

**DIRECTORS' REPORT**

To,

The Shareholders

Your Directors have pleasure in presenting the 19<sup>th</sup> Annual Report together with the Audited Financial Statements and their Report thereon for the financial year ended 31<sup>st</sup> March, 2020.

**Financial Results**

Your Company's performance for the financial year ended 31<sup>st</sup> March, 2020 is summarized below:

Amount in (₹)

Particulars	2019-20	2018-19
Total Revenue	81,17,751	82,53,649
Profit/ (Loss) before interest depreciation and Taxation	73,246	1,12,047
Less: Interest	-	-
Depreciation	40,708	23,085
Profit before taxation	32,538	88,962
Less: Provision for taxation	-	-
Profit after Taxation	32,538	88,962

**COVID-19 Pandemic:**

During the month of March the spread of COVID-19 pandemic increased expeditiously in India and across the world, this global crisis forced the Governments to enforce lock-down of all economic activities. In India the Government announced lock-down from third week of March, 2020 as a preventive measure against the COVID-19 pandemic. The Company's focus is always to ensure the health and well-being of all employees accordingly the Company suspended its operational activities and implemented 'work from home policy' from 23<sup>rd</sup> March, 2020 to minimize disruption to services for all our customers globally. From a well-equipped broad work space to coordinating the work from home the Company adapted the change very well as per the need of the hour. Further after ensuring compliance with all the safety measures directed by the Government like social distancing and maintaining hygiene, the Company resumed its operations from 15<sup>th</sup> June, 2020.

**Company's Performance & Future Prospects**

During the period under review the company achieved revenue of Rs. 81,17,751/- EBDITA Rs. 73,246/- PBT of Rs. 32,538/- and PAT of Rs. 32,538/- as against a revenue of Rs. 82,53,649/- EBDITA Rs. 1,12,047/- PBT of Rs. 88,962/- and PAT of Rs. 88,962/- respectively in the previous year. The Sales of the Company have decreased by 1.65% as compared to previous year.

The sales of the Company have decreased, due to increase in the costs for running business. Your Directors are optimistic to reduce the cost in coming years and hopeful of better performance with increased revenue in next year. Your Company is constantly striving to keep pace with changing demands of corporates and adapt to new fields of innovation, improved performance with a continued sense of commitment to a higher standard. Your Company is committed to handle new roles and responsibilities and is open to accept new challenges by virtue of its strengthened business model. In addition, there are continuous efforts at improving efficiency and delivering excellence in project execution.

#### **Share Capital**

As on 31<sup>st</sup> March, 2020, paid up share capital of the Company was Rs. 10,00,000 divided into 10,000 equity shares of Rs.100/- each. There was no change in share capital of the Company during the Financial Year 2019-20.

#### **Dividend and Transfer to Reserves**

Considering the cash position and fund requirements for growth of business of your Company, the Board of Directors has not recommended any dividend for the financial year ended 31<sup>st</sup> March, 2020. Accordingly, no amount is also proposed to be transferred to the reserves of your Company.

#### **Events subsequent to the date of Financial Statements**

There were no events to report that has happened subsequent to the date of the financial statements.

#### **Change in the nature of business, if any**

There has been no change in the nature of business of the company during the financial year 2019-20.

#### **Subsidiary companies**

The Company does not have any Subsidiary during the year under review. The Company itself is a 100% subsidiary of Lee & Nee Softwares (Exports) Ltd.

#### **Deposits from Public**

Your Company has not accepted any kind of deposit from the public falling within the ambit of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 made under Chapter V of the Companies Act, 2013 during the year under review and as such no amount on account of principal or interest on deposits from public was outstanding as on the date of the Balance Sheet.



**Particulars of loans, guarantees and investments**

There are no Loans, Guarantees and Investments made under the provisions of Section 186 of the Companies Act, 2013 during the year under review.

**Material Changes and Commitments, if any, affecting the Financial Position between the end of the Financial Year and date of the report**

There are no material changes or commitments affecting the financial position of the Company, which have occurred between the end of the financial year to which the financial statement relates and the date of this Report.

**Details of Significant and Material orders passed by the Regulators / Courts / Tribunals Impacting the going concern status and the Company's operations in future**

During the financial year 2019-20, there are no significant and material orders passed by any Regulators / Courts / Tribunals, which impacts the going concern status of the Company or will have any bearing on Company's Operations in future.

**Directors' Responsibility Statement**

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

(a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

(c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) the Directors have prepared the annual accounts on a going concern basis;

(e) the Directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and are operating effectively.

