



GOLDSTONE
TECHNOLOGIES

Twenty Seventh Annual Report 2020-2021

Specialist, Full Stack BI, Data Analytics and IT Services Consulting

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

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CORPORATE INFORMATION

Board of Directors:

Mr. K.S.Sarma, IAS (Retd.)
Mr. V.Venkata Ramana
Ms. Sukhjinder Kaur[@]
Mrs. Deepa Chandra[#]
Mr. L.P.Sashikumar
Mr. Clinton Travis Caddell
Mr. Pavan Chavali*

Board Committees:

Audit Committee:

Mr. K.S.Sarma, IAS (Retd.)
Mr. V.Venkata Ramana
Ms. Sukhjinder Kaur[@]
Mrs. Deepa Chandra[#]

Nomination and Remuneration Committee:

Mrs. Deepa Chandra[#]
Mr. K.S.Sarma, IAS (Retd.)
Mr. V.Venkata Ramana
Mr. L.P.Sashikumar
Ms. Sukhjinder Kaur[@]

Stakeholders Relationship Committee:

Mr. K.S.Sarma, IAS (Retd.)
Mr. V.Venkata Ramana
Mr. L.P.Sashikumar

Key Managerial Personnel:

Mr. Pavan Chavali* : Whole-Time Director
Mr. Vithal VSSNK Popuri : Chief Financial Officer
Mr. Thirumalesh T : Company Secretary & Compliance Officer

Statutory Auditors:

M/s. PCN & Associates,
Chartered Accountants
Plot No.12, "N Heights", Ground Floor,
Software Layout Unit, Cyberabad,
Hyderabad-500 081.

Principal Bankers:

ICICI Bank Limited
State Bank of India

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@aarthicconsultants.com

Stock Exchanges where Company's Securities are listed:

BSE Limited
National Stock Exchange of India Limited

Registered Office:

1st Floor, GNR's RV Insignia Building,
Image Garden Road, Madhapur,
Hyderabad, Rangareddi-500081
Telangana, India.
Tel. +91-40-66284999
www.goldstonetech.com
E-Mail: corporate@goldstonetech.com
CIN: L72200TG1994PLC017211

@ Resigned as a Director w.e.f 20.09.2020

Appointed as a Director w.e.f. 13.11.2020

* Appointed as a Whole-Time Director for a further term of 3 years w.e.f 25.06.2021



GOLDSTONE TECHNOLOGIES LIMITED

CIN: L72200TG1994PLC017211

Regd. Off: 1st Floor, GNR's RV Insignia Building, Image Garden Road, Madhapur, Hyderabad, Rangareddi -500081, Telangana, Tel. +91-40-66284999, www.goldstonetech.com, E-Mail: corporate@goldstonetech.com

NOTICE

Notice is hereby given that the Twenty Seventh Annual General Meeting of the members of Goldstone Technologies Limited will be held on Monday the 27th day of September, 2021 at 3.00 p.m. (IST) through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM') facility to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Standalone and Consolidated Audited Financial Statements of the Company for the year ended 31st March, 2021 together with the Directors' and Auditors' Report thereon.
2. To appoint a Director in place of Mr. Paul Sashikumar Lam (DIN: 00016679) who retires by rotation and being eligible, offers him-self for re-appointment.

SPECIAL BUSINESS:

3. APPOINTMENT OF MRS. DEEPA CHANDRA (DIN : 08952233) AS AN INDEPENDENT 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 Section 149, 150, 152, 161 and other applicable provisions of the Companies Act, 2013, if any, read with Rule 3 and 4 of Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable rules if any and Schedule-IV of the Companies Act, 2013, (including statutory modification(s) or re-enactment thereof for the time being in force), and Regulation 27(2) of SEBI (Listing Obligations and Disclosure Requirements)

Regulations, 2015, Mrs. Deepa Chandra (DIN: 08952233) who has submitted a declaration that she meets the criteria for independence as provided in section 149(6) of the Companies Act, 2013 and who is eligible for appointment, be and is hereby appointed as a Non-Executive Independent Director of the Company with effect from 13th November, 2020 to hold office for a term of 5 (five) consecutive years, not 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.”

4. APPOINTMENT OF MR. PAVAN CHAVALI (DIN: 08432078) AS A WHOLE TIME DIRECTOR OF THE COMPANY

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **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, as recommended by the Nomination and Remuneration Committee, the Board of Directors of the Company and approval of members be and is here by accorded to appointment of Mr. Pavan Chavali (DIN. 08432078), as a Whole-time Director of the Company for a term of 3 (three) years

with effect from 25th June 2021, on the following terms and conditions:

1. Salary

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

2. Perquisites and allowances

The following perquisites and allowances 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 as per the Company Policy.

Up to an amount of Rs. 5,00,000/- (Rupees Five 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 Mr. Pavan Chavali, the Company has no profits or its profits

are inadequate, he will be paid as aforementioned remuneration by way of salary and perquisites as minimum remuneration 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 (including any Committee 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. Pavan Chavali.”

“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.”

5. ISSUE OF 1,58,00,000 EQUITY SHARES ON PREFERENTIAL BASIS

To consider and if thought fit, to pass with or without modifications the following resolution as a **special resolution**:

“RESOLVED THAT pursuant to the provisions of Section 42, 62(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the applicable Rules thereunder, and the enabling provisions of the Memorandum of Association and Articles of Association of the Company and, the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the “SEBI ICDR Regulations”), the Securities and Exchange

Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the provisions of the Foreign Exchange Management Act, 1999, as amended, and rules and regulations framed thereunder as in force and in accordance with other applicable rules, regulations, circulars, notifications, clarifications and guidelines thereon issued from time to time by the Government of India, the Securities and Exchange Board of India (“SEBI”), the Reserve Bank of India (“RBI”), the Registrar of Companies (the “RoC”) and the Stock Exchanges where the shares of the Company are listed (“Stock Exchanges”) and subject to requisite approvals, consents, permissions and/ or sanctions, from appropriate statutory, regulatory or other authority (including RBI) and subject to such conditions and modifications as may be prescribed, stipulated or imposed by any of the above authorities while granting any such approvals, consents, permissions and/ or sanctions, which the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall be deemed to mean and include one or more committee(s) constituted by the Board to exercise its powers including the powers

conferred by this Resolution), is authorised to accept and subject to any other alterations, modifications, corrections, changes and variations that may be decided by the Board in its absolute discretion in the best interest of the Company, the consent of the Members of the Company be and is hereby accorded to the Board to offer, issue and allot on preferential basis to M/s. Trinity Infra ventures Limited (Promoter of the Company) (PAN AABCG1937G) and Mr. Srinivas Pagadala, (“Proposed Allottee”) (PAN: AEHPP6586R) to create, offer and allot on preferential basis not more than 1,58,00,000 (One Crore Fifty Eight Lakhs only) equity shares of face value of Rs. 10/- each (Rupees Ten Only) fully paid-up for cash at an issue price of Rs. 14.30/- (Rupees Fourteen and Thirty Paise Only) (including premium of Rs. 4.30/- (Rupees Four and Thirty Paise Only) per share aggregating to Rs22,59,40,000/- (Rupees Twenty Two Crores Fifty Nine Lakhs Forty Thousand Only) determined in accordance with the provisions of Chapter V of SEBI (ICDR) Regulations, as on the Relevant Date on such other terms and conditions as may be approved by the Board:

Sl.No	Details of proposed subscriber	Part of existing promoter/ promoter group	No of Equity Shares	Consideration (in Rs.)
1.	M/s. Trinity Infraventures Limited Registered Office: 6/10 Shanti Niketan, New Delhi, Delhi-110021	Yes	1,51,00,000	21,59,30,000
2.	Mr. SrinivasPagadala Resident of B-508, SVSS Sankalp, Lowertank Bund, Domalguda, Hyderabad, Telangana -500080	No	7,00,000	1,00,10,000

M/s. Trinity Infraventures Limited and Mr. Srinivas Pagadala will be referred to as “Proposed Allottees”

“RESOLVED FURTHER THAT the Relevant Date, as per the provisions of Chapter V of the SEBI (ICDR) Regulations for the determination of issue price of the equity shares is 27th August 2021 i.e. 30 days prior to the date of Annual General Meeting (AGM).”

*as the 30th day prior to the date of AGM i.e. 28th August 2021 is falling on weekend, the day preceding the weekend is i.e. 27th August, 2021 considered as relevant date for determination of price for issuance of shares.

“RESOLVED FURTHER THAT the aforesaid issue of equity shares shall be subject to the following terms and conditions:

- a. The proposed allottees shall be required to bring in 100% of the consideration for the equity shares to be allotted to such proposed allottees, on or before the date of allotment thereof;
- b. The consideration for allotment of equity shares shall be paid to the Company from the bank accounts of the respective Proposed Allottees;
- c. The equity shares to be allotted to the Proposed Allottees shall be under lock-in for such period as may be prescribed under SEBI ICDR Regulations;
- d. The entire pre-offer shareholding of the Proposed Allottees will be under lock-in for such period as may be prescribed under SEBI ICDR Regulations.
- e. The equity shares so allotted to the Proposed Allottees under this resolution shall not be sold, transferred, hypothecated or encumbered in any manner during the period of lock-in provided under SEBI ICDR Regulations except to the extent and in the manner permitted there under;
- f. The equity shares shall be allotted within a period of 15 (Fifteen) days

from the date of passing this resolution provided where the allotment of the equity shares is pending on account of pendency of any approval of such allotment by any regulatory authority, the allotment shall be completed within a period of 15 (Fifteen) days from the date of such approval; and

- g. Allotment shall only be made in dematerialized form.
- h. The monies to be received by the Company from the proposed allottees for application of the Equity Shares pursuant to this private placement shall be kept in a separate bank account to be opened by the Company and shall be utilized in accordance with Section 42 of the Companies Act, 2013.
- i. The Equity Shares so offered, issued and allotted shall be listed on BSE Limited and National Stock Exchange of India Limited where the Equity Shares of the Company are listed, subject to the receipt of necessary permissions and approvals, as the case may be.

“RESOLVED FURTHER THAT the Board be and is hereby authorized to make an offer to the proposed allottee through private placement offer letter (in the format of PAS-4) immediately after passing of this resolution with a stipulation that allotment would be made only upon receipt of in-principle approval from the Stock Exchange(s) i.e BSE Limited & National Stock Exchange of India Limited.”

“RESOLVED FURTHER THAT the equity shares proposed to be so allotted shall rank pari-passu in all respects including as to dividend, with the existing fully paid up equity shares of face value of Rs. 10/- (Rupees Ten only) each of the Company.”

“RESOLVED FURTHER THAT subject to the SEBI (ICDR) Regulations and other applicable laws, the Board be and is hereby authorized to decide and approve

terms and conditions of the issue of above mentioned equity shares and to vary, modify or alter any of the terms and conditions, including size of the issue, as it may deem expedient.”

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution and for the purpose of issue and allotment of the equity shares and listing thereof with the Stock Exchange(s), the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion consider necessary, desirable or expedient including application to Stock Exchange(s) for obtaining in-principle approval, listing of shares, filing of requisite documents with the Registrar of Companies, to resolve and settle any questions and difficulties that may arise in the proposed issue, offer and allotment of the said equity shares, utilization of issue proceeds, signing of all deeds and documents as may be required without being required to seek any further consent or approval of the Board.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of the Board or any Director(s) or Officer(s) of the Company and to generally do all such acts, deeds and things as may be required in connection with the aforesaid resolutions, including making necessary filings with the stock exchanges and regulatory authorities and execution of any documents on behalf of the Company and to represent the Company before any governmental authorities and to appoint any merchant bankers or other professional advisors, consultants and legal advisors to give effect to the aforesaid resolutions.”

6. TO ENHANCE THE BORROWING LIMITS OF THE BOARD OR A COMMITTEE THEREOF FROM Rs.150 CRORES TO Rs.200 CRORES

To consider and if thought fit, to pass with or without modifications the following resolution as a **special resolution**:

“RESOLVED THAT in supersession of the earlier resolution passed by the Members regarding the borrowing limits of the Company, the consent and approval of the Members of the Company be and is hereby accorded to the Board of Directors (herein after referred to as the `Board` which expression shall include a Committee of Directors duly authorized in this behalf and for the time being exercising the powers conferred on them by this resolution) to enhance the existing borrowing limits from Rs.150 Crores (Rupees One Hundred and Fifty Crores only) to Rs.200 Crores (Rupees Two Hundred Crores only) under Section 180(1)(c) of the Companies Act, 2013 and that the Board be and is hereby authorized to borrow any sum or sums of money (including non-fund based facilities) not exceeding in the aggregate Rs.200 Crores (Rupees Two Hundred Crores only) from time to time at their discretion, for the purpose of the business of the Company, from any one or more Banks, Financial Institutions and other persons, firms, bodies corporate, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) may, at any time, exceed the aggregate of the then paid up capital of the Company and its free reserves (that is to say reserves not set apart for any specific purpose) and that the Board of Directors be and is hereby empowered and authorised to arrange or fix the terms and conditions of all such monies to be borrowed from time to time as to interest, repayment, security or otherwise as they may, in their absolute discretion, think fit, subject to necessary consents & approvals.”

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and are hereby authorized on behalf of the Company to do all such acts, deeds, matters

and things as the Board may, in its absolute discretion, deem necessary or desirable, for such purpose, including without limitation to enter into arrangements/ agreements and to settle all questions, difficulties or doubts that may arise in regard to such issue as the Board, in its absolute discretion deem fit and take all steps which are incidental, consequential, relevant or ancillary in this connection.”

7. 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;

To consider and if thought fit, to pass with or without modifications the following resolution as a **special resolution**:

“**RESOLVED THAT** in supersession of the earlier resolutions passed by the Members with regard to sale, lease, mortgage or otherwise dispose of the whole or substantially the whole of the undertaking(s) of the Company and pursuant to the provisions of Section 180(1)(a) and all other applicable provisions, if any, of the Companies Act, 2013, read with the relevant Rules thereof (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the consent and approval of the Members of the Company be and is hereby accorded to the Board of Directors or any Committee of Directors as may be authorized by the Board in this regard (hereinafter referred to as “the Board”) to enhance the existing limits of Rs.150 Crores (Rupees One Hundred and Fifty Crores only) to Rs.200 Crores (Rupees Two Hundred Crores only) with regard to sell, lease, mortgage or otherwise dispose of or to create charge, mortgage and/or hypothecate the whole or substantially the whole of the undertaking(s) assets of the Company wherever situated, present & future, at such time and on such terms and

conditions as the Board may deem fit, in the best interest of the Company.”

“**RESOLVED FURTHER THAT** in connection with the aforesaid resolution, the Board shall have the power to mortgage or otherwise offer as collateral, substantial property, assets and/or undertakings of the Company in favour of Banks/Financial Institutions/ Other Lenders to secure the repayment of the various credit facilities availed or to be availed by the Company or its Holding/ Subsidiary/ Associate Companies, provided that the total amount of loans together with interest thereon, additional interest, compound interest, liquidated damages, commitment charges, premia on pre-payment or on redemption, costs, charges, expenses and all other moneys payable by the Company in respect of the said loans, for which such charges, mortgages or hypothecations are created, shall not, at any time exceed the limit of Rs.200 Crores (Rupees Two Hundred Crores only).”

“**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company be and are hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as the Board may, in its absolute discretion, deem necessary or desirable, for such purpose, including without limitation to enter into arrangements/ agreements and to settle all questions, difficulties or doubts that may arise in regard to such issue as the Board, in its absolute discretion deem fit and take all steps which are incidental, consequential, relevant or ancillary in this connection.”

BY ORDER OF THE BOARD
For GOLDSTONE TECHNOLOGIES LIMITED

Sd/-
Thirumalesh T
Company Secretary

Place: Hyderabad
Date : 26.08.2021

NOTES:-

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular nos. 14/2020 and 17/2020 dated April 8, 2020 and April 13, 2020 respectively, in relation to “Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid-19”, circular no. 20/2020 dated May 5, 2020 in relation to “Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)” and Circular no. 02/2021 dated January 13, 2021 in relation to “Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)” (collectively referred to as “MCA Circulars”) and Securities and Exchange Board of India (“SEBI”) vide its circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 in relation to “Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 – Covid-19 pandemic” and circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 in relation to “Relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 due to the Covid -19 pandemic” (collectively referred to as “SEBI Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars and SEBI Circulars, the AGM of the members of the Company is being held through VC / OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.
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. The relative Explanatory Statement pursuant to section 102 of the Companies Act, 2013 (Act) in respect of the business under Item No. 3 to 7 of the Notice, is annexed hereto. 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/reappointment as placed at item 3 & 4 of notice at this AGM are also annexed.
4. 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 atleast 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 served basis. The detailed instructions for joining the Meeting through VC/OAVM forms part of this Notes.

5. Institutional Investors, who are Members of the Company, are encouraged to attend the 27th AGM through VC/OAVM mode and vote electronically. Corporate Members intending to appoint their authorised 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 sprathapacs@gmail.com with a copy marked to cs@goldstonetech.com
6. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
7. In line with aforementioned MCA Circulars and SEBI Circulars, the Notice of the AGM along with the Annual Report 2020-21 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 27th AGM has been uploaded on the website of the Company at 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 and www.nseindia.com respectively.
8. The Register of Members and the Share Transfer Books of the Company will be closed from Tuesday, September 21, 2021 to Monday, September 27, 2021 (both days inclusive).
9. 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@arthiconsultants.com Web: www.arthiconsultants.com ("RTA" or "Registrar") for assistance in this regard.
10. 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.

11. Nomination facility: As per the provisions of Section 72 of the Act, the facility for making nomination 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 with a copy marked to cs@goldstonetech.com in case the shares are held in physical form, quoting your folio no.

12. 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.
13. Members who wish to inspect the relevant documents referred to in the Notice can send an e-mail to cs@goldstonetech.com from their registered e-mail id by mentioning their DP ID & Client ID/Physical Folio Number.
14. 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.

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

16. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES 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 email to the RTA at info@aarthiconsultants.com with a copy marked to 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 with a copy marked to cs@goldstonetech.com.
- The RTA/Company shall co-ordinate with CDSL and provides the login credentials to the above mentioned Shareholders. Please update your email 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 Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of Listing Regulations (as amended) and the MCA Circulars, 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 CDSL for facilitating voting through electronic means, as the authorised agency. The facility of casting votes by a Member using remote e-Voting system as well as remote e-Voting during 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 **Monday, 20th September, 2021 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 **Monday, 20th September, 2021** may obtain a copy of AGM Notice by sending a request to info@aarthiconsultants.com or can also be downloaded from the Company's website 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 **Thursday, 23rd September, 2021 at 9.00 a.m. (IST) and ends on Sunday, 26th September, 2021 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. M/s.Prathap Satla & Associates, Practicing Company Secretaries, Hyderabad have been appointed as the Scrutinizer(s) to scrutinize the e-voting process in a fair and transparent manner and they have communicated their willingness to be appointed and will be available for same purpose.

viii. The Scrutiniser will submit his report to the Chairperson or to any other person authorised by the Chairperson 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 Scrutiniser'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.

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 CDSL	<ol style="list-style-type: none"> 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 https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting 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 & 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. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 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 www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile &

	<p>Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<ol style="list-style-type: none"> 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: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsd.com/SecureWeb/Ideas DirectReq.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants</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 & voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at 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 helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1 800 1020 990 and 1 800 22 44 30

ix. Login method for e-Voting and joining virtual meeting for **shareholders other than individual shareholders holding in Demat form & physical shareholders.**

- 1) The shareholders should log on to the e-voting website 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 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:

For Shareholders holding shares in Demat Form other than individual and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • 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.
Dividend Bank Details OR Date of Birth (DOB)	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. <ul style="list-style-type: none"> • 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 as mentioned in instruction ix.

- 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) **Facility for Non – Individual Shareholders and Custodians –Remote Voting**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to 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.
 - 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 should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - 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 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 email address viz; 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 Remote 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 except on the resolutions which couldn't be voted during the remote e-voting.
4. Members may join the meeting through laptops, smartphones, tablets and iPads for better experience. 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 **before 3.00 p.m. (IST) on Monday, 20th September, 2021**. 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 27th 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 **before 3.00 p.m. (IST) on Monday, 20th September, 2021**. 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 or contact at 022- 23058738 and 022-23058542/43.

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, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

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

Place: Hyderabad
Date :26.08.2021

Sd/-
Thirumalesh T
Company Secretary

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

ITEM NO.3:

Based on the recommendation of the Nomination & Remuneration Committee, the Board of Directors of the Company in their meeting held on 13th November, 2020 have appointed Mrs. Deepa Chandra (DIN: 08952233) as an Additional Director (Independent) of the Company to hold office for a period of five consecutive years, not liable to retire by rotation, subject to consent by the Members of the Company at the ensuing General Meeting. As an Additional Director, Mrs. Deepa Chandra holds office till the date of the ensuing Annual General Meeting to be held for the year 2020-21 and is eligible for being appointed as an Independent Director. The Company has received a notice pursuant to Section 160 of the Companies Act, 2013 (the "Act") from a Member signifying his intention to propose the appointment of Mrs. Deepa Chandra as a Director of the Company. The Company has also received a declaration from Mrs. Deepa Chandra confirming that she meets the criteria of independence as prescribed under the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Mrs. Deepa Chandra is also not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director of the Company.

In the opinion of the Board, Mrs. Deepa Chandra fulfils the conditions for her appointment as an Independent Director as specified in the Act and the Listing Regulations and she is independent of the management.

Mrs. Deepa Chandra, holds a Post Graduate Degree in Science M.Sc and an M.Phil (Micro Biology). She had started her career as a Science Officer with All India Radio Bhopal and retired as an Additional Director General

(Programmes) in Doordarshan (National Public Television) under aegis of Prasar Bharati, she had worked in various positions with All India Radio Bhopal, Doordarshan Kendra Mumbai, Delhi and Headquarters. She is a Member of Prasar Bharati Recruitment Board.

She has been invited as an expert to facilitate and evaluate documentaries commissioned by IGNC, New Delhi. She has also held lectures on media for students in IGNC, Public sector organizations like BHEL as a guest faculty to address their young Managers on management techniques. She is also appearing Guest faculty in various universities like Delhi University, Jamia Millia Islamia University New Delhi, National Academy of Broadcasting and Multimedia, New Delhi.

A copy of the draft letter of appointment for Independent Directors, setting out the terms and conditions for appointment of Independent Directors is available for inspection by the Members at the registered office of the Company during business hours on any working day and is also available on the website of the Company www.goldstonetech.com.

Mrs. Deepa Chandra is not related to any other Director and Key Managerial Personnel of the Company.

