

iVIS INTERNATIONAL PRIVATE LIMITED

CIN: U74900AP2014PTC095541

2020 - 21 SEVENTH ANNUAL REPORT

BOARD OF DIRECTORS

1. VENKATA NAGENDRA MURALI MOHAN RACHAPOODI
2. BALAKRISHNA VELLANKI
3. PRABHAKARA RAO BOLLINA

AUDITORS

M/s. MOS & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
FLAT No.501, LAHARI BENZ APT,
SOMAJIGUDA,
HYDERABADA,
TELANGANA – 500 082.

BANKERS

HDFC BANK LIMITED

REGISTERED OFFICE

4th FLOOR, BALAJI RESIDENCY,
NH-05 SERVICE ROAD, NEAR NSR VILLAS,
MANGALAGIRI, GUNTUR,
ANDHRA PRADESH – 522 503.

CORP OFFICE

6-3-669, 4th FLOOR, OZONE COMPLEX,
PANAJGUTTA MAIN ROAD,
HYDERABAD,
TELANGANA – 500 082.



Independent Auditors' Report

To the Members of iVIS International Private Limited

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of iVIS International Private Limited ("the Company") which comprises the Balance Sheet as at 31 March 2021, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021, and its profit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibility of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("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, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.



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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.



Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure - A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, 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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards 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 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure -B'.
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company does not have any pending litigations as at 31 March 2021, which would impact its standalone financial position in its standalone financial statements;
 - ii. the Company does not have any long term contracts with material foreseeable losses and did not have any long-term derivative contracts as at 31 March 2021;
 - iii. there are no amounts which are required to be transferred to the Investor Education and Protection Fund during the year ended 31 March 2021;

for M O S & Associates LLP
Chartered Accountants

Firm registration number: 001975S/S200020



Premchand Mandava
Partner

Membership Number: 211745
UDIN: 21211745AAAAGT5244

Hyderabad
August 31, 2021

Annexure A to the Auditors' Report

The Annexure referred to in the Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2021, we report that:

- (i) In respect of Fixed Assets
- The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - In absence of the working papers of physical verification, methodology adopted by the Company for the verification of the fixed assets could not be ascertained.
 - According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no immovable properties held in the name of the Company.
- (ii) In respect of Inventories
- As explained to us, inventories have been physically verified by the management. However, in absence of updated working papers of physical verification, we are unable to comment on the adequacy of frequency of such verification/estimation.
 - In absence of updated working papers for the physical verification of inventories conducted by the management, we are unable to comment on the discrepancies between physical stock and book records, if any and adjustment thereof in the books of accounts.
- (iii) The Company has not granted any loans to companies, parties covered in the register maintained under Section 189 of the Act.
- (iv) According to the information and explanations furnished to us, the Company has complied with the provisions of sections 185 and 186 of the Act, to the extent applicable, in respect of grant of loans, making investments and providing guarantees and securities.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from public during the year. Hence paragraph 3(v) of the Order is not applicable for the current year under report.
- (vi) We have broadly reviewed the accounts and records maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, 2013 read with Companies (Cost Records & Audit) Rules, 2014 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not, however, made detailed examination of the records with a view to determine whether they are accurate and complete.
- (vii) In respect of statutory dues
- According to the information and explanations given to us, and based on our examination of records of the Company, amounts deducted/ accrued in the books of accounts in respect of undisputed statutory dues relating to Employees' Provident Fund, Employees' State Insurance have **not** been regularly deposited during the year by the Company with appropriate statutory authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, goods and service tax, cess and other material statutory dues were in arrears as at 31 March 2021 for a period more than six months from the date they became payable, except the following:

Name of the Statute	Nature of Dues	Period to which the amount relates	Amount Involved in Rupees
The Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Employees' Provident Fund	April 2019 – September 2020	88,377
The Employees' State Insurance Act, 1948	Employees' State Insurance	April 2019 – September 2020	2,025



- b. According to the information and explanations given to us and based on our examination of records of the Company, there are no material dues of provident fund, income tax, value added tax, goods and service tax, cess and other material statutory dues which have not been deposited as on 31 March 2021 with the appropriate authorities on account of any dispute.
- (viii) According to the information and explanations given to us and based on our examination of records, the Company has not defaulted in repayment of loans or borrowings to a bank or financial institution as at the balance sheet date. There was no amount raised by the Company through the issue of Debentures.
- (ix) According to the information and explanations given to us and based on our examination of records, the Company has not raised any money from public by the way of initial public offer, further public offer or term loans. Hence paragraph 3(ix) of the Order is not applicable for the current year under report.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of audit.
- (xi) According to the information and explanations given to us and based on examination of records, the provisions of Section 197 of the Act are not applicable to the Company. Hence paragraph 3 (xi) of the Order is not applicable for the current year under report.
- (xii) As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, paragraph 3 (xii) of the Order are not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on examination of records of the Company, transactions with related parties are in compliance of Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Accounting Standards.
- (xiv) According to the information and explanations given to us and based on examination of records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Hence, paragraph 3 (xiv) of the Order is not applicable for the current year under audit.
- (xv) According to the information and explanations given to us and based on examination of records of the Company, the Company has not entered into any non-cash transaction with directors or persons connected with him.
- (xvi) The Company is not required to be registered under Section 45 – IA of the Reserve Bank of India Act, 1934.

for M O S & Associates LLP

Chartered Accountants

Firm registration number: 001975S/S200020



[Handwritten signature]
Premchand Mandava

Partner

Membership Number: 211745

UDIN: 21211745AAAAGT5244

Hyderabad
August 31, 2021

Annexure B to the Auditors' Report

Report on the Internal Financial Controls 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 iVIS International Private Limited ("the Company"), as of 31 March 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 the Internal Financial Controls

The Company's Management is responsible for establishing and maintaining Internal Financial Controls based on the Internal Control over Financial Reporting criteria established by the Company considering the essential components of Internal Control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit.

We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, issued by the Institute of Chartered Accountants of India ('ICAI') and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operating effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control 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 exist, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error.

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



Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control system 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 (GAAP). A Company's internal financial control system over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, 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 authorization of the 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 control system over financial reporting, including the possibility of collusion or improper management override of controls, material misstatement due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial control system over financial reporting to future periods are subject to the risk that the internal financial control system over financial reporting may become inadequate because of the changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all respects, an adequate internal financial control system over financial reporting and such internal financial control system over financial reporting were operating effectively as at 31 March 2021, based on the internal financial control system 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 Control over Financial Reporting issued by the Institute of Chartered Accountants of India.

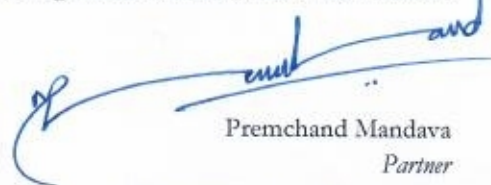
for M O S & Associates LLP

Chartered Accountants

Firm registration number: 001975S/S200020



Hyderabad
August 31, 2021


Premchand Mandava
Partner

Membership Number: 211745
UDIN: 21211745.AAAAAGT5244

IVIS INTERNATIONAL PRIVATE LIMITED
Balance Sheet as at March 31, 2021

(Amount in Rs.)

Particulars	Note	As at March 31,	
		2021	2020
EQUITY AND LIABILITIES			
Shareholders' funds			
Share Capital	3	14,15,72,190	14,15,72,190
Reserves and Surplus	4	42,92,75,200	27,56,66,407
		<u>57,08,47,390</u>	<u>41,72,38,597</u>
Non-current liabilities			
Long Term Borrowings	5	40,14,25,572	24,30,66,902
Deferred Tax Liability (Net)	6	6,76,96,772	1,17,87,130
Long Term Provisions	7	34,83,517	24,62,587
		<u>47,26,05,861</u>	<u>25,73,16,619</u>
Current liabilities			
Short Term Borrowings	8	2,16,41,255	4,34,17,541
Trade Payables	9	15,52,20,369	16,13,08,913
Other Current Liabilities	10	12,00,27,314	4,64,75,042
Short Term Provisions	11	50,44,437	4,23,736
		<u>30,19,33,375</u>	<u>25,16,25,231</u>
Total Equity and Liabilities		<u>1,34,53,86,626</u>	<u>92,61,80,448</u>
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	12		
- Tangible Assets	12.1	74,37,62,685	44,99,43,980
- Intangible Assets	12.2	80,079	2,88,819
- Capital Work in Progress	12.3	2,59,60,251	4,61,57,821
		<u>76,98,03,015</u>	<u>49,63,90,621</u>
Current Assets			
Inventories	13	7,48,99,045	9,74,56,492
Trade Receivables	14	37,73,10,332	22,39,20,715
Cash and Bank Balances	15	5,54,54,914	3,51,60,175
Short Term Loans & Advances	16	5,96,26,420	6,85,20,995
Other Current Assets	17	82,92,900	47,31,450
		<u>57,55,83,611</u>	<u>42,97,89,827</u>
Total Assets		<u>1,34,53,86,626</u>	<u>92,61,80,448</u>
Significant Accounting Policies	2		

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached
for M O S & Associates LLP

Chartered Accountants

Firm Registration Number : 001975S/S2000120

Premchand Mandava
Partner
Membership Number : 211745

Hyderabad
August 31, 2021



for and on behalf of the board

Murali Mohan R V N
Director
DIN: 05129064

Bala Krishna Vellanki
Director
DIN: 03515167

Manikanta Jagu
Company Secretary
M No. A62014



IVIS INTERNATIONAL PRIVATE LIMITED
Statement of Profit and Loss for the year ended March 31, 2021

(Amount in Rs.)

Particulars	Note	Year ended March 31,	
		2021	2020
Income			
Revenue from Operations	18	76,10,19,280	39,55,50,256
Other Income	19	95,07,219	20,14,144
Total Revenue (I)		77,05,26,499	39,75,64,400
Expenses			
Cost of Materials Consumed	20	3,24,50,420	8,65,11,421
Employee Benefit Expense	21	7,78,37,352	6,43,84,671
Finance Cost	22	4,07,37,665	1,47,34,322
Depreciation and Amortisation Expense	12	11,66,77,822	5,64,97,291
Other Expenses	23	26,85,88,608	14,29,88,656
Total Expenses (II)		53,62,91,867	36,51,16,360
Profit (Loss) before Tax (I-II)		23,42,34,633	3,24,48,040
Tax Expense			
Current Tax Expense for Current Year		45,42,164	-
Less: MAT Credit Entitlement		-	-
MAT Credit Entitlement of Previous Years Written Off		-	22,78,708
Deferred Tax - (Asset)/Liability		5,59,09,642	(65,19,931)
Profit (Loss) for the year		17,37,82,826	3,66,89,262
Earnings Per Share of Rs.10/- each	25		
Basic and Diluted		12.28	2.94
Significant Accounting Policies	2		

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached for M O S & Associates LLP.

Chartered Accountants

Firm Registration Number : 001975S/S200020

Premchand Mandava
Partner
Membership Number : 211745

Hyderabad
August 31, 2021



for and on behalf of the board

[Signature]
Murali Mohan R V N
Director
DIN: 05129064

[Signature]
Bala Krishna Vellanki
Director
DIN: 03515167

[Signature]
Manikanta Jagu
Company Secretary
M.No. A62014



IVIS INTERNATIONAL PVT LTD

Cash Flow Statement for the year ended March 31, 2021

(Amount in Rs.)

