transfer of control of promised licenses or services to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those licenses or services.

The Group's revenues are derived from sale of goods and services.

- Revenue from sale of licenses is recognized where control is transferred to the Group's customers at the time of receipt of licenses by the customers.
- Service income, is recognized as and when the underlying services are performed. Upfront non-refundable payments received under these arrangements continue to be deferred and are recognized over the expected period that related services are to be performed.

- Dividend income is accounted for when the right to receive the income is established.
- Difference between the sale price and carrying value of investment is recognized as profit or loss on sale / redemption on investment on trade date of transaction.
- Interest income is accrued on, time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

### 3.3 Leases

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.

#### Group as a lessee

The Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Group recognizes right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying

asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognized in the statement of profit and loss.

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate. For leases with reasonably similar characteristics, the Group, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Group is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to

reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised substance fixed lease payments. The Group recognizes the amount of the remeasurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognizes any remaining amount of the re-measurement in statement of profit and loss.

The Group has elected not to apply the requirements of Ind AS 116 Leases to short term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

### **3.4 Foreign Currencies**

In preparing the Financial Statements of the Group, transactions in currencies other than the Group's functional Currency (Foreign Currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in Foreign Currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of Historical Cost in a Foreign Currency are not retranslated. Exchange differences on monetary items are recognized in Profit or Loss in the period in which they arise.

### **3.5 Borrowing Costs**

Specific Borrowing Costs that are attributable to the acquisition, construction



or production of a qualifying asset are capitalized as part of the cost of such asset till such time the Asset is ready for its intended use and borrowing costs are being incurred. A qualifying Asset is an Asset that necessarily takes a substantial period of time to get ready for its intended use. All other Borrowing Costs are recognized as an expense in the period in which they are incurred.

Borrowing Cost includes Interest Expense, Amortization of Discounts, ancillary costs incurred in connection with borrowing of funds and exchange difference arising from Foreign Currency borrowings to the extent they are regarded as an adjustment to the Interest Cost.

### 3.6 Taxation

Income Tax expense consists of Current and Deferred tax. Income Tax expense is recognized in the Income Statement except to the extent that it relates to items recognized directly in Equity, in which case it is recognized in Equity.

#### Current Tax

Current Tax is the expected Tax payable on the Taxable Income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to Tax payable in respect of Previous Years.

#### Deferred tax

Deferred tax is recognized using the Balance Sheet method, providing for temporary differences between the carrying amounts of Assets and Liabilities for financial reporting purposes and the amounts used for Taxation purposes. Deferred Tax is not recognized for the following temporary differences: the initial recognition of Assets or Liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit; differences

relating to Investments in Subsidiaries and jointly controlled Entities to the extent that it is probable that they will not reverse in the foreseeable future; and taxable temporary differences arising upon the initial recognition of goodwill. Deferred Tax is measured at the Tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred Tax Assets and Liabilities are offset if there is a legally enforceable right to offset Current Tax Liabilities and Assets, and they relate to Income Taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle Current Tax Liabilities and Assets on a net basis or their Tax Assets and Liabilities will be realized simultaneously.

A Deferred Tax Asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred Tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

### 3.7 Earnings Per Share

The Group presents Basic and Diluted Earnings Per Share ("EPS") data for its ordinary shares. The Basic Earnings Per Share is computed by dividing the Net Profit attributable to Equity Shareholders for the period by the weighted average number of Equity Shares outstanding during the year.

Diluted Earnings Per Share is computed by dividing the Net Profit attributable to Equity Shareholders for the year relating to the dilutive potential Equity Shares, by the weighted average number of Equity Shares considered for deriving Basic Earnings Per Share and the weighted average number of Equity Shares which

could have been issued on the conversion of all dilutive potential Equity Shares. Potential Equity Shares are deemed to be dilutive only if their conversion to Equity Shares would decrease the Net Profit per Share.

### 3.8 Property, Plant and Equipment (PPE)

The initial cost of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an Asset to working condition and location for its intended use, including relevant borrowing costs and any expected costs of decommissioning, less accumulated depreciation and accumulated impairment losses, if any. Expenditure incurred after the PPE have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred.

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

Material items such as spare parts, stand-by equipment and service equipment are classified as PPE when they meet the definition of PPE as specified in Ind AS 16 – Property, Plant and Equipment.

### 3.9 Expenditure during construction period

Expenditure during construction period (including financing cost related to borrowed funds for construction or acquisition of qualifying PPE) is included under Capital Work-in-Progress, and the same is allocated to the respective PPE on the completion of their construction. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under “Other Non-current Assets”.

### 3.10 Depreciation

Depreciation is the systematic allocation of the depreciable amount of PPE over its useful life and is provided on a straight-line basis over the useful lives as prescribed in Schedule II to the Act or as per technical assessment.

Depreciable amount for PPE is the cost of PPE less its estimated residual value. The useful life of PPE is the period over which PPE is expected to be available for use by the Group, or the number of production or similar units expected to be obtained from the asset by the Group .

The Group has componentized its PPE and has separately assessed the life of major components. In case of certain classes of PPE, the Group uses different useful lives than those prescribed in Schedule II to the Act. The useful lives have been assessed based on technical advice, taking into account the nature of the PPE and the estimated usage of the asset on the basis of management’s best estimation of obtaining economic benefits from those classes of assets.

Such classes of Assets and their estimated useful lives are as under:

Particulars	Useful life
Buildings	30 years
Plant and Machinery	15 years
Electrical Equipment	5 years
Office Equipment	5 years
Computers-Laptops & Desktops	3 years
Computers - Servers	6 Years
Furniture and Fixtures	10 years
Vehicles - Four Wheelers	8 years
Vehicles - Two Wheelers	10 years

Depreciation on additions is provided on a pro-rata basis from the month of installation or acquisition and in case of Projects from the date of commencement of commercial production. Depreciation on deductions/disposals is provided on a pro-rata basis up to the date of deduction/disposal.

### **3.11 Intangible Assets and Amortization**

Intangible Assets are stated at Cost less Accumulated Amortization and Impairment. Intangible Assets are amortized over their respective estimated useful lives on a Straight-line basis, from the date that they are available for use.

#### **Amortization**

The estimated useful life of an identifiable Intangible Asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Software is amortized over a period of three to five years.

### **3.12 Cash and Cash Equivalents**

Cash and Cash Equivalents in the Balance Sheet comprise Cash at Bank and in Hand and Short-term Deposits with Banks that are readily convertible into Cash which are subject to insignificant risk of changes in value and are held for the purpose of meeting Short-term Cash commitments.

### **3.13 Cash Flow Statement**

Cash Flows are reported using the indirect method, whereby Net Profit Before Tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or

accruals of past or future cash receipts or payments. The Cash Flows from Operating, Investing and Financing activities of the Group are segregated.

### **3.14 Government Grants**

Government Grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

Where the Group receives non-monetary grants, the asset and the grant are accounted at fair value and recognized in the Statement of Profit and Loss over the expected useful life of the Asset.