Except Mrs. Deepa Chandra, none of the Directors, Key Managerial Personnel and their relatives, in any way, concerned or interested in the said resolution.

The resolution as set out in item No. 3 of this Notice is accordingly commended for your approval.

ITEM NO.4:

Mr. Pavan Chavali, was appointed as a Whole Time Director of the company with effect from 23rd May 2019 for a term of 2 years. His appointment was approved by the members in the Annual General Meeting held on 26th September 2019. His term as Whole-Time Director expired on 22nd May 2021 and post that he continued to act as a Director. The

Board of Directors (based on the recommendations of Nomination and Remuneration Committee) in their meeting held on 25th June, 2021 appointed Mr.Pavan Chavali, as a Whole Time Director of the company for a further term of 3 (three) years with effect from 25th June, 2021.

Mr. Pavan Chavali, holds Degree in Bachelor of Engineering (B.E), Mechanical Engineering. He has been associated with the Company since more than eight years in various designations, handling business operations, Programs, Project Management, Partner relationship Management and Whole Time Director. He has overall more than 19 years IT experience ranging from end user technical support to enterprise software support experience in large ESV's with recognized strengths in leading P&L responsibilities, support operations, delivery management and customer account management. Considering his vast experience and extensive knowledge, the board hereby recommended his appointment for further term as a Whole Time Director of the Company.

Having 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 to the Companies Act, 2013. Accordingly, approval for payment of remuneration to Mr.Pavan Chavali is being sought from the shareholders by way of Special resolution under Item No. 4 of the Notice for the General Body Meeting for a period of 3 (Three) years from the date of his appointment to the office of Whole-time Director i.e. with effect from 25th June, 2021 under Section II of Part II of Schedule V to 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 to the Companies Act, 2013 and rules made thereunder.

Disclosures as per sub clause (iv) of the second proviso to clause (B) of Section II of Part-II of Schedule V to the Companies Act, 2013.

I. GENERAL INFORMATION: (About Company)

i) Nature of Industry;

The operations of the Company would come under the purview of Information Technology and Software Services.

ii) Date or expected date of commencement of commercial production.

The Company is in operation since 1994.

iii) In case of new companies expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not Applicable.

iv) (a) Standalone Financial performance based on given indicators.

(Amount Rupees in Millions)

S.No	Particulars	For the Financial Year		Three months un-audited
		2019-20	2020-21	Q1- 2021-22
1	Revenue from operations	351.89	421.86	106.34
2	Profit before tax	12.48	18.56	(3.05)
3	Profit after tax	10.87	14.20	(3.29)
4	Paid-up Capital (including share application money)	187.82	187.82	187.82

(b) Consolidated Financial performance based on given indicators.

(Amount Rupees in Millions)

S.No	Particulars	For the Financial Year		Three months un-audited
		2019-20	2020-21	Q1- 2021-22
1	Revenue from operations	427.64	500.10	123.26
2	Profit before tax	0.71	(1.11)	(4.46)
3	Profit after tax	(1.28)	(5.73)	(4.70)
4	Paid-up Capital (including share application money)	187.82	187.82	187.82

v) Foreign investments or collaborations if any.

The company do not have any foreign investments or collaborations except the fact that it has a subsidiary company i.e., M/s. Staytop Systems Inc. located at North Carolina, United States.

II. INFORMATION ABOUT THE APPOINTEE:

I) Background details:

Mr.Pavan Chavali, presently designated as Whole Time Director of the company, who holds Degree in Bachelor of Engineering (B.E), Mechanical Engineering. He has been associated with the Company since more than Eight years in various designations, handling business operations, Programs, Project Management, Partner relationship Management and he was appointed as Whole Time Director.

He has overall more than 19 years IT experience ranging from end user technical support to enterprise software support experience in large ESV's with recognized strengths in leading P&L responsibilities.

Senior program management experience in handling the service delivery requirements of large and diverse ecosystems working in matrix

organizations with a solid track record of turning concepts into reality

ii) Past remuneration:

Mr. Pavan Chavali's past annual remuneration was Rs. 50,00,000/- (Rupees Fifty Lakhs only) and Up to an amount of Rs.5,00,000/- (Rupees Five Lakhs Only) as variable pay.

iii) Recognition or awards:

He has been associated with the company since about 9 years, having started his career with GTL as GM-Operations moving to VP – Operations and to be appointed as Whole Time Director for the company in May 2019. 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. Pavan Chavali 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.

iv) Job profile and suitability:

Mr. Pavan Chavali as Whole Time Director has been 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.

v) Remuneration proposed;

As set out in the resolution under Item No.4 of the Notice.

vi) 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.Pavan Chavali during the period in which he was designated as Whole Time Director 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.4 of the Notice, the remuneration is commensurate With Industry standards and Board Level Positions held in similar sized and similar positional business.

vii) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any:

Mr.Pavan Chavali 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:

i) Reasons for loss or inadequate profits:

Compared to the previous FY, the company has seen an increase in revenue both at the standalone and consolidated levels even during the tough times of Covid-19. However, the impact of a major 'vendor consolidation' by a customer in the previous period, under the managed/staff augmentation business unit continues to have an impact on the overall numbers. While there has been notable growth in the stand-alone revenue and profits during this FY, company was unable to record overall profits due to stress on margins at a consolidated level. 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.

ii) Steps taken or proposed to be taken for improvement:

The Company is concentrating to improve its 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 expanding technology partnerships (added 5 new partnerships in 2020-21), investing in hiring and retaining top talent, expansion of office spaces PAN India to ensure talent from all regions is available for growth. With these developments, the business is expected to grow significantly and expecting to increase profits and also the company has put in place measures to reduce cost and improve the bottom-line.

iii) 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

DISCLOSURE:

Subject to approval and ratification of the shareholders, the Board has fixed the remuneration/ perquisites/ benefits payable to the aforesaid Mr.Pavan Chavali, Whole-time Director from 25th June, 2021 as follows:

1. Name of the appointee: Mr.Pavan Chavali,
2. Designation: Whole-time Director
3. Tenure: Three Years with effect from 25th June, 2021.
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 as per the Company Policy.
- iv) Up to an amount of Rs.5,00,000/- (Rupees Five 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.

Mr. Pavan Chavali does not hold any equity shares in the Company. The report on corporate governance in the annual report would indicate the remuneration paid to the managerial personnel as well as to all other directors.

The Board recommends the Special Resolution at Item No. 4 of this Notice, for approval of the Members.

MEMORANDUM OF INTEREST

Except Mr.Pavan Chavali, none of the other Directors, Key Managerial Personnel or their relatives concerned or interested, financially or otherwise, in the said resolution.

ITEM NO.5:

Goldstone Technologies Limited (GTL) vision in the coming years is to develop into a complete Business Intelligence, Analytics and Data Sciences solutions provider. This includes offering BI & Analytics and product solutions such as, Tableau – Visualization BI, Cloud Solutions and other BI solutions.

GTL is technology – reselling and service partners with various organizations. GTL is the No.1 reselling and services partner with Tableau & Alteryx in India. Cloud Solution and other mentioned partnerships have been added in the last few months and are poised for growth, apart from offering these products through partnerships in India, GTL is evolving as a major 'BI Consulting Services' provider in the India market offering solutions right from training – implementation for major Enterprise, Fintech, Manufacturing, Pharma and BFSI organization in India. So to meet the expansion and growth plan the company needs further funding. Hence, in this regards approval of members sort vide item No.5 of the notice.

The approval of the members by way of special resolution is required inter alia in terms of Sections 42 and 62(1)(c) of the Companies Act, 2013, the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014 (collectively, the “CA 2013”) as well as the Securities and Exchange Board of India, as amended (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“SEBI ICDR Regulations”).

Therefore, in terms of said sections, rules and regulations, consent of the Members is being sought for the issue and allotment of 1,58,00,000 (One Crore Fifty Eight Lakhs only) equity shares of face value of Rs.10/- each (Rupees Ten Only) fully paid-up for cash at issue price of Rs.14.30/- (Rupees Fourteen and Thirty Paise only) (including premium of Rs. 4.30/- (Rupees Four and Thirty Paise Only) per share aggregating to Rs. 22,59,40,000/- (Rupees Twenty Two Crores Fifty Nine Lakhs Forty Thousand Only) on a preferential basis to the Proposed Allottees, entitling the Proposed Allottees to subscribe to and be allotted the Equity Shares, not later than 15 (fifteen) days from the date as applicable under Regulation 74 of the SEBI ICDR Regulations.

In terms of the provisions of the Companies Act, 2013 read with Rule 13(2) of the Companies (Share Capital and Debentures) Rules, 2014 and the aforesaid ICDR Regulations, the relevant disclosures / details are given below:

A) Objects of the Preferential Issue:

In order to expand its business operations in Data Analytics, to grab the opportunities especially in unique BI product solutions in India, Analytics segment, Data Sciences solutions provider and also augment the working capital, make investments for increase sales, marketing & related areas and general corporate purpose

B) The total number of shares or other securities to be issued and the date of passing of Board Resolution.

The resolution set out in the accompanying notice authorizes the Board to in its meeting held on 26th August 2021 issue up to 1,58,00,000 equity shares (One Crore Fifty Eight Lakhs only) equity shares on preferential basis for consideration in cash such price being not less than the minimum price as on the 'Relevant Date' determined in accordance with the provisions of Chapter V of the SEBI ICDR Regulations

Please refer to Para-D below for the basis for calculating the price for the preferential issue.

C) Important Terms and Conditions

The equity shares proposed to be so allotted shall rank pari-passu in all respects including as to dividend, with the existing fully paid up equity shares of face value of Rs. 10/- (Rupees Ten only) each of the Company

D) Issue Price, Relevant Date and the Basis on which the price has been arrived at

The price of equity shares to be issued is fixed at Rs. 14.30/- per equity share of face value of Rs.10/- each in accordance with the price determined in terms of Regulation 164 of the SEBI ICDR Regulations.

The relevant date as per the SEBI ICDR Regulations for the determination of the price per equity share pursuant to the preferential allotment is 27th August, 2021 (“Relevant Date”) (i.e. 30 days prior to the date of proposed AGM. Since 28th August, 2021 falls on Saturday, the day preceding the weekend i.e. 27th August, 2021 is reckoned as relevant date).

The Company is listed on BSE Limited and National Stock Exchange of India Limited and the equity shares of the Company are frequently traded in accordance with Regulation 164(5) of the SEBI ICDR Regulations. In terms of SEBI ICDR Regulations, the equity shares shall be allotted at a price not less than higher of the following:

- a. Average of the weekly high and low of the volume weighted average prices of the equity shares of the Company quoted on the National Stock Exchange of India*, during the twenty six weeks preceding the Relevant Date (i.e. Rs. 12.19) or
- b. Average of the weekly high and low of the volume weighted average prices of the equity shares of the Company quoted on the National Stock Exchange of India*, during the two weeks preceding the Relevant Date (i.e. Rs. 14.28).

**For the purpose of the price fixation, the prices quoted on the National Stock Exchange of India Limited have been used since it constitutes the Stock Exchange which has the highest trading volume during the preceding twenty six weeks prior to the Relevant Date.*

Accordingly, price per Equity Share is Rs. 14.30/- (Rupees Fourteen and Thirty Paise only) in accordance with the above provisions.

Hence the price fixed per each Equity Share to be issued on preferential basis is the price calculated in accordance with the SEBI ICDR Regulations.

Since the equity shares of the Company have been listed on the recognized stock exchanges for a period of more than 26 weeks as on the Relevant Date, the Company is not required to re-compute the price per equity share.

E) Intention of promoters / directors / key managerial personnel to subscribe to the offer:

Except Trinity infraventures Limited, part of promoter and promoter group of Your Company, none of the other promoters, directors or key managerial personnel intend to subscribe to the preferential issue.

F) Principal terms of the assets charged as securities:

Not Applicable

G) Proposed time within which the allotment shall be completed:

As required under the SEBI ICDR Regulations, the Company shall complete the allotment of equity shares as aforesaid on or before the expiry of 15 days from the date of passing of the special resolution by the shareholders granting consent for preferential issue or in the event allotment of equity shares would require any approval(s) or permission from any regulatory authority or the Central Government, within 15 days from the date of such approval(s) or permission, as the case may be or within a period of 15 (Fifteen) days from the expiry of the offer period if any competing offer is being made pursuant to sub regulation (1) of Regulation 20 of SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended SEBI SAST Regulations, 2011.

H) The name of the Proposed Allottees, the identity of the natural persons who are the ultimate beneficial owners of the shares and/or who ultimately control the Proposed Allottees, the percentage of post preferential issue capital that may be held by them and change in control:

Details of subscriber	Category / Class of Subscriber	Pre-issue		No. of Equity Shares Proposed to be allotted		Post-issue		Beneficial Ownership
		No. of Equity Shares	% of Shareholding	No. of Equity Shares	% of Shareholding*	No. of Equity Shares	% of Shareholding*	
M/s. Trinity Infraventures Limited	Promoter and Promoter Group	34,19,872	18.21	1,51,00,000	43.66	1,85,19,872	53.55	In M/s. Trinity Infraventures Ltd., the following three persons hold majority of shareholding and are promoters of Trinity Infraventures Limited. Mrs. Mahita Prasad Caddell (29.85%) Mrs. Sunita Prasad (29.85%) Mrs. Indrani Prasad (34.15%)
Mr. Srinivas Pagadala	Public	-	-	7,00,000	2.02	7,00,000	02.02	NA

*Computed on post preferential issue paid-up capital

Shareholding Pattern pre and post preferential issue of Equity Shares

The shareholding pattern as on 30th June, 2021 before and after the preferential issue of Equity Shares would be as under:

S.No	Category	Pre-issue		No. of Equity Shares Proposed to be allotted		Post-issue	
		No. of Equity Shares	% of Shareholding	No. of Equity Shares	% of Shareholding*	No. of Equity Shares	% of Shareholding
A	Promoters' Holding						
1	Indian						
	Individual	1,14,281	0.61	0	0	1,14,281	0.33
	Bodies Corporate - Trinity Infraventures Limited	34,19,872	18.21	1,51,00,000	43.66	1,85,19,872	53.55
2	Foreign Promoters	0	0.00	0	0.00	0	0.00
	Sub Total (A)	35,34,153	18.82	1,51,00,000	43.66	1,86,34,153	53.88
B	Non- Promoters' holding						
1	Institutional Investors						
	Financial Institutions and Banks	2,900	0.02	0	0.00	2,900	0.01
2	Non-Institutions						
	Indian Public	1,28,29,090	68.30	0	0.00	1,28,29,090	37.10
	Mr. Srinivas Pagadala	0.00	0.00	7,00,000	2.02	7,00,000	2.02
	Private Corporate Bodies	16,73,708	8.91	0	0.00	16,73,708	4.84
	Others (Including NRIs)	7,42,215	3.95	0	0.00	7,42,215	2.15
	Sub Total (B)	1,52,47,913	81.18	7,00,000	2.02	1,59,47,913	46.12
	Grand Total (A+B)	1,87,82,066	100.00	1,58,00,000	45.69	3,45,82,066	100.00

* Computed on post preferential issue paid-up capital

I) Change in control, if any, in the Company that would occur consequent to the preferential offer:

There will be no change in management consequent to the preferential issue. However due to preferential issue, the shareholding of existing promoters of the Company will increase from 35,34,153 equity shares representing 18.82% of the pre-preferential paid-up capital to 1,86,34,153 equity shares representing 53.88% of the post-preferential paid-up capital and in particular of Trinity Infraventures Limited from 34,19,872 equity shares representing 18.21% of the pre-preferential paid-up capital to 1,85,19,872 equity shares representing 53.55% of the post-preferential paid-up capital of your Company.

The Proposed Allottees will comply with the requirements of SEBI SAST Regulations, 2011.

J) No. of persons to whom allotment on preferential basis has already been made during the year, in terms of number of securities as well as price:

During the year, no preferential allotment has been made to any person.

K) Lock in period:

The aforementioned allotment shall be subject to lock-in in terms of chapter V of SEBI ICDR Regulations, for the time being in force. The entire pre-preferential shareholding of the Proposed Allottees, if any, will be locked-in from the relevant date up to a period of six months from the date of allotment in the preferential issue.

L) Terms of Issue of the Equity Shares, if any.

The Equity Shares allotted in terms of this resolution shall rank pari-passu with the existing equity shares of the Company in all respects.

M) Pricing of Preferential Issue and Justification thereof:

The price of equity shares to be issued is fixed at Rs. 14.30/- (Rupees Fourteen and Thirty

Paisa Only) per equity share [inclusive of premium of Rs. 4.30/- (Rupees Four and Thirty Paisa Only)] each in accordance with the price determined as per chapter V of SEBI ICDR Regulations. The issue price of the proposed allotment is purely governed by the average weekly high and low of the volume weighted average prices of related equity shares quoted on National Stock Exchange of India Limited.

N) The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer:

Not Applicable.

O) The Company hereby undertakes that

- a. It would re-compute the price of the securities specified above, in terms of the provisions of the SEBI ICDR Regulations, if it is required to do so.
- b. If the amount payable on account of re-computation of price is not paid within the time stipulated in the SEBI ICDR Regulations, the above specified securities shall continue to be locked in till the time such amount is paid by Proposed Allottees.

Other Disclosures:

- i. Neither the Company nor its directors or promoters have been declared as wilful defaulter as defined under the SEBI ICDR Regulations.
- ii. The Company hereby undertakes that neither the Company's name nor any of its Promoters or Directors name is appearing in the list of wilful defaulters categorized by any Bank or Financial Institution (as defined under the Companies Act, 2013) or consortium thereof in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India nor have they been

identified as fugitive economic offenders as per the Fugitive Economic Offenders Act, 2018.

- iii. Neither the Proposed Allottees nor any member of the promoter group of the Company have sold or transferred any Equity Shares during the six months preceding the Relevant Date.
- iv. Report of the registered valuer is not required under the provisions of second proviso to Rule 13(1) of the Companies (Share Capital and Debentures) Rules, 2014 for the proposed Preferential Issue.
- v. No contribution is being made by the Directors of the Company either as a part of the Preferential Issue or separately in furtherance of the objects specified herein above.
- vi. The Company is in compliance with the conditions of continuous listing of Equity Shares as specified in the uniform listing agreement with the Stock Exchange(s) where the Equity Shares of the Company are listed.
- vii. The Company has not bought back any of its Equity Shares.
- viii. In the past the Promoters have subscribed to all shares/warrants offered to them and no shares/warrant has lapsed.
- ix. Principle terms of assets charged as securities: Not Applicable
- x. The Company shall at all times comply with the minimum public shareholding requirements prescribed under the Securities Contracts (Regulation) Rules, 1957, as amended, (the "SCRR") and Regulation 38 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI LODR Regulations")

- xi. The Company has obtained the Permanent Account Numbers of the Proposed Allottees

Auditor's certificate:

A certificate from M/s. PCN & Associates, Hyderabad Statutory Auditors of the Company, certifying that the issue of equity shares is being made in accordance with requirements of SEBI ICDR Regulations shall be placed before the general meeting of the shareholders.

Relevant documents are open for inspection by the members at the Registered Office of the Company on all working days (excluding Saturdays, Sundays and Holidays) from 11.30 A.M. to 05.00 P.M. till the date of AGM

The Board of Directors of the Company believe that the proposed preferential issue is in the best interest of the Company and its members and therefore, recommends the resolution for your approval.

Trinity Infraventures Limited forms part of the Promoter and Promoter Group of the Your Company. Further, Mr. L P Sashikumar, Director of Trinity Infraventures Limited, who is also a Promoter Director of the Your Company and Mrs. L Preetha Priyadarshini, who is also a shareholder of Trinity Infraventures Limited, holding negligible shares and is also a Promoter of the Your Company. Except the above, none of the promoters, Directors, Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise, in the resolution, except as holders of shares of Your Company if any or that of the companies, firms, and/or institutions of which they are directors, partners or members and who may hold shares in Your Company.

Item No. 6&7:

The Members may kindly note that in the Extraordinary General Meeting of your Company held through Postal Ballot via Notice dated 01st August, 2014, the Shareholders had

authorized the Board of Directors – to borrow up to Rs.150 Crores (Rupees One Hundred and Fifty Crores only) under Section 180(1)(c) of the Companies Act, 2013 as well as to secure the same by suitable mortgage/ charge on all or any of the movable and or immovable properties, regarded as disposal of the Company's Undertaking(s) under Section 180(1)(a) of the Companies Act, 2013 not exceeding Rs.150 Crores (Rupees One Hundred and Fifty Crores only).

As the Company is expanding its business operations, it may require huge funds to meet its business requirements and hence borrowing limits of Rs.150 crores (Rupees One Hundred and Fifty Crores only) may be enhanced to Rs.200 Crores (Rupees Two Hundred Crores only) to meet its fund requirement from various resources and/or creation of security on assets of the company by whatsoever manner. Pursuant to Section 180(1)(c) and Section 180(1)(a) of the Companies Act, 2013 any increase in the borrowing limits thereunder and limits in relation to creation of security on assets

of the company for such borrowings beyond the existing limits would require the approval of the shareholders' by way of special resolution and hence this items of business is placed for the consideration of the shareholders. Your directors recommend the said resolutions listed as Item No.6 and Item No.7 for your approval.

None of the Directors / Key Managerial Personnel of the Company / their relatives are in any way, concerned or interested, financially or otherwise, in the Special Resolution, except to the extent of shareholding held by them in the Company, if any.

The Board of Directors of the Company recommends passing of the Special Resolution as set out at item no. 6&7 of the notice.