Particulars	Note	Year ended March 31,	
		2021	2020
Cash Flows from Operating activities			
Profit Before Tax		23,42,34,633	3,24,48,040
Adjustments for:			
Depreciation and Amortisation Expense		11,66,77,822	5,64,97,291
Interest received		(19,68,377)	(20,14,144)
Profit on sale of Property, Plant and Equipments		(72,49,473)	-
Interest paid		4,05,41,015	1,47,23,726
Provision for Gratuity		10,99,467	14,33,462
Operating Cash Flows before Working Capital Changes		38,33,35,087	10,30,88,375
Changes in Assets and Liabilities			
Increase/(Decrease) in Trade Payables		(60,88,543)	8,25,46,565
Increase/(Decrease) in Short Term Provisions			(2,83,258)
Increase/(Decrease) in Other Current Liabilities		7,33,94,848	4,09,43,668
(Increase)/Decrease in Trade Receivables		(15,33,89,617)	(9,81,46,919)
(Increase)/Decrease in Inventories		2,25,57,447	(4,64,47,543)
(Increase)/Decrease in Short Term Loans & Advances		88,94,575	(5,22,98,666)
(Increase)/Decrease in Other Current Assets		(35,61,450)	(45,65,860)
Taxes Paid		32,51,42,346	2,48,36,361
Net Cash Generated from Operating Activities		32,51,42,346	2,48,36,361
Cash Flows from Investing Activities			
Purchase of Property, Plant and Equipment		(41,84,00,493)	(30,45,90,581)
Sale proceeds of Property, Plant and Equipment		6,15,20,000	-
Capital Work in progress		(2,59,60,251)	(4,61,57,821)
Interest Received		19,68,377	20,14,144
Net Cash Used in Investing Activities		(38,08,72,367)	(34,87,34,258)
Cash Flows from Financing Activities			
Proceeds from Issue of Equity Shares		-	11,54,16,821
Proceeds from Long Term Borrowings		15,83,58,670	24,30,66,902
Interim Dividend paid		(2,00,16,608)	-
Proceeds/(Repayment) in Short Term Borrowings		(2,17,76,286)	(1,15,33,887)
Interest Expense		(4,05,41,015)	(1,47,23,726)
Net Cash Used in Financing Activities		7,60,24,761	33,22,26,110
Net Increase (Decrease) in Cash and Cash Equivalents		2,02,94,740	83,28,213
Cash and Cash Equivalents at the beginning of the Year		3,51,60,174	2,68,31,966
Cash and Cash Equivalents at the end of the Year		5,54,54,914	3,51,60,175

The accompanying notes form an integral part of the standalone financial statements

Notes:

- The Cash Flow Statement has been prepared using the "Indirect Method" as provided in Accounting Standard-3 (AS-3) issued by the ICAI
- The figures in brackets represent cash outflows

As per our report of even date attached

For M O S & Associates LLP

Chartered Accountants

Firm Registration Number : 001975S/S200020

Premchand Mandava

Partner

Membership Number : 211743

Hyderabad

August 31, 2021



for and on behalf of the board

[Signature]
 Musali Mohan R V N
 Director
 DIN: 05129064

[Signature]
 Bala Krishna Vellanki
 Director
 DIN: 03515167

[Signature]
 Manikanta Jagu
 Company Secretary
 M.No. A62014



1. Company Overview

iVIS International Private Limited is a Private Company domiciled in India and incorporated under the provisions of the Companies Act, 2013. The company is engaged in video monitoring/surveillance services and sale of monitoring/surveillance equipment.

2. Significant Accounting Policies

2.1 Basis for preparation of Financial Statements

The financial statements have been prepared on the basis of going concern, under the historic cost convention on accrual basis, to comply in all material aspects with applicable generally accepted accounting principles in India ("Indian GAAP"), the Accounting Standards ("AS") specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act")/ Companies Act, 1956 ("the 1956 Act"), as applicable.

2.2 Use of Estimates

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

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

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

2.3 Revenue Recognition

Income from video monitoring and surveillance services arise from both time based and unit-priced client contracts. Such revenue is recognised when the services are rendered in accordance with the terms of contracts with clients.

Income from sale of monitoring/ surveillance equipment is recognised when significant risks/rewards in relation to the ownership are transferred to the buyer.

2.4 Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Contingent Liabilities are not recognized but are disclosed in the notes (as per AS-29). Contingent Assets are neither recognised nor disclosed in the financial statements.

2.5 Tangible Assets

Tangible Assets are stated at cost of acquisition less depreciation. Cost of acquisition is inclusive of freight, duties, levies and all incidentals attributable to bringing the asset to its working condition.

2.6 Depreciation and Amortisation

Property, Plant and Equipments are stated at cost of acquisition, less accumulated depreciation thereon. Depreciation/Amortisation is provided on the basis of straight line method in accordance with Part "C" of Schedule II to the Companies Act, 2013 over the remaining useful life of asset as stated in aforementioned schedule.

2.7 Impairment of Assets

All the Property, Plant and Equipments are assessed for any indication of impairment at the end of each financial year. On such indication, the impairment (being the excess of carrying value over the recoverable value of the asset) is charged to the Statement of Profit and Loss in the respective financial year. The impairment loss recognized in the prior years is reversed where the recoverable value exceeds the carrying value of the asset upon re-assessment in the subsequent years.

2.8 Inventories

Inventories of finished goods are valued at lower of cost and estimated net realisable value after providing for obsolescence, if any. Cost of raw materials, stores and spares and other products are determined on FIFO basis.

2.9 Foreign Currency Transactions

Transactions made during the year in foreign currency are recorded at the exchange rate prevailing at the time of transactions. Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the year end are translated at the exchange rate prevalent at the date of Balance Sheet and the resultant gain/loss is recognized in the financial statements.

2.10 Leases

Assets acquired on lease where the Company has substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalized at the inception of the lease at lower of the fair value or the present value of minimum lease payments and a liability is created for an equivalent amount. Each lease amount paid is allocated between the liability and the interest cost, so as to maintain a constant periodic rate of interest on the outstanding liability for each period. Leases of assets under which significant risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments under an operating lease are recognized as expense in the Profit and Loss Account on a straight line basis over the lease term.



2.11 Taxes on Income

Current tax is determined based on the amount of tax payable in respect of taxable income for the year. Deferred tax is recognized on timing differences; being the difference between the taxable incomes and accounting income that originate in one year and are capable of reversal in one or more subsequent years. Deferred tax assets and liabilities have been computed on the timing differences applying the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets arising on account of unabsorbed depreciation or carry forward of tax losses are recognized only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.

2.12 Earnings per Share

Basic earnings per equity share is being computed by dividing Net Profit after Tax by the Weighted Average Number of Equity Shares outstanding during the year. Diluted earnings per equity share is computed by dividing adjusted net profit after tax by the aggregate of weighted average number of equity shares and dilutive potential equity shares outstanding during year.

2.13 Cash Flow Statement

Cash flows are reported using Indirect method as mentioned in Accounting Standard 3 "Cash Flow Statement". Cash and Cash Equivalents for the purpose of Cash Flow Statement include cash at bank and in hand and short-term investments with an original maturity of three months or less.



iVIS INTERNATIONAL PRIVATE LIMITED
Notes to the Financial Statements
3 Notes to accounts for the year ended March 31, 2021

Particulars	As at March 31,	
	2021	2020
	Amounts in Rs.	
3.1 Share Capital		
Authorised		
Equity Shares Rs. 10/- each		
1,90,00,000 (1,90,00,000) Equity Shares	190,000,000	190,000,000
Issued, Subscribed and Paid-up		
Equity Shares Rs. 10/- value each		
1,41,57,219 (1,41,57,219) Equity Shares fully paid up	141,572,190	141,572,190
	141,572,190	141,572,190

3.1.1 Terms and Rights attached to Equity Shares

The Company has only one class of equity shares having par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. 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.

3.1.2 Reconciliation of number of Equity Shares outstanding and amount of share capital as at March 31, 2021 and March 31, 2020 are as follows:

Particulars	As at March 31, 2021		As at March 31, 2020	
	No of. Shares	Amount Rs.	No of. Shares	Amount Rs.
Number of Equity shares at the beginning of the year	14,157,219	141,572,190	11,708,104	117,081,040
Add: Issue of Equity shares during the year	-	-	2,449,115	24,491,150
Less: Buyback of Equity shares during the year	-	-	-	-
Number of Equity shares at the end of the year	14,157,219	141,572,190	14,157,219	141,572,190

3.1.3 Details of Shareholders holding more than 5% Shares as at March 31, 2021 and March 31, 2020 are as follows:

Particulars	As at March 31, 2021		As at March 31, 2020	
	No of. Shares	% held	No of. Shares	% held
Equity Shares				
Murali Mohan R,V N	1,267,646	8.95%	1,267,646	8.95%
Balakrishna Vellanki	1,242,999	8.78%	1,242,999	8.78%
Raja Family Ltd	1,058,845	7.48%	1,058,845	7.48%
RAVK Ltd	3,578,665	25.28%	3,578,665	25.28%



IVIS INTERNATIONAL PRIVATE LIMITED
Notes to the Financial Statements

4 Reserves and Surplus

(Amount in Rs.)

Particulars	As at March 31,	
	2021	2020
Surplus in Statement of Profit and Loss		
Surplus/(Deficit) Balance as at the beginning of the Year	3,59,13,459	-7,75,803
Add: Profit/Loss for the current Year	17,37,82,826	3,66,89,262
Less: Interim Dividend	(2,01,74,033)	-
Surplus/(Deficit) Balance as at the end of the Year	18,95,22,252	3,59,13,459
Securities Premium		
Balance as at the beginning of the Year	23,97,52,948	14,88,27,277
Addition during the current year	-	9,09,25,671
Balance as at the end of the Year	23,97,52,948	23,97,52,948
	42,92,75,200	27,56,66,407

5 Long Term Borrowings

(Amount in Rs.)