### **3.15 Impairment of Non Financial Assets**

The carrying amounts of the Group's Non-financial Assets, Inventories and Deferred Tax Assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the Asset's recoverable amount is estimated.

The recoverable amount of an Asset or Cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future Cash Flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the Asset or the cash-generating unit. For the purpose of impairment testing, Assets are grouped together into the smallest group of Assets that generates cash inflows from continuing use that are largely independent of the cash inflows of Other Assets or Groups of Assets (the "Cash-generating unit").

An Impairment Loss is recognized in the Income Statement if the estimated recoverable amount of an asset or its cash-generating unit is lower than its

carrying amount. Impairment Losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An Impairment Loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the Asset's carrying amount does not exceed the carrying amount that would have been determined, net of Depreciation or Amortization, if no Impairment Loss had been recognized. Goodwill that forms part of the carrying amount of an Investment in an Associate is not recognized separately, and therefore is not tested for impairment separately. Instead, the entire amount of the Investment in an Associate is tested for impairment as a Single Asset when there is objective evidence that the investment in an associate may be impaired.

An Impairment Loss in respect of Equity accounted investee is measured by comparing the recoverable amount of investment with its carrying amount. An Impairment Loss is recognized in the Income Statement, and reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

### **3.16 Employee Benefits**

#### **Short-term Employee Benefits**

Short-term Employee Benefits are expensed as the related service is provided. A Liability is recognized for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the Employee and the obligation can be estimated reliably.

#### **Defined Contribution Plans**

The Group's contributions to Defined Contribution Plans are charged to the

Income Statement as and when the services are received from the employees.

#### **Defined Benefit Plans**

The Liability in respect of Defined Benefit Plans and other post-employment benefits is calculated using the projected unit credit method consistent with the advice of qualified actuaries. The present value of the Defined Benefit Obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related defined benefit obligation. In countries where there is no deep market in such bonds, the market rates on Government Bonds are used. The current service cost of the Defined Benefit Plan, recognized in the Income Statement in Employee Benefit Expense, reflects the increase in the Defined Benefit Obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognized immediately in income. 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 Income Statement. Actuarial Gains and Losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

#### **Termination benefits**

Termination benefits are recognized as an expense when the Group is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the

normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognized as an expense if the Group has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

#### Other Long-term Employee Benefits

The Group's net obligation in respect of other Long Term Employee Benefits is the amount of future benefit that employees have earned in return for their service in the current and previous periods. That benefit is discounted to determine its present value. Re-measurements are recognized in the Statement of Profit and Loss in the period in which they arise.

### 3.17 Provisions

A Provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future Cash Flows at a Pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

### 3.18 Contingent Liabilities & Contingent Assets

A disclosure for a Contingent Liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible

obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent Assets are not recognized in the Financial Statements. However, Contingent Assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

## 3.19 Financial Instruments

### a. Recognition and Initial recognition

The Group recognizes Financial Assets and Financial Liabilities when it becomes a party to the contractual provisions of the instrument. All Financial Assets and Liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issues of Financial Assets and Financial Liabilities that are not at fair value through Profit or Loss, are added to the fair value on initial recognition.

A Financial Asset or Financial Liability is initially measured at fair value plus, for an item not at fair value through Profit and Loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

### b. Classification and Subsequent measurement

Financial Assets

On initial recognition, a Financial Asset is classified as measured at

- amortized cost;
- FVTPL

Financial Assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing Financial Assets.

A Financial Asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the Asset is held within a business model whose objective is to hold assets to collect contractual Cash Flows; and
- the contractual terms of the Financial Asset give rise on specified dates to Cash Flows that are solely payments of Principal and Interest on the Principal amount outstanding.

All Financial Assets not classified as measured at amortized cost as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a Financial Asset that otherwise meets the requirements to be measured at amortized cost at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial Assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a Financial Asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's

strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the Financial Assets to the duration of any related liabilities or expected cash outflows or realizing Cash Flows through the sale of the Assets;

- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the Assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of Financial Assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of Financial Assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the Assets.

Financial Assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial Assets: Assessment whether contractual cash flows are solely payments of Principal and Interest

For the purposes of this assessment, 'Principal' is defined as the fair value of the Financial Asset on initial recognition. 'Interest' is defined as

consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of Principal and Interest, the Group considers the contractual terms of the instrument. This includes assessing whether the Financial Asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a Financial Asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment

at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

**Financial Assets: Subsequent measurement and gains and losses**

**Financial Assets at FVTPL:** These Assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in Profit or Loss.

**Financial Assets at Amortized Cost:** These Assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in Profit or Loss. Any gain or loss on derecognition is recognized in Profit or Loss.

**Financial Liabilities: Classification, Subsequent measurement and gains and losses**

**Financial Liabilities** are classified as measured at amortized cost or FVTPL. A Financial Liability is classified as FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in Profit or Loss. Other Financial Liabilities are subsequently measured

at amortized cost using the effective interest method. Interest expense and Foreign Exchange Gains and Losses are recognized in Profit or Loss. Any gain or loss on derecognition is also recognized in Profit or Loss.

**c. Derecognition**

**Financial Assets**

The Group derecognizes a Financial Asset when the contractual rights to the cash flows from the Financial Asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the Financial Asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the Financial Asset.

If the Group enters into transactions whereby it transfers Assets recognized on its Balance Sheet, but retains either all or substantially all of the risks and rewards of the transferred Assets, the transferred Assets are not derecognized.

**Financial Liabilities**

The Group derecognizes a Financial Liability when its contractual obligations are discharged or cancelled, or expire.

The Group also derecognizes a Financial Liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new Financial Liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the Financial Liability extinguished and the new Financial

Liability with modified terms is recognized in profit

**d. Offsetting**

Financial Assets and Financial Liabilities are offset and the net amount presented in the Balance Sheet when and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

**e. Impairment**

The Group recognizes loss allowances for expected credit losses on Financial Assets measured at amortized cost;

At each reporting date, the Group assesses whether Financial Assets carried at amortized cost and debt securities at fair value through other comprehensive income (FVOCI) are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the Financial Asset have occurred.

Evidence that a Financial Asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for a security because of financial difficulties.



The Group measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

When determining whether the credit risk of a financial Asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable

information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

### **Measurement of expected credit losses**

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for Financial Assets measured at amortized cost are deducted from the gross carrying amount of the Assets.