BY ORDER OF THE BOARD
For GOLDSTONE TECHNOLOGIES LIMITED

Place: Hyderabad
Date :26.08.2021

Sd/-
Thirumalesh T
Company Secretary

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

Name of the Director	Mr.L.P.Sashikumar	Mrs.Deepa Chandra
Date of Birth	28.10.1950	16.02.1958
Date of first appointment on the Board of Directors of the Company	30.10.2007	13.11.2020
No. of shares held (As on 31.03.2021)	757	NIL
Expertise in functional areas	<p>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.</p>	<p>She holds a Post Graduate Degree in Science M.Sc and an M.Phil (Micro Biology). She has started her career as a Science Officer with All India Radio Bhopal and retired as an Additional Director General (Programmes) in Doordarshan (National Public Television) under aegis of Prasar Bharati, she had worked in various positions with All India Radio Bhopal, Doordarshan Kendra Mumbai, Delhi and Headquarters. She is Member of Prasar Bharati Recruitment Board.</p> <p>She has been invited as an expert to facilitate and evaluate documentaries commissioned by IGNCA, New Delhi. She has also held lectures on media for students in IGNCA, Public sector organizations like BHEL as a guest faculty to address their young Managers on management</p>

		techniques. She has also a Guest faculty in various universities like Delhi University, Jamia Millia Islamia University New Delhi, National Academy of Broadcasting and Multimedia, New Delhi.
List of Directorships in Companies (other than Goldstone Technologies Limited) as on 31.03.2021	<p>M/s. IMSPJV Realtors And Developers LLP</p> <p>M/s. Trinity Infraventures Limited</p> <p>M/s. Sri Satyasai Agricultural Research And development Private Limited</p> <p>M/s. Matrix Insulators Private Limited</p> <p>M/s. Goldstone Power Private Limited</p> <p>M/s. TF Solarpower Private Limited</p> <p>M/s. Suvishal Power Gen Limited</p> <p>M/s. Jayasri Agencies Private Limited</p> <p>M/s. Golconda Extrusions Private Limited</p> <p>M/s. Skylark Estateventures Private Limited</p> <p>M/s. Lemon Realpower Private Limited</p> <p>M/s. Glowmask Technologies Private Limited</p> <p>M/s. Staytop Systems And Software Private Limited</p> <p>M/s. Trinity Cleantech Private Limited</p> <p>M/s. All Languages Company Private Limited</p> <p>M/s. Abhibus services (india) private Limited</p> <p>M/s. Aerospace education & Management Services Private Limited</p>	NIL
Chairman/ Member of the Committee of the Board of Directors of Companies (other than Goldstone Technologies Limited) on which he is a Director on 31.03.2021	Nil	NIL
Relationship between Directors inter-se	No relation with any of the Directors on the Board.	No relation with any of the Directors on the Board.

Name of the Director	Mr.Pavan Chavali
Date of Birth	18.06.1980
Date of first appointment on the Board of Directors of the Company	23.05.2019
No. of shares held (As on 31.03.2021)	NIL
Expertise in functional areas	<p>He holds a Degree in Bachelor of Engineering (B.E), Mechanical Engineering. He has been associated with the Company since more than eight years having started his career with GTL as a GM -Operations moving to VP-Operations and appointed has Whole-Time Director in various designations, handling business operations, Programs, Project Management, Partner relationship Management and as Whole Time Director.</p> <p>He has overall more than 19 years IT experience ranging from end user technical support to enterprise software support experience in large ESY's with recognized strengths in leading P&L responsibilities. Senior program management experience in handling the service delivery requirements of large and diverse ecosystems working in matrix organizations with a solid track record of turning concepts into reality.</p>
List of Directorships in Companies (other than Goldstone Technologies Limited) as on 31.03.2021	M/s. Abhibus Services (India) Private Limited
Chairman/ Member of the Committee of the Board of Directors of Companies (other than Goldstone Technologies Limited) on which he is a Director on 31.03.2021	NIL
Relationship between Directors inter-se	No relation with any of the Directors on the Board.

DIRECTORS' REPORT

To
 The Members
 Goldstone Technologies Limited

The Board of Directors are pleased to present the Company's Twenty Seventh Annual Report and the Company's audited financial statements (standalone and consolidated) for the financial year ended March 31, 2021.

FINANCIAL PERFORMANCE:

The financial highlights of the Company for the year ended on 31st March, 2021 are summarized as below:

(Rs. In Millions Except Otherwise Stated)

Particulars	Standalone		Consolidated	
	2020-21	2019-20	2020-21	2019-20
Revenue from Operations	421.86	351.89	500.10	427.64
Total Expenses	401.43	333.15	499.52	420.77
Operating Profit (PBIDT)	20.43	18.74	0.58	6.87
Interest	2.28	3.25	2.36	3.31
Depreciation & Amortization expense	3.31	3.29	3.34	3.32
Profit before Tax	18.56	12.48	(1.11)	0.71
Current Tax	3.79	-	4.05	0.38
Deferred Tax	0.57	1.61	0.57	1.61
Profit for the year	14.20	10.87	(5.73)	(1.28)
Other Comprehensive Income Re-measurement of gains on defined benefit plan	1.90	0.65	(1.40)	13.00
Income tax effect	(0.53)	(0.18)	(0.53)	(0.18)
Total Comprehensive Income for the Year	15.57	11.34	(7.66)	11.54
Equity Share Capital (1,87,82,066 Shares of Rs 10/- each; Previous year 1,87,82,066 Shares of Rs 10/- each)	187.82	187.82	187.82	187.82
E.P.S (After Prior Period Items) (Rupees)	0.76	0.58	(0.31)	(0.07)
Net Worth	311.66	296.09	438.99	446.66
Book Value in Rs. (Face Value of Rs. 10/- each)	16.59	15.77	23.37	23.79

GENERAL REVIEW OF OPERATIONS:

Standalone:

During the year under review, your Company has reached Standalone turnover of Rs.421.86 Million as against a turnover of Rs. 351.89 Million during the previous year. The Standalone Net Profit/(Loss) is Rs.14.20 Million during the year and in comparison with Net Profit / (Loss) Rs.10.87 Million during the previous year.

Consolidated:

During the year under review, your Company has reached a consolidated turnover of Rs.500.10 Million as compared to Rs.427.64 Million for the previous financial year. The Consolidated Net Profit/(Loss) for the year (Rs.5.73) Million in comparison with Net Profit / (Loss) (Rs.1.28) Million during the previous year.

COVID-19 PANDEMIC:

The COVID-19 created havoc in the world economy and severely affected the health of people at large and held the world at its standstill. Accordingly, the lockdowns that were announced from time to time across India resulting in temporary closure of offices subsequently given work from home option to the employees of the Company in line with the government/local authorities' directions.

However, during the lockdown, your Company continued to provide support to customers with the in valuable support of Employees and Management at various levels. As the restrictions were eased out, your Company while closely monitoring the situation and following safety guideline, started staggered its offices and continuing our commitment towards our customers by improving our service efficiencies. True to the Company motto of People, Process and Technology, employee welfare has been the primary priority for the company.

TRANSFER TO GENERAL RESERVES:

No amount has been transferred to Reserves during the year.

CHANGE IN THE NATURE OF BUSINESS:

During the Financial year 2020-21, there is no change in the nature of the business of the Company.

DIVIDEND:

During the year the Company does not have adequate profits and hence, your Board has not recommended any dividend for the financial year 2020-21.

SHARE CAPITAL:

During the year under review there were no changes in authorized and 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.18,78,20,660/- (Rupees Eighteen Crore Seventy Eight Lakhs Twenty Thousand Six Hundred and Sixty Only)divided in to 1,87,82,066 (One Crore Eighty Seven Lakhs Eighty Two Thousand Sixty Six Only) equity shares of Rs 10/- each. The Company neither issued shares with differential voting rights nor granted stock options/sweat equity.

However the company in its Board Meeting held on 26.08.2021 has approved issue of 1,58,00,000 equity shares on preferential basis to the promoters and others. In this regards a resolution is placed at item No. 5 of ensuing annual General Meeting for approval of shareholders.

As on March 31, 2021, 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 2020 for the employees of the Company.

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 25th August, 2020 had approved the 'Goldstone Technologies Limited Employee Stock Option Plan-2020' ('GTLESOP 2020'), and also approved by the shareholders at the 26th AGM held on 28th September, 2020. However the company has not implemented and allotted any ESOPS from the date of last Annual General Meeting till date.

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:

Directors:

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

Appointments:

- Mrs. Deepa Chandra (DIN: 08952233), was appointed as an Independent

Director of the company with effect from 13th November, 2020 in the Board Meeting held on 13th November, 2020. The Board recommends the Ordinary Resolutions set out at Item No. 3 of the Notice for approval of the Members. Brief profile of Mrs. Deepa Chandra has been given in the Notice convening the Annual General Meeting.

- Mr. Pavan Chavali (DIN: 08432078) was appointed as a Whole Time Director of the Company for a period of 3 years with effect from 25th June, 2021 in the Board Meeting held on 25th June, 2021. The Board recommends the Special Resolutions set out at Item No. 4 of the Notice for approval of the Members. Brief profile of Mr. Pavan Chavali has been given in the Notice convening the Annual General Meeting.

Retire by Rotation:

- Mr. LP Sashi Kumar (DIN: 00016679), who retires by rotation at the 27th Annual General Meeting and being eligible, offers himself for re-appointment. Brief profile of Mr. LP Sashi Kumar has been given in the Notice convening the Annual General Meeting.

Resignations:

- Ms. Sukhjinder Kaur, (DIN : 07926721) resigned from the position of Director with effect from 20th September, 2020 due to her age and other health issues. The Board places on record its deep appreciation for the services rendered by Ms. Sukhjinder Kaur during her tenure as Director of the company.

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- Whole Time Director
- Mr. Vithal VSSNK Popuri- Chief Financial Officer
- Mr. Thirumalesh T – 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 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 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, 7 (Seven) Board Meetings, 4 (Four) Audit Committee Meetings, 2 (Two) Nomination and Remuneration Committee Meeting, 4 (Four) 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.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS;

The details on the familiarization programme for Independent Directors is 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, in the case of a listed company, 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 31st March 2021, we are having one wholly owned subsidiary Company;

- 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) Staytop Systems and Software Private Limited* having its registered office situated at 9-1-83 & 84, Amarchand Sharma Complex, Sarojini Devi Road, Secunderabad, Telangana - 500003.

Till date Staytop Systems and Software Pvt Ltd have no business operations.

* submitted requisite forms with Registrar of Companies on 09th May, 2019, for strike off the name of the company.

During the year 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, is a material subsidiary 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.goldstone.tech.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 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 recognises 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 2020- 21. 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 Sec 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 sec 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 and also the Company has Insurance coverage for Director and Officer and other liability insurance have been adequately insured.

AUDITORS:

Statutory Auditors:

The members at its Annual General meeting held on 28th September, 2017, pursuant to the provisions of the Section 139 and other applicable provisions of the Companies Act, 2013, appointed M/s. P C N & Associates, (FRN: 016016S), Chartered Accountants, Hyderabad as Statutory Auditors of the Company to hold office up to the conclusion of 28th Annual General Meeting to held in the year 2022.

However, pursuant to the amendments made to Section 139 Act, 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 C N & Associates, Chartered Accountants, as the Statutory Auditors of the Company, is not being sought.

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 31st March, 2021 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, appointed as internal Auditors for conducting the internal audit of the company for the financial year 2021-22. The main trust of internal audit is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry.

Secretarial Auditor:

The company has appointed M/s. VCSR & Associates, Practising Company Secretaries, Hyderabad to undertake the Secretarial Audit of the Company 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 2020-21 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:

The Company has undertaken an audit for the financial year ended March 31, 2021, with all applicable compliances as per SEBI's Regulations and Circulars/Guidelines issued thereunder. The Annual Secretarial Compliance Report issued by M/s. VCSR & Associates,

Practising Company Secretaries, Hyderabad, has been submitted to the Stock Exchanges.

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 Sec 186 of The Companies Act, 2013 are given in **Note No.29** of standalone Financial Statements and to **Note No.28** 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.

A Policy on materiality of Related Party Transaction 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/](https://www.goldstonetech.com/investor-corner/)

RISK MANAGEMENT POLICY:

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.

POLICIES UNDER SEBI (LODR) REGULATIONS 2015;

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 above policies are hosted on the website of the Company <https://www.goldstonetech.com/investor-corner/>

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), 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 annexed herewith as “**Annexure - 3**” to the Board Report. Pursuant to provisions of section 92(3) of the Act, is placed on the website of the company at www.goldstonetech.com

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 2021-22.

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 - 4**” and “**Annexure - 5**” 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.

STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SUB-SECTION (6) OF SECTION 149

All Independent Directors have furnished to the Company the requisite declarations that they

meet the relevant independence criteria as laid down in Section 149(6) of The Companies Act, 2013, as well as the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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, 31st March, 2021 to which the financial statements relate and the date of the Report.

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 - 6**”.

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 - 7**” to the Board's report.

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 27th 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.

ACKNOWLEDGEMENTS

Your Directors convey their sincere thanks to State Bank of Inida, ICICI Bank Limited 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

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

Sd/-
Pavan Chavali
Whole-Time Director
(DIN: 08432078)

Place: Hyderabad
Date: 26.08.2021

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	STAYTOP SYSTEMS, INC.	STAYTOP SYSTEMS AND SOFTWARE PVT LTD.,
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	April 2020 to March 2021	April 2020 to March 2021
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. 74.23 & For Balance Sheet Each US\$ is Rs. 73.45	INR
4.	Share capital	INR 88,134	INR 100,000
5.	Reserves & Surplus	INR 12,74,24,797	NIL
6.	Total Assets	INR 16,91,66,828	INR 100,000
7.	Total Liabilities	INR 16,91,66,828	INR 100,000
8.	Investments	NIL	NIL
9.	Turnover	INR 11,50,49,647	NIL
10.	Profit before taxation	INR (1,96,67,522)	NIL
11.	Provision for taxation	INR 2,61,954	NIL
12.	Profit after taxation	INR (1,99,29,477)	NIL
13.	Proposed Dividend	NIL	NIL
14.	% of Shareholding	100%	100%

Names of Subsidiaries which are yet to commence operations: Staytop Systems and Software Pvt. Ltd.

Names of subsidiaries which have been liquidated or sold during the year: Nil. However the company M/s.Staytop Systems and Software Private Limited, submitted requisite forms with Registrar of Companies on 09th May, 2019, for strike off the name of the company.

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**

MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

(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 the Secretarial Audit of the compliance of applicable statutory provisions of the Acts, Rules and Regulations as mentioned below and the adherence to good corporate practices by M/s. GOLDSTONE TECHNOLOGIES LIMITED (herein called '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.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2021 (from 01.04.2020 to 31.03.2021) 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:

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 31st March, 2021 ("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, 2009 and 2018;(Not applicable to the Company during the audit period)
- (e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Company has complied with the Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.
- (f) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not applicable to the Company During the audit period);
- (g) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the audit period);
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the audit period);
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2009 (Not applicable to the Company during the audit period);

Other Laws applicable specifically to the Company namely:

1. Information Technology Act, 2005 and the Rules made there under,
2. Software Technology Parks of India Rules made there under,
3. The Trade Marks Act, 1999.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.
- (ii) The Company has complied with the clauses of Equity Listing Agreements entered into with Stock Exchanges.

We report that during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

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.

Adequate notices are given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least Seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decisions are carried through and as informed by the Company, there were no dissenting views of members of the Board at any Board / Committee meeting held during the financial year.

We further report 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.

We further report that during the audit period there were no specific events /actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For VCSR & Associates
Company Secretaries

(Ch. Veeranjanyulu)

Partner

CP No. 6392

UDIN: F006121C000777531

Place: Hyderabad

Date: 12.08.2021

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

(Annexure)

To
The Members
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 processes 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 processes and practices, were followed to 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. Where ever 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 procedures 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 VCSR & Associates
Company Secretaries

(Ch. Veeranjanyulu)

Partner

CP No. 6392

UDIN: F006121C000777531

Place: Hyderabad

Date: 12.08.2021

Form No. MGT-9
EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March, 2021
of

GOLDSTONE TECHNOLOGIES LIMITED

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

CIN	L72200TG1994PLC017211
Registration Date	18 th March 1994
Name of the Company	Goldstone Technologies Limited
Category / Sub-Category of the Company	Public Limited / Limited by Shares
Address of the Registered Office and contact details	Registered Office: 1 st Floor, GNR's RV Insignia Building, Image Gareden Road, Madhapur, Hyderabad, Rangareddi -500081. Telangana, India. Tel. +91-40-66284999. www.goldstonetech.com , E-Mail: corporate@goldstonetech.com CIN: L72200TG1994PLC017211
Whether listed company	Yes BSE Limited National Stock Exchange of India Limited
Name, Address and contact details of Registrar & Transfer Agents (RTA)	Aarathi Consultants Private Limited 1-2-285, Domalaguda, Hyderabad 500 029 Phone No: 040-27638111/4445 Fax: 040-27632184 E-mail id : info@aarathiconsultants.com Web: www.aarathiconsultants.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the Company shall be stated:

Sl. No.	Name and Description of main products /Services	NIC Code of the Product/ service	% to total turnover of the company
A.	Standalone Turnover		
1.	Information Technologies and enabled services	62099	30.46%
2.	Software License	62091	69.54%
B.	Consolidated Turnover		
1.	Information Technologies and enabled services	62099	39.93%
2.	Software License	62091	60.07%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

SI.NO	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1.	Staytop Systems Inc. Address; 9660 Falls of Neuse Rd., Ste. 138 Unit 161, Raleigh, North Carolina, 27615	EIN 77-0472088	Subsidiary	100%	2 (87) (ii)
2.	Staytop Systems and Software Pvt Ltd* Address; 9-1- 83 & 84, Amarchand Sharma Complex, S D Road, Secunderabad	U72200TG 2008PTC060684	Subsidiary	100%	2 (87) (ii)

submitted requisite forms with Registrar of Companies on 09th May, 2019, for strike off the name of the company.*

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of shareholders	No of shares held at the beginning of the year i.e. as on 01-04-2020				No of shares held at the end of the year i.e. as on 31-03-2021				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(A) Promoter									
(1) Indian									
a. Individual/HUF	1,14,281	0	1,14,281	0.61	1,14,281	0	1,14,281	0.61	0
b. Central Government	0	0	0	0	0	0	0	0	0
c. State Government	0	0	0	0	0	0	0	0	0
d. Bodies Corp.	34,19,872	0	34,19,872	18.21	34,19,872	0	34,19,872	18.21	0
e. Banks /FI	0	0	0	0	0	0	0	0	0
f. Any others	0	0	0	0	0	0	0	0	0
Sub-Totals (A)	35,34,153	0	35,34,153	18.82	35,34,153	0	35,34,153	18.82	0
2. Foreign									
a. NRIs Individuals	0	0	0	0	0	0	0	0	0
b. Other individuals	0	0	0	0	0	0	0	0	0
c. Bodies Corporate	0	0	0	0	0	0	0	0	0
d. Banks/Fiis	0	0	0	0	0	0	0	0	0
e. Any Others	0	0	0	0	0	0	0	0	0
Sub Totals (A) (2)	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter (A)=(A) (1) + (A)(2)	35,34,153	0	35,34,153	18.82	35,34,153	0	35,34,153	18.82	0
(B) Public Shareholding									
(1) Institutions									
a. Mutual Funds/ UTI	0	0	0	0	0	0	0	0	0
b. Banks/Financial Institutions	2,900	0	2,900	0.02	2,900	0	2,900	0.02	0

Category of shareholders	No of shares held at the beginning of the year i.e. as on 01-04-2020				No of shares held at the end of the year i.e. as on 31-03-2021				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
c. Central Govt	0	0	0	0	0	0	0	0	0
d. State Govt	0	0	0	0	0	0	0	0	0
e. Venture Capital Funds	0	0	0	0	0	0	0	0	0
f. Foreign institutional investors	0	0	0	0	0	0	0	0	0
g .Insurance Companies	0	0	0	0	0	0	0	0	0
h. Foreign Ventures Capital Investors	0	0	0	0	0	0	0	0	0
i. Other (Specify)	0	0	0	0	0	0	0	0	0
Subtotal B (1)	2,900	0	2,900	0.02	2,900	0	2,900	0.02	0
(2) Non-Institutions									
a. Bodies Corporates									
i. Indian	18,70,818	3,100	18,73,918	9.98	16,79,373	3,100	16,82,473	8.96	(1.02)
ii. Overseas	0	0	0	0	0	0	0	0	0
b. Individuals									
i. Individual shareholding nominal share Capital upto Rs 1 lakh	51,63,172	94,729	52,57,901	27.99	55,67,412	94,529	56,61,941	30.15	2.15
ii. Individual shareholding nominal share Capital excess of Rs 1 lakh	73,88,298	0	73,88,298	9.34	70,98,091	0	70,98,091	37.79	(1.55)
c. others (NBFC registered with RBI)	25,000	0	25,000	0.13	25,000	0	25,000	0.13	0
Foreign Bodies	0	0	0	0	0	0	0	0	0
Non- Resident Indian	4,28,727	69,300	4,98,027	2.65	4,27,929	59,300	4,87,229	2.59	(0.06)
Clearing members	25,163	0	25,163	0.13	1,13,573	0	1,13,573	0.60	0.47
Trusts	100	0	100	0	100	0	100	0	0
IEPF	1,76,606	0	1,76,606	0.94	1,76,606	0	1,76,606	0.94	0
SUB totals B(2)	1,50,77,884	1,67,129	1,52,45,013	81.16	1,50,88,084	1,56,929	1,52,45,013	81.16	0
Total Public shareholding (B)=B(1)+B(2)	1,50,80,784	1,67,129	1,52,47,913	81.18	1,50,90,984	1,56,929	1,52,47,913	81.18	0
C. Share held by Custodian For GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	1,86,14,937	1,67,129	1,87,82,066	100.00	1,86,25,137	1,56,929	1,87,82,066	100.00	0

ii) Shareholding of Promoters

S.No.	Shareholder's Name	Shareholding at the beginning of the year 01.04.2020			Shareholding at the end of the year 31.03.2021			% change in share during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1.	M/s Trinity Infraventures Limited	34,19,872	18.21	0	34,19,872	18.21	0	0
2.	Mrs. L Preetha Priya darshini	1,13,524	0.60	0	1,13,524	0.60	0	0
3.	Mr. L.P.Sashikumar	757	0	0	757	0	0	0

iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl.No	Name of the Promoter	Change in %
1.	Trinity Infraventures Limited	Nil
2.	Mrs. L Preetha Priyadarshini	Nil
3.	Mr. L.P.Sashikumar	Nil

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

S.No	Name of the shareholder	No.of shares at the signing or end of the year	Date	Increase/Decrease in share holding	Reason	No.of shares	Percentage of total shares of the company
1	Newtech Stewing Precision Engineering Pvt. Ltd.,	9,20,762	31-Mar-20	0	-	9,20,762	4.90
		9,20,762	31-Mar-21	0	-	9,20,762	4.90
2	Moturu Chandra Sekhar	4,17,974	31-Mar-20	0	-	4,17,974	2.23
		4,17,974	31-Mar-21	0	-	4,17,974	2.23
3	M V S Anantha Krishnan	2,95,400	31-Mar-20	0	-	2,95,400	1.57
		2,95,400	31-Mar-21	0	-	2,95,400	1.57
4	Naresh Bhavanji Chheda	2,92,873	31-Mar-20	0	-	2,92,873	1.56
		2,92,873	31-Mar-21	0	-	2,92,873	1.56
5	Bull Investments Madras Pvt. Ltd.,	2,32,970	31-Mar-20	0	-	2,32,970	1.24
		2,32,970	31-Mar-21	0	-	2,32,970	1.24
6	Padma Veerapaneni	2,32,756	31-Mar-20	0	-	2,32,756	1.24
		2,32,756	31-Mar-21	0	-	2,32,756	1.24
7	Kunal M Dalal	2,21,200	31-Mar-20	0	-	2,21,200	1.18
		2,21,200	31-Mar-21	0	-	2,21,200	1.18
8	Khande Pitchaiah	2,02,518	31-Mar-20	0	-	2,02,518	1.08
		2,02,518	31-Mar-21	0	-	2,02,518	1.08
9	Gopal Krishan Kothari	0	31-Mar-20	0	-	0	0.00
		2,00,000	05-Mar-21	0	Purchase	2,00,000	1.06
		2,00,000	31-Mar-21	0	-	2,00,000	1.06
10	Ankush Tandon	1,97,098	31-Mar-20	0	-	1,97,098	1.05
		1,97,098	31-Mar-21	0	-	1,97,098	1.05
11	Vishal Kantilal Jain #	2,00,000	31-Mar-20	0	-	2,00,000	1.06
		2,00,000	14-Aug-20	-25,000	Transfer	1,75,000	0.93
		1,75,000	21-Aug-20	-50,000	Transfer	1,25,000	0.67
		1,25,000	19-Feb-21	-50,000	Transfer	75,000	0.40
		75,000	31-Mar-21	0	-	75,000	0.40
12	Mohammed Azmathullah #	2,00,000	31-Mar-20	0	-	2,00,000	1.06
		2,00,000	07-Aug-20	-1,38,956	Transfer	61,044	0.33
		61,044	31-Mar-21	0	-	61,044	0.33

Note: The above information is based on the weekly beneficiary position received from the depositories

Ceased to be in the List of Top 10 Shareholders as on 31.03.2021. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 01.04.2020.