Particulars	As at March 31,	
	2021	2020
Secured		
Rupee Term Loan - from Banks	31,00,65,033	14,98,21,823
Less: Current Maturities of Long Term Borrowings	7,89,12,583	2,64,91,860
	23,11,52,450	12,33,29,963
Unsecured		
Rupee Loan from Shareholders	17,80,08,555	12,65,33,775
Less: Current Maturities of Long Term Borrowings	77,35,433	67,96,836
	17,02,73,122	11,97,36,939
	40,14,25,572	24,30,66,902

Secured Loans :

a) Term Loan - I from HDFC Bank repayable in 4 years with 6 months Moratorium in 48 structured instalments on 7th of every month starting from June - 2020 @ 10.00% p.a, from September 2020 @ 9.15 % p.a and from February 2021 @ 8.10% p.a of facility amount at a floating interest rate.

b) Term Loan - II from HDFC Bank repayable in 3 years with 12 months Moratorium in 36 structured instalments on 7th of every month starting from July - 2021 @ 8.25% p.a of facility amount.

c) Term Loan - III from HDFC Bank repayable in 5 years in 59 structured instalments on 7th of every month starting from December - 2020 @ 9.15% p.a and from February 2021 @ 8.10% p.a of facility amount at a floating interest rate

d) Term Loan - IV from HDFC Bank repayable in 5 years in 59 structured instalments on 7th of every month starting from April - 2021 @ 8.10% p.a of facility amount at a floating interest rate

e) Term Loan - V from ICICI Bank repayable in 3 years 6 months in 41 structured instalments on 30th of every month starting from April - 2021 @ 9.25% p.a of facility amount at a floating interest rate



Unsecured Loans :

1. Loan - I from K Buchiram Prasad repayable after 4 years. Interest payable in the first week of every month starting from 1st October 2019 @ 12% of facility amount
2. Loan - II from Avanthi Vemuru repayable in 4 years in 48 structured instalments in the first week of every month starting from 1st July 2019 @ 12% of facility amount
3. Loan - III from Ravi Kumar Prasad Vemuru repayable after 3 years. Interest payable in the first week of every month starting from 1st April 2020 @ 12% of facility amount
4. Loan - IV from Seema Boppana repayable after 3 years. Interest payable in the first week of every month starting from 1st March 2020 @ 12% of facility amount
5. Loan - V from Nimmagadda Upendranath repayable after 3 years. Interest payable in the first week of every month starting from 1st March 2020 @ 12% of facility amount
6. Loan - VI from Seema Boppana repayable after 3 years. Interest payable in the first week of every month starting from 15th December 2020 @ 13% of facility amount

6 Deferred Tax Liability/(Asset) (Amount in Rs.)

Particulars	As at March 31,	
	2021	2020
Deferred tax liability on account of Depreciation	6,79,73,486	3,40,42,560
Provision for Gratuity	(2,76,714)	(3,60,774)
Unabsorbed depreciation available for setoff	-	(2,18,94,655)
	6,76,96,772	1,17,87,131

7 Long Term Provisions (Amount in Rs.)

Particulars	As at March 31,	
	2021	2020
Provision for Employee Benefit - Gratuity	34,83,517	24,62,587
	34,83,517	24,62,587

8 Short Term Borrowings (Amount in Rs.)

Particulars	As at March 31,	
	2021	2020
Loan repayable on Demand From Banks	2,16,41,255	4,34,17,541
	2,16,41,255	4,34,17,541

(Loan repayable on demand from banks comprise of overdraft facility secured by lien on bank deposits of

9 Trade Payables (Amount in Rs.)

Particulars	As at March 31,	
	2021	2020
Sundry Creditors - Supplies	15,52,20,369	16,13,08,913
	15,52,20,369	16,13,08,913

(Handwritten signatures)



10 Other Current Liabilities		(Amount in Rs.)	
Particulars	As at March 31,		
	2021	2020	
Current Maturities of Long Term Borrowings	8,66,48,016	3,32,88,696	
Statutory Liabilities	1,25,84,516	15,62,941	
Employee Benefits Payable	1,20,66,857	47,98,385	
Share Application Money received and due for Refund	4,692	5,394	
Unpaid Dividend	1,57,425	-	
Other Payables	85,65,808	68,19,626	
	12,00,27,314	4,64,75,042	

11 Short-term provisions		(Amount in Rs.)	
Particulars	As at March 31,		
	2021	2020	
Provison for Employee Benefit - Gratuity	5,02,273	4,23,736	
Provision for Income Tax	45,42,164	-	
	50,44,437	4,23,736	

[Handwritten Signature]

[Handwritten Signature]



IWIS INTERNATIONAL PRIVATE LIMITED
Notes to the Financial Statements

12 Property, Plant and Equipment

PARTICULARS	(Amount in Rs.)											
	Original Cost					Depreciation					Net Book Value	
	As at April 1, 2020	Additions / Adjustments	Deductions / Retirements	As at March 31, 2021	As at April 1, 2020	For the year	Deductions / Retirements	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020		
12.1 TANGIBLE ASSETS												
Furniture & Fixtures	81,40,220	3,41,986	-	84,82,206	14,11,453	7,77,658	-	21,89,111	62,93,095	67,28,767		
Office Equipment	23,46,074	2,08,401	-	25,54,475	7,82,332	4,15,036	-	11,97,368	13,57,107	15,63,742		
Computers	1,55,47,331	25,15,621	-	1,80,62,952	1,14,15,416	14,10,062	-	1,28,25,478	52,37,474	41,31,915		
Electrical Installations	12,81,239	-	-	12,81,239	5,12,258	2,43,244	-	7,55,502	5,25,737	7,68,981		
E-Surveillance Equipment	53,39,69,251	46,14,92,306	5,50,17,040	94,04,44,497	9,72,18,656	11,36,23,082	7,46,513	21,00,95,225	73,03,49,272	43,67,50,575		
12.2 INTANGIBLE ASSETS												
Software	15,74,293	-	-	15,74,293	12,85,474	2,08,740	-	14,94,214	80,079	2,88,819		
Total	56,28,58,387	46,45,58,314	5,50,17,040	97,23,99,661	11,26,25,588	11,66,77,822	7,46,513	22,85,56,897	74,38,42,764	45,02,32,800		
Previous Year	27,82,67,806	30,45,90,381	-	56,28,58,387	5,61,29,297	5,64,97,291	-	11,26,25,588	45,02,32,800	20,21,39,506		
12.3 CAPITAL WORK IN PROGRESS												
Particulars	for the year ended March 31,											
	2020	2020										
E-Surveillance Equipment	2,59,60,251	4,61,57,821										
	2,59,60,251	4,61,57,821										

(Handwritten signature)



IVIS INTERNATIONAL PRIVATE LIMITED
Notes to the Financial Statements

13 Inventories (Amount in Rs.)		
Particulars	As at March 31,	
	2021	2020
Video Surveillance Components and Spares	7,48,99,045	9,74,56,492
	7,48,99,045	9,74,56,492

14 Trade Receivables (Amount in Rs.)		
Particulars	As at March 31,	
	2021	2020
<i>Unsecured, considered good</i>		
- Outstanding for a period exceeding six months	64,54,872	54,85,144
- Outstanding for a period not exceeding six months	37,08,55,460	21,84,35,571
	37,73,10,332	22,39,20,715

15 Cash and Bank Balances (Amount in Rs.)		
Particulars	As at March 31,	
	2021	2020
Cash in hand	45,705	1,20,401
Balances with Banks		
- In current accounts	5,24,852	37,97,244
- In deposits accounts	5,48,84,357	3,12,42,530
	5,54,54,914	3,51,60,175

16 Short Term Loans & Advances (Amount in Rs.)		
Particulars	As at March 31,	
	2021	2020
Advances to Suppliers, Contractors and Consultants	17,37,334	51,73,630
Balances with Revenue Authorities	5,44,01,631	6,29,48,165
Security Deposits & Rental Deposits	33,99,455	3,99,200
Advances to Employees	88,000	-
	5,96,26,420	6,85,20,995

17 Other Current Assets (Amount in Rs.)		
Particulars	As at March 31,	
	2021	2020
Prepaid Expenses	45,18,000	7,99,000
Unbilled Revenue Accrued but Not Due	37,74,900	39,32,450
	82,92,900	47,31,450





iVIS INTERNATIONAL PRIVATE LIMITED
Notes to the Financial Statements

18 Revenue from Operations (Amount in Rs.)

Particulars	For the year ended March 31,	
	2021	2020
Income from Electronic Surveillance Services	70,22,46,303	29,75,97,524
Income from Sale of Video Monitoring Equipments	5,87,72,977	9,79,52,732
	76,10,19,280	39,55,50,256

19 Other Income (Amount in Rs.)

Particulars	For the year ended March 31,	
	2021	2020
Interest income on Bank Deposits (Gross)	19,68,377	20,14,144
Interest Income on Refund of Income Tax	2,89,369	-
Profit on Sale of Property, Plant and Equipments	72,49,473	-
	95,07,219	20,14,144

20 Cost of Materials Consumed (Amount in Rs.)

Particulars	For the year ended March 31,	
	2021	2020
Purchase of Video Monitoring Components and Spares	3,24,50,420	8,65,11,421
	3,24,50,420	8,65,11,421

21 Employee Benefit Expenses (Amount in Rs.)

Particulars	For the year ended March 31,	
	2021	2020
Salaries, Wages and Bonus	7,07,54,879	5,63,88,367
Provident Fund Contribution	26,22,949	25,30,705
Employees State Insurance Contribution	11,92,267	11,10,225
Staff Welfare Expenses	21,67,790	29,21,912
Gratuity	10,99,467	14,33,462
	7,78,37,352	6,43,84,671

22 Finance Costs (Amount in Rs.)

Particulars	For the year ended March 31,	
	2021	2020
Interest Expense	4,05,41,015	1,47,23,726
BG Commission	21,860	-
Bank Charges	1,74,790	10,596
	4,07,37,665	1,47,34,322

23 Other Expenses (Amount in Rs.)

Particulars	For the year ended March 31,	
	2021	2020
Communication Charges	4,70,25,453	2,05,85,238
Training Cost	2,24,000	-
Datacentre Expenses	1,44,17,497	84,56,591
Travelling, Site Maintenance & Installation Expenses	1,58,88,994	1,32,79,212
Power & Fuel	10,22,706	13,84,200
Professional & Consultancy Charges	95,41,631	60,89,789
Repairs & Maintenance - Spares	3,24,02,236	1,90,53,174
Repairs & Maintenance - General	8,91,052	33,84,139
Rent Expenditure	30,38,610	17,04,000
Transportation Expenses	1,08,17,085	47,38,921
Bear Marshall Expenses	11,65,28,983	4,52,41,005
Advertisement Expenses	14,14,510	6,75,414
Client Deductions	7,53,848	60,49,454
Bad debts written off	2,04,000	20,17,627
Accounting Fee	50,61,400	38,50,000
Software Maintenance Expenses	5,35,825	3,06,427
Marketing & Research Expenses	4,32,415	1,85,856
Printing & Stationery	5,47,460	2,26,692
Postage & Courier	2,02,175	6,52,834
Rates and Taxes	36,05,450	30,71,251
Filing Fee and Stamp Duty	26,010	5,32,400
Miscellaneous expenses	25,51,411	12,04,433
Equipment Lease Rent	11,55,856	-
Auditors' Remuneration	3,00,000	3,00,000
	26,85,88,608	14,29,88,656



iVIS INTERNATIONAL PRIVATE LIMITED
Notes to the Financial Statements

24 Related Party Transactions

As per Accounting Standard - 18 the disclosures of transactions with Related Parties are given below:

24.1 List of Related Parties

Description of Relationship	Name of the related party
Key Management Personnel (KMP)	Mr. Murali Mohan R V N, Director Mr. Balakrishna Vellanki, Director Mr. B. Prabhakara Rao, Director
Entities in which KMP can exercise significant influence	Provigil Surveillance Ltd.
Persons/Entities having Significant Influence	RAVK Ltd

Note: Related parties have been identified by the Management

24.2 Details of Transactions with related parties during the year ended 31 March 2021

(Amount in Rs.)