### **Write-off**

The gross carrying amount of a Financial Asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the trade receivable does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, Financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except Share data and where otherwise stated)

### 4 Property, Plant and Equipment

Particulars	Land	Buildings	Plant and Machinery	Electrical Equipment	Office Equipment	Computers	Furniture and Fixtures	Vehicles	Leasehold Improvements	Total
Deemed Cost										
1 April 2022	78.67	13.35	1.27	0.71	1.13	10.48	3.19	8.57	0.53	117.90
Additions	-	-	-	-	1.33	5.70	0.16	3.15	0.90	11.24
Deletions	-	-	-	-	-	-	-	-	-	-
At 31 March 2023	78.67	13.35	1.27	0.71	2.46	16.18	3.35	11.72	1.43	129.14
Accumulated Depreciation										
At 1 April 2022	-	4.98	0.54	0.10	0.51	5.19	2.22	3.92	0.42	17.88
Additions	-	-	-	-	1.02	2.24	0.08	1.60	0.86	5.80
Charge for the year	-	0.83	0.09	-	0.08	2.55	0.08	1.53	0.09	5.25
At 31 March 2023	-	5.81	0.63	0.10	1.61	9.98	2.38	7.05	1.37	28.93
Carrying Amount										
At 31 March 2022	78.67	8.37	0.73	0.61	0.62	5.29	0.97	4.65	0.11	100.02
At 31 March 2023	78.67	7.54	0.64	0.61	0.85	6.20	0.97	4.67	0.06	100.21

#### Note:

a) Charge on Property, Plant and Equipment: Out of Property, Plant and Equipment, Land and Buildings with a carrying amount of INR 81,709,510/- (31 March 2022 - INR 82,539,813/-) are offered as Collateral Security to secure the Bank Loans of Electra Greentech Limited (formerly known as Goldstone Infratech Limited).

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**

(All amounts in Indian Rupees Millions, except Share data and where otherwise stated)

**5 Right of Use Assets**

Particulars	Buildings (Leasehold)	Total
<b>Deemed Cost</b>		
At 1 April 2022	-	-
Additions	49.00	49.00
Deletions	-	-
<b>At 31 March 2023</b>	<b>49.00</b>	<b>49.00</b>
<b>Accumulated Depreciation</b>		
At 1 April 2022	-	-
Charge for the year	2.95	2.95
Less: Adjustments	-	-
<b>At 31 March 2023</b>	<b>2.95</b>	<b>2.95</b>
<b>Carrying amount</b>		
At 1 April 2022	-	-
<b>At 31 March 2023</b>	<b>46.05</b>	<b>46.05</b>

Particulars	31 March 2023	31 March 2022
<b>6 Investments</b>		
<b>Non-Current Investments</b>		
ETO Motors Private Limited - Equity Shares of 1,355,976 @ Rs. 50/- Each	67.80	-
<b>Total Investments</b>	<b>67.80</b>	<b>-</b>
<b>7 Loans (Unsecured, considered good unless otherwise stated)</b>		
<b>Non-current</b>		
Security Deposits	3.35	1.41
	<b>3.35</b>	<b>1.41</b>
<b>Current</b>		
Security Deposits	6.04	5.39
Other Advances	153.02	139.48
	<b>159.06</b>	<b>144.87</b>
<b>8 Deferred Tax Asset, Net</b>		
Deferred Tax Asset		
- Tangible and Intangible Assets	2.37	2.88
- Provision allowed under tax on payment basis	4.71	3.82
	<b>7.08</b>	<b>6.70</b>
<b>Total</b>		
Deferred tax liability		
- Fair valuation of financial liabilities	-	-
<b>Deferred Tax Asset, net</b>	<b>7.08</b>	<b>6.70</b>

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**

(All amounts in Indian Rupees Millions, except Share data and where otherwise stated)

Particulars	31 March 2023	31 March 2022
<b>9. Trade Receivables</b>		
Trade Receivables considered good - Secured	-	-
Less: Allowance for expected credit loss	-	-
<b>Trade Receivables considered good - Secured</b>	-	-
Trade Receivables considered good - Unsecured	238.78	130.28
Less: Allowance for expected credit loss	-	-
Less: Allowance for bad and doubtful trade receivables	1.95	-
<b>Trade Receivables considered good - Unsecured</b>	<b>236.83</b>	<b>130.28</b>
Trade Receivables which have significant increase in Credit Risk	-	-
Less: Allowance for expected credit loss	-	-
<b>Trade Receivables which have significant increase in Credit Risk</b>	-	-
Trade Receivables - credit impaired	-	-
Less: Allowance for credit impairment	-	-
<b>Trade Receivables - credit impaired</b>	-	-
<b>Total Trade Receivables</b>	<b>236.83</b>	<b>130.28</b>

Trade receivables ageing schedule for the year ended as on March 31, 2023							
Particulars	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6-12 months	1-2 Years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables — considered good	172.62	55.86	6.10	2.25	-	1.95	238.78
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables — credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables — considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables — credit impaired	-	-	-	-	-	-	-
Less: Allowance for bad and doubtful trade receivables	-	-	-	-	-	1.95	1.95
<b>Total Trade Receivables</b>	<b>172.62</b>	<b>55.86</b>	<b>6.10</b>	<b>2.25</b>	<b>-</b>	<b>-</b>	<b>236.83</b>

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

(All amounts in Indian Rupees Millions, except Share data and where otherwise stated)

Trade receivables ageing schedule for the year ended as on March 31, 2022							
Particulars	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6-12 months	1-2 Years	2-3 years	More than 3 years	Total
(I) Undisputed Trade receivables — considered good	116.54	3.26	2.09	8.39	-	-	130.28
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables — credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables — considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables — credit impaired	-	-	-	-	-	-	-
Less: Allowance for credit loss	-	-	-	-	-	-	-
<b>Total Trade Receivables</b>	<b>116.54</b>	<b>3.26</b>	<b>2.09</b>	<b>8.39</b>	<b>-</b>	<b>-</b>	<b>130.28</b>

Particulars	31 March 2023	31 March 2022
<b>10 Cash and Cash Equivalents</b>		
Balances with Banks:		
- On Current Accounts	7.96	7.86
Cash on Hand	0.03	0.03
<b>Total Cash and Cash Equivalents</b>	<b>7.99</b>	<b>7.89</b>
<b>11 Other Bank Balances</b>		
Term deposits with Banks with original maturities of more than 6 months and less than 2 years*	156.32	319.18
<b>Total Other Bank Balances</b>	<b>156.32</b>	<b>319.18</b>
*Includes Margin Money Deposits of INR 0.32		
<b>12 Other Financial Assets (Unsecured, considered good unless otherwise stated)</b>		
<b>Current</b>		
Interest accrued on Deposits	2.11	1.97
	<b>2.11</b>	<b>1.97</b>
<b>13 Current Tax Assets, net</b>		
Advance Taxes and TDS	65.46	58.08
Less: Provision for Taxes	12.58	5.49
	<b>52.88</b>	<b>52.59</b>
<b>14 Other Assets</b>		
<b>Current Assets</b>		
Unsecured, considered good		
Advances other than Capital Advances		
Supplier Advances	18.23	18.45
Prepaid Expenses	5.17	0.06
Balances with Government Departments	0.43	3.51
	<b>23.83</b>	<b>22.02</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except Share data and where otherwise stated)

Particulars	31 March 2023	31 March 2022
<b>15 Share Capital</b>		
<b>Authorized Share Capital</b>		
50,000,000 (31 March 2022: 50,000,000) Equity Shares of INR 10/- Each	500.00	500.00
<b>Issued, Subscribed and Fully Paid-up</b>		
34,582,066 (31 March 2022: 34,582,066) Equity Shares of INR 10/- Each fully paid-up	345.82	345.82
	<b>345.82</b>	<b>345.82</b>

### (a) Reconciliation of Shares outstanding at the beginning and end of the reporting year

Particulars	31 March 2023		31 March 2022	
	No. of Equity Shares	INR Million	No. of Equity Shares	INR Million
Outstanding at the beginning of the year	34,582,066	345.82	18,782,066	187.82
Issued during the year	-	-	15,800,000	158.00
Outstanding at the end of the year	34,582,066	345.82	34,582,066	345.82

### (b) Terms / rights attached to the Equity Shares

Equity Shares of the Company have a par value of INR 10/- Per Share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining Assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.