V) Shareholding of Directors and Key Managerial Personnel: The details of the shareholding of Directors and Key Managerial Persons of the Company are as under:

Sl.No.	Particulars	Shareholding at the beginning of the year		Date	Increase/Decrease	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company				No. of shares	% of total shares of the company
A DIRECTORS								
1.	Mr. K.S. Sarma	Nil	NA	01.04.2020 to 31.03.2021	Nil	NA	Nil	NA
2.	Mr. V.Venkata Ramana	Nil	NA	01.04.2020 to 31.03.2021	Nil	NA	Nil	NA
3.	Mr. Clinton Travis Caddell	Nil	NA	01.04.2020 to 31.03.2021	Nil	NA	Nil	NA
4.	Mr. L.P.Sashikumar	757	0	1.04.2020 to 31.03.2021	Nil	NA	757	0
5.	Ms. Sukhjinder Kaur [@]	Nil	NA	01.04.2020 to 31.03.2021	Nil	NA	Nil	NA
6.	Mrs. Deepa Chandra [#]	Nil	NA	01.04.2020 to 31.03.2021	Nil	NA	Nil	NA
B. KEY MANAGERIAL PERSONNEL								
1.	Mr. Pavan Chavali (WTD)	Nil	NA	01.04.2020 to 31.03.2021	Nil	NA	Nil	NA
2.	Mr. Thirumalesh T (CS)	Nil	NA	01.04.2020 to 31.03.2021	Nil	NA	Nil	NA
3.	Mr. Vithal VSSNK Popuri (CFO)	Nil	NA	01.04.2020 to 31.03.2021	Nil	NA	Nil	NA

[@] Resigned as a Director w.e.f 20.09.2020

[#] Appointed as a Director w.e.f. 13.11.2020

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Rs. In Millions

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	40.95	37.01	0.00	77.96
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	40.95	37.01	0.00	77.96
Change in Indebtedness during the financial year				
• Addition	0.00	0.00	0.00	0.00
• Reduction	39.69	0.00	0.00	39.69
Net Increase/(Decrease)	39.69	0.00	0.00	39.69
Indebtedness at the end of the financial year				
Principal Amount	1.25	37.01	0.00	38.26
Interest due but not paid	0.00	0.00	0.00	0.00
Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	1.25	37.01	0.00	38.26

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Rs. In Millions

Sl. No	Particulars of Remuneration	Mr.Pavan Chavali (Whole Time Director)	Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under	4.08	4.08
2.	Stock Option		
3.	Sweat Equity		
4.	Commission - as % of profit - others, specify...	0.50	0.50
5.	Others, please specify – Employer's PF Contrinutions	0.02	0.02
	Total	4.60	4.60
	Ceiling as per the Act		

B Remuneration to other directors:

Rs.In Millions

Sl. No.	Particulars of Remuneration	Name of the Independent Director				Name of Non Executive & Non Independent Director		Total Amount
		Mr.K.S. Sarma	Mr.V.Venkata Ramana	Ms. Sukhjinder Kaur [@]	Mrs.Deepa Chandra [#]	Mr.L.P.Sas hikumar	Mr.Clinton Travis Caddell	
1.	Directors							
	*Fee for attending board/ meetings • Commission • Others, please specify	0.21	0.05	0.09	0.11	0.13	0.00	0.59
	Total	0.21	0.05	0.09	0.11	0.13	0.00	0.59
	Overall Ceiling as per the Act	A company may pay a sitting fee to a director that shall not exceed Rs. 1.00 Lakh per meeting for the Board or committee meeting.						

[@] Resigned as a Director w.e.f 20.09.2020

[#] Appointed as a Director w.e.f. 13.11.2020

c. Remuneration to Key Managerial Personnel other than Managing Director / Manager/ Whole-time Director

Rs.In Millions

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
			Thirumalesh T	Vithal VSSNK Popuri	
1	Gross salary a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 b) Value of perquisites u/s 17(2) Income-tax Act, 1961 c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	--	0.98	2.87	3.85
2	Stock Option	--	0.00	0.00	0.00
3	Sweat Equity	--	0.00	0.00	0.00
4	Commission - as % of profit - Others, specify...	--	0.00	0.24	0.24
5	Others, please specify (Contribution to EPF)	--	0.02	0.02	0.04
	Total	--	1.00	3.13	4.13

I.PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any (give Details)
A.COMPANY					
Penalty Punishment Compounding			NIL		
B. DIRECTORS					
Penalty Punishment Compounding			NIL		
C. OTHER OFFICERS IN DEFAULT					
Penalty Punishment Compounding			NIL		

CORPORATE GOVERNANCE

1. Company's Philosophy:

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. 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. The Board comprises of Six (6) Directors as on the date of this report to ensure transparent and professional conduct of board procedures in all aspects and related thereto 3 out of 6 Directors are Independent Directors. Accordingly, the composition of the Board is in conformity with Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015.

The Constitution of the Board is as follows:

Name of the Director	Category & Designation
Mr. K.S. Sarma	Non-Executive Independent Director
Mr. V. Venkata Ramana	Non-Executive Independent Director
Ms. Sukhjinder Kaur [@]	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 & Whole-time Director

[@] Resigned as a Director w.e.f 20.09.2020

[#] Appointed as a Director w.e.f. 13.11.2020

^{*} Appointed as a Whole-time Director for a further term of 3 years w.e.f 25.06.2021

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 Seven (7) Board Meetings held during the year 2020-21 and the last Annual General Meeting (AGM) held on 28th September 2020:

Name of the Director	Number of Board Meetings held	Number of Board Meetings attended	Attendance at the last AGM
Mr. K.S. Sarma	7	7	Yes
Mr. V. Venkata Ramana	7	1	No
Ms. Sukhjinder Kaur [@]	3	3	NA
Mrs. Deepa Chandra [#]	4	4	NA
Mr. L.P. Sashikumar	7	7	Yes
Mr. Clinton Travis Caddell	7	3	No
Mr.Pavan Chavali*	7	7	Yes

[@] Resigned as a Director w.e.f 20.09.2020

[#] Appointed as a Director w.e.f. 13.11.2020

* Appointed as a Whole-time Director for a further term of 3 years w.e.f 25.06.2021

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 [^]	Number of Other Board, Committees \$		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
Ms. Sukhjinder Kaur [@]	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

[^] Excluding Goldstone Technologies Limited, Private Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013.

^{\$} Only Audit Committee and Stakeholders' Relationship Committee are considered as per Regulation 26 of SEBI (LODR) Regulations, 2015.

[@] Resigned as a Director w.e.f 20.09.2020

[#] Appointed as a Director w.e.f. 13.11.2020

* Appointed as a Whole-time Director for a further term of 3 years w.e.f 25.06.2021

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 2020-21, the Board of Directors met 7 (Seven) times on the following dates:

26th June 2020, 25th August 2020, 14th September 2020, 13th November 2020, 22nd January 2021, 12th February 2021 and 26th March 2021 The maximum gap between any of two consecutive meetings did not exceed 120 days.

e) There are no Inter-Se relationships between the Board Members of the company.

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.	Ms. Sukhjinder Kaur	Nil
6.	Mrs. Deepa Chandra	Nil

g) The letter(s) of appointment(s) to the above Independent Directors and the details of the familiarization programmes imparted to the Independent Directors are disclosed on the website of the company i.e. www.goldstonetech.com

3. 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	4	4
Mr. V. Venkata Ramana	Member	4	1
Ms. Sukhjinder Kaur [@]	Member	2	2
Mrs. Deepa Chandra [#]	Member	2	2

[@] Resigned as a Director w.e.f 20.09.2020

[#] Appointed as a Director w.e.f. 13.11.2020

- c) During the Financial Year 2020-2021, Four (4) Audit Committee meetings were held the dates are 26th June 2020, 14th September 2020, 13th November 2020 and 12th February 2021. The necessary quorum was present at all meetings.

4. 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 carryout 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. Sukhjinder Kaur@	Chairperson	1	1
Mrs. Deepa Chandra #	Chairperson	0	0
Mr. K.S.Sarma	Member	2	2
Mr. V.Venkata Ramana	Member	2	0
Mr. L.P.Sashikumar	Member	2	2

@ Resigned as a Director w.e.f 20.09.2020

Appointed as a Director w.e.f. 13.11.2020

c) Two (2) meetings of the Committee were held during the financial year 2020-2021 i.e. on 25th August 2020 and 13th November 2020. The necessary quorum was present at all meetings.

d) **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 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, held on **12th February, 2021** 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.

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

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, and also recommended for re appoint in this Annual General Meeting for second term. All Independent Directors have 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 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

iv) 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	Ms. Sukhjinder Kaur	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	✓	✓	✓	✓	✓	✓	✓

5. 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

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 with in 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 within the overall limits prescribed under the Companies Act, 2013.

The Nomination Remuneration Committee and Board of Directors at their meeting held on 25th June 2021 has 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. 25th June 2021 with the same remuneration as he is drawing at present. Accordingly, approval for re appointment of Mr.Pavan Chavali, as a Whole Time Director is being sought from the shareholders by way of Special resolution under the Notice for the General Body Meeting for the further term of 3 years, as per the applicable provisions of the Companies Act, 2013.

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. There was no implemented Employee Stock Option Scheme during the financial year ended March 31, 2021.

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, 2021:

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 2020-21:

(In Rupees)

Name of the Director	Category	Sitting Fee	Salary	Benefits	Total
Mr. K.S.Sarma	Independent Director	0.21	-	-	0.21
Mr. V.Venkata Ramana	Independent Director	0.05	-	-	0.05
Ms. Sukhjinder Kaur [@]	Independent Director	0.09	-	-	0.09
Mrs. Deepa Chandra [#]	Independent Director	0.11	-	-	0.11
Mr. L.P.Sashikumar	Non-Executive Director	0.13	-	-	0.13
Mr. Clinton Travis Caddell	Non-Executive Director	-	-	-	
Mr. Pavan Chaval [*]	Whole Time Director	-	4.08	0.52	4.60

[@] Resigned as a Director w.e.f 20.09.2020

[#] Appointed as a Director w.e.f. 13.11.2020

^{*} Appointed as a Whole-time Director for a further term of 3 years w.e.f 25.06.2021

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

During the year the Board of Directors of the Company at their meeting held on 25th August, 2020 has approved the 'Goldstone Technologies Limited Employee Stock Option Plan-2020' ('GTLESOP 2020'), and also approved by the shareholders at the 26th AGM held on 28th September, 2020. However the company has not implemented and allotted any ESOPS from the date of last Annual General Meeting till date.

6. 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.

- The Stakeholders Relationship Committee of the Company consists of three directors, two of which are Independent Directors.
- 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	4	4
Mr. V.Venkata Ramana	Member	4	1
Mr. L.P.Sashikumar	Member	4	3

- Four (4) Stakeholders Relationship Committee Meetings were held during the year ended 26th June, 2020, 14th September, 2020, 13th November, 2020 and 12th February, 2021. The necessary quorum was present at all meetings.

iv. Details of investor complaints received and redressed during the year 2020- 21 are as follows.

Opening Balance	Received during the Year	Resolved during the Year	Closing Balance
Nil	Nil	Nil	Nil

v. Name and Designation of Compliance Officer: Mr. Thirumalesh T, Company Secretary & Compliance Officer

7. General Body Meetings

General Body Meetings : The Annual General Meeting for the Financial Year 2019-2020 was held through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM') and previous two Annual General Meeting for the Financial Years 2018-19 & 2017-18 were held at Plot No. 1 & 9, IDA, Phase II, Cherlapally, Hyderabad – 500 051 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
2019-20	26 th 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
2018-19	25 th AGM	Plot No. 1 & 9, IDA, Phase II, Cherlapally, Hyderabad - 500051	Thursday, September 26, 2019 at 3.30 P.M.
2017-18	24 th AGM	Plot No. 1 & 9, IDA, Phase II, Cherlapally, Hyderabad - 500051	Friday, September 28, 2018 at 4:30 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
26 th 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
25 th AGM(2018-19)	Yes- - Re-appointment of Mr. K.S.Sarma (DIN: 01505787), as an Independent Director

	<ul style="list-style-type: none"> - Re-appointment of Mr. V.Venkata Ramana (DIN:02660082), as an Independent Director - Re-appointment of Ms. Sukhjinder Kaur (DIN:07926721) as an Independent Director - Appointment of Mr. Pavan Chavali (DIN:08432078) as Whole-time Director
24 th AGM (2017-18)	Yes <ul style="list-style-type: none"> - Approval to continue Mr. K.S.Sarma, as Non-Executive Independent Director.

iii) Resolutions passed during the year through Postal Ballot: NIL

8. 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 (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 under the Investors section.

d) Whether it also displays official news releases: No

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

9. General Information for Shareholders

- a) Day & Date** - Annual General Meeting will be held on Monday, the 27th day of September, 2021 at 3.00 p.m. (IST).
- b) Venue** - In accordance with the General Circulars No. 14,17 dated April 8, 2020, April 13, 2020 respectively, issued by the MCA and Circular no. 02/2021 issued by the MCA on January 13, 2021 the AGM will be held through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM') only.
- c) Financial Year** - 2020-2021 (1st April to 31st March).
- d) Dividend Payment date** - Not Applicable
- e) Dates of Book Closure** - September 21, 2021 to September 27, 2021 (both days inclusive).

f) Listing on Stock Exchanges:

Stock Exchange	Address	Security Id / Symbol	Scrip Code	ISIN
BSE Limited (BSE)	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001	GOLDTECH	531439	INE805A01014
National Stock Exchange of India Limited (NSE)	Exchange Plaza, Bandra- Kurla Complex, Bandra (E), Mumbai-400 051	GOLDTECH	NA	

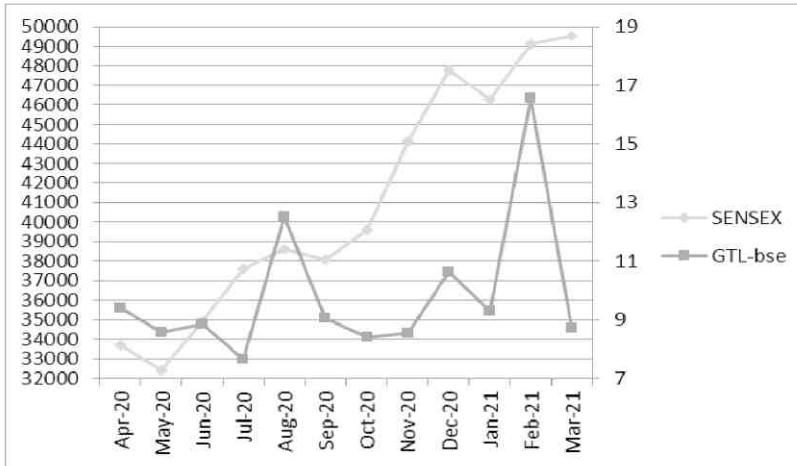
The Annual Listing Fee for the FY 2021 -22 were paid to both the Stock Exchanges.

g) 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 2020-21

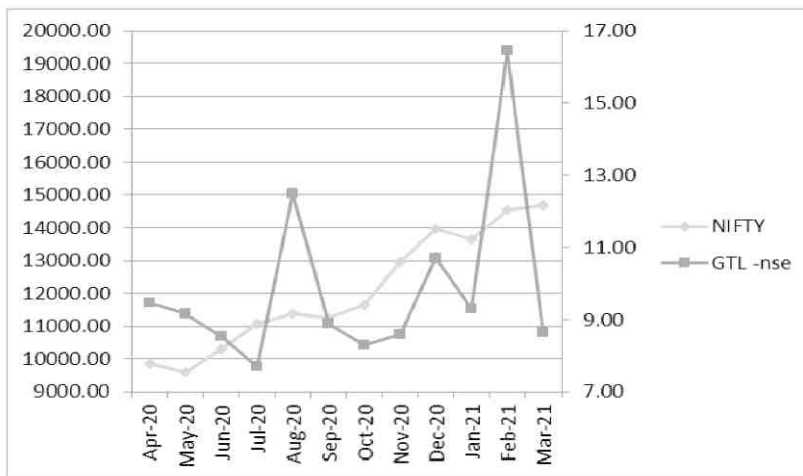
2020-21	BSE			NSE		
Month	High (Rs.)	Low (Rs.)	Volume (Nos.)	High (Rs.)	Low (Rs.)	Volume (Nos.)
Apr-20	11.94	6.75	94,665	12.25	7.15	6,18,230
May-20	10.20	8.05	95,782	9.80	7.95	3,28,386
Jun-20	10.00	8.12	1,28,644	9.70	8.15	4,97,174
Jul-20	8.90	7.37	58,304	9.35	7.40	5,58,891
Aug-20	16.09	7.36	9,94,683	16.00	6.60	28,50,113
Sep-20	11.89	8.19	1,89,417	11.90	8.20	5,90,529
Oct-20	9.39	7.91	81,067	9.20	7.80	3,31,727
Nov-20	8.75	7.75	83,097	8.60	7.60	2,63,375
Dec-20	12.10	8.89	3,70,455	12.00	8.90	14,10,709
Jan-21	12.00	9.00	1,59,545	12.15	8.80	9,75,104
Feb-21	17.41	8.95	12,88,308	17.30	9.10	35,04,677
Mar-21	15.75	8.70	27,757	15.65	8.65	1,84,817

h) 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



i) Registrar and Transfer Agents:

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

Contract Person : Mr. Bhaskara Murthy

j) 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.

k) Distribution of Shareholding as on March 31, 2021:
i) According to Category of Shareholders

Category	No. of Shareholders		No. of Shares	
	Total	%	Total	%
1 – 5000	8,540	77.28	12,40,019	6.60
5001 – 10000	1,110	10.04	9,53,884	5.08
10001 – 20000	583	5.28	9,03,099	4.81
20001 – 30000	230	2.08	6,04,839	3.22
30001 – 40000	118	1.07	4,21,316	2.24
40001 – 50000	98	0.89	4,72,298	2.51
50001 – 100000	182	1.65	13,89,772	7.40
100001 and above	190	1.72	1,27,96,839	68.13
TOTAL	11,051	100.00	1,87,82,066	100.00

ii) According to number of equity shares held:

Category	No. of shares	% to share capital
Promoters	35,34,153	18.82
Mutual Funds and UTI	0	0.00
Insurance Companies	0	0.00
Banks	2,900	0.02
FII's	0	0.00
Private Corporate Bodies	16,82,473	8.96
Indian Public	1,27,60,032	67.94
NRIs / OCBs	4,87,229	2.59
Trust	100	0.00
Clearing Members	1,13,573	0.60
NBFC	25,000	0.13
IEPF	1,76,606	0.94
Grand Total	1,87,82,066	100.00

l) Dematerialization of shares and liquidity:

1,86,25,137 Equity Shares representing 99.16 % of the company's share capital are dematerialized as on March 31, 2021.

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 01st April, 2019.

The particulars of dematerialization are as follows:

Sl. No.	Category	Total No. of Shares	% of Equity
1	PHYSICAL	1,56,929	0.84
2	NSDL	1,16,72,340	62.15
3	CDSL	69,52,797	37.01
	Total	1,87,82,066	100.00

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

- m) As on March 31, 2021, the company did not have any outstanding GDRs / ADRs / Warrants or any convertible instruments
- n) **Compliance Officer** : Thirumalesh T
 Company Secretary & Compliance Officer
 Tel: 91 - 40-66284999
E-mail:cs@goldstonetech.com
- o) **Location of Software Divisions/ facilities :**
- Registered Office : 1st Floor, GNR's RV Insignia Building,
 Image Garden Road, Madhapur,
 Hyderabad, Rangareddi-500081
 Telangana, India.
- U.S Office : 9660 Falls of Neuse Rd, Ste. 138 Unit 161, Raleigh,
 North Carolina, 27615, United States of America.
- p) **Address for Correspondence** : Goldstone Technologies Limited
 1st Floor, GNR's RV Insignia Building,
 Image Garden Road, Madhapur,
 Hyderabad, Rangareddi-500081
 Telangana, India.
- q) **Investor Relations** : All the queries received from shareholders during the financial year 2020-21 have been responded to. The Company generally replies to the queries within a week of their receipt.
- r) **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.
- s) **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.

10. 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 30 of Standalone Financial Statements and Note 29 of Consolidated Financial Statements of the company for the financial year ended March 31, 2021. 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 web site; 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

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 2020-21, 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

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 2020-21. A declaration to this effect, signed by the Whole-Time 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 preferential allotment or QIP as specified under Regulation 32 (7A) of Listing Regulations.

- 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 27 & 32 to the Standalone Financial Statements and Note 26 & 31 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 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. During the year the Board of Directors of the Company at their meeting held on 25th August, 2020 has approved the 'Goldstone Technologies Limited Employee Stock Option Plan-2020' ('GTLESOP 2020'), and also approved by the shareholders at the 27th AGM held on 28th September, 2020. However, the company has not implemented and allotted any ESOPS from the date of last Annual General Meeting till date.