Particulars	PHSI	Entities in which KMP can exercise significant influence	Key Management Personnel	Total
a) Sale of Goods				
M/s. Provigil Surveillance Limited	-	2,25,94,143	-	2,25,94,143
		<i>9,65,69,776</i>		<i>9,65,69,776</i>
b) Sale of Services				
M/s. Provigil Surveillance Limited	-	64,02,14,982	-	64,02,14,982
		<i>26,35,40,351</i>		<i>26,35,40,351</i>
c) Allotment of Equity Shares (Share Capital)				
Mr. Murali Mohan R V N	-	-	-	-
			<i>15,55,550</i>	<i>15,55,550</i>
Mr. Balakrishna Vellanki	-	-	-	-
			<i>46,66,670</i>	<i>46,66,670</i>
d) Securities Premium				
Mr. Murali Mohan R V N	-	-	-	-
			<i>54,44,425</i>	<i>54,44,425</i>
Mr. Balakrishna Vellanki	-	-	-	-
			<i>1,63,33,345</i>	<i>1,63,33,345</i>
e) Salaries paid				
Mr. Balakrishna Vellanki	-	-	29,00,000	29,00,000
			-	-
Mr. B. Prabhakara Rao	-	-	9,00,000	9,00,000
			-	-

Previous Year figures are given in Italics

24.3 Balances outstanding as at 31 March 2021

(Amount in Rs.)

Particulars	PHSI	Entities in which KMP can exercise significant influence	Key Management Personnel	Total
a) Outstanding Balances - Dr.				
M/s. Provigil Surveillance Limited	-	28,40,94,883	-	28,40,94,883
		<i>21,42,86,136</i>		<i>21,42,86,136</i>

Previous Year figures are given in Italics



25 Earnings per share (EPS)		(Amount in Rs.)	
Particulars	2020-21	2019-20	
Net profit as per Profit and loss account attributable to equity shareholders	17,37,82,826	3,66,89,262	
Weighted Average number of shares used for calculation of EPS	1,41,57,219	1,34,65,168	
Face Value per Equity Share	10	10	
Basic and Diluted Earning per Share	12.28	2.94	

26 **Segment Reporting**
Considering the nature of Company's business and operations, there are no separate reportable segments (Business & / or Geographical) in accordance with the requirements of Accounting Standard-17 on "Segment Reporting".

27 **Micro, Small and Medium Enterprises**
The Company has not received any information from 'suppliers' regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/payable as required under the said Act have not been given.

28 Deferred Tax Asset as envisaged in AS - 22 on 'Taxes on Income' issued by the ICAI is recognised and disclosed in the financial statements which is the net excess of Deferred Tax Liability on account of Depreciation over Deferred Tax Asset on account of Provision for Gratuity.

29 In the opinion of the Management, there are no impaired assets requiring provision as set out in 'AS - 28 on Impairment of Assets' issued by the ICAI.

30 During the year, the Company has declared an interim dividend for the period ended September 30, 2020 to the equity shareholders @ Re. 1.425/- per equity share amounting to Rs.2,01,74,033/-. Further, the Directors have proposed an interim dividend for the period ended December 31, 2020 of Re. 1.425/- per each equity share amounting to Rs. 2,01,74,033/-.

31 Contingent Liabilities		Amount in Rs.	
Particulars	2020-21	2019-20	
Bank Guarantee	4,13,27,831	-	
Corporate Guarantee	15,00,00,000	-	
Total Fee	19,13,27,831	-	

32 Payments to Auditors		Amount in Rs.	
Particulars	2020-21	2019-20	
Statutory Audit Fee	2,00,000	2,00,000	
Tax Audit Fee	1,00,000	1,00,000	
Total Fee	3,00,000	3,00,000	

Fees is exclusive of applicable GST

33 **Employee Benefits - Gratuity**
All costs, liabilities and other factors under the plan were determined in accordance with Generally Accepted Actuarial Principles and Procedures. The calculations are consistent with AS -15 (Revised 2005)

a) **Change in Present Value of Obligation**

Particulars	As at 31 March, 2021	As at 31 March, 2020
Present Value of Obligation at the beginning of the year	28,86,324	14,52,861
Prior Service Cost - Vested benefit	-	-
Interest Cost	1,95,115	1,10,563
Current Service Cost	12,52,948	10,47,925
Benefits Paid	-	-
Actuarial (Gain)/Loss on Obligation	(3,48,596)	2,74,975
Present Value of Obligation as at the end of the year	39,85,791	28,86,324
Fair Value of plan assets as at the end of the year	-	-
Assets/(Liabilities) recognized in the Balance Sheet	(39,85,791)	(28,86,324)

b) **Expenses recognized during the year**

Particulars	As at 31 March, 2021	As at 31 March, 2020
Current Service Cost	12,52,948	10,47,925
Interest Cost	1,95,115	1,10,563
Past Service Cost	-	-
Expected Return on plan assets	-	-
Net Actuarial (gain)/loss on plan assets	-	-
Net Actuarial (gain)/loss to be recognized	(3,48,596)	2,74,975
Net Cost	10,99,467	14,33,463



c) Assumptions used in accounting for the Gratuity plan

Particulars	As at 31 March, 2021	As at 31 March, 2020
	Indian Assured Lives (2012-14)	Indian Assured Lives (2012-14)
Mortality rate		
Discount rate p.a.	6.89%	6.76%
Salary growth rate (p.a.)	5%	5%
Expected Rate of return on plan assets	0.00%	0.00%

d) Changes in the fair value of plan assets - Nil

e) Fair Value of Plan Assets - Nil

f) Major categories of plan assets (as percentage of Total Plan Assets) - Nil

g) Experience adjustments on present value of benefits obligation and plan assets - Nil

34 Disclosure as per AS-19 for Operating lease

1. Future Lease payments

a) Not later than one year - **Rs. 1,12,46,151**

b) Later than one year but not later than 5 years - **Rs. 2,24,92,303**

c) Later than 5 years - **Nil**

2. Total expected future lease payments - **Rs. 3,37,38,454**

3. Lease payments recognised in the statement of profit and loss for the period - **Rs. 11,55,856**

35 (a) CIF Value of imports - Nil. (Previous Year - Nil.)

(b) Earnings in Foreign currency - Nil (Previous Year - Nil)

(c) Expenditure in Foreign currency - Nil (Previous Year - Nil)

36 The Company has changed the method of valuation of Inventories during the year to First In First Out (FIFO) method from the earlier practice of using Weighted Average Cost Method (WACM). This change is envisaged to reflect better consumption pattern of inventory and also for ascertaining more appropriate value of inventory at the end of reporting period. The said change in the method of valuation has resulted in increase in the value of Inventories as at March 31, 2021 by Rs. 9,22,356/- which further resulted in increase of Profit for the year by the same amount.

37 Balances in Short Term Borrowings, Trade Payables, Other Current Liabilities, Trade Receivables, Short Term Loans and Advances and Other Current Assets are subject to confirmation and reconciliation.

38 Previous year figures have been reclassified / regrouped to conform to the current year's presentation and disclosure.

39 Paise have been rounded off to the nearest rupee.

As per our report of even date attached

for M O S & Associates LLP

Chartered Accountants

Firm Registration Number : 001975S/S200020

Premchand Mandava
Partner
Membership Number : 211745

Hyderabad
August 31, 2021



for and on behalf of the board

[Signature]
Murali Mohan R V N
Director
DIN: 05129064

[Signature]
Bala Krishna Vellanki
Director
DIN: 03515167

[Signature]
Manikanta Jagu
Company Secretary
M No. A62014



PROVIGIL SURVEILLANCE LIMITED

CIN: U65993AP1992PLC014157

2020 - 2021

TWENTY NINETH ANNUAL REPORT

BOARD OF DIRECTORS

1. VENKATA NAGENDRA MURALI MOHAN RACHAPOODI
2. MURALIDHAR NANNAPANENI
3. BALAKRISHNA VELLANKI

AUDITORS

M/s. DVAK & Co.

CHARTERED ACCOUNTANTS

FLAT No. 201, VASANTHA CYBERVIEW APARTMENT,

MADHAPUR,

HYDERABADA,

TELANGANA – 500 081.

BANKERS

HDFC BANK LIMITED

REGISTERED OFFICE

6-3-669, 4th FLOOR, OZONE COMPLEX,

PANAJGUTTA MAIN ROAD,

HYDERABAD,

TELANGANA – 500 082.

CORP OFFICE

3rd FLOOR, BALAJI RESIDENCY,

NH-05 SERVICE ROAD, NEAR NSR VILLAS,

MANGALAGIRI, GUNTUR,

ANDHRA PRADESH – 522 503.



Independent Auditor's Report

To the Members of

PROVIGIL SURVEILLANCE LIMITED

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of Provigil Surveillance Limited ("the Company"), which comprise the balance sheet as at 31st March 2021, and the statement of Profit and Loss, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and profit/loss and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the Financial Statements and our auditors' report thereon.



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

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

Impact of COVID-19:

The onset and rapid propagation of COVID-19 has caused disruptions in the operations of business units, severe restrictions on travel, meetings and access to client locations and other practical difficulties resulting in Distance Audit / Remote Audit / Online Audit. Further, certain relief measures were announced by Regulatory Authorities to mitigate the burden of meeting Timelines and Compliance requirements brought about by disruptions and to ensure the continuity of viable businesses.

Considering the nature of the restrictions, limitations, regulatory requirements, existing business environment, materiality and their possible impact on the operative effectiveness on the critical control systems and risk of material misstatement the audit requires significant efforts in verification, planning and performing alternative procedures and exercise of more professional skepticism to mitigate identified risks / weakness and ensure compliance with Standards on Auditing. Further, this is a matter of high importance for the intended users of the financial statement. Considering these aspects, we have considered this as a Key Audit Matter.

Though the methodology of conducting audit is likely to undergo a change, the objective of the audit does not change, which requires the auditor to ensure that sufficient and appropriate audit evidence is available with the auditor based on which he is able to express his opinion.

In Identifying and Assessing the Risks of Material Misstatement and operating effectiveness of critical controls through Understanding the unit and its Environment the following issues had been considered:

- Operational disruption resulting in any changes to the business model.
- Employees' absence or work from home.
- Restrictions on travel.
- Physical Access to Systems, Data, Documents, Officials.
- Inability to physically verify relevant information, items and records.

Specific Considerations adopted while conducting Distance Audit / Remote Audit / Online Audit of the unit under current Covid-19 situation :

- Obtaining the data / documents required for the purpose of conducting the audit in soft copy / scanned format.



- Seeking information and representations from the management about the current and possible future impact of disruptions to business operations.
- Requesting for online presence of requisite unit officials.
- Communications by email and audio conference instead of physical mode wherever necessary.

Adopting the SOPs under Covid-19 situation and strictly complying with the government regulatory guidelines issued.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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.

Report on Other Legal and Regulatory Requirements


1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, 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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards 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 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 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, is not applicable to the company.
 - g) In our opinion, the managerial remuneration for the year ended 31 March 2021 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to 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, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position



ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

For DVAK & Co
Chartered Accountants
FRN.016336S


B Vamsi Krishna
Partner
Membership No.225988



Place: Hyderabad
Date: 31/08/2021

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF M/S.PROVIGIL SURVEILLANCE LIMITED

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. Fixed Assets

- (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- (b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.