### (c) Details of Shareholders holding more than 5% shares in the Company

Particulars	31 March 2023		31 March 2022	
	No. of Equity Shares held	% holding in the class	No. of Equity Shares held	% holding in the class
Trinity Infraventure Limited	18,520,417	53.55%	18,520,417	53.55%

Particulars	31 March 2023	31 March 2022
<b>16 Other Equity</b>		
<b>Capital Reserve:</b>		
Opening Balance	59.78	59.78
Additions during the year	-	-
Closing Balance	<b>59.78</b>	<b>59.78</b>
<b>Securities Premium:</b>		
Opening Balance	286.31	218.38
Additions during the year	-	67.93
Closing Balance	<b>286.31</b>	<b>286.31</b>
Securities Premium consists of the difference between the face value of the Equity Shares and the consideration received in respect of Shares issued.		
<b>General Reserve:</b>		
Opening Balance	18.30	18.30
Add: Transfers during the year	-	-
Closing Balance	<b>18.30</b>	<b>18.30</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except Share data and where otherwise stated)

<p>The General Reserve is used from time to time to transfer Profits from Retained Earnings for appropriation purposes. As the General Reserve is created by a transfer from one component of Equity to another and is not an item of Other Comprehensive Income, items included in the General Reserve will not be reclassified subsequently to Profit or Loss</p> <p>Foreign Currency Translation Reserve:</p> <p>Opening balance</p> <p>Add: Transfers during the year</p> <p>Closing balance</p> <p>Retained Earnings:</p> <p>Opening Balance</p> <p>Additions during year</p> <p>Profit / (Loss) for the year</p> <p>Other Comprehensive Income</p> <p>Less: Transfers to General Reserve</p> <p>Closing Balance</p> <p><b>Total Other Equity</b></p>	<p>70.88</p> <p>10.12</p> <p><b>81.00</b></p>	<p>67.10</p> <p>3.78</p> <p><b>70.88</b></p>
<p>Retained Earnings:</p> <p>Opening Balance</p> <p>Additions during year</p> <p>Profit / (Loss) for the year</p> <p>Other Comprehensive Income</p> <p>Less: Transfers to General Reserve</p> <p>Closing Balance</p> <p><b>Total Other Equity</b></p>	<p>(105.98)</p> <p>0.09</p> <p>4.56</p> <p>1.13</p> <p>-</p> <p><b>(100.20)</b></p> <p><b>345.19</b></p>	<p>(112.38)</p> <p>-</p> <p>5.08</p> <p>1.32</p> <p>-</p> <p><b>(105.98)</b></p> <p><b>329.29</b></p>

Retained Earnings reflect Surplus / Deficit after Taxes in the Profit or Loss. The amount that can be distributed by the Company as Dividends to its Equity Shareholders is determined based on the balance in this reserve and also considering the requirements of the Companies Act, 2013.

Particulars	31 March 2023	31 March 2022
<b>17 Borrowings</b>		
<b>Non-current Borrowings</b>		
<b>Secured Loans</b>		
- From Banks	-	-
<b>Total Non-current Borrowings</b>	-	-
<b>Current Borrowings</b>		
<b>Secured Loans repayable on demand</b>		
- Overdraft facility against Fixed Deposit (ODFD)		
Loans from Banks (refer note A below)	59.79	37.26
<b>Total Current Borrowings</b>	<b>59.79</b>	<b>37.26</b>

### **A. Overdraft Credit Facility against Fixed Deposit:**

During the FY 2022-23, the Holding Company: Goldstone Technologies Limited availed INR40,000,000/- Overdraft Credit facility with a interest of 5.60% per annum against Fixed Deposit of INR50,000,000/- (interest rate on FD is 5.10% per annum) from State Bank of India, NRI Branch, Hyderabad, TS State, India.

Also during the FY 2022-23, the Holding Company: Goldstone Technologies Limited availed INR38,000,000/- Overdraft Credit facility with a interest of 5.65% per annum against Fixed Deposit of INR40,000,000/- (interest rate on FD is 5.15% per annum) from ICICI Bank Limited, M.G.Road Branch, Secunderabad, TS State, India.

Also during the FY 2022-23, the Subsidiary Company: Wowtruck Technologies Pvt. Ltd. (formerly known as Equitas Technologies Pvt. Ltd.) availed Overdraft Credit Facility against Fixed Deposit (ODFD) Facility of INR 59,750,000/- (with a interest of 7.50% per annum on ODFD Limit of INR 33,155,000/-, with a Interest Rate of 7.85% per annum on ODFD Facility of INR 9,595,000/- and with 9.00% per annum on ODFD Limit of INR 17,000,000/- against Fixed Deposit of Rs. 65,000,000/- (interest rate on FD is 7.00% per annum for INR 34,900,000/-, 7.35% per annum for INR10,100,000/- and 8% for INR 20,000,000/-) from Equitas Samll Finance Bank Limited, T-Nagar Branch, Chennai, Tamila Nadu State.

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

(All amounts in Indian Rupees Millions, except Share data and where otherwise stated)

Particulars	31 March 2023	31 March 2022
<b>18 Lease Liability</b>		
<b>Leasehold Property</b>		
Opening Balance	-	-
Additions during the Year	47.25	-
Deletions during the Year	-	-
Interest on Lease Liability	1.44	-
Payments during the year	(3.12)	-
	<b>45.57</b>	<b>-</b>
- Non-Current Portion of Lease Liabilities	36.60	-
- Current Portion of Lease Liabilities	8.97	-
<b>19. Provisions</b>		
<b>Non-Current</b>		
Provisions for Employee Benefits		
- Gratuity (Non-Funded refer note 35)	12.11	9.89
- Compensated Absences	3.55	2.72
	<b>15.66</b>	<b>12.61</b>
<b>Current</b>		
Provisions for Employee Benefits		
- Gratuity (Non-Funded refer note 35)	0.92	0.41
- Compensated Absences	1.12	0.70
	<b>2.04</b>	<b>1.11</b>
<b>20 Trade payables</b>		
Trade Payables		
- Total outstanding dues of Micro Enterprises and Small Enterprises (refer note 36)	-	-
- Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	91.60	86.05
	<b>91.60</b>	<b>86.05</b>