(f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **Directors and Key Managerial Personnel**

Your Director Mrs. ARPITA GUPTA (DIN: 02839878) retires at the ensuing Annual General Meeting and being eligible offers herself for reappointment.

### **Declaration by Independent Directors**

The provisions of Section 149 for appointment of Independent Directors do not apply to the company.

### **Board Meetings**

The Company has conducted four Board meetings during the financial year under review.

### **Policy on Appointment of Director and Remuneration**

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company.

### **Internal Financial Controls**

The Board has adopted policies and procedures 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, errors reporting mechanisms, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

### **Cost Records and Cost Audit**

Maintenance of cost records and requirements of cost audit as prescribed under the provisions of Section 148 (1) of the Companies Act, 2013 are not applicable for the business activities carried out by the Company.

### **Auditors**

#### **Statutory Auditors**

M/s Jain Sonu & Associates, Chartered Accountants, Kolkata (Firm Registration No. 324386E), were appointed as Statutory Auditors of the Company at the 16<sup>th</sup> Annual General Meeting held on 23<sup>rd</sup> September, 2017 in terms of the provisions of Section 139 of Companies Act, 2013 to hold office until the conclusion of 20<sup>th</sup> Annual General Meeting, to be held in the year 2021.

In terms of Companies (Amendment) Act, 2017, effective from 7<sup>th</sup> May, 2018, the requirement of seeking ratification of auditors' appointment at every annual general meeting has been dispensed with.

The Statutory Auditors have confirmed that they satisfy the independence criteria required under Companies Act 2013 code of ethics issued by Institute of Chartered Accountants of India.

#### **Secretarial Auditor**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Company has appointed Mrs. Rasna Goyal, a Practicing Company Secretary in Practice (CP No.-9209) to undertake the Secretarial Audit of the Company for the financial year 2019-20. The Secretarial Audit Report does not contain any qualifications, reservations or adverse remarks.

#### **Qualifications in Audit Reports**

The statutory auditor's report and the secretarial audit report do not contain any qualifications, reservations, or adverse remarks or disclaimer. Secretarial audit report is attached to this report.

#### **Risk Management Policy**

The Company does not have any Risk Management Policy as the elements of risk threatening the Company's existence are very minimal.

#### **Related Party Transactions**

There are no contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013 save & except the carry forward year end balances appearing in the notes to accounts.

#### **Corporate Social Responsibility Initiatives**

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable to the Company.

#### **Extract of Annual Return**

Pursuant to Section 92(3) of the Companies Act 2013 read with Companies (Management and Administration) Rules, 2014 an extract of the Annual Return in form MGT 9 is annexed to this Report.

#### **Particulars of Employees and related disclosures**

None of the employee has received remuneration exceeding the limits as stated in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

#### **Employee Stock Option Scheme**

The company has not issued any employee stock option during the year under review.



### **Policy on Prevention of Sexual Harassment**

Your Company has in place a policy on prevention of sexual harassment at work place in accordance with the provisions of Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace Act, 2013. The policy aims at prevention of harassment of women employees and lays down the guidelines for identification, reporting and prevention of sexual harassment.

The Company has a zero tolerance approach to any form of sexual harassment. No complaint was received during the year. There are no pending complaints either at the beginning or end of the financial year.

### **Conservation Of Energy, Technology Absorption, Foreign Exchange Earnings And Outgo Pursuant To Provisions Of Section 134 Of The Companies Act, 2013 Read With The Companies (Accounts) Rules, 2014.**

The Statement pursuant to section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Company's (Accounts) Rules 2014 do not apply to our Company. There was no foreign exchange inflow or outflow during the year under review.

### **Acknowledgments**

Your Director place on record their appreciation for the help and co-operation received by the bankers and thank the Company's customers, vendors, investors and academic partners for their continuous support.. Your Directors also place on record the appreciation for the dedicated services rendered by the employees of your Company at all levels.

On behalf of the Board of Directors  
Lensel Web Services Pvt Ltd

Place: Kolkata

Dated: 29<sup>th</sup> June, 2020

Directors: 1. Farzana Chowdhury

(DIN : 03061122)

2. Arpita Gupta

(DIN : 02839878)

Form No. MGT-9  
EXTRACT OF ANNUAL RETURN  
As on the financial year ended on 31st March, 2020

LENSEL WEB SERVICES PRIVATE LIMITED

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

I REGISTRATION AND OTHER DETAILS:

- i) CIN  
ii) Registration Details  
iii) Name of the Company  
iv) Category of the Company  
v) Address of the Registered Office and Contact details

v) Whether listed Company  
vii) Name, Address and contact details of Registrar & Transfer Agents (RTA) if any