2. Inventories:

- (a) The management of the company has conducted physical verification of inventory at reasonable intervals during the year.
- (b) The procedures of physical of inventory followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
- (c) The company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.

3. Loans:

In our opinion and according to the information and explanations given to us, the Company has not advanced loans to directors / to a company in which the Director is interested to which provisions of section 185 of the Companies Act, 2013 apply and hence not commented upon.

4. Loans Taken:

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

5. Public Deposits:

The Company has not accepted any deposits from the public covered under section 73 to 76 of the Companies Act, 2013 and therefore the provisions of the clause 3 (v) of the Order are not applicable to the Company.



6. Cost Records:

As per the information & explanation given by the management, the maintenance of cost records has not been prescribed by the Central Government under sub-section (1) of Section 148 of the Act. Thus, reporting under clause 3(vi) of the order is not applicable to the Company.

7. Statutory Payments:

a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident fund, Employees' State Insurance, Income-tax, Sales-tax, Goods and Services tax, Service tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and Other Statutory Dues applicable to it.

b) According to the information and explanations provided to us, no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Income-tax, Sales Tax, Goods and Service tax, Service tax, Duty of custom, Duty of excise, Value added tax, Cess and Other Statutory Dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

8. Payments to Banks, Financial Institutions etc.:

The Company did not default any dues to financial institutions, banks or debenture holders.

9. IPO:

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.

10. Fraud:

According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

11. Managerial Remuneration:

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.

12. Nidhi Company:

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



13. Related parties:

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 notes to the financial statements as required by the applicable accounting standards.

14. Preferential Allotment

During the year the Company has not made any preferential allotment.

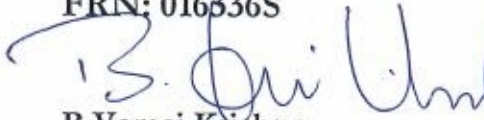
15. Non-Cash Transactions:

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

16. NBFC:

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

For DVAK&CO,
Chartered Accountants
FRN: 016336S



B Vamsi Krishna
Partner

Membership No: 225989



Place: Hyderabad

Date: 31.08.2021

UDIN: 21225989AAAAC8047

Provigil Surveillance Limited
CIN No: U65993AP1992PLC014157
Balance Sheet as at 31.03.2021

(Amount in Rs.)

Particulars	Note	As at	
		March 31, 2021	March 31, 2020
Equity and Liabilities			
Shareholders' funds			
Share capital	3	1,06,67,000	1,06,67,000
Reserves and surplus	4	10,71,30,037	4,63,14,708
Non-current liabilities			
Long-term borrowings	5	1,75,00,000	4,61,19,956
Current liabilities			
Trade payables	6	28,53,27,907	21,60,41,997
Short-term provisions	7	2,51,07,214	67,50,448
Other current liabilities	8	1,03,69,156	77,43,120
TOTAL		45,61,01,313	33,36,37,228
Assets			
Non-current assets			
Fixed assets			
Tangible assets	9	38,54,090	44,06,063
Intangible Assets		-	-
Deferred tax assets (net)	10	19,27,718	15,52,350
Long Term loans & advances	11	15,59,53,074	9,30,25,402
Non-current investments	12	-	-
Other Non current assets	13	-	-
Current assets			
Inventories	14	-	-
Trade receivables	15	23,73,50,135	15,44,51,200
Cash and cash equivalents	16	18,05,109	4,40,22,828
Short-term loans and advances	17	4,20,99,254	3,40,20,735
Other current assets	18	1,31,11,933	21,58,649
TOTAL		45,61,01,313	33,36,37,228

The accompanying notes are an integral part of these financial statements.
This is the balance sheet referred to in our report of even date.

For DVAK & Co.
Chartered Accountants
FRN: 016336S

B. Vamsi Krishna
B Vamsi Krishna
Partner
Membership Number : 225989



On behalf of the board of directors
Provigil Surveillance Limited

Murali Mohan R V N *Bala Krishna Vellanki*
Murali Mohan R V N Bala Krishna Vellanki
Director Director
DIN: 05129064 DIN: 03515167



Place: Hyderabad
Date: 31/08/2021

Provigil Surveillance Limited
CIN No: U65993AP1992PLC014157
Statement of Profit and Loss for the year ended 31.03.2021

(Amount in Rs.)

	Note	Year ended March 31, 2021	Year ended March 31, 2020
Revenue:			
Revenue from operations	19	82,03,07,479	46,19,53,997
Other income	20	53,48,448	48,05,867
Total revenue		82,56,55,927	46,67,59,864
Expenses:			
Project bought out and other direct cost	21	68,90,97,686	38,80,48,354
Employee benefits expense	22	3,43,99,672	2,83,21,880
Depreciation and amortisation expense	9	13,41,062	7,71,489
Finance costs	23	23,26,151	5,61,515
Other expenses	24	1,43,49,253	3,03,32,685
Changes in Inventories	25	-	-
Total expenses		74,15,13,824	44,80,35,923
Profit (Loss) before Tax		8,41,42,103	1,87,23,940
Exceptional Item		-	-
Profit before extraordinary items and tax		8,41,42,103	1,87,23,940
Extraordinary items (Refer Note No. 35)		-	-
Profit before tax (V-VI)		8,41,42,103	1,87,23,940
Less: Tax expense		-	-
Provision for Tax For Current Year		2,16,75,411	55,61,578
Less : Deffered Tax		(3,75,367)	(2,61,938)
Less: MAT Credit Entitlement		-	-
Profit for the period		6,28,42,059	1,34,24,301
Earnings per share (of Re. 1 each):			
Basic and diluted		5.89	1.26
Nominal value per share		1	1

The accompanying notes are an integral part of these financial statements.
This is the Statement of Profit and Loss referred to in our report of even date.

For DVAK & Co.
Chartered Accountants
FRN: 016336S

B. Vamsi Krishna
B Vamsi Krishna
Partner
Membership Number : 225989



Place: Hyderabad
Date: 31/08/2021

On behalf of the board of directors
Provigil Surveillance Limited

Murali Mohan R V N
Murali Mohan R V N
Director
DIN: 05129064

Bala Krishna Vellanki
Bala Krishna Vellanki
Director
DIN: 03515167



Provigil Surveillance Limited
Notes to the Financial Statements

(Amount in Rs.)

As at

March 31, 2021 March 31, 2020

	March 31, 2021	March 31, 2020
3 Share Capital		
Authorised		
10,700,000 (Previous Year 10,700,000) Equity Shares of Re.1 each	1,07,00,000	1,07,00,000
Issued, Subscribed and paid up		
106,67,000 (Previous year 10,667,000) Equity Shares of Re.1 each fully paid	1,06,67,000	1,06,67,000
Total	1,06,67,000	1,06,67,000

(a) Reconciliation of number of shares

	As at March 31, 2021		As at March 31, 2020	
	Number	Amount (Rs.)	Number	Amount (Rs.)
Equity shares				
Balance as at the beginning of the period	1,06,67,000	1,06,67,000	1,06,67,000	1,06,67,000
Add: Shares issued during the period	-	-	-	-
Balance as at the end of the period	1,06,67,000	1,06,67,000	1,06,67,000	1,06,67,000
4 Reserves and surplus				
Securities Premium				
Balance as at the beginning of the period	-	-	-	-
Add: Premium on shares issued during the period	-	-	-	-
Balance as at the end of the period	-	-	-	-
Surplus in Statement of Profit and Loss				
Balance as at the beginning of the period	-	-	3,46,74,961	2,12,50,661
Add: Profit/Loss for the year/ period	-	-	6,28,42,059	1,34,24,301
Less: Dividend	-	-	20,26,730	-
Balance as at the end of the period			9,54,90,290	3,46,74,961
Securities premium	-	-	99,00,000	99,00,000
General reserve	-	-	17,39,746	17,39,746
Total			10,71,30,037	4,63,14,708
5 Long-term borrowings				
Unsec Loan from Directors & Relatives	-	-	1,75,00,000	1,75,00,000
Unsec Loan from Worldtech Software Solutions Pvt Ltd	-	-	-	2,86,19,956
Total			1,75,00,000	4,61,19,956
6 Trade payables				
Total outstanding due of micro enterprises and small enterprises and	-	-	-	-
Total outstanding due of creditors other than micro enterprises and small	-	-	-	-
enterprises	-	-	-	-
i) Acceptances	-	-	-	-
ii) Others	-	-	28,53,27,907	21,60,41,997
Total			28,53,27,907	21,60,41,997
7 Short-term provisions				
Provision for income tax/ MAT	-	-	2,16,75,411	43,19,889
Provision for gratuity- Unfunded	-	-	34,31,803	34,30,559
Provision for leave encashment	-	-	-	-
Total			2,51,07,214	67,50,448
8 Other current liabilities				
Other provisions				
Statutory dues including provident fund and tax deducted at source	-	-	80,95,524	54,94,115
Employee benefits payable	-	-	22,75,632	19,20,259
Other current liabilities	-	-	-	3,28,746
Total			1,03,69,156	77,43,120



Provigil Surveillance Limited Notes to the financial statements		Amount in Rs.	
		As at	
		March 31, 2021	March 31, 2020
9 Fixed assets			
Tangible assets (Refer Note 9.1)		2,37,67,457	2,29,78,368
Less : Accumulated Depreciation		(1,99,13,367)	(1,85,72,305)
Total		38,54,090	44,06,063
10 Deferred tax assets (net)			
Deferred Tax		19,27,718	15,52,350
Total		19,27,718	15,52,350
11 Long Term loans & advances			
Deposits		12,05,01,364	6,62,69,407
Security & Retention Deposits		3,54,51,710	2,67,55,995
Total		15,59,53,074	9,30,25,402
12 Non-current investments			
Non trade investments (valued at cost) :			
Investment in equity instruments of wholly owned subsidiaries (Unquoted)		-	-
Total		-	-
13 Other Non current assets			
Other Non current assets		-	-
Total		-	-
14 Inventory			
Spares		-	-
Closing Stock		-	-
Total		-	-
15 Trade Receivables			
Unsecured, considered good:			
- Outstanding for a period exceeding 6 months from the date they are due for payment		-	-
- Others		23,73,50,135	15,44,51,200
Total		23,73,50,135	15,44,51,200
16 Cash and cash equivalents			
Cash on hand		1,400	1,270
Bank balances			
- In current accounts		18,03,709	4,40,21,558
- Demand deposits (less than 3 months maturity)		-	-
Total		18,05,109	4,40,22,828
17 Short term loans and advances			
Unsecured, considered good (Unless otherwise stated):			
Short Term Deposits		8,05,871	8,30,871
Advance income tax including TDS receivable		3,73,63,383	2,92,59,864
Other Loans & Advances		39,30,000	39,30,000
Total		4,20,99,254	3,40,20,735
18 Other current assets			
Prepaid expenses		37,49,000	3,17,000
S. Tax & GST Receivable		75,86,801	14,30,414
Interest Accrued on FD		17,76,132	4,11,235
MAT Credit Entitlement		-	-
Total		1,31,11,933	21,58,649