Trade payables ageing schedule for the year ended as on March 31, 2023

Particulars	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6-12 months	1-2 Years	2-3 years	More than 3 years	Total
(i) MSME	0.37	-	-	-	-	-	<b>0.37</b>
(ii) Others	65.14	22.58	3.08	0.38	-	0.05	<b>91.23</b>
(iii) Disputed dues — MSME	-	-	-	-	-	-	-
(iv) Disputed dues — Others	-	-	-	-	-	-	-
<b>Total</b>	<b>65.51</b>	<b>22.58</b>	<b>3.08</b>	<b>0.38</b>	<b>-</b>	<b>0.05</b>	<b>91.60</b>



**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

(All amounts in Indian Rupees Millions, except Share data and where otherwise stated)

Trade payables ageing schedule for the year ended as on March 31, 2022							
Particulars	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6-12 months	1-2 Years	2-3 years	More than 3 years	Total
(I) MSME	-	-	-	-	-	-	-
(ii) Others	74.91	11.14	-	-	-	-	<b>86.05</b>
(iii) Disputed dues — MSME	-	-	-	-	-	-	-
(iv) Disputed dues — Others	-	-	-	-	-	-	-
<b>Total</b>	<b>74.91</b>	<b>11.14</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>86.05</b>

Particulars	31 March 2023	31 March 2022
<b>21 Other Financial Liabilities</b>		
Current maturities of Long-term Debts	-	-
Employee Salaries payable	-	-
Provision for Expenses	2.12	-
	<b>2.12</b>	<b>-</b>
<b>22 Other Liabilities</b>		
<b>Non-current</b>		
Advance received against Sale of Asset from Related Party	32.01	32.01
	<b>32.01</b>	<b>32.01</b>
<b>Current</b>		
Advance received from Customers	9.31	13.44
Others	13.34	8.71
Statutory Liabilities	10.81	13.21
	<b>33.46</b>	<b>35.36</b>
<b>23 Revenue from Operations</b>		
Revenue from Information Technology / Software Services and Sale of Software Licenses		
Export	107.61	106.73
Domestic	822.00	502.48
	<b>929.61</b>	<b>609.21</b>
<b>Disaggregated Revenue Information</b>		
<b>Revenues by type of goods and service</b>		
- Sale of Software	587.76	432.06
- IT Consultancy Services	168.42	177.15
- Goods Transport	173.43	-
	<b>929.61</b>	<b>609.21</b>
<b>Revenues by geography</b>		
- India	822.00	502.48
- Outside India	107.61	106.73
	<b>929.61</b>	<b>609.21</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except Share data and where otherwise stated)

Particulars	31 March 2023	31 March 2022
<b>Revenues by timing of revenue recognition</b>		
- Services transferred over time	929.61	609.21
	<b>929.61</b>	<b>609.21</b>
<b>Contract balances</b>		
- Trade receivables	236.83	130.28
- Contract liabilities (Advance from customers)	9.31	13.44
	<b>246.14</b>	<b>143.72</b>
<b>24 Other Income</b>		
<b>Finance Income</b>		
Interest on Deposits	10.33	26.75
Miscellaneous Income	1.02	0.60
	<b>11.35</b>	<b>27.35</b>
<b>25 Cost of Materials Consumed</b>		
Purchase cost of Software Licenses	647.85	360.56
	<b>647.85</b>	<b>360.56</b>
<b>26 Employee Benefits Expense</b>		
Salaries, Wages and Bonus	199.13	205.35
Contribution to Provident and other Funds	3.74	3.54
Gratuity Expenses (Refer Note 35)	3.96	3.41
Staff Welfare Expenses	1.73	1.01
	<b>208.56</b>	<b>213.31</b>
<b>27 Depreciation and Amortization Expense</b>		
Depreciation of Tangible Assets	5.25	3.79
Depreciation of Right to Use Asset	2.95	-
	<b>8.20</b>	<b>3.79</b>
<b>28 Finance Costs</b>		
Interest on Loans	3.48	1.13
Bank Charges	0.54	0.39
Interest on Lease Liability	1.44	-
	<b>5.46</b>	<b>1.52</b>
<b>29 Other Expenses</b>		
Power/Electricity & Fuel	2.33	1.99
Rent	8.19	8.05
Repairs to Office Equipment	0.65	0.62
Insurance	0.15	2.98
Car Hire charges & Transportation	0.01	0.18
Telephone, Postage and Others	3.74	1.10
Business Promotion Expenses	1.60	0.25
Conveyance & Travelling Expenses	7.86	1.38
Office Maintenance	4.64	4.28

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

(All amounts in Indian Rupees Millions, except Share data and where otherwise stated)

Particulars	31 March 2023	31 March 2022
Printing & Stationery Expenses	1.04	0.58
Security Charges	0.32	0.20
Rates & taxes	2.72	1.17
Invoice Processing Charges	0.34	0.90
Seminar Fee/Training/Legal Fee/Listing Fee	1.37	0.83
Professional Consultancy Fee	14.81	15.37
Audit Fee	0.69	0.48
Reimbursement of expenses Auditors	0.04	0.01
Director Sitting Fee	0.92	0.72
Vehicle Maintenance Charges	0.29	0.13
Secretarial Expenses	0.06	0.04
Bad Debts written off	1.95	-
Foreign Exchange Loss	0.58	2.91
Other Expenses	0.29	4.60
	<b>54.59</b>	<b>48.77</b>
<b>30 Tax Expenses</b>		
Current Income Tax:		
Current Year	12.56	2.07
Deferred Tax:	(0.82)	1.46
<b>Income Tax Expense recognized in the Statement of Profit or Loss</b>	<b>11.74</b>	<b>3.53</b>
<b>Deferred Tax related to items considered in OCI during the year</b>		
Re-measurement Gains / (Losses) on Defined Benefit Plan	(0.43)	0.51
<b>Income Tax charge to OCI</b>	<b>(0.43)</b>	<b>0.51</b>
<b>Reconciliation of Tax Expense with the Accounting Profit multiplied by Domestic Tax Rate:</b>		
Accounting Profit before Income Tax	16.30	8.61
Tax on accounting profit at statutory income tax rate 27.82% (31 March 2022: 27.82%)	4.54	2.40
Expenses not Deductible for tax purpose	8.02	(0.32)
Others	(0.38)	1.97
<b>Tax Expense reported in the Statement of Profit and Loss</b>	<b>12.18</b>	<b>4.05</b>
<b>31 Contingent liabilities and commitments</b>		
<b>Particulars</b>	<b>31 March 2023</b>	<b>31 March 2022</b>
i) Contingent liabilities:		
- Corporate Guarantees given on behalf of Related Parties (Refer Note below)	920.00	1,120.00
- Bank Guarantees	0.32	-
ii) Commitments:		
- Estimated amount of contracts remaining to be executed on Capital Account and not provided for, net of Advances	Nil	Nil

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except Share data and where otherwise stated)

The Company offered the Land owned by it to the extent of 26,092 Sq. Yds. situated at Survey No. 249 (Part), 250 (Part) and 251 (part) and Building there on as collateral security to State Bank of India, Commercial Branch, Hyderabad against the credit facilities availed by M/s Olectra Greentech Limited (formerly Known as Goldstone Infratech Ltd)., and also given corporate guarantee for INR920.00 Millions. However the Company's liability is restricted to the value of the property offered as collateral security.