- 11. 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 2020-21 do not contain any audit qualification.
- d. **Separate posts of Chairperson and Chief Executive Officer:** The Company has appointed neither a Chairperson nor Chief Executive Officer. But, the Company has

appointed a Whole-Time Director and the Board elects a Chairman for each of its meeting.

- e. Reporting of Internal Auditor: The Internal Auditors report directly to the Audit Committee

12. 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.

13. Certificate from Whole Time 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 Whole Time Director and Chief Financial Officer was placed before the Board of Directors of the Company in its meeting held on 25th June, 2021 is annexed to the Corporate Governance Report.

14. 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/Whole Time Director is annexed to the Corporate Governance Report.

15. 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 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.

16. Disclosure with respect to demat suspense account / unclaimed suspense account: Nil

17. 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 2012-13, 2013-14 and 2014-15 therefore no such amount was due which should be transferred to IEPF Account.

For and on behalf of the Board

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

Sd/-
Pavan Chavali
 Whole-Time Director
 (DIN: 080432078)

Place : Hyderabad
 Date: 26.08.2021

CERTIFICATE FROM THE WHOLE-TIME DIRECTOR & CHIEF FINANCIAL OFFICER

We, Mr.Pavan Chavali, Whole-time Director and Mr. Vithal VSSNK Popuri, Chief Financial Officer certify that

We have reviewed financial statements and the cash flow statement for year ended 31st March, 2021 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/-	Sd/-
Pavan Chavali	Vithal VSSNK Popuri
Whole-Time Director	Chief Financial Officer
DIN: 08432078	

Place: Hyderabad
Date: 25.06.2021

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, 2021.

For and on behalf of the Board

Sd/-
Pavan Chavali
Whole-Time Director
DIN: 08432078

Place: Hyderabad
Date: 25.06.2021

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. VCSR & 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 1st Floor, GNR's RV Insignia Building, Image Garden Road, Madhapur, Hyderabad Rangareddi, Telangana-500081 (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, 2021 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.

S. No.	Name of the Director	DIN	Designation
1.	Mr. Paul Sashikumar Lam	00016679	Director
2.	Mr. Clinton Travis Caddell	01416681	Director
3.	Mr. Kambhampati Subramanya Sarma	01505787	Independent Director
4.	Mr. Venkata Ramana Vedula	02660082	Independent Director
5.	Ms.Sukhjinder Kaur **	07926721	Independent Director
6.	Mr. Pavan Chavali	08432078	Whole-time Director
7.	Mrs. Deepa Chandra ##	08952233	Independent Director

** resigned on 20th September, 2020

appointed on 13th November, 2020

Ensuring the eligibility of 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 VCSR & Associates
Company Secretaries

Sd/-

Ch Veeranjaneyulu

Partner

CP No. 6392

UDIN: F006121C00077540

Place: Hyderabad

Date: 12.08.2021

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, 2021, 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.

PCN & Associates
Chartered Accountants
FRN: 016016S

Sd/-
K. Gopalakrishna
Partner

Membership No. 203605
UDIN No. 21203605AAAAKD5799

Place: Hyderabad
Date: 26-08-2021

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

Barring something like a global pandemic, entering 2020, we had anticipated another year of strong, predictable growth within the technology sector.

But, as everyone knows, 2020 was anything but normal. In March 2020, one writer described the COVID-19 pandemic as a "time machine to the future." We believe this analogy especially applies to the technology sector. In many ways, the last year saw faster adoption of technology by enterprises and consumers than at any other time in contemporary history. As a result, technology companies largely fared well during 2020, providing the crucial backbone that, for example, enabled employees to work from home and educators to teach at a distance. Today, we've been transported tens of years ahead of where we started in 2020.

Over the last six months, we have also seen significant activity around mergers, acquisitions, and divestitures. Many technology companies have capital to invest, and some are looking to augment their technology stack or acquire critical talent. In 2021, we believe there's much more to come, based on early indications of how companies are talking about potential transactions.

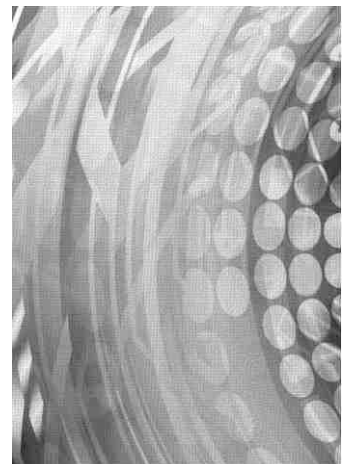
To capitalize fully on these three priorities, it's imperative that tech companies attract and develop talent with skills in critical areas, such as Analytics, Data Sciences, AI, robotic process automation (RPA), and cybersecurity. This includes the need for people who can weave these technologies into specific business objectives. For many players in the technology sector, 2020 also offered a chance to reexamine the role they can play in society, particularly around social responsibility issues such as climate change, social justice, equity and inclusion, and employee well-being. We will likely continue to see companies taking definitive actions in these areas in the coming year as they seek to create a stronger, better world.

1. Redoubling digital transformation efforts

Facing new pressures and constraints, companies are working to improve their agility and flexibility, increase automation, and move to more real-time operations. Accelerating digital transformation efforts will likely take a rededication to improving cloud infrastructure, data and analytics capabilities, and cybersecurity. It will also likely require a renewed focus on business model transformation and ecosystem development.

2. Reorienting and reskilling the workforce

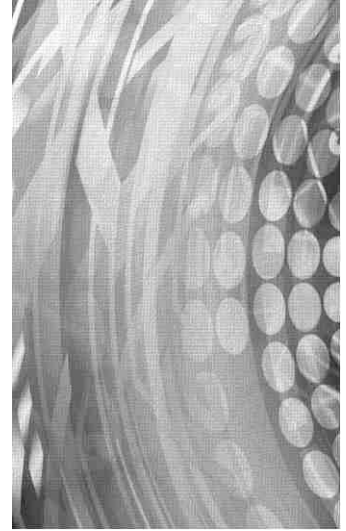
Workforces have been beset with multiple recent shifts and challenges, redefining how people interact and how work gets done. Tech companies have been increasingly leveraging remote



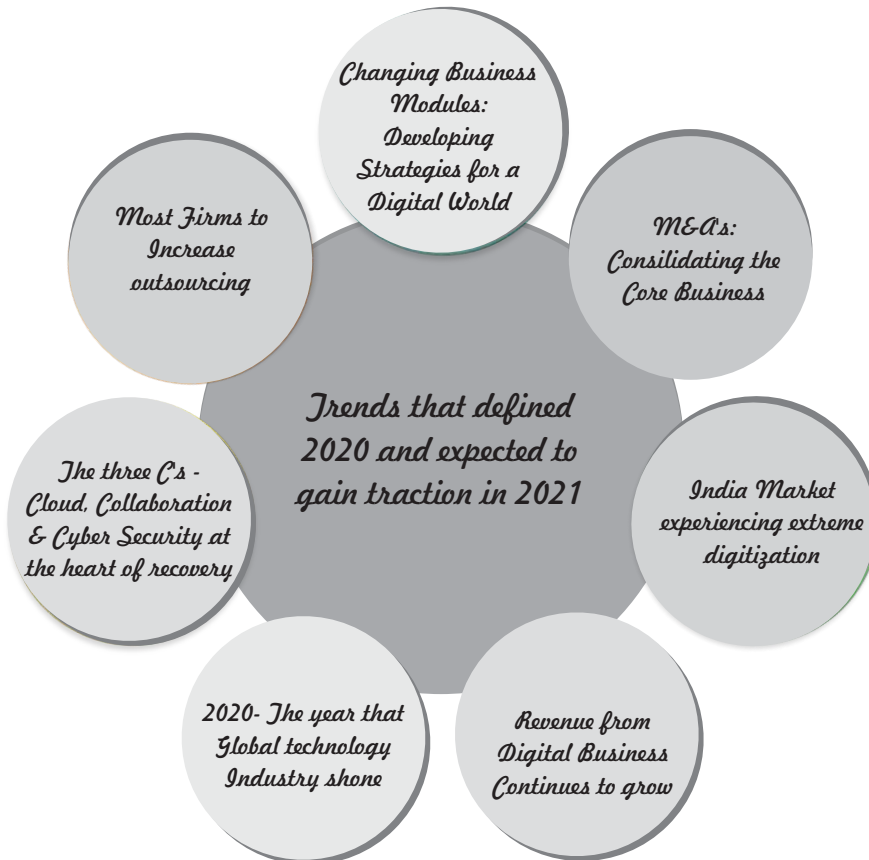
work capabilities and enabling other companies to do the same. In the name of improving efficiency, more and more companies are also harnessing AI technologies and RPA, both to streamline tasks and augment capabilities. The implication for workers is that they will likely need more support and development opportunities.

3. Reexamining where and how manufacturing happens

The disruption caused by the COVID-19 pandemic has laid bare vulnerabilities in many technology companies' supply networks. Some have had difficulty meeting increased demand due to an inability to secure critical components, while others have struggled to gain visibility into their networks, preventing them from becoming more agile. Tech companies should continue to explore potentially relocating and diversifying their production facilities. They should also look to improve transparency, flexibility, and resiliency while reducing environmental impact.



Tech Industry in India: 2021 –New World: The Future is Virtual



1
Pandemic led RESET:

- Global impact of the COVID-19 pandemic has led to two major resets or shifts: an acceleration in the pace of digital transformation and a novel, hybrid work model that has redefined the dimension of already evolving workplace and work culture

2
Technology Industry Performance:

- India's technology industry is expected to record a growth of 2.3% in FY 2021 to touch \$ 194 billion (excluding e-commerce)
- Exports, at ~ \$ 150 billion, is likely to see a modest growth of 1.9%; however, domestic technology sector is likely to perform better with 3.4% growth predicted

3
DIGITAL transformation imperative:

- Consumers of technology – established companies, start up's and increasingly governments across India – have unequivocally suggested significant increase in digital investments over the next 18 months

- **Tech Sector in India has significantly enhanced its value proposition during the pandemic** – The organizations have made significant investments in aspects ranging from hardware enablement for remote working to managerial training for managing remote workforce. The industry has evolved across four key aspects - digital workspace capabilities, human capabilities, and distributed delivery capabilities with enhanced business resilience
- **Organizations have responded swiftly to address the second wave challenges with a strong focus on employee health and safety** – They are taking steps to successfully navigate the 2nd wave of COVID-19. The organizations are focusing on realigning work processes, strengthening security posture, focusing on talent sourcing and skilling, and adopting a "People First" approach by revamping HR processes
- **Strong Resilience Exhibited by the Industry** – The tech industry in India has largely been successful in containing the impact on 2nd wave of COVID19. For the 4-week period under consideration, while most firms report 2-3% workforce impacted, they also report nil to minimal productivity and business impact. The industry was successful in scaling remote working swiftly during the 2nd wave outbreak in India
- **2021 Outlook remains positive, with robust business demand** – The IT spending is likely to grow by 10.9% in 2021. The hiring sentiment also remains bullish despite second wave with nearly 89% of technology organizations planning to increase their workforce this year. Driven by digital tech spending, Indian technology services industry is likely to experience accelerated growth in the next few years to reach USD 300- 350 billion by 2025

HOW TECH INDUSTRY NAVIGATED THE SECOND WAVE OF COVID-19

The industry was successful in navigating through the challenges arising due to reintroduction of lock downs and travel restrictions, height ened impact on workforce in terms of infections (employees and family members), concerns related to employee engagement, and employee mental well-being.

1. Re-Alignment of work processes
2. Strengthening security posture to secure IT assets, customer, and organizational data
3. Focus on talent sourcing, skilling, and training
4. Revamping HR processes and adopting a "People First" approach

RE-ALIGNMENT OF WORK PROCESSES FROM ONLINE TO ONSITE/ OFFSITE FOR BUSINESS CONTINUITY

The Pandemic ushered a new era for the technology industry wherein they were impelled to acclimatize to the new normal seamlessly by adapting to the evolving requirements. While the 1st wave pushed enterprises to service their customers remotely and shift from on-site to offsite/remote work models, the second wave brought in new set of challenges with respect to employee's health and safety. This ensued focus shifting towards an employee-first approach along with a realignment of organizational priorities and BCP plans. Some of the notable initiatives taken up by leading vendors to put BCP in motion are highlighted below

Multi Back-ups- IT vendors had to recalibrate their BCP strategies such that in case one location or site was rendered out of action due to rising infections, backup teams were created and cross trained to work across different teams, locations and with different leaders, as the need arose.

Service providers such as Mphas is and Infosys BPM shifted some of their work processes to different location either within the country or outside. In some instances, IT vendors such as

Infosys BPM followed a '1+2' strategy, for every critical employee, 2 backup resources were identified for business continuity and service delivery. Most of the large IT vendors and GCCs ensured their employees are vaccinated to enable smooth operations without compromising on employee safety.

Cloud based BCP/DR strategy- Cloud-based BCP is increasingly becoming a critical requirement and enterprises will evaluate as-a-service option to get access to data with no or minimal downtime. This model not only ensured security of critical data, but also improved efficiency and reliability in the event of a disaster. Remote management and easy scalability and flexibility options turned the needle in favor of cloud based BCP.

Sourcing skillsets globally- From a delivery perspective, some of the security and services vendors diversified their delivery risks through globalization. For instance, Mphas is accelerated their hiring, training and expansion plans across various countries and regions, to ensure business continuity.

Rise of satellite offices and shared set-ups- Some of the technology companies evaluated hub and spoke office models with satellite offices as a large percentage of their workforce migrated and resumed work from their hometowns during the mid-term. Shared infrastructure is likely to become a popular model for conducting business, once normalcy resumes. Some vendors are evaluating options to collaborate with partners/ clients and try co-working options to optimize real estate utilization.

'Follow the sun' model- Some of the product companies such as SAP did not see any major disruptions on the customer front as they managed their deliveries by leveraging their virtual technology infrastructure. They reprioritized activities such that there were no breaks in services/ SLAs to customers. Some of the critical launches were planned on schedule, by using the 'follow the sun' model wherein software development teams working in one

time zone hand over their work to their counter parts working in different time zone, to speed up product development and subsequent launch. Workflow processes had to be redesigned resulting in heightened investments on secure communication and collaboration platforms to provide seamless user experience across all employees and stakeholders.

BULLISH OUTLOOK FOR TECHNOLOGY INDUSTRY IN 2021

Most of the technology vendors built a robust pipeline during the pandemic and had significant revenue growth driven by digital adoption. Indian technology companies built new capabilities through reskilling and partnerships in the areas of digital technologies around cloud/ modernization/ migration, customer experience, automation, next-gen security, AI, IoT, blockchain etc. and set-up innovation labs to build solutions around digital technologies to create demonstrable solutions to clients. After a dip of 1.4% in IT spending last year, a strong rebound in global IT spending is likely in 2021 with a forecasted to grow at 10.9%.

Receding 2nd Wave of COVID-19 in India

The spike in cases because of 2nd wave of

COVID-19 is now on a downward trend and is likely to lessen the organization's concerns with regards to movement restrictions, and workforce mental well being, health, safety, and mental wellness.

Robust Hiring Trends and Strong Tech Investment Focus

As per NASSCOM CEO Pulse survey (second Wave Dipstick), the hiring sentiment continues to remain bullish with nearly 89% of technology organizations planning to increase their workforce in 2021, with 56% of organizations looking at a workforce addition of 5% or more.

In 2021, 67% of CEOs expect Indian technology industry to grow significantly higher than 2020, and 60% CEOs expect growth to be led by larger digitization deals & return of tech spending in core markets such as BFSI, manufacturing, and retail.

Over the last year and a half, organizations have invested significantly to enhance their capabilities on all fronts. In 2021, the trend is likely to continue with top investment focus areas being digital transformation, remote working collaboration tools, HR process digitization, and employee engagement reported by 70%, 65%, 63% and 60% of organizations respectively.

The Indian technology industry continues to grow at about 10% per annum—two or three times faster than the global tech industry. The industry now produces about 27% of the nation's exports and provides employment to 4.47 million people.

The industry is poised for growth due to the evolved value proposition and strong demand outlook with global IT spending likely to grow at double digits in 2021. The key pockets of growth are Cloud services, AI and advanced analytics and Cyber security, followed by Intelligent automation, AR/VR, Customer experience, UI/UX, and IoT.

Collectively, the Indian Technology services could reach USD 300-350 billion in revenues by 2025, as per **NASSCOM-McKinsey report**"

1. Digital and cloud services present a USD 600-700 -billion opportunity. The global enterprise technology services spending is estimated to grow at an average of 5% YoY to reach USD 1.2 to 1.3 trillion annually by 2025. The shift in enterprise spending towards digital and cloud services is likely to account for USD 350 to 400 billion of incremental spend by 2025.
2. AI transformation presents strong growth opportunity for the technology industry in India - The spend is likely to be driven by core modernization, data layer and AI

enablement core technology and data such as cloud infrastructure, data management for AI world, Modern API architecture, core modernization, and cybersecurity. These are likely to account for nearly three-fourth of the AI transformation spend.

3. Digital engineering services is likely to emerge as a key pocket of growth. While traditional engineering services are likely to grow at about 3 to 5% year on year, growth in digital product engineering services is expected to be 4-5x traditional engineering services. Digital product

engineering services segment is likely to grow at 16 to 19% CAGR to reach USD 235 to 270 billion by 2025.

4. Many of the industry's out performers beyond the pandemic will be those who continue to enhance their capabilities during and beyond the pandemic. Many will:
 - Accelerate efforts and initiatives to adopt "Future Operating Models"
 - Reimagine stakeholder engagement in the virtual setup and establish mutual trust with clients, employees, and partners

Opportunities, Threats, Risks and Concerns:

GOLDSTONE TECHNOLOGIES LTD (GTL) IS EMERGING AS A SPECIALIST FULL-STACK BI, DATA ANALYTICS, AND IT SERVICES CONSULTING FIRM.

In addition to the focused Client Solutions we offer, the market specific Industry Solutions and the Software Platform we recommend and license, we also offer a host of strategic services to drive improved planning, reduced costs and greater adoption and utilization, enabling clients to greatly reduce their time to value.

IMPACTFUL BUSINESS SOLUTIONS REQUIRE A COMPREHENSIVE APPROACH:

At GTL our focus is on the value our clients get from our solutions, not just the solutions themselves. While we are very good at integrating and consolidating data to produce insights and building/managing/optimizing Cloud Infrastructure, we pride ourselves on how we help our customers use data and technology to make a difference.

GTL focus areas for 2021-22



Cloud Strategy & Implementation

- Advisory & Consulting
- Deployment & Migration
- Optimisation
- Managed Services



Analytics Consulting

- Advisory
- Architecture
- Implementation
- Data Culture



Data Engineering

- Integration (ETL/ELT)
- Data Migration
- Master Data Management (MDM)
- Data Warehouses & Lakes



Business Intelligence

- Diagnostic Reporting
- Visual Analytics
- Embed
- BI Lifecycle Management



Data Science

- Maturity Assessment
- Predictive Modelling
- Prescriptive Analytics
- AI & ML



Enablement

- Application Development
- Project Management
- Training & Support
- IT Staff Augmentation & Outsourcing

Goldstone Technologies continues to focus on rapid growth opportunities in the technology sector. The business and analytics domain remains our core priority area for the next few years. We are on the rapid transition to the next level of BI/AI/ML solutions by integrating our services and offering a complete package of analytics.

During the FY 2020-21 we increased our customer base to almost 750+ customers over the years and are further investing on developing internal capabilities towards providing Machine Learning, Predictive Analysis and AI solutions to customers covering a larger base of analytics support beyond the current visual analytics domain.

In line with the vision of becoming a 'Full-Stack' Analytics Solutions and Product provider, GTL has expanded its scope of partnership to Cloud Technologies such as – AWS, Snowflake, Fivetran etc., in the previous year. We struck formal partnerships with Advanced Analytics OEM companies such as Kyvos, Unscrambl adding to the existing leading partnerships of Tableau and Alteryx.

Few challenges that we will need to overcome during this growth phase

- ◆ Hiring Talent – With GTL poised to increase its Digital Transformation and Cloud services to almost 2-3X, hiring the right talent time is a challenge, especially with the present market scenario
- ◆ Remote Excellence – With the pandemic situation changing the work dynamics, balancing the new mode with rapid growth strategies is a challenging task
- ◆ Retention of customers by providing continuing value additions
- ◆ Reinvent and optimize traditional offerings along with integrating new services

Internal Control Systems:

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 organisation. 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 work place, Development Programs such as Team Building, Communication, Super Leadership for Super Success, Effective Management Skills, etc. have been conducted. Considering the health and safety of employees and advisories, orders and directions issued by State and Central Governments to restrict the COVID-19, the Company continued work from home policy to ensure employee safety during the year.

The HR department of the Company was continuously in touch with employees to guide and solve problems. It created awareness regarding COVID-19 and educated employees about precautions. The Company conducted majority interviews through telephone and video calls in deference to the need for social distancing. As on 31 March 2021, the Company has total strength of 143 employees.

Analysis of financial performance of the company:

There is an increase of 17% in GTL Consolidated revenues for the current FY2020-21 i.e. INR500.10 Million as against the previous FY2019-20 revenue of INR427.64 Million. Also there is an increase of 20% in the GTL Standalone revenues for the Current FY2020-21 INR421.86 Million as against of INR 351.89 Millions of previous FY2019-20. The Consolidated Net (Loss) after Tax for the current FY2020-21 is INR (5.73) Millions, (1.15%) against Consolidated Net (Loss) of INR(1.28) Millions, (0.30%) during the previous FY 2019-20. The GTL Standalone Net Profit after Tax in the current FY 2020-21 INR14.20 Million, 3.37% as against INR10.87 Millions, 3.09% in the previous FY 2019-20. Also the GTL Consolidated Cash (Loss) for the current FY2020-21 has been reported at INR(6.44) Million as compared to Cash profit of INR 1.66 Million in the previous FY2019-20 and GTL Standalone Cash Profit has been reported at INR 13.72 Million in the current FY 2020-21 as compared to Cash Profit of INR14.16 Million during the previous FY 2019-20.