Particulars	Original Cost				Depreciation		Net book value	
	As at April 1, 2020	Additions / Adjustments	Deductions / Retirements	As at March 31, 2021	For the year	As at March 31, 2021	As at March 31, 2020	
Electrical Installations	20,07,367	-	-	20,07,367	861	20,04,901	2,466	3,327
Office equipment	43,51,066	-	-	43,51,066	7,631	43,41,766	9,300	16,931
Furniture and fixtures	97,01,575	-	-	97,01,575	6,91,196	77,23,028	19,78,547	26,69,743
Computers	51,29,360	-	-	51,29,360	-	51,29,360	-	-
Mobiles	1,18,000	-	-	1,18,000	29,907	1,00,556	17,444	47,351
Monitoring Equipment	16,71,000	7,89,089	-	24,60,089	6,11,467	6,13,756	18,46,333	16,68,711
Total	2,29,78,368	7,89,089	-	2,37,67,457	13,41,062	1,99,13,367	38,54,090	44,06,063



[Handwritten signature]



Provigil Surveillance Limited		Notes to the financial statements	
		Amount in Rs.	
		As at	
		March 31, 2021	March 31, 2020
19	Revenue from operations		
	Revenue from operations - Monitoring services	79,53,66,982	34,86,03,341
	Revenue from operations - Sale of Equipment	2,49,40,497	11,33,50,656
	Total	82,03,07,479	46,19,53,997
20	Other income		
	Interest income on bank deposits (Gross)	53,46,949	44,61,321
	Other income	1,499	3,44,546
	Total	53,48,448	48,05,867
21	Project bought out and other direct cost		
	Monitoring expenses	64,02,14,983	26,35,40,351
	Client Penalty Deductions	2,62,88,763	1,92,79,408
	Amortisation of Project Cost	-	86,58,819
	Purchases during the year	2,25,93,940	9,65,69,776
	Total	68,90,97,686	38,80,48,354
22	Employee benefits expense		
	Salaries and bonus	2,60,96,210	2,18,58,545
	Directors Remuneration	54,00,000	36,00,000
	Contribution to Gratuity	10,57,321	10,44,335
	Leave Encashment	-	1,38,137
	Contribution to provident fund and ESI	18,46,141	16,80,863
	Total	3,43,99,672	2,83,21,880
23	Finance costs		
	Interest & Bank Charges	21,04,272	1,66,722
	BG Commission	2,21,879	3,94,793
	Total	23,26,151	5,61,515
24	Other expenses		
	Professional expenses	5,54,500	1,22,700
	Rent	30,34,000	36,62,100
	Commission / Brokerage	1,44,125	15,17,052
	Bad Debts Written off	10,11,897	1,06,78,843
	Travelling and conveyance	7,85,164	9,80,964
	Rates and taxes	18,18,691	23,35,276
	Electricity	16,66,386	18,95,393
	Auditors' remuneration		
	- Statutory audit	1,75,000	1,25,000
	- Tax audit	50,000	50,000
	Consulting Expenses	-	6,70,500
	Telephone, Printing and stationery	1,99,066	1,88,954
	Internet & Communication expenses	6,48,060	9,52,721
	Bidding, Registration & Filing Charges	5,27,533	4,56,613
	Office Maintenance	3,16,544	2,77,000
	Repair and Site maintenance	48,503	9,23,267
	Interest Expenses on TDS	2,14,093	-
	Training Cost	16,49,533	51,18,849
	Miscellaneous expenses	15,06,157	3,77,452
	Total	1,43,49,253	3,03,32,685
25	Changes in Inventories		
	Opening Stock	-	-
	Closing Stock	-	-
	Total	-	-



Note: 1 – Significant Accounting Policies

I. Nature of operations:

Provigil Surveillance Limited ("Provigil" or "the Company") is engaged in video monitoring / surveillance services incorporated on 30th April 1992 under the provisions of Companies Act 1956.

II. Significant Accounting Policies:

a. Basis of Accounting:

The financial statements are prepared under the historical cost convention under accrual method of accounting and as going concern in accordance with the Generally Accepted Accounting Principles (GAAP) in compliance with the provisions of the Companies Act, 2013 and the Accounting Standards as specified in the Companies (Accounting Standards) Rules, 2006 read with Rule 7(1) of the Companies (Accounts) Rules, 2014 issued by the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.

Further, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also considered, where ever applicable except to the extent where compliance with other statutory promulgations override the same requiring a different treatment.

b. Use of Accounting Estimates:

The preparation of financial statements in conformity with India GAAP which requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures relating to contingent liabilities as at the reporting date of the financial statements and operational results during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

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

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

c. Fixed assets:

Fixed assets are stated at their original cost of acquisition, less accumulated depreciation, amortization and impairment loss if any. Cost of acquisition includes all attributable costs like inward freight, duties and taxes, borrowing costs and incidental expenses related to acquisition and installation of respective assets until the assets are ready for use.



d. Impairment of Assets:

- (i) The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.
- (ii) After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

e. Depreciation/Amortization:

- (i) Individual assets costing less than Rs. 5,000 are expensed off in the year of acquisition.
- (ii) Goodwill on purchase of business is written off in the year of transaction.
- (iii) Depreciation on assets sold, discarded or demolished during the year is being provided at their respective rates on pro-rata up to date on which such assets are sold, discarded or demolished.
- (iv) Intangible assets are recognized when it is probable that future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are amortized in four years on straight-line method starting from the year of recognition
- (v) Depreciation on all other assets is provided on the Written Down Value method as per the useful life of the assets given in the Schedule II to the Companies Act, 2013; and in the opinion of the management these rates reflect the estimated useful life of those assets. The useful life of the assets is periodically reviewed and re-determined based on technical evaluation.

f. Investments:

Current investments are carried at lower of cost and fair value. Long term investments are carried at cost less provision for permanent diminution in value of such investments.

g. Revenue recognition:

Income from video monitoring and surveillance services arise from both time based and unit priced client contracts. Such revenue is recognized when the services are rendered in accordance with the terms of contracts with clients

Income from sale of monitoring / surveillance equipment is recognized when significant risks / rewards in relation to the ownership are transferred to the buyer.

h. Taxes on Income:

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of Income Tax Act, 1961.



Deferred Tax Charge/(Savings) reflects the tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or savings and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted as on the balance sheet date, to the extent there is reasonable certainty that these assets can be realized in future. However where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Deferred Tax assets would be reviewed at each balance sheet date and written down or written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized.

i. Employee Benefits:

The company's liability towards the employee retirement benefits such as contribution to Leave Encashment and Gratuity are charged to revenue.

The company provides for Gratuity, a defined retirement plan covering eligible employees and it is provided on the basis of independent actuarial valuation on projected unit credit method made at the end of the year.

j. Leases:

Assets acquired on lease where the Company has substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalized at the inception of the lease at lower of the fair value or the present value of minimum lease payments and a liability is created for an equivalent amount. Each lease amount paid is allocated between the liability and the interest cost, so as to maintain a constant periodic rate of interest on the outstanding liability for each period.

Leases of assets under which significant risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments under an operating lease are recognized as expense in the Profit and Loss Account on a straight line basis over the lease term

k. Earnings Per share:

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

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders is divided by the weighted average number of equity shares, as computed above and the weighted average number of equity shares that could have been issued on conversion of shares having potential dilutive effect subject to the terms of issue of those potential shares.

l. Provisions and Contingent Liabilities:

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.



Note 2: Notes to the Financial Statements for the year ended 31st March 2021

25. Disclosure under AS – 15 (Revised 2005)

The company has classified the various benefits provided to employees as under:

- a) Contribution towards "Defined Contribution Scheme" such as Provident Fund is charged to profit and loss account as incurred. Provident Fund contribution is made to the government administered Provident Fund. Company has no further obligation beyond this contribution payable to respective trust.
- b) Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation made at the end of the year. The said plan is unfunded.

I. Defined Contribution Plan:

Employer's contribution to Provident fund and Employee State Insurance:

Contributions to defined contribution plans recognized as expenses are as under:

Particulars	31 st March 2021	31 st March 2020
Contribution to Provident and Other Funds	18,50,341	16,04,316

II. Defined Benefit Plans:

The following table sets out the amounts recognized in the company's financial statements:

Asset and Liability (Balance Sheet Position)

Particulars	Financial Year Ending 31 st March 2021
Present Value of Defined Benefit Obligations at the end	34,31,803
Fair Value of Plan Assets at the end	-
Funded Status - Deficit / (Surplus)	34,31,803
Unrecognized Past Service Cost	-
Effects of Asset Ceiling	-
Net Liability / (Asset) at the end of the period	34,31,803

26. Deferred Tax Assets as envisaged in AS 22 on "Taxes on Income" issued by the ICAI is recognized and disclosed in the financial statements which is the net excess of Deferred Tax Liability on account of depreciation

27. The Company has not received information from the "Supplier" regarding their status under the Micro, Small and Medium enterprises Development Act, 2006. Hence disclosure for the same has not been presented.

28. As per Accounting Standard 18, "Related Party Disclosure" issued by the Institute of Chartered Accountants of India, the disclosures of transactions with the related parties as defined in Accounting Standard are given below:

a. List of Related Parties

- (i) Holding Company
RAVK Limited Intermediate Holding Company

(ii) Subsidiary Company



(iii) Key Management personnel

Mr. Murali Mohan R V N, Director
Mr. BalakrishnaVellanki, Director
Mr. Muralidhar Nannapaneni, Director

(iv) Enterprise in which KMP have significant influence or control

IVIS International Private Limited

b. Related Party Transactions: (Rupees in Lakhs)

Particulars	Current Year 2020-21	Previous Year 2019-20
WorldNet Software Solutions Private Limited - Subsidiary (unsecured Loans)		
Amount Repaid	2,86,19,956	1,11,998
Amount Received		
Balance Payable at the year end	Nil	2,86,19,956

Nature of Transactions	2020-21	2019-20
	Key Management Personnel (KMP)	Key Management Personnel (KMP)
Managerial Remuneration	54,00,000	36,00,000

Particulars	Financial Year	
	2020-21	2019-20
IVIS International Private Limited	-	-
Purchases & Monitoring Expenses	66,28,09,125	36,01,10,127
Balance Payable at the year end	28,40,94,877	21,42,86,136

29. Earnings Per Share:

The following reflect the profit / (Loss) and share data used in the basic and diluted EPS Computation:

Particulars	31-Mar-21	31-Mar-20
Net Profit for the year	6,28,42,059	1,34,24,301
Net Profit for the year attributable to the equity share holders (A)	6,28,42,059	1,34,24,301
Weighted Average Number of Equity Shares (B)	1,06,67,000	1,06,67,000
Par Value of Share	1	1
Earnings Per Share - Basic (A)/(B)	5.89	1.26
Adjustment in average number of share for Diluted earnings per share	1,06,67,000	1,06,67,000
Diluted Earnings Per Share	5.89	1.26

30. There was no impairment loss on fixed assets on the basis of review carried out by the management.

31. The company operates in a single primary business segment i.e. Video monitoring and surveillance services and it is operating in a single geographical segment i.e. in India only. Hence, there are no primary reportable segments as per Accounting Standard (AS) - 17 "Segment Reporting"



32. The company has following contingent liabilities and commitments as at the end of the year.

Particulars	FY 2020-21	FY 2019-20
Contingent Liabilities		
Corporate Guarantees	76,36,62,200	11,65,33,775
Commitments		
Bank Guarantees	16,21,35,129	15,23,36,086
Total Contingent Liabilities & Commitments	92,57,97,329	26,88,69,861

33. Payments to Auditors

Particulars	FY 2020-21	FY 2019-20
Statutory Audit Fee	1,25,000	1,25,000
Tax Audit Fee	50,000	50,000
Total Fee	1,75,000	1,75,000

34. Disclosure pursuant to unamortized project cost:

S. No	Particulars	Amount
1.	Unamortized Expenditure on Andhra Pradesh Police Project	Nil
2.	Amount charged to P & L	Nil
3.	Amount to be charged to P & L in future years	Nil

35. Figures are rounded off to nearest rupee and the previous year's figures are regrouped and/or rearranged as necessary.