### 32 Related Party disclosures

a) The following table provides the Name of the Related Party and the nature of its relationship with the Group:

Name of the Parties	Relationship
Trinity Infraventures Limited	Entity Belonging to the Promoters group and holding 53.55% in the Shareholding of the Company
<b>Key Management Personnel (KMP):</b>	
Pavan Chavali	Managing Director
Vithal V S S N K Popuri	Chief Financial Officer
Thirumalesh Thumma	Company Secretary
Niralee Rasesh Kotdawala	Company Secretary

b) Details of all transactions with Related Parties during the year:

Particulars	31 March 2023	31 March 2022
1) Managerial Remuneration/consultancy fee to Key Managerial Personnel*	13.49	9.98

\*Does not include Insurance, which is paid for the Company as a whole and Gratuity and Compensated Absences as this is provided in the books of accounts on the basis of Actuarial Valuation for the Company as a whole and hence individual amount cannot be determined.

### 33 Segment Information

Ind AS 108 "Operating Segment" ("Ind AS 108") establishes standards for the way that public Business Enterprises report information about Operating and Geographical Segments and related disclosures about products and services, geographic areas, and major customers. Based on the "management approach" as defined in Ind AS 108, Operating Segments and Geographical Segments are to be reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM evaluates the Group's performance and allocates resources on overall basis.

During the year, the Company has three Reportable Segments, i.e. USA - Information Technology / Software Services, India - Information Technology / Software Services and Software License.

The Segment Revenue, Profitability, Assets and Liabilities are as under:

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

(All amounts in Indian Rupees Millions, except Share data and where otherwise stated)

<b>Revenue by Segment</b>	<b>For the year ended 31 March 2023</b>	<b>For the year ended 31 March 2022</b>
a) USA - Information Technology / Software Services	6.13	59.29
b) India - Information Technology / Software Services	162.29	117.86
c) Software Licenses	634.68	488.66
d) Goods Transport	173.43	-
Less: Inter Company Sales	(46.92)	(56.60)
<b>Total Revenue</b>	<b>929.61</b>	<b>609.21</b>
<b>Segment Results</b>	<b>For the year ended 31 March 2023</b>	<b>For the year ended 31 March 2022</b>
Profit Before Tax & Interest:		
a) USA - Information Technology / Software Services	(1.11)	(21.37)
b) India - Information Technology / Software Services	38.83	30.35
c) Software Licenses	9.67	4.94
Less: (i) Interest	3.47	-
(ii) Unallocable Expenditure (Net of Un-allocable Income)	7.47	-
<b>Segment Profit</b>	<b>36.45</b>	<b>13.92</b>
<b>d) Goods Transport</b>	<b>(17.43)</b>	<b>-</b>
Less: (i) Interest	1.99	1.52
(ii) Unallocable Expenditure (Net of Un-allocable Income)	0.73	3.79
<b>Segment Profit</b>	<b>(20.15)</b>	<b>8.61</b>
<b>Total Profit Before Tax</b>	<b>16.30</b>	<b>(12.40)</b>
<b>Segment Assets, Segment Liabilities &amp; Segment Capital Employed</b>	<b>For the year ended 31 March 2023</b>	<b>For the year ended 31 March 2022</b>
<b>Segment Assets*</b>		
a) USA - Information Technology Service/Software Services	853.887	879.51
b) India - Information Technology Service/Software Services		
c) Software Licenses Resale		
d) Goods Transport	119.377	-
<b>Total Assets</b>	<b>973.264</b>	<b>879.51</b>
<b>Segment Liabilities*</b>		
a) USA - Information Technology Service / Software Services	213.829	204.40
b) India - Information Technology Service / Software Services		
c) Software Licenses Resale		
d) Goods Transport	68.426	-
<b>Total Liabilities</b>	<b>282.255</b>	<b>204.40</b>
<b>Segment Capital Employed*</b>		
a) USA - Information Technology Service / Software Services	722.464	719.73
b) India - Information Technology Service / Software Services		
c) Software Licenses Resale		
d) Goods Transport	52.816	-
<b>Total Capital Employed</b>	<b>775.28</b>	<b>719.73</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except Share data and where otherwise stated)

\* Note: For the segments of USA Information Technology Software Services, India Information Technology Software Services and Software License Resale segments Assets and Liabilities are often deployed interchangeably across these segments hence no bifurcation is given. Accordingly combined total amount of Segment Profit, Assets, Liabilities and Capital Employed are provided.

### Segment Assets, Segment Liabilities & Segment Capital Employed:

Segment Capital Employed: Segregation of assets, liabilities, depreciation and other non-cash expenses into various primary segments has not been done, as the assets are used interchangeably between segments. Accordingly no disclosure relating to segmental assets and liabilities has been made.

### 34 Auditors' Remuneration include:

Particulars	31 March 2023	31 March 2022
	<b>INR</b>	
Statutory Audit Fee (including Limited Review)	6,00,000	450,000
Tax Audit Fee	85,000	25,000
<b>Total</b>	<b>6,85,000</b>	<b>475,000</b>

### 35 Gratuity (Non-Funded)

The Company provides its employees with benefits under a defined benefit plan, referred to as the "Gratuity Plan". The Gratuity Plan entitles an employee, who has rendered at least five years of continuous service, to receive 15 days salary for each year of completed service (service of six months and above is rounded off as one year) at the time of retirement/exit, restricted to a sum of INR 2,000,000

The following tables summarize the components of net benefit expense recognized in the statement of profit or loss and the amounts recognized in the balance sheet for the plan:

Reconciliation of opening and closing balances of the present value of the defined benefit obligations:

Particulars	31 March 2023	31 March 2022
<b>Opening Balance</b>	<b>10.30</b>	<b>11.54</b>
Current Service Cost	3.23	2.64
Past Service Cost	-	-
Interest Cost	0.73	0.77
Benefits Paid	(1.15)	(2.82)
Actuarial Gain	(1.56)	(1.83)
<b>Closing Balance</b>	<b>11.55</b>	<b>10.30</b>
Present value of Projected Benefit Obligation at the end of the year	11.55	10.30
Fair value of Plan Assets at the end of the year	-	-
Net Liability recognized in the Balance Sheet	<b>11.55</b>	<b>10.30</b>
Current Provision	0.50	0.41
Non Current Provision	11.05	9.89

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

(All amounts in Indian Rupees Millions, except Share data and where otherwise stated)