Segment wise performance: In GTL Standalone Financials, there is an increase of 45.74% in the revenue segment - Data Analytics Software License Sale in the current FY 2020-21 INR 293.36 Millions in comparison to INR 201.30 Millions in the previous FY 2019-20. Also in the revenue segment Information Technology / Software Services there is decrease in revenue (14.67%) i.e. in current FY 2020-21 INR128.50 Millions in comparison to INR150.59 Millions in previous FY 2019-20. Whereas in GTL Consolidated Financials, there is an increase of 44.89% in revenue segment - Data Analytics Software License Sale in the current FY 2020-21 INR300.39 Millions in comparison to INR207.33 Millions in the previous FY 2019-20. In the Information Technology / Software Services segment (both USA and India) there is a decrease of (9.35%) i.e. INR199.71 Millions in current FY 2020-21 in comparison to INR220.31 Millions in previous FY 2019-20 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 30.39% i.e. in current FY2020-21 INR22.74 Million in comparison to INR17.44 Millions in previous FY2019-20. The segment profit in Data Analytics Software Licenses Sale segment decreased by (10.76%) i.e. in current FY2020-21 INR1.41 Million in comparison to INR1.58 Millions in previous FY2019-20. In GTL Consolidated Financials, the Information Technology / Software Services segment (both India and US) profit increased by 88.09% to INR 9.16 Millions in current FY2020-21 from INR4.87 Million in the previous FY2019-20 due increase in margin in Information Technology / Software Services segment in India. Further, the Data Analytics Software License Sale segment profit has decreased by (>100%) i.e. (INR4.57) Millions in current FY2020-21 in comparison to INR 2.47 Millions in previous FY2019-20.

Liquidity and capital resources:

There is no change in Shareholders' funds during the financial year 2020-21.

The secured loans as at 31 March 2021 stood at INR1.25 Million as against INR40.95 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.

Details of significant changes in key financial ratios:

Debtors Turnover: In GTL Standalone Financials, this Ratio has increased from 3.34 in FY2019-20 to 3.44 in FY2020-21. Also in GTL Consolidated Financials, this Ratio has increased from 3.89 in FY2019-20 to 4.17 in current FY2020-21. This increase 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.

Interest Coverage Ratio: In GTL Standalone Financials - Interest coverage ratio increased to 20.35 in current FY2020-21 from 5.47 in previous FY2019-20. In GTL Consolidated Financials, this ratio has increased to 2.18 in current FY2020-21 from 1.25 in previous FY2019-20. The said increase is due to decrease in the utilization of Overdraft limits from Banks and also closure of Overdraft Credit Facility during the current Financial Year.

Current Ratio: In GTL Standalone Financials - Current Ratio increased to 3.60 in current FY2020-21 from 2.30 in previous FY2019-20. In GTL Consolidated Financials, this ratio has increased to 4.77 in current FY2020-21 from 3.32 in previous FY2019-20. The said increase is due to closure of the Over Draft Credit facility during the current Financial Year. Also there are certain advances given to Creditors in FY 2019-20 have been returned during the current Financial Year FY2020-21 which has resulted in increase of Current Ratio.

Debt /Equity Ratio: In GTL Standalone Financials – this Ratio has increased to 0.36 in current FY2020-21 from 0.56 in the previous FY2019-20. Also in GTL Consolidated Financials, the same Ratio has increased to 0.29 in Current FY2020-21 from 0.40 in the previous FY2019-20. This is due to closure of Over Draft (Working Capital Loan) Facility from ICICI Bank Limited in the current FY2020-21.

Operating Profit Margin Ratio: In GTL Standalone Financials – this Ratio has increased to 4.57% in current FY2020-21 from 4.26% in the previous FY2019-20. The said increase in GTL Standalone is due to increase in margins in IT Consulting (IT Software Services) in India. Also in GTL Consolidated Financials, the same Ratio has decreased to (0.31%) in Current FY2020-21 from 0.71% in the previous FY2019-20. The decrease in Operating Profit Margin Ratio in GTL Consolidated Financials is due to discounts offered to large sized orders in Data Analytics Software License Sale to customers in the Subsidiary Company Staytop Systems, Inc., USA.

Net Profit Margin (%): In GTL Standalone Financials - there is increase in Net Profit Ratio to 3.37% in current FY2020-21 in comparison to 3.09% in previous FY2019-20 due to the fact that, there is a decrease in the finance cost (interest on loans) and increase in the IT Consulting (IT Software Services) segment. In GTL Consolidated Financials, the Net Profit/ (Loss) Ratio in current FY2020-21 stood at (1.15%) against (0.30%) in previous FY 2019-20 due to the fact that discounts offered to large sized orders in Data Analytics Software License Sale in US Subsidiary i.e. Staytop Systems, Inc.

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 a increase in this Ratio to 4.56% in current FY2020-21 in comparison to 3.67% in previous FY2019-20 due to the fact that there is a decrease in the finance cost (interest on loans) and increase in margins in IT Consulting (IT Software Services) in India. In GTL Consolidated Financials, The same Ratio in current FY2020-21 stood at (1.31%) against (0.29%) in previous FY2019-20 due to the fact that discounts offered to large sized orders in Data Analytics Software License Sale in US Subsidiary i.e. Staytop Systems, Inc.

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

Particulars	2020-21	2019-20
Foreign Exchange Earnings	116.34	82.66
Foreign Exchange Outgo	218.25	130.94

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;

Non Executive Director*	Ratio to Median Remuneration
Mr. K.S.Sarma	Not Applicable
Mr. V.Venkata Ramana	Not Applicable
Ms. Sukhjinder Kaur [@]	Not Applicable
Mrs. Deepa Chandra [#]	Not Applicable
Mr. L.P. Sashikumar	Not Applicable
Mr. Clinton Travis Caddell	Not Applicable
Executive Director	
Mr.Pavan Chavali ^{\$}	7.29 times

[@] Resigned as a Director w.e.f 20.09.2020

[#] Appointed as a Director w.e.f. 13.11.2020

^{\$} Appointed as a Whole-Time Director for a further term of 3 years w.e.f 25.06.2021

* Non-Executive directors are not having 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;

Name of the person	Designation	Percentage increase in remuneration
Mr. Pavan Chavali*	Whole-Time Director	22
Mr. Vithal V S S N K Popuri	Chief Financial Officer	Nil
Mr. Thirumalesh Tumma	Company Secretary	Nil

* Appointed as a Whole-Time Director for a further term of 3 years w.e.f 25.06.2021

- c) The percentage increase in the median remuneration of employees in the financial year: 7.7 %**
- d) The number of permanent employees on the rolls of company: 143 on 31st March, 2021 .**
- 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 2020-21 was 6.58% and no increase in remuneration paid to managerial personnel during the FY 2020-21 except as mentioned above.

f) affirmation that the remuneration is as per the remuneration policy of the Company

The Company affirms remuneration 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 endeavors 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 Financial Statements Opinion

We have audited the accompanying standalone financial statements of Goldstone Technologies Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, 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 (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("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, 2021, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone 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 financial statements.

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

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

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

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

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 Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, 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 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 Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate

to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 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, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of 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 financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
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 C N & Associates.,
Chartered Accountants
FRN:016016S

M Mohana Saradhi
Partner
M.No:244686
UDIN:21244686AAAABT2449

Place: Hyderabad
Date: 25/06/2021

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, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The 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 authorisations 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, 2021, 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 C N & Associates.,
Chartered Accountants
FRN:016016S

M Mohana Saradhi
Partner

M.No:244686
UDIN:21 244686AAAABT2449

Place:Hyderabad
Date: 25/06/2021

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 fixed assets:
- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us 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.
- ii. The Company is in the business of providing software services and does not have any physical inventories. Accordingly, reporting under clause 3 (ii) of the Order is not applicable to the Company.
- iii. The company has not granted any loans, secured or unsecured, to companies, firms, and Limited Liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, reporting under clause 3 (iii) of the Order is not applicable to the Company.
- iv. 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. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2021 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.
- vii. According to the information and explanations given to us, in respect of statutory dues:
- (a) The Company 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, 2021 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, 2021 on account of disputes.

- viii. In our opinion, and according to the information and explanations given to us, the company has not defaulted in repayment of dues to financial institution or banks or Government or dues to debenture holders as at the balance sheet date.
- ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- 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. In our opinion and according to the information and explanations given to us, the Company is in compliance with

Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

- xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For P C N & Associates.,
Chartered Accountants
FRN: 016016S

M Mohana Saradhi
Partner
M.No: 244686
UDIN:21244686AAAABT2449

Place: Hyderabad
Date: 25/06/2021

STANDALONE BALANCE SHEET AS AT 31 MARCH 2021

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

Particulars	Note	As at 31 March 2021	As at 31 March 2020
Assets			
Non-current Assets			
Property, Plant and Equipment	4	99.60	100.69
Financial Assets			
Investments	5	92.76	92.76
Loans	6	1.41	1.41
Deferred Tax Assets, net	7	8.67	9.77
		202.44	204.63
Current Assets			
Financial Assets			
Trade Receivables	8	103.84	116.77
Cash and Cash Equivalents	9	11.29	12.93
Other Bank Balances	10	1.00	1.05
Loans	6	2.76	5.05
Other Financial Assets	11	1.85	1.71
Current Tax Assets, net	12	97.92	103.50
Other Current Assets	13	3.44	15.03
		222.10	256.04
Total Assets		424.54	460.67
Equity and Liabilities			
Equity			
Equity Share Capital	14	187.82	187.82
Other Equity	15	123.84	108.27
Total Equity		311.66	296.09
Non-current Liabilities			
Financial Liabilities			
Borrowings	16	-	1.26
Provisions	17	14.20	14.16
Other non-current Liabilities	20	37.01	37.72
		51.21	53.14
Current Liabilities			
Financial Liabilities			
Borrowings	16	-	38.13
Trade Payables	18	49.09	57.37
Other Financial Liabilities	19	1.25	1.55
Other Current Liabilities	20	9.55	12.46
Provisions	17	1.78	1.93
		61.67	111.44
Total Liabilities		112.88	164.58
Total Equity and Liabilities		424.54	460.67

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 C N & Associates**

(formerly known as Chandra Babu Naidu & Co.)

Chartered Accountants

ICAI Firm Registration Number: 016016S

Sd/-

M Mohana Saradhi

Partner

Membership No.: 244686

Place: Hyderabad

Date: 25 June 2021

for and on behalf of the Board of Directors of

Goldstone Technologies Limited

CIN: L72200TG1994PLC017211

Sd/-

Pavan Chavali

Whole Time Director

DIN: 08432078

Sd/-

Vithal V S S N K Popuri

Chief Financial Officer

Sd/-

L.P. Sashikumar

Director

DIN: 00016679

Sd/-

Thirumalesh T
Company Secretary

STANDALONE STATEMENT OF PROFIT AND LOSS AS AT 31 MARCH 2021

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

Particulars	Note	For the year ended 31 March 2021	For the year ended 31 March 2020
Income			
Revenue from Operations	21	421.86	351.89
Other Income	22	3.72	0.28
Total Income		425.58	352.17
Expenses			
Cost of Materials Consumed	23	237.77	162.98
Employee Benefits Expense	24	129.55	138.50
Finance Costs	26	2.28	3.25
Depreciation and Amortization Expense	25	3.31	3.29
Other Expenses	27	34.11	31.67
Total Expense		407.02	339.69
Profit before Tax		18.56	12.48
Tax Expense			
Current Tax	28	3.79	-
Deferred Tax	28	0.57	1.61
Total Tax Expense		4.36	1.61
Profit for the year		14.20	10.87
Other Comprehensive Income			
Items that will not be reclassified to Profit or Loss:			
Re-measurement gains on Defined Benefit Plan		1.90	0.65
Income-tax effect	28	(0.53)	(0.18)
Other Comprehensive Income for the year, net of Tax		1.37	0.47
Total Comprehensive Income for the year		15.57	11.34
Earnings Per equity Share (nominal value of INR 10) in INR	36		
Basic		0.76	0.58
Diluted		0.76	0.58

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 C N & Associates**

(formerly known as Chandra Babu Naidu & Co.)

Chartered Accountants

ICAI Firm Registration Number: 016016S

for and on behalf of the Board of Directors of

Goldstone Technologies Limited

CIN: L72200TG1994PLC017211

Sd/-

M Mohana Saradhi

Partner

Membership No.: 244686

Sd/-

Pavan Chavali

Whole Time Director

DIN: 08432078

Sd/-

L.P. Sashikumar

Director

DIN: 00016679

Sd/-

Vithal V S S N K Popuri

Chief Financial Officer

Sd/-

Thirumalesh T

Company Secretary

Place: Hyderabad

Date: 25 June 2021

STANDALONE STATEMENT OF CASH FLOWS AS AT 31 MARCH 2021

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

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
I. Cash flows from Operating Activities		
Profit Before Tax	18.56	12.48
<i>Adjustments to reconcile Profit before Tax to net Cash Flows:</i>		
Depreciation of Tangible Assets	3.31	3.29
Finance Income (including fair value change in financial instruments)	(3.72)	(0.21)
Finance Costs (including fair value change in financial instruments)	2.28	3.25
Re-measurement losses on Defined Benefit Plans	1.89	0.65
Operating Profit before Working Capital changes	22.32	19.46
<i>Changes in Working Capital:</i>		
Adjustment for (increase)/decrease in Operating Assets		
Trade Receivables	12.93	(39.23)
Loans - Current	2.29	(2.13)
Other Financial Assets - Current	(0.14)	(0.16)
Other Assets - Current	11.59	(11.02)
Adjustment for (increase)/decrease in Operating Liabilities		
Trade Payables	(8.28)	16.77
Other Financial Liabilities - Current	(0.30)	1.56
Other Non-current Liabilities	(0.71)	0.29
Other Current Liabilities	(2.91)	2.60
Provisions	(0.09)	0.09
Cash generated from Operations	36.70	(11.77)
Income Taxes paid	1.78	(15.92)
Net Cash generated from/(used in) operating activities	38.48	(27.69)
II. Cash Flows from Investing Activities		
Purchase of Property, Plant and Equipment and Intangibles (including Capital Work in Progress)	(2.22)	(0.72)
Sale of Property, Plant and Equipment	-	-
(Investments in)/ redemption of Bank Deposits (having original maturity of more than three months) - net	0.05	1.00
Interest received (Finance Income)	3.72	0.21
Net Cash used in Investing Activities	1.55	0.49

STANDALONE STATEMENT OF CASH FLOWS AS AT 31 MARCH 2021

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

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
III. Cash Flows from Financing Activities		
Proceeds from/(repayment of) Long-term Borrowings, net	(1.26)	(1.56)
Proceeds from/(repayment of) Short-term Borrowings, net	(38.13)	19.58
Interest paid	(2.28)	(3.25)
Net Cash provided by Financing Activities	(41.67)	14.77
Net increase in Cash and Cash Equivalents (I+II+III)	(1.64)	(12.43)
Cash and Cash Equivalents at the beginning of the year	12.93	25.36
Cash and Cash Equivalents at the end of the year (refer note below)	11.29	12.93
Note:		
Cash and Cash Equivalents comprise:		
Cash on Hand	0.06	0.08
Balances with Banks: - in current accounts	11.23	12.85
	11.29	12.93

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 C N & Associates**

(formerly known as Chandra Babu Naidu & Co.)

Chartered Accountants

ICAI Firm Registration Number: 016016S

for and on behalf of the Board of Directors of

Goldstone Technologies Limited

CIN: L72200TG1994PLC017211

Sd/-

M Mohana Saradhi

Partner

Membership No.: 244686

Sd/-

Pavan Chavali

Whole Time Director

DIN: 08432078

Sd/-

L.P. Sashikumar

Director

DIN: 00016679

Place: Hyderabad

Date: 25 June 2021

Sd/-

Vithal V S S N K Popuri

Chief Financial Officer

Sd/-

Thirumalesh T
 Company Secretary

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH, 2021

(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 2020	18,782,066		187.82
Balance as at 31 March 2021	18,782,066		187.82

b. Other equity

Particulars	Reserves and Surplus				Total
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	
At 1 April 2019	59.78	218.38	18.30	(199.54)	96.92
Profit/(Loss) for the year				10.88	10.88
Other comprehensive income					
Re-measurement gains/ (losses) on defined benefit plans				0.65	0.65
Income-tax effect				(0.18)	(0.18)
At 31 March 2020	59.78	218.38	18.30	(188.19)	108.27
Profit/(Loss) for the year					
Other Comprehensive Income					
Re-measurement Gains / (Losses) on Defined Benefit Plans, net of Tax				1.90	1.90
Income-tax effect				(0.53)	(0.53)
Balance as of 31 March 2021	59.78	218.38	18.30	(172.62)	123.84

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 C N & Associates**

(formerly known as Chandra Babu Naidu & Co.)

Chartered Accountants

ICAI Firm Registration Number: 016016S

Sd/-

M Mohana Saradhi

Partner

Membership No.: 244686

Place: Hyderabad

Date: 25 June 2021

for and on behalf of the Board of Directors of

Goldstone Technologies Limited

CIN: L72200TG1994PLC017211

Sd/-

L.P. Sashikumar

Director

DIN: 00016679

Sd/-

Thirumalesh T

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 25 June 2021.

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 2021 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.

Amendments Ind AS 116: COVID-19 related rent concessions

Ind AS 116 has been amended to provide limited relief to lessees in respect of rent concessions arising due to COVID-19 pandemic.

No relief has been allowed to the lessors.

The amendments provide a practical expedient that lessees may elect to not treat any rent concessions, provided by lessors as a direct consequence of COVID-19 pandemic, as lease modifications. However, to be eligible for this relief:

- the revised consideration for the lease should be less than or equal to the lease consideration immediately before the change;
- the rent concession should be for a period that does not extend beyond 30 June 2021 (for example, lease rents are reduced for a period upto 30 June 2021 and increased for periods thereafter); and

- there should be no substantial modification to the other terms and conditions of the lease.

Lessee should apply the amendments for annual reporting periods beginning on or after 1 April 2020. In case a lessee has not yet approved the financial statements for issue before the issuance of the amendments, then the same may be applied for annual reporting periods beginning on or after the 1 April 2019.

The aforesaid amendments 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 in-substance fixed lease payments. The Company recognizes the amount of the re-measurement 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
Leasehold Improvements	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 2020	78.67	13.35	1.27	0.71	1.06	4.37	2.68	8.63	0.53	111.27
Additions	-	-	-	-	0.02	2.25	0.01	-	-	2.28
Deletions	-	-	-	-	-	-	-	0.06	-	0.06
At 31 March 2021	78.67	13.35	1.27	0.71	1.08	6.62	2.69	8.57	0.53	113.49
Accumulated Depreciation										
At 1 April 2020	-	3.32	0.36	0.10	0.37	2.57	2.10	1.48	0.28	10.58
Charge for the year	-	0.83	0.09	-	0.08	0.90	0.07	1.27	0.07	3.31
Less: Adjustments	-	-	-	-	-	-	-	-	-	-
At 31 March 2021	-	4.15	0.45	0.10	0.45	3.47	2.17	2.75	0.35	13.89
Carrying amount										
At 1 April 2020	78.67	10.03	0.91	0.61	0.69	1.80	0.58	7.15	0.25	100.69
At 31 March 2021	78.67	9.20	0.82	0.61	0.63	3.15	0.52	5.82	0.18	99.60

Note

"a) Charge on Property, Plant and Equipment:
Out of Property, Plant and Equipment, Land and Buildings with a carrying amount of INR 83,370,116 (31 March 2020 - INR 84,200,419) 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)

Particulars	31 March 2021	31 March 2020
5 Investments		
Non-current Investments		
Investments carried at cost		
Unquoted Equity Shares		
Investments in Subsidiaries		
10,000 (31 March 2020: 10,000) Equity Shares in Staytop Systems Inc, USA	92.66	92.66
9,900 (31 March 2020: 9,900) Equity Shares of ₹10 each in Staytop Systems and Software Private Limited	0.10	0.10
Total Investments	92.76	92.76
6 Loans (Unsecured, considered good unless otherwise stated)		
Non-current		
Security Deposits	1.41	1.41
	1.41	1.41
Current		
Security Deposits	2.76	5.05
	2.76	5.05
7 Deferred Tax Asset, net		
Deferred Tax Asset		
- Tangible and Intangible Assets	4.23	6.00
- Provision allowed under tax on payment basis	4.44	0.03
- Unabsorbed Depreciation	-	3.74
Total	8.67	9.77
Deferred Tax Liability		
- Tangible and Intangible Assets	-	-
Deferred Tax Asset, net	8.67	9.77
8 Trade Receivables		
Unsecured, considered good	103.84	116.77
	103.84	116.77
Less: Allowance for doubtful receivables	-	-
Total Trade Receivables	103.84	116.77

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

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

Particulars	31 March 2021	31 March 2020
9 Cash and Cash Equivalents		
Balances with Banks:		
- On Current Accounts	11.23	12.85
Cash on Hand	0.06	0.08
Total Cash and Cash Equivalents	11.29	12.93
10 Other Bank Balances		
Term deposits with Banks with original maturities of more than 3 months and less than 1 year*	1.00	1.05
Total Other Bank Balances	1.00	1.05
*Represents Margin Money Deposits		
11 Other Financial Assets (Unsecured, considered good unless otherwise stated)		
Current		
Interest accrued on Deposits	1.85	1.71
	1.85	1.71
12 Current Tax Assets, net		
Advance Taxes and TDS	134.71	136.88
Less: Provision for Taxes	36.79	33.38
	97.92	103.50
13 Other Assets		
Current Assets		
Unsecured, considered good		
Advances other than Capital Advances		
Supplier Advances	0.68	12.40
Prepaid Expenses	1.40	1.46
Balances with Government Departments	1.36	1.17
	3.44	15.03
14 Share Capital		
Authorized Share Capital		
50,000,000 (31 March 2020: 50,000,000) equity shares of INR 10/- each	500.00	500.00
Issued, Subscribed and Fully Paid-up		
18,782,066 (31 March 2020: 18,782,066) equity shares of INR 10/- each fully paid-up	187.82	187.82
	187.82	187.82

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

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

(a) Reconciliation of Shares outstanding at the beginning and end of the reporting year

Particulars	31 March 2021		31 March 2020	
	No. of Equity Shares	INR Million	No. of Equity Shares	INR Million
Outstanding at the beginning of the year	18,782,066	187.82	18,782,066	187.82
Issued during the year	-	-	-	-
Outstanding at the end of the year	18,782,066	187.82	18,782,066	187.82

(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 2021		31 March 2020	
	No. of Equity Shares held	% holding in the class	No. of Equity Shares held	% holding in the class
Trinity Infraventure Limited	3,419,872	18.21%	3,419,872	18.21%

Particulars	31 March 2021	31 March 2020
15 Other Equity		
Capital Reserve:		
Opening Balance	59.78	59.78
Additions during the year	-	-
Closing Balance	59.78	59.78
Securities Premium:		
Opening Balance	218.38	218.38
Additions during the year	-	-
Closing Balance	218.38	218.38
Securities Premium consists of the difference between the face value of the Equity Shares and the consideration received in respect of Shares issued.		