The accompanying Notes referred to above form integral part of Financial Statements

As per our report of even date

For DVAK & Co
Chartered Accountants
FRN: 016336S

On behalf of the board of director
Provigil Surveillance Limited

B Vamsi Krishna
Partner
(M.No. 225938)

Murali Mohan R V N
Director
DIN: 05129064

Bala Krishna Vellanki
Director
DIN: 03515167

Place: Hyderabad
Date: 08-20-2020





PRAJWAL POOJARI & ASSOCIATES

Chartered Accountants

**E/12, Nemi Krishnan CHS, Jetwa Nagar,
Kandivali West, Mumbai-400067.**

INDEPENDENT AUDITOR'S REPORT

The Members of Motivity Labs Private Limited

Report on the Financial Statements

We have audited the accompanying (Standalone) financial statements of **Motivity Labs Private Limited** (“the Company”), which comprise the Balance Sheet as at 31/03/2021 and the Statement of Profit and Loss, for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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 Companies Act, 2013 (“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 and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these (Standalone) financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act.

Contact – 022-28662211 / 9821 891 801

Email: admin@ppna.co.in



PRAJWAL POOJARI & ASSOCIATES

Chartered Accountants

E/12, Nemi Krishnan CHS, Jetwa Nagar,

Kandivali West, Mumbai-400067.

Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the (Standalone) financial statements.

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31/03/2021, and its profit for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet and the Statement of Profit and Loss, dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid (Standalone) financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.



PRAJWAL POOJARI & ASSOCIATES
Chartered Accountants

**E/12, Nemi Krishnan CHS, Jetwa Nagar,
Kandivali West, Mumbai-400067.**

- (e) On the basis of the written representations received from the directors as on 31/03/2021 taken on record by the Board of Directors, none of the directors is disqualified as 31/03/2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Date : 01-11-2021
Place : Mumbai

UDIN: 21157858AAAAYJ1132

For Prajwal Poojari & Associates
(Chartered Accountants)
Reg No. :137789W



CA.Prajwal Poojari
Proprietor
M.No. : 157858

MOTIVITY LABS PRIVATE LIMITED
CIN - U72900TG2010PTC066869
BALANCE SHEET AS AT 31ST MARCH, 2021

Amounts in Rupees

	Particulars	Note No	As at 31 March, 2021	As at 31 March, 2020
I.	<u>EQUITY AND LIABILITIES</u>			
(1)	<u>Shareholder's Funds</u>			
	(a) Share Capital	1	10,000,000	10,000,000
	(b) Reserves and Surplus	2	46,351,713	40,664,932
	TOTAL (A)		56,351,713	50,664,932
(2)	<u>Non-Current Liabilities</u>			
	(a) Long Term Provisions	3	5,825,163	4,762,066
	TOTAL (B)		5,825,163	4,762,066
(3)	<u>Current Liabilities</u>			
	(a) Trade Payables	4	-	-
	- Small, Micro Enterprises			
	- Others			
	(b) Other Current Liabilities	5	2,207,212	3,622,162
	(c) Short Term Provisions	6	10,902,655	8,871,258
	TOTAL (C)		940,804	7,205,716
	TOTAL (A+B+C)		14,050,671	19,699,136
II.	<u>ASSETS</u>			
(1)	<u>Non Current Assets</u>			
	(a) <u>Property, Plant & Equipment</u>	7		
	(i) Tangible Assets		2,082,706	945,029
	(ii) Intangible Assets		-	8,379
	(b) <u>Investment</u>	8	2,105,741	1,978,780
	(c) <u>Deferred Tax Assets(Net)</u>		9,749,737	11,262,454
	(d) <u>Other Non-Current Assets</u>	9	8,700,464	9,724,608
	TOTAL (A)		22,638,648	23,919,250
(2)	<u>Current Assets</u>			
	(a) Trade Receivables	10	25,295,226	21,056,385
	(b) Cash and Cash Equivalents	11	4,751,408	5,472,400
	(c) Other Current Assets	12	23,542,265	24,678,100
	TOTAL (B)		53,588,899	51,206,885
	TOTAL (A+B)		76,227,547	75,126,134
	Significant Accounting Policies and Notes to Accounts	20		

The schedules referred to above & notes to accounts form an integral part of the accounts.

"IN TERMS OF OUR SEPARATE REPORT OF EVEN DATE

For PRAJWAL POOJARI AND ASSOCIATES

CHARTERED ACCOUNTANTS

Firm Reg. No. 137789W

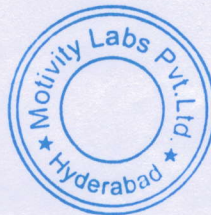
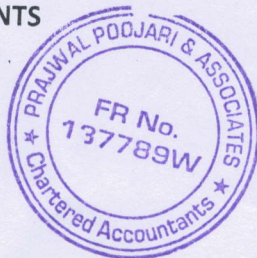
PRAJWAL J POOJARI
 PROPRIETOR

Membership No: 157858

PLACE: MUMBAI

DATE :- 01.11.2021

UDIN :- 21157858AAAAYJ1132



For and on behalf of the Board of Directors

Joseph Reddy

Mr. JOSEPH REDDY
 THUMMA
 (Director)
 DIN: 07033919

AmeeRUDDIN Syed

Mr. AMEERUDDIN
 SYED
 (Director)
 DIN: 06419899

MOTIVITY LABS PRIVATE LIMITED
CIN - U72900TG2010PTC066869
Statement of Profit and Loss for the year ended 31st March, 2021

Amounts in Rupees				
	Particulars	Note No	For The Year Ended March, 2021	For The Year Ended March, 2020
I.	Revenue from Operations	13	171,072,748	125,659,404
II.	Other Income	14	137,256	100,196
III.	TOTAL REVENUE(I+II)		171,210,004	125,759,600
IV.	EXPENSES			
(a)	Employee Benefits Expenses	15	119,379,218	124,710,933
(b)	Depreciation and Amortization Expenses	16	1,518,718	843,141
(c)	Finance Costs	17	36,415	1,930,742
(d)	Project Expenses	18	1,458,009	2,224,869
(e)	Other Expenses	19	41,618,145	32,633,297
	TOTAL EXPENSES		164,010,505	162,342,982
V.	Profit Before Exceptional and Extraordinary Items and Tax (III-IV)		7,199,499	(36,583,382)
VI.	Exceptional Items		-	-
VII.	Profit Before Extraordinary Items and Tax (V - VI)		7,199,499	(36,583,382)
VIII.	Extraordinary Items		-	-
IX.	Profit Before Tax (VII -VIII)		7,199,499	(36,583,382)
X.	Tax Expense:			
(1)	Current Tax		-	146,145
(2)	Deferred Tax		1,512,719	(9,057,788)
XI.	Profit/(Loss) for the Period from Continuing Operations (IX-X)		5,686,780	(27,671,739)
XII.	Profit/(Loss) from Discontinuing Operations		-	-
XIII.	Tax Expense of Discontinuing Operations		-	-
XIV.	Profit/(Loss) from Discontinuing Operations (XII - XIII)		-	-
XV.	Profit/(Loss) for the Period (XI + XIV)		5,686,780	(27,671,739)
XVI.	Earning Per Equity Share:			
(1)	Basic		5.69	(27.67)
(2)	Diluted		5.69	(27.67)
	Significant Accounting Policies and Notes to Accounts	20		


The schedules referred to above & notes to accounts form an integral part of the accounts.

"IN TERMS OF OUR SEPARATE REPORT OF EVEN DATE

For PRAJWAL POOJARI AND ASSOCIATES

CHARTERED ACCOUNTANTS

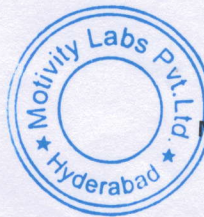
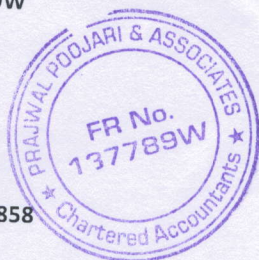
Firm Reg. No. 137789W


PRAJWAL J POOJARI
PROPRIETOR

Membership No: 157858
PLACE: MUMBAI

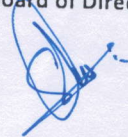
DATE :- 01.11.2021

UDIN :- 21157858AAAAYJ1132



For and on behalf of the Board of Directors


Mr. JOSEPH REDDY
THUMMA
(Director)
DIN: 07033919


Mr. AMEERUDDIN
SYED
(Director)
DIN: 06419899

MOTIVITY LABS PRIVATE LIMITED

NOTES ANNEXURED TO AND FORMING PART OF BALANCE SHEET

NOTE NO	PARTICULARS	Amounts in Rupees	
		As at 31 March, 2021	As at 31 March, 2020
1	SHARE CAPITAL		
	AUTHORISED SHARE CAPITAL		
	10,00,000 Equity Shares of Rs. 10 each	100,00,000	100,00,000
		100,00,000	100,00,000
	ISSUED, SUBSCRIBED & PAID UP		
	Share capital at the beginning of the Year	100,00,000	100,00,000
	Additions during the year	-	-
	Share capital at the end of the accounting period (10,00,000 Equity Shares of Rs. 10 each)	100,00,000	100,00,000
		100,00,000	100,00,000
	FULLY PAID UP		
10,00,000 Equity Shares of Rs. 10 each	100,00,000	100,00,000	
	100,00,000	100,00,000	

NOTE:- Share Capital

Right Term attached to equity shares :

The company has only one class of equity share having par value Rs. 10 per share each holder of equity shares is entitled to one vote per share. The dividend proposed by the board of directors with the approval of the shareholders in the annual general meeting except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of preferential amount in proportion to their shareholding.