<b>Expenses recognized in Statement of Profit and Loss</b>	<b>31 March 2023</b>	<b>31 March 2022</b>
Service Cost	3.23	2.64
Interest Cost	0.73	0.77
<b>Gratuity Cost</b>	<b>3.96</b>	<b>3.41</b>
<b><u>Re-measurement Gains/ (Losses) in OCI</u></b>		
Actuarial Loss / (Gain) due to demographic assumption changes	-	-
Actuarial Loss / (Gain) due to financial assumption changes	(0.39)	(0.49)
Actuarial Loss / (Gain) due to experience adjustments	(1.17)	(1.34)
Return on Plan Assets greater (less) than discount rate	-	-
<b>Total expenses routed through OCI</b>	<b>(1.56)</b>	<b>(1.83)</b>
<b>Assumptions:</b>		
	<b>31 March 2023</b>	<b>31 March 2022</b>
Discount Rate (per annum)	7.50%	7.20%
Future salary increases	7.00%	7.00%
<b>A quantitative sensitivity analysis for significant assumption and its impact in percentage terms on projected benefit obligation are as follows:</b>		
	<b>31 March 2023</b>	
	<b>Discount Rate</b>	<b>Salary Escalation Rate</b>
Impact of increase in 50 bps on projected benefit obligation	-5.27%	4.14%
Impact of decrease in 50 bps on projected benefit obligation	5.73%	-3.99%
These sensitivities have been calculated to show the movement in projected benefit obligation in isolation and assuming there are no other changes in market conditions.		
<b>36 Dues to Micro, Small and Medium Enterprises</b>		
<p>The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2023 has been made in the financial statements based on information received and available with the Company. Further in view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Micro, Small and Medium Enterprises Development Act, 2006 ('The MSMED Act') is not expected to be material. The Group has not received any claim for interest from any supplier.</p>		
<b>Particulars</b>	<b>31 March 2023</b>	<b>31 March 2022</b>
a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year.	Nil	Nil
b) the amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount		

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except Share data and where otherwise stated)

of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil
c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this MSMED Act	Nil	Nil
d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	Nil	Nil

### 37 Leases

#### Where the Company is a Lessee:

Effective 1st April 2019, the Group adopted Ind AS 116, Leases. This standard brings most leases on-balance sheet for lessees under a single model, eliminating the distinction between operating and finance leases. Group has recognized Right of use asset or Lease liability in accordance of this standard.

The Group has elected not to apply the requirements of Ind AS 116 Leases to short term leases of some assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases amounting to INR 8.19 Million (Previous Year: INR 8.05 Million) are recognized as an expense on a straight-line basis over the lease term.

### 38 Earnings Per Share

Basic EPS amounts are calculated by dividing the Profit for the year attributable to Equity Holders by the weighted average number of Equity Shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the Profit attributable to Equity Holders by the weighted average number of Equity Shares outstanding during the year plus the weighted average number of Equity Shares that would be issued on conversion of all the dilutive potential Equity Shares into Equity Shares.

#### 38 Earnings Per Share (Continued)

The following table sets out the computation of Basic and Diluted Earnings Per Share:

Particulars	31 March 2023	31 March 2022
Profit for the year attributable to Equity Share Holders	4.56	5.08
<b>Shares</b>		
Weighted average number of Equity Shares outstanding during the year – basic	34,582,066	26,227,545
Weighted average number of Equity Shares outstanding during the year – diluted	34,582,066	26,227,545
<b>Earnings Per Share</b>		
Earnings per share of par value INR 10 – basic (INR)	0.13	0.19
Earnings per share of par value INR 10 – diluted (INR)	0.13	0.19



## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except Share data and where otherwise stated)

### 39 Financial risk management objectives and policies

The Group's Principal Financial Liabilities comprise Loans and Borrowings, Trade and Other Payables. The main purpose of these Financial Liabilities is to finance and support Group's operations. The Group's Principal Financial Assets include Inventory, Trade and Other Receivables, Cash and Cash Equivalents and Refundable Deposits that derive directly from its operations.

The Group is exposed to Market Risk, Credit Risk and Liquidity Risk. The Group's senior management oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below.

#### a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and other price risk, such as commodity risk. Financial instruments affected by market risk include loans and borrowings and refundable deposits. The sensitivity analysis in the following sections relate to the position as at 31 March 2023 and 31 March 2022. The sensitivity analyses have been prepared on the basis that the amount of net debt and the ratio of fixed to floating interest rates of the debt. The analysis excludes the impact of movements in market variables on: the carrying values of gratuity and other post retirement obligations; provisions. The below assumption has been made in calculating the sensitivity analysis: The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2023 and 31 March 2022.

#### 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's exposure to the risk of changes in market interest rates relates primarily to the Group's short-term debt obligations with floating interest rates. The Group manages its interest rate risk by having a balanced portfolio of variable rate borrowings. The Group does not enter into any interest rate swaps. Interest rate sensitivity. The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Increase/decrease in interest rate	Effect on Profit Before Tax
<b>31 March 2023</b>		
INR	+1%	(0.60)
INR	-1%	0.60
<b>31 March 2022</b>		
INR	+1%	(0.37)
INR	-1%	0.37

#### b) Credit risk

Credit Risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The credit risk arises principally from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks and financial institutions and other financial instruments.

Credit Risk is controlled by analyzing credit limits and credit worthiness of customers on a continuous basis to whom credit has been granted after obtaining necessary approvals for credit. The collection from the trade receivables are monitored on a continuous basis by the receivables team.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except Share data and where otherwise stated)

The Group establishes an allowance for credit loss that represents its estimate of expected losses in respect of trade and other receivables based on the past and the recent collection trend. The maximum exposure to credit risk as at reporting date is primarily from trade receivables amounting to INR 136.82 Million (31 March 2022: INR 130.28 Million). Basis the estimate, there is no allowance for expected credit loss provided by the Group.

The top 5 customers account for around 25% of the revenue as of 31 March 2023 and around 45% of the revenue as of 31 March 2022 as the Company has diversified business in the areas of IT Consulting, IT Staffing, Off-shore Technical Support and Big Data Analytics Software License Sales. Credit risk on Cash and Cash equivalent is limited as the Company generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

### c) Liquidity Risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank deposits and loans.

The table below summarizes the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	>5 years	Total
<b>Year ended 31 March 2023</b>						
Borrowings	59.79	-	-	-	-	59.79
Trade Payables	-	91.61	-	-	-	91.61
<b>Year ended 31 March 2022</b>						
Borrowings	37.26	-	-	-	-	37.26
Trade Payables	-	86.05	-	-	-	86.05

### Foreign Currency Risk:

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are as under:

Particulars	In foreign currency			In Rupees	
	Currency	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
		US\$	INR	US\$	INR
Trade payables	US\$	0.14	0.27	11.86	20.82
Trade receivables	US\$	0.45	0.72	35.75	54.67
Cash & Cash Equivalents	US\$	0.01	-	0.61	-
<b>Total</b>		<b>0.60</b>	<b>0.99</b>	<b>48.22</b>	<b>75.49</b>

### Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

Change in USD rate	31 March 2023	31 March 2022
	US\$	
5% increase	0.03	0.05
5% decrease	(0.03)	(0.05)

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except Share data and where otherwise stated)

### 40 Capital Management

The Group's policy is to maintain a stable Capital base so as to maintain Investor, Creditor and Market confidence and to sustain future development of the business. Management monitors Capital on the basis of return on Capital Employed as well as the Debt to Total Equity Ratio.

For the purpose of Debt to Total Equity Ratio, Debt considered is Long-term and Short-term Borrowings. Total Equity comprise of issued Share capital and all Other Equity Reserves.