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

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

General Reserve:		
Opening Balance	18.30	18.30
Add: Transfers during the year	-	-
Closing Balance	18.30	18.30
<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>		
Retained Earnings:		
Opening Balance	(188.19)	(199.54)
Profit / (Loss) for the year	14.20	10.88
Other Comprehensive Income	1.37	0.47
Less: Transfers to General Reserve	-	-
Closing Balance	(172.62)	(188.19)
Total Other Equity	123.84	108.27

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 2021	31 March 2020
16 Borrowings		
Non-current Borrowings		
Secured Loans		
Vehicle Loans		
- From Banks (refer note A below)	-	1.26
Total Non-current Borrowings	-	1.26
Current Borrowings		
Secured Loans repayable on demand		
- Working Capital Loans from Banks (refer note B below)	-	38.13
Total Current Borrowings	-	38.13

A. Vehicle Loan from Banks:

The Company has the following Vehicle Loan:

Loan of Rs.4,700,000 from Axis Bank for purchase of Mercedes Benz secured by the Vehicle Purchased out of the Loan funds. It is repayable in 37 EMI's of INR 1,45,414/- from 01 December 2018 to 01 December 2021. Current maturities repayable within one year is INR 12,55,235/-. The loan carries an interest rate of 8.76% per annum.

B. Overdraft Credit Facility from ICICI Bank Limited:

During the year ended 31 March 2021, the Company closed Overdraft Credit Facility with M/s ICICI Bank Limited.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

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

Particulars	31 March 2021	31 March 2020
17 Provisions		
Non-Current		
Provision for Employee Benefits		
- Gratuity (refer note 33)	11.07	10.78
- Compensated Absences	3.13	3.38
	14.20	14.16
Current		
Provision for Employee Benefits		
- Gratuity (refer note 33)	0.46	0.46
- Compensated Absences	1.32	1.47
	1.78	1.93
18 Trade payables		
Trade Payables		
- Total outstanding dues of Micro Enterprises and Small Enterprises (refer note 34)	-	-
- Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	49.09	57.37
	49.09	57.37
19 Other Financial Liabilities		
Current maturities of Long-term Debts	1.25	1.55
	1.25	1.55
20 Other Liabilities		
Non-current		
Advance received against Sale of Asset from Related Party	37.01	37.01
Advance received from Customers (beyond one year)	-	0.71
	37.01	37.72
Current		
Statutory and Other Liabilities	8.80	11.28
Advance received from Customers	0.75	1.18
	9.55	12.46
21 Revenue from Operations		
Revenue from Information Technology / Software Services and Sale of Software Licenses		
Export	107.02	97.30
Domestic	314.84	254.59
	421.86	351.89

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

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

Particulars	31 March 2021	31 March 2020
22 Other Income		
Interest on Deposits	1.47	0.21
Miscellaneous Income	2.25	0.07
	3.72	0.28
23 Cost of Materials Consumed		
Purchase cost of Software Licenses	237.77	162.98
	237.77	162.98
24 Employee Benefits Expense		
Salaries, Wages and Bonus	125.76	134.29
Contribution to Provident and other Funds	3.18	3.35
Staff Welfare Expenses	0.61	0.86
	129.55	138.50
25 Depreciation and Amortization Expense		
Depreciation of Tangible Assets	3.31	3.29
	3.31	3.29
26 Finance Costs		
Interest on Loans	1.13	2.79
Bank Charges	1.15	0.46
	2.28	3.25
27 Other Expenses		
Power/Electricity & Fuel	1.46	1.87
Rent	4.77	6.09
Repairs to Office Equipment	0.53	0.19
Insurance	0.55	0.58
Car Hire Charges & Transportation	0.02	1.00
Telephone, Postage and Others	0.98	1.16
Business Promotion Expenses	0.15	0.43
Conveyance & Travelling Expenses	0.51	3.16
Office Maintenance	2.52	2.51
Printing & Stationery Expenses	0.46	0.60
Security Charges	0.20	0.31
Rates & Taxes	1.05	0.72
Seminar Fee/Training/Legal Fee/Listing Fee	0.74	0.75
Professional Consultancy Fee	12.08	4.41
Audit Fee	0.48	0.48
Reimbursement of expenses Auditors	0.02	0.02

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

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

Particulars	31 March 2021	31 March 2020
Director Sitting Fee	0.59	0.72
Vehicle Maintenance Charges	0.10	0.17
Secretarial Expenses	0.09	0.12
Bad Debts Written-off	0.41	0.15
Foreign Exchange Loss	3.74	4.55
Other Expenses	2.66	1.68
	34.11	31.67
28 Tax Expenses		
Current Income Tax:		
Current Year	3.79	-
Previous Year	-	-
Deferred Tax:	0.57	1.61
Relating to originating and reversal of temporary differences	-	-
Income Tax Expense recognized in the Statement of Profit or Loss	4.36	1.61
Deferred Tax related to items considered in OCI during the year		
Re-measurement Gains / (Losses) on Defined Benefit Plan	0.53	0.18
Income Tax charge to OCI	0.53	0.18
Reconciliation of Tax Expense with the Accounting Profit multiplied by Domestic Tax Rate:		
Accounting Profit before Income Tax	18.56	12.48
Tax on accounting profit at statutory income tax rate 27.82% (31 March 2020: 27.82%)	5.16	3.47
Adjustments in respect of items taken to Opening Equity	-	(3.47)
Adjustments on account of Unabsorbed Depreciation and Carried Forward Losses	(1.37)	-
Adjustments in respect of deferred tax at higher rates 27.82% (31 March 2020: 27.82%)	-	-
Others	1.10	1.80
Tax Expense reported in the Statement of Profit and Loss	4.89	1.80

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 2021	As at 31 March 2020
29 Contingent liabilities and commitments		
i) Contingent liabilities:		
- Corporate Guarantees given on behalf of Related Parties (Refer Note (a) & (b) below	1,120.00	1,254.60
- Bank Guarantees	-	-
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 1120.00 Millions. However the Company's liability is restricted to the value of the property offered as collateral security.

30 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
Subsidiary Companies:	
Staytop Systems, Inc.	Wholly Owned Subsidiary
Staytop Systems and Software Private Limited	Wholly Owned Subsidiary
Trinity Infraventures Limited	Entity Belonging to the Promoters group and holding 18.21% in the Shareholding of the Company
Key Management Personnel (KMP):	
Pavan Chavali	Whole Time Director
Vithal V S S N K Popuri	Chief Financial Officer
Thirumalesh T	Company Secretary

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

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

b) Details of all transactions with Related Parties during the year:		
Particulars	31 March 2021	31 March 2020
I) Revenue from Subsidiary: Staytop Systems, Inc.	37.21	33.45
ii) Managerial Remuneration / Consultancy Fee to Key Managerial Personnel *	8.73	7.73
*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.		
c) Details of balances receivable from and payable to Related Parties are as follows:		
Particulars	31 March 2021	31 March 2020
I) Trade Receivables: Staytop Systems, Inc.	27.03	35.41
ii) Financial Liabilities - Others: Trinity Infraventures Ltd.	37.01	37.01
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.		
31 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:		

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

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

Revenue by Segment	For the year ended 31 March 2021	For the year ended 31 March 2020
a) Information Technology / Software Services	128.50	150.59
b) Software Licenses	293.36	201.30
Total Revenue	421.86	351.89
Segment Results	For the year ended 31 March 2021	For the year ended 31 March 2020
Profit before Tax & Interest:		
a) Information Technology / Software Services	22.74	17.44
b) Software Licenses	1.41	1.58
Total:	24.15	19.02
Less: (i) Interest	2.28	3.25
(ii) Unallocable Expenditure (Net of Un-allocable Income)	3.31	3.29
Total Profit Before Tax	18.56	12.48
<p>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.</p>		
<p>32 Auditors' Remuneration include:</p>		
Particulars	31 March 2021	31 March 2020
INR		
Statutory Audit Fee (including Limited Review)	450,000	450,000
Tax Audit Fee	25,000	25,000
Total	475,000	475,000
<p>33 Gratuity 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</p> <p>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:</p>		

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

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

Particulars	31 March 2021	31 March 2020
Opening Balance	11.25	10.57
Current Service Cost	2.81	2.76
Past Service Cost	-	-
Interest Cost	0.76	0.80
Benefits Paid	(1.38)	(2.23)
Actuarial Gain	(1.90)	(0.65)
Closing Balance	11.54	11.25
Present value of Projected Benefit Obligation at the end of the year	11.54	11.25
Fair value of Plan Assets at the end of the year	-	-
Net Liability recognized in the Balance Sheet	11.54	11.25
Current Provision	0.46	0.46
Non Current Provision	11.07	10.79
Expenses recognized in Statement of Profit and Loss	31 March 2021	31 March 2020
Service Cost	2.81	2.76
Interest Cost	0.76	0.80
Gratuity Cost	3.57	3.56
Re-measurement Gains/ (Losses) in OCI		
Actuarial Loss / (Gain) due to demographic assumption changes	-	-
Actuarial Loss / (Gain) due to financial assumption changes	0.14	1.14
Actuarial Loss / (Gain) due to experience adjustments	(2.04)	(1.79)
Return on Plan Assets greater (less) than discount rate	-	-
Total expenses routed through OCI	(1.90)	(0.65)
Key Actuarial Assumptions:	31 March 2021	31 March 2020
Discount Rate (per annum)	6.80%	6.90%
Future salary increases	7.00%	7.00%
A quantitative sensitivity analysis for significant assumption and its impact in percentage terms on projected benefit obligation are as follows:		
	31 March 2021	
	Discount Rate	Salary Escalation Rate
Impact of increase in 50 bps on projected benefit obligation	-5.87%	4.69%
Impact of decrease in 50 bps on projected benefit obligation	6.40%	-4.53%
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)

34 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 2021 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 2021	31 March 2020
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

35 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. There is no significant impact of the standard on the financial results of the Company and the Company has not recognized any 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 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 amounting to INR4.77 Million (Previous Year: INR6.09 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)

36 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.”

36 Earnings Per Share (Continued)

The following table sets out the computation of Basic and Diluted Earnings Per Share:

Particulars	31 March 2021	31 March 2020
Profit for the year attributable to Equity Share Holders Shares	14.20	10.87
Weighted average number of Equity Shares outstanding during the year – basic	18,782,066	18,782,066
Weighted average number of Equity Shares outstanding during the year – diluted	18,782,066	18,782,066
Earnings Per Share		
Earnings per share of par value INR 10 – basic (INR)	0.76	0.58
Earnings per share of par value INR 10 – diluted (INR)	0.76	0.58

37 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 2021 and 31 March 2020. 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:

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

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

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 2021 and 31 March 2020.

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
31 March 2021		
INR	+1%	(0.01)
INR	-1%	0.01
31 March 2020		
INR	+1%	(0.41)
INR	-1%	0.41

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 103.84 millions (31 March 2020: INR 116.77 millions). Basis the estimate, there is no allowance for expected credit loss provided by the Company.

The top 5 to 10 customers account for around 45% of the revenue as of 31 March 2021 and more than 30% of the revenue as of 31 March 2020 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
Year ended						
31 March 2021						
Borrowings	-	0.41	0.84	-	-	1.25
Trade Payables		49.09				49.09
Year ended 31 March 2020						
Borrowings	38.13	0.38	1.18	1.26		40.95
Trade Payables		57.37				57.37

38 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 2021 and 31 March 2020 was as follows:

Particulars	31 March 2021	31 March 2020
Total Equity attributable to the Equity Shareholders of the Company	311.66	296.09
As a percentage of Total Capital	99.60%	87.85%
Long Term Borrowings including Current Maturities	1.25	2.82
Short Term Borrowings	-	38.13
Total Borrowing	1.25	40.95
As a percentage of total Capital	0.40%	12.15%
Total Capital (Equity and Borrowings)	312.91	337.04

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

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

39 Recent Indian Accounting Standards

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 2020.

40 Update on COVID-19 pandemic

In view of pandemic relating to COVID-19, the Company has considered internal and external information and has performed sensitivity analysis based on current estimates in assessing the recoverability of receivables, unbilled receivables and other financial assets. The Company has also assessed the impact of this whole situation on its Capital and Financial resources, Profitability, Liquidity position, Internal Financial Reporting controls, etc. and is of the view that based on its present assessment this situation does not materially impact this Standalone Financial Result as on 31 March 2021. However the actual impact of COVID-19 on the Company's Financial Statements, in future, may differ from that estimated and the Company will continue to closely monitor any material changes to future economic conditions.

41 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.

42 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 C N & Associates**
(formerly known as Chandra Babu Naidu & Co.)
Chartered Accountants
ICAI Firm Registration Number: 016016S

for and on behalf of the Board of Directors of
Goldstone Technologies Limited
CIN: L72200TG1994PLC017211

Sd/-
M Mohana Saradhi
Partner
Membership No.: 244686

Sd/-
Pavan Chavali
Whole Time Director
DIN: 08432078

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

Place: Hyderabad
Date: 25 June 2021

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

Sd/-
Thirumalesh T
Company Secretary

Independent Auditor's Report

To The Members of GOLDSTONE TECHNOLOGIES LIMITED

Report on the Audit of the Consolidated Financial Statements Opinion

We have audited the accompanying consolidated 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, 2021, 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 (here in after referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the afore said consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("IndAS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2021, the consolidated loss, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (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 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 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 the se 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 financial statements.

Information Other than the Consolidated 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 financial statements and our auditor's report thereon.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained 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 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 consolidated 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 consolidated 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 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 Financial Statements

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

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

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

section 143 (3) (l) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiary companies which are companies in incorporated in India, has adequate internal financial control system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the over all presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the

direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we

determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTER:

We did not audit the financial statements of one subsidiary Company whose financial statements reflect total assets before elimination of Rs. 169.17 Millions as at 31.03.2021 and the total revenue of Rs. 115.05 Millions and Group's share of total net loss after tax of Rs. (19.93) Millions for the year then ended which are considered in preparation of the Consolidated Financial Statement. This Subsidiary financial statements and other financial information have been audited by other auditor whose reports have been furnished to us by the management, and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of subsection (3) of section 143 of the Act, in so far as it relates to aforesaid subsidiary is based solely on the report of such other Auditor.

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 financial statements.
 - b) In our opinion, proper books of account as required by law relating to

preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

- 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 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, 2021 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, 2021 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 consolidated financial statement does not have pending litigations which would have impact on its consolidated financial position of the group.

- ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
- iii. There 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.

For P C N & Associates.,
Chartered Accountants
FRN:016016S
M Mohana Saradhi
Partner
M.No:244686
UDIN : 21 244686AAAABU7786

Place: Hyderabad
Date: 25/06/2021

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”)

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2021, 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.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the 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 statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting:

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

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

Opinion

In our opinion, 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, 2021, 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 C N & Associates.,
Chartered Accountants

FRN: 016016S

M Mohana Saradhi

Partner

M.No:244686

UDIN : 21244686AAAABU7786

Place: Hyderabad

Date: 25-06-2021

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2021

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

Particulars	Note	As at 31 March 2021	As at 31 March 2020
Assets			
Non-current Assets			
Property, Plant and Equipment	4	99.70	100.82
Goodwill		92.58	92.58
Financial Assets			
Loans	5	1.41	1.41
Deferred Tax Assets, net	6	8.67	9.77
		202.36	204.58
Current Assets			
Financial Assets			
Trade Receivables	7	101.62	117.49
Cash and Cash Equivalents	8	19.25	34.88
Other Bank Balances	9	1.00	1.05
Loans	5	137.70	143.44
Other Financial Assets	10	1.85	1.71
Current Tax Assets, net	11	97.92	106.56
Other Current Assets	12	4.90	17.11
		364.24	422.24
Total Assets		566.60	626.82
Equity and Liabilities			
Equity			
Equity Share Capital	13	187.82	187.82
Other Equity	14	251.18	258.84
Total Equity		439.00	446.66
Non-current Liabilities			
Financial Liabilities			
Borrowings	15	-	1.26
Provisions	16	14.20	14.15
Other non-current Liabilities	19	37.01	37.72
		51.21	53.13
Current Liabilities			
Financial Liabilities			
Borrowings	15	-	38.13
Trade Payables	17	62.22	70.58
Other Financial Liabilities	18	1.71	2.02
Other Current Liabilities	19	10.68	14.37
Provisions	16	1.78	1.93
		76.39	127.03
Total Liabilities		127.60	180.16
Total Equity and Liabilities		566.60	626.82

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 C N & Associates**

(formerly known as Chandra Babu Naidu & Co.)

Chartered Accountants

ICAI Firm Registration Number: 016016S

Sd/-

M Mohana Saradhi

Partner

Membership No.: 244686

Sd/-

Pavan Chavali

Whole Time Director

DIN: 08432078

Sd/-

Vithal V S S N K Popuri

Chief Financial Officer

Sd/-

L.P. Sashikumar

Director

DIN: 00016679

Sd/-

Thirumalesh T
Company Secretary

Place: Hyderabad

Date: 25 June 2021

CONSOLIDATED STATEMENT OF PROFIT AND LOSS AS AT 31 MARCH 2021

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

Particulars	Note	For the year ended 31 March 2021	For the year ended 31 March 2020
Income			
Revenue from Operations	20	500.10	427.64
Other Income	21	4.01	0.47
Total Income		504.11	428.11
Expenses			
Cost of Materials Consumed	22	244.24	168.54
Employee Benefits Expense	23	208.61	215.66
Finance Costs	25	2.36	3.31
Depreciation and Amortization Expense	24	3.34	3.32
Other Expenses	26	46.67	36.57
Total Expense		505.22	427.40
Profit Before tax		(1.11)	0.71
Tax Expense			
Current Tax	27	4.05	0.38
Deferred Tax	27	0.57	1.61
Total Tax Expense		4.62	1.99
Profit/(Loss) for the Year before Non-controlling Interest		(5.73)	(1.28)
Profit/(Loss) attributable to Non-controlling Interest		-	-
Profit/(Loss) attributable to Owners of the Parent		(5.73)	(1.28)
Other Comprehensive Income			
Items that will not be reclassified to Profit or Loss:			
Re-measurement gains on Defined Benefit Plan		1.90	0.65
Income-Tax effect	27	(0.53)	(0.18)
Other Comprehensive Income for the year, net of Tax		1.37	0.47
Items that will be reclassified to Profit or Loss:			
Foreign Currency Translation Adjustments		(3.30)	12.35
Income-tax Effect		-	-
Total items that will not be reclassified to Profit or Loss		(3.30)	12.35
Other Comprehensive Income before Non-controlling Interest		(1.93)	12.82
Other Comprehensive Income attributable to Non Controlling Interest		-	-
Other Comprehensive Income attributable to Owners of the Parent		(1.93)	12.82
Total Comprehensive Income for the year before Non Controlling Interest		(7.66)	11.54
Total Comprehensive Income attributable to Non controlling Interest		-	-
Total Comprehensive Income attributable to Owners of the Parent		(7.66)	11.54
Earnings Per equity Share (nominal value of INR 10) in INR	35		
Basic		(0.31)	(0.07)
Diluted		(0.31)	(0.07)

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 C N & Associates**

(formerly known as Chandra Babu Naidu & Co.)

Chartered Accountants

ICAI Firm Registration Number: 016016S

Sd/-

M Mohana Saradhi

Partner

Membership No.: 244686

Place: Hyderabad

Date: 25 June 2021

for and on behalf of the Board of Directors of

Goldstone Technologies Limited

CIN: L72200TG1994PLC017211

Sd/-

Pavan Chavali

Whole Time Director

DIN: 08432078

Sd/-

Vithal V S S N K Popuri

Chief Financial Officer

Sd/-

L.P. Sashikumar

Director

DIN: 00016679

Sd/-

Thirumalesh T
Company Secretary

CONSOLIDATED STATEMENT OF CASH FLOWS AS AT MARCH 2021

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

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
I. Cash Flows from Operating activities		
Profit Before Tax	(1.11)	0.71
<i>Adjustments to reconcile Profit Before Tax to Net Cash Flows:</i>		
Depreciation of Tangible Assets	3.34	3.32
Finance Income (including fair value change in Financial Instruments)	(4.01)	(0.21)
Finance Costs (including fair value change in Financial Instruments)	2.36	3.31
Re-measurement Losses on Defined Benefit Plans	1.89	0.65
Foreign Currency Translation Reserve	(3.30)	12.35
Operating Profit before Working Capital changes	(0.83)	20.13
<i>Changes in Working Capital:</i>		
Adjustment for (increase)/decrease in Operating Assets		
Trade Receivables	15.87	(29.44)
Loans - current	5.75	(12.93)
Other Financial Assets - Current	(0.14)	(0.16)
Other Assets - Current	12.20	(13.09)
Adjustment for (increase)/decrease in Operating Liabilities		
Trade Payables	(8.37)	18.76
Other Financial Liabilities - Current	(0.32)	1.60
Other Non-current Liabilities	(0.71)	0.29
Other Current Liabilities	(3.68)	4.33
Provisions	(0.09)	0.09
Cash generated from Operations	19.68	(10.42)
Income Taxes paid	4.60	(19.31)
Net Cash generated from/(used in) Operating Activities	24.28	(29.73)
II. Cash Flows from Investing Activities		
Purchase of Property, Plant and Equipment and Intangibles (including Capital Work in progress)	(2.22)	(0.72)
Sale of Property, Plant and Equipment	-	-
(Investments in)/ redemption of Bank Deposits (having original maturity of more than three months) - net	0.05	1.00
Interest received (Finance income)	4.01	0.21
Net Cash used in Investing Activities	1.84	0.49
III. Cash Flows from Financing Activities		
Proceeds from/(repayment of) Long-term Borrowings, net	(1.26)	(1.56)
Proceeds from/(repayment of) Short-term Borrowings, net	(38.13)	19.58
Interest paid	(2.36)	(3.31)
Net Cash provided by Financing Activities	(41.75)	14.71

CONSOLIDATED STATEMENT OF CASH FLOWS AS AT MARCH 2021

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

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Net increase in Cash and Cash Equivalents (I+II+III)	(15.63)	(14.53)
Cash and Cash Equivalents at the beginning of the year	34.88	49.41
Cash and Cash Equivalents at the end of the year (refer note below)	19.25	34.88
Note:		
Cash and Cash Equivalents comprise:		
Cash on Hand	0.06	0.08
Balances with Banks:		
- in Current Accounts	19.19	34.80
	19.25	34.88

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 C N & Associates**
 (formerly known as Chandra Babu Naidu & Co.)
 Chartered Accountants
 ICAI Firm Registration Number: 016016S

for and on behalf of the Board of Directors of
Goldstone Technologies Limited
 CIN: L72200TG1994PLC017211

Sd/-
M Mohana Saradhi
 Partner
 Membership No.: 244686

Sd/-
Pavan Chavali
 Whole Time Director
 DIN: 08432078

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

Place: Hyderabad
 Date: 25 June 2021

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

Sd/-
Thirumalesh T
 Company Secretary

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2021

(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 2020	18,782,066	187.82
Balance as at 31 March 2021	18,782,066	187.82

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	Foreign Currency Translation Reserve				
	At 31 March 2020	At 31 March 2021	At 31 March 2020	At 31 March 2021	At 31 March 2020	At 31 March 2021				At 31 March 2020
At 1 April 2019	59.78	59.78	218.38	18.30	(107.21)	58.04	247.29	-	247.29	
Profit / (Loss) for the year				(1.28)	(1.28)		(1.28)	-	(1.28)	
Other comprehensive income										
Re-measurement gains / (losses) on defined benefit plans				0.65	0.65	12.36	0.65	-	0.65	
Foreign Currency Translation adjustments				(0.18)	(0.18)		12.36	-	12.36	
Income-tax effect				(108.02)	(0.18)	70.40	(0.18)	-	(0.18)	
At 31 March 2020	59.78	59.78	218.38	18.30	(108.02)	70.40	258.84	-	258.84	
Profit / (Loss) for the year				(5.73)	(5.73)		(5.73)	-	(5.73)	
Other Comprehensive Income										
Re-measurement Gains / (Losses) on Defined Benefit Plans, net of Tax				1.90	1.90		1.90	-	1.90	
Foreign Currency Translation adjustments				(0.53)	(0.53)	(3.30)	(3.30)	-	(3.30)	
Income-tax effect				(112.38)	(0.53)	67.10	(0.53)	-	(0.53)	
Balance as of 31 March 2021	59.78	59.78	218.38	18.30	(112.38)	67.10	251.18	-	251.18	

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 C N & Associates**

(formerly known as Chandra Babu Naidu & Co.)