U72900WB2001PTC093088  
9TH APRIL 2001  
LENSEL WEB SERVICES PRIVATE LIMITED  
PRIVATE LIMITED COMPANY  
108, CAMAC STREET, KOLKATA-17  
Tel: 033-40650377/033-4, Fax No.: 033-40650378  
Email id: arpita.agarwal24@gmail.com  
No  
NA

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated  
Name and Description  
Sl. I of main Products/services  
INFORMATION SERVICE ACTIVITY  
NIC code of the Product/Service  
0631  
% of total turnover of the Company  
100%

III PARTICULARS OF HOLDING AND SUBSIDIARY COMPANIES

Name and Address		CIN	Holding /Subsidiary /Associate HOLDING	% of shares held	Applicable Section
Sl. I of the Company					
1	LEE AND NEE SOFTWARES(EXPORTS) LTD	L70102WB1988PLC045587		100%	2(87)(ii)

### i) Category-wise Share Holding

### i) Category-wise Share Holding

Category of Shareholders	No of Shares held at the beginning of the year [As on 01-April-2019]				No of Shares held at the end of the year [As on 31-March- 2020]				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	0	0	0	0.0000	0	0	0	0.0000	0.0000
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp.	0	0	0	0.0000	0	0	0	0.0000	0.0000
e) Banks/Fi									
f) Any other									
Sub-total (A)(1)	0	0	0	0.0000	0	0	0	0.0000	0.0000
<b>(2) Foreign</b>									
a) NRIs - Individuals									

[illegible]



Category of Shareholders	No of Shares held at the beginning of the year [As on 01-April-2019]				No of Shares held at the end of the year [As on 31-March-2020]				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
i) Indian	0	10000	10000	100.0000	0	10000	10000	100.0000	0.0000
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	0	0	0.0000	0	0	0	0.0000	0.0000
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	0	0	0	0.0000	0	0	0	0.0000	0.0000
c) Others (Specify)	0								
Non Resident Indians	0	0	0	0.0000	0	0	0	0.0000	0.0000
Qualified Foreign Investor									
Foreign Institutional Investors									
Foreign Institutional Investors									
Total Public Shareholding (B)=(B)(1)+(B)(2)	0	10000	10000	100.0000	0	10000	10000	100.0000	100.0000
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	0	10000	10000	100.0000	0	10000	10000	100.0000	0.0000

# holding of Promoters-

Shareholder's Name	Shareholding at the beginning of the Year	
	No. of Shares	% of total Shares of the Company

at the end of the Year	Shareholding at the end of the Year		% change in share holding during the Year
	No. of Shares	% of total Shares of the Company	

Shares

and /

pledged to

Shares

No. of

Shares

% of total  
Shares of the  
Company

% of Shares  
Pledged /  
encumbered to  
total shares



Change in Promoters' Shareholding (please specify, if there is a change)			
Sl. No.		Shareholding at the beginning of the year	Cumulative Shareholding during the year
			% of total shares of the company
		No. of shares	No. of shares

Shareholding Pattern of top ten Shareholders				
Other than Directors, Promoters and Holders of GDRs and				
No	For Each of the Top 10 Shareholders	holding at the end of the year	Cumulative Shareholding during the year	
		% of total shares of the company	No. of shares	% of total shares of the company
1	LEE AND NEE SOFTWARES(EXPORTS) LTD	100	10000	100



Shareholding of Directors and Key Managerial Personnel					
Sl No	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company

## V. INDEBTEDNESS

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

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
Principal Amount	NIL	NIL	NIL	NIL
Interest due but not paid	NIL	NIL	NIL	NIL
Interest accrued but not due	NIL	NIL	NIL	NIL
<b>Total (i+ii+iii)</b>				
<b>Change in Indebtedness during the financial year</b>				
* Addition	NIL	NIL	NIL	NIL
* Reduction	NIL	NIL	NIL	NIL
<b>Net Change</b>				
<b>Indebtedness at the end of the financial year</b>				
Principal Amount	NIL	NIL	NIL	NIL
Interest due but not paid	NIL	NIL	NIL	NIL
Interest accrued but not due	NIL	NIL	NIL	NIL
<b>Total (i+ii+iii)</b>				



# **VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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

## **B. REMUNERATION TO OTHER DIRECTORS**

Sl. No	Particulars of Remuneration	Name of the Directors			Total Amount
1	Directors	Farzana Chowdhury	Arpita Gupta		
	Fee for attending board/ Committee meetings	-	-	-	-
	Commission	-	-	-	-
	Salary	507,823.00	-	-	507,823.00
	Legal Expenses	-	180,000.00	-	180,000.00
	Total (1)	507,823.00	180,000.00	-	687,823.00
2	Others Non Executive Directors				
	Fee for attending board/ Committee meetings	-			-
	Commission	-			-
	Others, please specify	-			-
	Total (2)	-			-
	Total (B)=(1+2)	507,823.00	180,000.00		687,823.00