The capital structure as of 31 March 2023 and 31 March 2022 was as follows:

Particulars	31 March 2023	31 March 2022
Total Equity attributable to the Equity Shareholders of the Group	691.01	675.11
As a percentage of Total Capital	92.04%	94.77%
Long Term Borrowings including Current Maturities	-	-
Short Term Borrowings	59.79	37.26
Total Borrowings	59.79	37.26
As a percentage of total Capital	7.96%	5.23%
Total Capital (Equity and Borrowings)	<b>750.80</b>	<b>712.37</b>

### 41 Other Statutory Information

- 41.1 The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- 41.2 The Company do not have any transactions with companies struck off.
- 41.3 The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- 41.4 The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- 41.5 The Company have no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- 41.6 The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- 41.7 The Company have 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:
- 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 to or on behalf of the Ultimate Beneficiaries.
- 41.8 The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company 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.
- 41.9 The company is not declared as a wilful defaulter by any bank or financial Institution or other lender.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except Share data and where otherwise stated)

### 42 Ratio Analysis

S.No.	Particulars	Measurement	Numerator	Denominator	2022-23	2021-22	%Change
1	Current Ratio	In Times	Current Asset	Current Liabilities	3.23	4.25	-24.05%
2	Debt - Equity Ratio	In Times	Debt = Long Term Borrowings + Short Term Borrowings	Total Equity	0.13	0.10	-29.48%
3	Debt Service Coverage Ratio	In Times	Earnings for Debt Service = Net Profit after Taxes + Non Cash Operating Expenses + Finance Cost	Debt Service = Interest & Lease Payments + Principal Payments	4.84	11.97	-59.53%
4	Return on Equity Ratio	In Percentage	Profit after Tax	Average Shareholder's Fund	0.67%	0.91%	-26.80%
5	Trade Receivables Turnover Ratio	In Times	Net Credit Sales = Gross Credit Sales - Sales Return (Excluding Other Income)	Average Trade Receivable	4.67	4.78	-2.31%
6	Trade Payable Turnover Ratio	In Times	Operating Expenses + Other Expenses	Average Trade Payable	5.58	4.12	35.59%
7	Net Capital Turnover Ratio	In Times	Net Sales = Total Sales - Sales Return (Including Other Income)	Working Capital = Current Assets - Current Liabilities	2.13	1.23	74%
8	Net Profit Ratio	In Percentage	Profit After Tax	Net Sales = Total Sales - Sales Return (Including Other Income)	0.48%	0.83%	-41.61%
9	Return on Capital Employed	In Percentage	Earnings Before Interest and Tax	Capital Employed = Net Worth + Total Debt	2.63%	1.37%	92.69%
10	Return on Investment	In Percentage	Profit After Tax	Total Assets	0.47%	0.58%	-18.88%

#### Note

- 42.1 The marginal decrease in Current Ratio is due to ODFD Facility obtained for Rs.59.75 Millions and Utilized Rs.59.74 Million during the current FY 2022-23 in the Subsidiary Wowtruck Technologies Private Limited
- 42.2 Increase in Debt - Equity Ratio is due to ODFD Facility obtained for Rs.59.75 Millions and Utilized Rs.59.74 Million during the current FY 2022-23 in the Subsidiary Wowtruck Technologies Private Limited.
- 42.3 Decrease in Debt - Service coverage ratio is due to ODFD Facility obtained for Rs.59.75 Millions and Utilized Rs.59.74 Million during the current FY 2022-23 in the Subsidiary Wowtruck Technologies Private Limited.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Indian Rupees Millions, except Share data and where otherwise stated)

- 42.4 Decrease in Return on Equity Ratio due to Subsidiary company Wowtruck Technologies Pvt. Ltd incurred Loss in FY2022-23.
- 42.5 Decrease in Trade Receivables Turnover Ratio is due to extended credit period for large sized orders in holding Company Goldstone Technologies and also Creditors extended Credit Period in Subsidiary Wowtruck Technologies Private Limited
- 42.6 The increase in Trade Payable Turnover Ratio is due to timely payment to Vendors in holding company Goldstone Technologies Limited.
- 42.7 Improvement in net Capital Turnover Ration is on account of increase in Sales in holding company Goldstone Technologies Limited.
- 42.8 Decrease in Net Profit Ratio on account of loss incurred in subsidiary company Wowtruck Technologies Pvt. Ltd.
- 42.9 Increase in Return on Capital Employed is on account due to increase in margins in Software License Sale in holding company Goldstone Technologies Limited.
- 42.10 Decrease in Return on Investment Ratio is due to Loss incurred in subsidiary Wowtruck Technologies Pvt. Ltd.

### 43. Significant Accounting Estimates, Judgements and Assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 1 April 2022.

#### 43 (a) Judgements

The Group determines the lease term as non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group determines the lease term as non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

#### 43 (b) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its

assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

I Deferred tax assets (including MAT credits) are recognised for unused tax credits to the extent that it is probable that taxable profit will be available against which the credits can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Refer Note 30.

## **II Defined benefit plan**

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. 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.

## **III Depreciation on property, plant and equipment**

Depreciation on property, plant and equipment is calculated on a straight-line basis using the rates arrived at based on the useful lives and residual values of all its property, plant and equipment estimated by the management. The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of property, plant and equipment, which are equal to the life prescribed under Schedule II of the Companies Act, 2013.

IV The Group assesses at each balance sheet date whether there is any indication that an asset or a group of assets comprising a cash generating unit may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. For an asset or group of assets that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. 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 if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost. An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined, if no impairment loss had been recognised.

## **V Leases- Estimating the incremental borrowing rate**

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group presently pays on Borrowings availed by the Group.

## **44 Standards issued but not yet effective**

I The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates. The amendments are not expected to have a material impact on the Groups's financial statements.

## II Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. The Group is currently revisiting their accounting policy information disclosures to ensure consistency with the amended requirements.

III The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. The Group is currently revisiting their accounting policy information disclosures to ensure consistency with the amended requirements.

45 The Indian Parliament has approved the code on Social Security, 2020 which could impact the contributions by the Group towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and the rules for quantifying the financial impact are yet to be framed. The Group will complete evaluation and will give appropriate impact in the financial results in the period in which, the code and related rules become effective.

## 46 Prior year comparatives

The figures of the previous year have been regrouped/reclassified, where necessary, to conform with the current year's classification.

As per our report of even date  
for **P Murali & Co**  
Chartered Accountants  
ICAI Firm Registration Number: 0072578

Sd/-  
**M V Joshi**  
Partner  
Membership No.: 020085

Place: Hyderabad  
Date: 29 May 2023

for and on behalf of the Board of Directors of  
**Goldstone Technologies Limited**  
CIN: L72200TG1994PLC017211

Sd/-  
**Pavan Chavali**  
Managing Director  
DIN: 08432078

Sd/-  
**Vithal V S N K Popuri**  
Chief Financial Officer

Sd/-  
**L.P. Sashikumar**  
Director  
DIN: 00016679

Sd/-  
**Niralee Rasesh Kotdawala**  
Company Secretary

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CIN: L72200TG1994PLC017211