Chartered Accountants

ICAI Firm Registration Number: 016016S

Sd/-

M Mohana Saradhi

Partner

Membership No.: 244688

Place: Hyderabad

Date: 25 June 2021

for and on behalf of the Board of Directors of

Goldstone Technologies Limited

CIN: L72200TG1994PLC017211

Sd/-

Pavan Chavali

Whole Time Director

DIN: 08432078

Vithal V S N K Popuri

Chief Financial Officer

Sd/-

L.P. Sashikumar

Director

DIN: 00016679

Sd/-

Thirumalesh T

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 2021** 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 25 June 2021**.

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 2021	31 March 2020
Staytop Systems, Inc.	IT and ITES	USA	100%	100%
Staytop Systems and Software Private Limited	IT and ITES	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.
- (v) 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:

- a) it is expected to be realized in, or is intended for sale or consumption in, the Group'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 Group'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 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 2021** 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.

Amendments Ind AS 116: COVID-19 related rent concessions

Ind AS 116 has been amended to provide limited relief to lessees in respect of rent concessions arising due to COVID-19 pandemic.

No relief has been allowed to the lessors.

The amendments provide a practical expedient that lessees may elect to not treat any rent concessions, provided by lessors as a direct consequence of COVID-19 pandemic, as lease modifications. However, to be eligible for this relief:

- the revised consideration for the lease should be less than or equal to the lease consideration immediately before the change;
- the rent concession should be for a period that does not extend beyond 30 June 2021 (for example, lease rents are reduced for a period upto 30 June 2021 and increased for periods thereafter); and
- there should be no substantial modification to the other terms and conditions of the lease.

Lessee should apply the amendments for annual reporting periods beginning

on or after 1 April 2020. In case a lessee has not yet approved the financial statements for issue before the issuance of the amendments, then the same may be applied for annual reporting periods beginning on or after the 1 April 2019.

The aforesaid amendments 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
Leasehold Improvements	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 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 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	Build ings	Plant and Machinery	Electrical Equipment	Office Equip ment	Compu ters	Furniture and Fixtures	Vehicles	Leasehold Improve ments	Total
Deemed Cost										
At 1 April 2020	78.67	13.35	1.27	0.71	1.08	4.34	2.90	8.63	0.53	111.48
Additions	-	-	-	-	0.02	2.25	0.01	-	-	2.28
Deletions	-	-	-	-	-	-	-	0.06	-	0.06
At 31 March 2021	78.67	13.35	1.27	0.71	1.10	6.59	2.91	8.57	0.53	113.70
Accumulated Depreciation										
At 1 April 2020	-	3.32	0.36	0.10	0.36	2.65	2.10	1.48	0.28	10.65
Charge for the year	-	0.83	0.09	-	0.08	0.93	0.07	1.27	0.07	3.34
Less: Adjustments	-	-	-	-	-	-	-	-	-	-
At 31 March 2021	-	4.15	0.45	0.10	0.44	3.58	2.17	2.75	0.35	14.00
Carrying amount										
At 1 April 2020	78.67	10.03	0.91	0.61	0.72	1.68	0.80	7.15	0.25	100.82
At 31 March 2021	78.67	9.20	0.82	0.61	0.65	3.01	0.74	5.82	0.18	99.70

Note

"a) Charge on Property, Plant and Equipment:

Out of Property, Plant and Equipment, Land and Buildings with a carrying amount of INR 83,370,116 (31 March 2020 - INR 84,200,419) 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 CONSOLIDATED FINANCIAL STATEMENTS

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

Particulars		31 March 2021	31 March 2020
5	Loans (Unsecured, considered good unless otherwise stated)		
	Non-current		
	Security Deposits	1.41	1.41
		1.41	1.41
	Current		
	Security Deposits	2.76	5.05
	Other Advances	134.94	138.39
		137.70	143.44
6	Deferred Tax Asset, net		
	Deferred Tax Asset		
	- Tangible and Intangible Assets	4.23	6.00
	- Provision allowed under tax on payment basis	4.44	0.03
	- Unabsorbed Depreciation	-	3.74
	Total	8.67	9.77
	Deferred Tax Liability		
	- Fair valuation of financial liabilities	-	-
	Deferred Tax Asset, net	8.67	9.77
7	Trade Receivables		
	Unsecured, considered good	101.62	117.49
		101.62	117.49
	Less: Allowance for doubtful receivables	-	-
	Total Trade Receivables	101.62	117.49
8	Cash and Cash Equivalents		
	Balances with Banks:		
	- On Current Accounts	19.19	34.80
	Cash on Hand	0.06	0.08
	Total Cash and Cash Equivalents	19.25	34.88
9	Other Bank Balances		
	Term deposits with Banks with original maturities of more than 3 months and less than 1 year*	1.00	1.05
	Total Other Bank Balances	1.00	1.05
	*Represents Margin Money Deposits		

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

Particulars		31 March 2021	31 March 2020
10	Other Financial Assets (Unsecured, considered good unless otherwise stated)		
	Current		
	Interest accrued on Deposits	1.85	1.71
		1.85	1.71
11	Current Tax Assets, net		
	Advance Taxes and TDS	134.71	139.94
	Less: Provision for Taxes	36.79	33.38
		97.92	106.56
12	Other Assets		
	Current Assets		
	Unsecured, considered good		
	Advances other than Capital Advances		
	Supplier Advances	2.14	12.40
	Prepaid Expenses	1.40	3.54
	Balances with Government Departments	1.36	1.17
		4.90	17.11
13	Share Capital		
	Authorized Share Capital		
	50,000,000 (31 March 2020: 50,000,000) equity shares of INR 10/- each	500.00	500.00
	Issued, Subscribed and Fully Paid-up		
	18,782,066 (31 March 2020: 18,782,066) equity shares of INR 10/- each fully paid-up	187.82	187.82
		187.82	187.82

(a) Reconciliation of Shares outstanding at the beginning and end of the reporting year

Particulars	31 March 2021		31 March 2020	
	No. of Equity Shares	INR Million	No. of Equity Shares	INR Million
Outstanding at the beginning of the year	18,782,066	187.82	18,782,066	187.82
Issued during the year	-	-	-	-
Outstanding at the end of the year	18,782,066	187.82	18,782,066	187.82

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

(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 2021		31 March 2020	
	No. of Equity Shares held	% holding in the class	No. of Equity Shares held	% holding in the class
Trinity Infraventure Limited	3,419,872	18.21%	3,419,872	18.21%

14 Other Equity

Particulars	31 March 2021	31 March 2020
Capital Reserve:		
Opening Balance	59.78	59.78
Additions during the year	-	-
Closing Balance	59.78	59.78
Securities Premium:		
Opening Balance	218.38	218.38
Additions during the year	-	-
Closing Balance	218.38	218.38
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	18.30	18.30
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		
Foreign Currency Translation Reserve:		
Opening Balance	70.40	58.04
Add: Transfer during the year	(3.30)	12.36
Closing balance	67.10	70.40

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

Retained Earnings:		
Opening Balance	(108.02)	(107.21)
Profit / (Loss) for the year	(5.73)	(1.28)
Other Comprehensive Income	1.37	0.47
Less: Transfers to General Reserve	-	-
Closing Balance	(112.38)	(108.02)
Total Other Equity	251.18	258.84

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 2021	31 March 2020
15 Borrowings		
Non-current Borrowings		
Secured Loans		
Vehicle Loans		
- From Banks (refer note A below)	-	1.26
Total Non-current Borrowings	-	1.26
Current Borrowings		
Secured Loans repayable on demand		
- Working Capital Loans from Banks (refer note B below)	-	38.13
Total Current Borrowings	-	38.13

A. Vehicle Loan from Banks:

The Company has the following Vehicle Loan:

Loan of Rs.4,700,000 from Axis Bank for purchase of Mercedes Benz secured by the Vehicle Purchased out of the Loan funds. It is repayable in 37 EMI's of INR 1,45,414/- from 01 December 2018 to 01 December 2021. Current maturities repayable within one year is INR 12,55,235/-. The loan carries an interest rate of 8.76% per annum.

B. Overdraft Credit Facility from ICICI Bank Limited:

During the year ended 31 March 2021, the Company closed Overdraft Credit Facility with M/s ICICI Bank Limited.

Particulars	31 March 2021	31 March 2020
16 Provisions		
Non-Current		
Provision for Employee Benefits		
- Gratuity (refer note 32)	11.07	10.78
- Compensated Absences	3.13	3.37
	14.20	14.15
Current		
Provision for Employee Benefits		
- Gratuity (refer note 32)	0.46	0.46
- Compensated Absences	1.32	1.47
	1.78	1.93

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

Particulars		31 March 2021	31 March 2020
17	Trade payables		
	Trade Payables		
	- Total outstanding dues of Micro Enterprises and Small Enterprises (refer note 33)	-	-
	- Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	62.22	70.58
		62.22	70.58
18	Other Financial Liabilities		
	Current maturities of Long-term Debts	1.25	1.56
	Employee Salaries payable	-	-
	Provision for Expense	0.46	0.46
		1.71	2.02
19	Other Liabilities		
	Non-current		
	Advance received against sale of asset from Related Party	37.01	37.01
	Advance received from Customers	-	0.71
		37.01	37.72
	Current		
	Advance received from Customers	0.75	1.18
	Others	1.13	1.91
	Statutory Liabilities	8.80	11.28
		10.68	14.37
20	Revenue from Operations		
	Revenue from Information Technology / Software Services and Sale of Software Licenses		
	Export	107.02	97.30
	Domestic	393.08	330.34
		500.10	427.64
21	Other Income		
	Interest on Deposits	1.47	0.21
	Miscellaneous Income	2.54	0.26
		4.01	0.47

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

Particulars	31 March 2021	31 March 2020
22 Cost of Materials Consumed		
Purchase cost of Software Licenses	244.24	168.54
	244.24	168.54
23 Employee Benefits Expense		
Salaries, Wages and Bonus	204.82	211.45
Contribution to Provident and other Funds	3.18	3.35
Staff Welfare Expenses	0.61	0.86
	208.61	215.66
24 Depreciation and Amortization Expense		
Depreciation of Tangible Assets	3.34	3.32
	3.34	3.32
25 Finance Costs		
Interest on Loans	1.13	2.79
Bank Charges	1.23	0.52
	2.36	3.31
26 Other Expenses		
Power/Electricity & Fuel	1.46	1.87
Rent	4.91	6.22
Repairs to Office Equipment	0.53	0.19
Insurance	3.90	3.34
Car Hire charges & Transportation	0.02	1.00
Telephone, Postage and Others	1.20	1.36
Business Promotion Expenses	0.15	0.43
Conveyance & Travelling Expenses	0.70	3.25
Office Maintenance	2.52	2.51
Printing & Stationery Expenses	0.72	0.60
Security Charges	0.20	0.31
Rates & taxes	1.05	0.74
Invoice Processing Charges	1.13	1.15
Seminar Fee/Training/Legal Fee/Listing Fee	0.76	0.75
Professional Consultancy Fee	12.23	4.95
Audit Fee	0.48	0.48
Reimbursement of expenses Auditors	0.02	0.02
Director Sitting Fee	0.59	0.72
Vehicle Maintenance Charges	0.10	0.17
Secretarial Expenses	0.09	0.12
Bad Debts written off	0.41	0.15
Foreign Exchange Loss	3.74	4.55
Other Expenses	9.76	1.69
	46.67	36.57

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

Particulars	31 March 2021	31 March 2020
27 Tax Expenses		
Current Income Tax:		
Current Year	4.05	0.38
Previous Year	-	-
Deferred Tax:	0.57	1.61
Relating to originating and reversal of temporary differences	-	-
Income Tax Expense recognized in the Statement of Profit or Loss	4.62	1.99
Deferred Tax related to items considered in OCI during the year		
Re-measurement Gains / (Losses) on Defined Benefit Plan	0.53	0.18
Income Tax charge to OCI	0.53	0.18
Reconciliation of Tax Expense with the Accounting Profit multiplied by Domestic Tax Rate:		
Accounting Profit before Income Tax	(1.11)	0.71
Tax on accounting profit at statutory income tax rate 27.82% (31 March 2020: 27.82%)	(0.31)	0.20
Adjustments in respect of items taken to Opening Equity	-	(0.20)
Adjustments on account of Unabsorbed Depreciation and Carried Forward Losses	-	-
Adjustments in respect of deferred tax at higher rates 27.82% (31 March 2020: 27.82%)	-	-
Others	5.46	2.18
Tax Expense reported in the Statement of Profit and Loss	5.15	2.18
Particulars	31 March 2021	31 March 2020
28 Contingent liabilities and commitments		
i) Contingent liabilities:		
- Corporate Guarantees given on behalf of Related Parties (Refer Note (a) & (b) below	1,120.00	1,254.60
- Bank Guarantees	-	-
ii) Commitments:		
- Estimated amount of contracts remaining to be executed on Capital Account and not provided for, net of Advances	Nil	Nil
<p>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 1 120.00 Millions. However the Company's liability is restricted to the value of the property offered as collateral security.</p>		

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

29 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	
Trinity Infraventures Limited	Entity Belonging to the Promoters group and holding 18.21% in the Shareholding of the Company	
Key Management Personnel (KMP):		
Pavan Chavali	Whole Time Director	
Vithal V S S N K Popuri	Chief Financial Officer	
Thirumalesh T	Company Secretary	
b) Details of all transactions with Related Parties during the year:		
Particulars	31 March 2021	31 March 2020
i) Managerial Remuneration / Consultancy Fee to Key Managerial Personnel *	8.73	7.73
<p>*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.</p>		
30 Segment Information		
<p>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.</p>		
<p>During the year, the Company has three reportable segments i.e. USA - Information Technology / Software Services, India - Information Technology / Software Services and Software License.</p>		
<p>The Segment Revenue, Profitability, Assets and Liabilities are as under:</p>		
Revenue by Segment	For the year ended 31 March 2021	For the year ended 31 March 2020
a) USA -Information Technology / Software Services	116.78	112.72
b) USA -Information Technology / Software Services	82.93	107.59
c) Software Licenses	337.20	239.35
Less: Inter Company Sales	(36.81)	(32.02)
Total Revenue	500.10	427.64

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

Segment Results	For the year ended 31 March 2021	For the year ended 31 March 2020
Profit before Tax & Interest:		
a) USA - Information Technology / Software Services	(23.81)	(16.33)
b) India - Information Technology / Software Services	32.97	21.20
c) Software Licenses	(4.57)	2.47
Total:	4.59	7.34
Less: (I) Interest	2.36	3.31
(ii) Unallocable Expenditure (Net of Un-allocable Income)	3.34	3.32
Total Profit Before Tax	(1.11)	0.71

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.

31 Auditors' Remuneration include:

Particulars	31 March 2021	31 March 2020
Amount in INR		
Statutory Audit Fee (including Limited Review)	450,000	450,000
Tax Audit Fee	25,000	25,000
Total	475,000	475,000

32 Gratuity

The Group 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 2021	31 March 2020
Opening Balance	11.25	10.57
Current Service Cost	2.81	2.76
Past Service Cost	-	-
Interest Cost	0.76	0.80
Benefits Paid	(1.38)	(2.23)
Actuarial Gain	(1.90)	(0.65)
Closing Balance	11.54	11.25

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

Present value of Projected Benefit Obligation at the end of the year	11.54	11.25
Fair value of Plan Assets at the end of the year	-	-
Net Liability recognized in the Balance Sheet	11.54	11.25
Current Provision	0.46	0.46
Non Current Provision	11.07	10.79
Expenses recognized in Statement of Profit and Loss	31 March 2021	31 March 2020
Service Cost	2.81	2.76
Interest Cost	0.76	0.80
Gratuity Cost	3.57	3.56
Re-measurement Gains/ (Losses) in OCI		
Actuarial Loss / (Gain) due to demographic assumption changes	-	-
Actuarial Loss / (Gain) due to financial assumption changes	0.14	1.14
Actuarial Loss / (Gain) due to experience adjustments	(2.04)	(1.79)
Return on Plan Assets greater (less) than discount rate	-	-
Total expenses routed through OCI	(1.90)	(0.65)
Key Actuarial Assumptions:	31 March 2021	31 March 2020
Discount Rate (per annum)	6.80%	6.90%
Future salary increases	7.00%	7.00%
A quantitative sensitivity analysis for significant assumption and its impact in percentage terms on projected benefit obligation are as follows:		
	31 March 2021	
	Discount Rate	Salary Escalation Rate
Impact of increase in 50 bps on projected benefit obligation	-5.87%	4.69%
Impact of decrease in 50 bps on projected benefit obligation	6.40%	-4.53%
<p>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.</p>		
33 Dues to Micro, Small and Medium Enterprises		
<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 2021 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.</p>		

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

Particulars	31 March 2021	31 March 2020
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

34 Leases
Where the Group is a lessee:

Effective 1 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. There is no significant impact of the standard on the financial results of the Group and the Group has not recognized any 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 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 amounting to INR4.91 million (Previous Year: INR6.22 Million) are recognized as an expense on a straight-line basis over the lease term.

35 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.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

35 Earnings Per Share (Continued)

The following table sets out the computation of Basic and Diluted Earnings Per Share:

Particulars	31 March 2021	31 March 2020
Profit for the year attributable to Equity Share Holders	(5.73)	(1.28)
Shares		
Weighted average number of Equity Shares outstanding during the year – basic	18,782,066	18,782,066
Weighted average number of Equity Shares outstanding during the year – diluted	18,782,066	18,782,066
Earnings Per Share		
Earnings per share of par value INR 10 – basic (INR)	(0.31)	(0.07)
Earnings per share of par value INR 10 – diluted (INR)	(0.31)	(0.07)

36 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 2021 and 31 March 2020. 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 2021 and 31 March 2020.

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.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

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:

Particulars	Increase/decrease in interest rate	Effect on Profit Before Tax
31 March 2021		
INR	+1%	(0.01)
INR	-1%	0.01
31 March 2020		
INR	+1%	(0.41)
INR	-1%	0.41

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.

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 101.62 millions (31 March 2019: INR 117.19 millions). Basis the estimate, there is no allowance for expected credit loss provided by the Group.

The top 5 to 10 customers account for around 45% of the revenue as of 31 March 2021 and more than 30% of the revenue as of 31 March 2020 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:

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	>5 years	Total
Year ended						
31 March 2021						
Borrowings	-	0.41	0.84	-	-	1.25
Trade Payables		62.22				62.22
Year ended 31 March 2020						
Borrowings	38.13	0.38	1.18	1.26		40.95
Trade Payables		70.58				70.58

37 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 2021 and 31 March 2020 was as follows:

Particulars	31 March 2021	31 March 2020
Total Equity attributable to the Equity Shareholders of the Company	439.00	446.66
As a percentage of Total Capital	99.71%	91.60%
Long Term Borrowings including Current Maturities	1.25	2.82
Short Term Borrowings	-	38.13
Total Borrowing	1.25	40.94
As a percentage of total Capital	0.29%	8.40%
Total Capital (Equity and Borrowings)	440.25	487.60

38 Recent Indian Accounting Standards

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 2020

39 Update on COVID-19 pandemic

In view of pandemic relating to COVID-19, the Group has considered internal and external information and has performed sensitivity analysis based on current estimates in assessing the recoverability of receivables, unbilled receivables and other financial assets. The Group has also assessed the impact of this whole situation on its Capital and Financial resources, Profitability, Liquidity position, Internal Financial Reporting controls, etc. and is of the view that based on its present assessment this situation does not materially impact this Consolidated Financial Result as on 31 March 2020. However the actual

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

impact of COVID-19 on the Group's Financial Statements, in future, may differ from that estimated and the Group will continue to closely monitor any material changes to future economic conditions.

40 Update on Subsidiary - Staytop Systems and Software Private Limited, India

Staytop Systems and Software Private Limited, India, subsidiary company in the Group is not operational during the FY 2020-21, hence there are no transactions. Also this Subsidiary Company has made an application with Registrar of Companies (RoC) for strike-off the name of the Company and filed necessary forms with RoC on 9 May 2019.

41 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.

42 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 C N & Associates**
(formerly known as Chandra Babu Naidu & Co.)
Chartered Accountants
ICAI Firm Registration Number: 016016S

for and on behalf of the Board of Directors of
Goldstone Technologies Limited
CIN: L72200TG1994PLC017211

Sd/-
M Mohana Saradhi
Partner
Membership No.: 244686

Sd/-
Pavan Chavali
Whole Time Director
DIN: 08432078

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

Place: Hyderabad
Date: 25 June 2021

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

Sd/-
Thirumalesh T
Company Secretary

INTENTIONALLY KEPT BLANK

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Years of Excellence



GOLDSTONE
TECHNOLOGIES

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