Reconciliation of no of shares outstanding:	No. of Equity Shares	No. of Equity Shares
	31.03.2021	31.03.2020
Equity Share Outstanding at the Beginning of the Year	10,00,000	10,00,000
Add: Shares Issued During the Year	-	-
Equity Share Outstanding at the End of the Year	10,00,000	10,00,000

Details Of Shareholder Holding Equity Shares Exceeding 5% :-

S.No.	Name of the Shareholders	Number of Equity shares held as on		% of Holding on	
		31.03.2021	31.03.2020	31.03.2021	31.03.2020
1	Equity Shares				
	Motivity Inc, USA	9,99,990	9,99,990	100.00%	100.00%
	TOTAL	9,99,990	9,99,990		

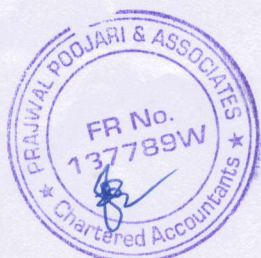


MOTIVITY LABS PRIVATE LIMITED

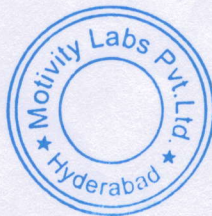
NOTES ANNEXURED TO AND FORMING PART OF BALANCE SHEET

Amounts in Rupees

NOTE NO.	PARTICULARS	As at 31 March, 2021	As at 31 March, 2020
2	<u>Reserve & Surplus</u>		
	<u>Surplus</u>		
	Opening Balance	406,64,932	683,36,671
	Add : Profit/(Loss) in Statement of Profit & Loss during the year	56,86,780	(276,71,739)
	Closing Balance	463,51,713	406,64,932
3	<u>Long Term Provisions</u>		
	<u>Provision for employee retirement benefits</u>		
	- Gratuity	58,25,163	47,62,066
	TOTAL (Rs.)	58,25,163	47,62,066
4	<u>Trade Payables</u>		
	Due to Micro & Small Enterprises	-	-
	Due to Related Party	-	-
	Others	22,07,212	36,22,162
	TOTAL	22,07,212	36,22,162
<p>The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This information has been relied upon by the auditors.</p>			
	PARTICULARS	As at 31 March, 2021	As at 31 March, 2020
5	<u>Other Current Liabilities</u>		
	Deposits	29,12,113	49,18,360
	Other Payable	18,54,620	18,17,242
	Statutory dues	61,35,922	21,35,656
	TOTAL	109,02,655	88,71,258
6	<u>Short Term Provisions</u>		
	Audit Fees Payable	15,000	-
	Salaries Payable	(3,01,799)	2,64,135
	Provision for GHMC Tax	12,27,603	12,27,603
	Incentives Payable	-	57,13,978
	TOTAL	9,40,804	72,05,716
8	<u>Investment</u>		
	Fixed Deposit Receipt	19,17,809	19,17,809
	Interest Accrued on FDR	1,87,932	60,971
	TOTAL	21,05,741	19,78,780



	PARTICULARS	As at 31 March, 2021	As at 31 March, 2020
9	Other Non-Current Assets		
	Security Deposits		
	Rental Deposit- Dallas Center	80,00,000	
	Rental Deposit	72,000	72,000
	Security Deposit - Water Mark	6,28,464	96,52,608
	TOTAL	87,00,464	97,24,608
10	Trade Receivables		
	Unsecured, considered good		
	Outstanding for a period Not exceeding 6 months from the date they are due for payment	168,10,496	-
	Other	84,84,730	210,56,385
	Unsecured, considered doubtful		
	Outstanding for a period exceeding 6 months from the date they are due for payment	-	-
	Other	-	-
	Less: Provision for doubtful debts	-	-
	TOTAL	252,95,226	210,56,385
11	Cash and Bank Balances		
	Balances with Banks		
	- In Current Accounts	39,68,348	54,61,340
	Cash in Hand	7,83,060	11,060
	TOTAL	47,51,408	54,72,400
12	Other Current Assets		
	Prepaid Expenses	16,34,048	25,32,209
	Balances with Government Departments	140,33,814	170,03,500
	Advance Tax & TDS Receivables	59,90,842	37,33,739
	Excess TDS Payment	11,86,993	13,00,262
	Others Assets	6,96,568	1,08,390
	TOTAL (Rs.)	235,42,265	246,78,100

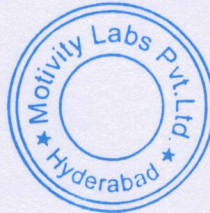
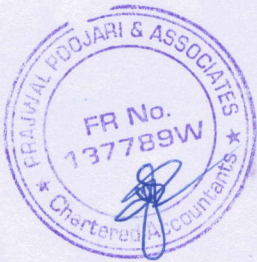


MOTIVITY LABS PRIVATE LIMITED
SCHEDULE OF FIXED ASSETS AS PER COMPANIES ACT

NOTE NO. 7

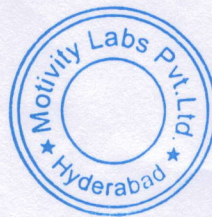
Amount in Rupees

Particulars	Gross Block				Depreciation					Net Block	
	As at April 01, 2020	Additions	Deletion	As at March 31, 2021	As at April 01, 2020	For the year Addition	For the year Deletion	Adjusted Against	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Tangible Assets											
Data Processing Equipment	75,89,699	25,10,096	-	100,99,795	71,89,622	11,95,024	-	-	83,84,646	17,15,149	4,00,077
Office Equipment	28,70,500	1,37,921	-	30,08,421	26,58,520	2,38,185	-	-	28,96,705	1,11,716	2,11,980
Furniture and Fittings	8,11,901	-	-	8,11,901	4,78,929	77,131	-	-	5,56,060	2,55,841	3,32,972
Total (a)	112,72,100	26,48,017	-	139,20,117	103,27,071	15,10,340	-	-	118,37,411	20,82,706	9,45,029
Intangible Assets											
Software	39,05,448	-	-	39,05,448	38,97,069	8,379	-	-	39,05,448	-	8,379
Total (b)	39,05,448	-	-	39,05,448	38,97,069	8,379	-	-	39,05,448	-	8,379
Total	151,77,548	26,48,017	-	178,25,565	142,24,140	15,18,718	-	-	157,42,859	20,82,706	9,53,408

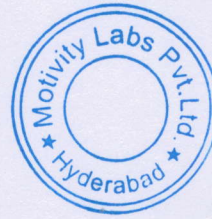
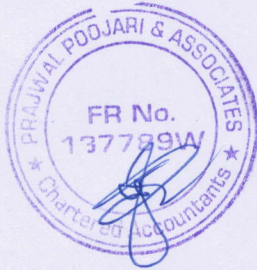


NOTES ANNEXURED TO AND FORMING PART OF STATEMENT OF PROFIT AND LOSS

NOTE NO	PARTICULARS	Amounts in Rupees	
		For Year Ended March, 2021	For Year Ended March, 2020
13	Revenue from Operation		
	Revenue from Services	1710,72,748	1256,29,404
	Revenue from Sale of Goods	-	30,000
	TOTAL	1710,72,748	1256,59,404
14	Other Incomes:-		
	Interest on Fixed Deposits	1,37,256	67,746
	Misc Incomes	-	27,450
	Recovery from Employees	-	5,000
	TOTAL	1,37,256	1,00,196
15	Employee Benefits Expenses		
	Salaries and Wages	1101,30,489	1154,93,172
	Contribution to Provident Fund	45,08,606	48,42,724
	Gratuity	16,05,401	8,61,958
	Staff welfare expenses	18,41,249	35,13,079
	Service incentives	12,93,473	-
	TOTAL	1193,79,218	1247,10,933
16	Depreciation & Amortization Expenses		
	Depreciation	15,18,718	8,43,141
	TOTAL	15,18,718	8,43,141
17	Finance Cost		
	Bank Charges	36,415	82,145
	Guarantee Commission	-	17,00,000
	Interest on Loans	-	1,48,597
	TOTAL	36,415	19,30,742
18	Project Expenses		
	GHMC Project Cost	-	6,48,971
	Installation Expenses-GHMC	14,58,009	15,75,898
	TOTAL	14,58,009	22,24,869



	PARTICULARS	For Year Ended March, 2021	For Year Ended March, 2020
19	<u>Other Office & Administrative Expenses</u>		
	Audit Fees	15,000	2,00,000
	Power and fuel	9,11,221	22,08,485
	Rent, Net	151,43,728	130,88,155
	Insurance	31,66,765	38,91,650
	Rates and taxes	3,500	17,50,611
	Repairs & Maintenance	4,99,938	-
	Computer Consumables	4,10,551	93,632
	Computer & Equipment Rental	8,11,845	13,31,138
	Security Charges	9,15,590	10,19,498
	Communication Expense	23,91,304	21,98,364
	Legal and Professional Charges	109,43,943	22,66,067
	Share of Revenue Cost	13,21,368	26,18,145
	Office Maintenance, Net	13,61,232	19,87,789
	Printing and Stationary	5,610	33,720
	Advertisement and Business Promotion	27,000	-
	Travelling and Conveyance	18,34,020	4,01,035
	Forex Loss/(gain)	6,67,162	(14,93,534)
	Interest, Penalty and Late Fees	47,549	19,340
	PF Admin Charges	2,72,292	2,85,117
	Recruitment & Training Expense	4,80,431	-
	Bad Debts	-	4,08,912
	Other Expenses	3,88,097	3,25,174
	TOTAL	416,18,145	326,33,297



GROUPINGS ANNEXURED TO NOTES FORMING PART OF STATEMENT OF PROFIT AND LOSS

Amounts in Rupees			
SR NO.	PARTICULARS	For Year Ended March, 2021	For Year Ended March, 2020
1	Revenue from Operation		
	Revenue from Services		
	Outsourcing Services	23,41,500	30,26,744
	Sales Direct - GHMC	85,30,242	135,70,579
	Software Development	1602,01,006	1090,32,081
	TOTAL	1710,72,748	1256,29,404
	Revenue from Sale of Goods		
	Device Cost - GHMC	-	30,000
	TOTAL	-	30,000

GROUPINGS ANNEXURED TO NOTES FORMING PART OF BALANCE SHEET

1	Statutory dues:-		
	- Tax deducted at source	20,29,901	7,33,177
	- Goods and Services Tax	29,14,404	-
	- Provident Fund	10,79,518	12,69,465
	- Provision for Income Tax	1,28,716	1,28,716
	- Professional Tax	(16,617)	4,298
	61,35,922	21,35,656	
2	Other Payable		
	Leave Encash Payable	18,32,761	18,32,761
	PF Admin Charges Payable	73,681	35,264
	Provision for Expenses		(50,783)
	Staff Dues	(51,822)	-
	TOTAL	18,54,620	18,17,242
3	Balances with Government Departments		
	GST Payable-F.Y.2019-20	(39,455)	(39,455)
	GST Cash Balance	6,800	6,800
	CGST Input Credit	64,04,717	86,23,251
	SGST Input Credit	26,05,658	43,17,046
	IGST Input	3,03,027	62,962
	Service Tax Refund	40,32,896	40,32,896
	CGST Input Credit RCM	3,60,000	-
	SGST Input Credit RCM	3,60,000	-
	GST Input	171	-
	TOTAL	140,33,814	170,03,500
4	Others Assets		
	Employee Advances	5,33,200	-
	Axis Bank Corporate CC Account	95,795	-
	VAT Input	67,573	67,573
	Bharti Airtel - Data Cards	-	20,064
	Fusion Tech Process Consulting		20,000
	Others		753
	TOTAL	6,96,568	1,08,390