## **C. Remuneration to Key Managerial Personnel other than MD, WTD and/or Manager-NIL**

# **VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES**

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

For and on Behalf of the Board of Directors

Place: Kolkata

Date: 29th June, 2020

Arpita Gupta

Farzana Choudhary





*Jain Sonu & Associates*

**CHARTERED ACCOUNTANTS**

58, Mahatma Gandhi Road, Tower 5,  
Alcove Tower Flat 2B, Diamond City  
South Tollygunge Karunamoyee,  
Kolkata- 700 041, (W.B.)  
☎ : 9830285088  
Office : ☎ (033) 4060-5306  
E-mail : casonujain@gmail.com

**INDEPENDENT AUDITORS REPORT**

To,  
The Members of M/s LENSEL WEB SERVICES PRIVATE LIMITED

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

**Opinion**

We have audited the Financial Statements of M/s LENSEL WEB SERVICES PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at March 31, 2020, its profit, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (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 ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act 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 on the financial statements.

**Key Audit Matters**

Key audit matters ('KAM') are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended March 31, 2020. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to be communicated in our report.

**Information other than the Financial Statements and Auditor's Report thereon**

The Company's management and Board of Directors are 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 auditor's report thereon.



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

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

### **Responsibility of Management and Those Charged with Governance for the Financial Statements**

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs (financial position), financial performance (profit or loss including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is 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 Standards on Auditing 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 Standards on Auditing, 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.

Stamp: KOLKATA  
Signature: [Handwritten signature]



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication. We have nothing to report in this regard.

#### **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 Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us during the course of audit, we give in the Annexure 'A' a statement on the matters specified in the paragraphs 3 and 4 of the Order.

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

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- b. In our opinion, proper books of account as required by law have been kept by the,





Company so far as it appears from our examination of those books.

- c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of changes in equity dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
- e. On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. As required by Section 143(3)(i) of the Companies Act, 2013, and based on the checking of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, our separate report with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such control is as per Annexure 'B'.

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigations which would impact its financial position in its Ind AS Financial Statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. The Company did not have any amount which had fallen due and required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. The disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2020.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanation given to us, the remuneration paid during the current year by Company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Company is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

Place: Kolkata  
Dated: 29<sup>th</sup> June, 2020

For JAIN SONU & ASSOCIATES  
CHARTERED ACCOUNTANTS  
Firm's Registration Number: 324386E

SONU JAIN  
Partner  
Membership Number: 060015



## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(REFERRED TO IN PARAGRAPH I UNDER 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' OF OUR REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF M/s LENSEL WEB SERVICES PRIVATE LIMITED)

- (i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b) The Company has a regular program of physical verification of its fixed assets, by which all fixed assets have been verified by the management according to the program of periodical physical verification in a phased manner which in our opinion is reasonable having regard to the size of the Company and the nature of its fixed assets. The discrepancies noticed on such physical verification were not material.
- c) The title deed of the immovable property i.e leasehold building (which are included under the head 'Property, Plant and Equipment') are held in the name of its Holding Company.
- (ii) The Company is in the business of providing web services and does not have any physical inventories. Accordingly, reporting under clause 3(ii) of the Order is not applicable to the Company.
- (iii) According the information and explanations given to us the Company has not granted any loans, secured or unsecured, to Companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 during the year. Accordingly, the provisions of Clauses 3(iii) (a) and (b) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not given loans, guarantees, security or made any investment which needs to comply with the section 185 and 186 of the Companies Act, 2013 during the year.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits during the year from the public within the meaning of directives issued by the Reserve Bank of India and provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Rules framed thereunder. Hence, Clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act, for any of the services rendered by the Company.
- (vii) a) According to the records of the Company, the Company is regular in depositing with appropriate authorities undisputed statutory dues including Employees State Insurance, Income Tax, Goods and Service Tax, Custom Duty, Cess and other material statutory dues with the appropriate authorities to the extent applicable.

According to information and explanations given to us, no undisputed amounts payable in respect of the Employees State Insurance, Goods and Service Tax, Income Tax, Custom Duty and Cess were in arrears as at 31<sup>st</sup> March, 2020 for a period of more than six months from the date they became payable.





- b) According to information and explanation given to us, there are no dues in respect of Goods and Service Tax, Income Tax, Sales Tax, Service Tax, Custom Duty, Duty of excise, Value Added Tax and Cess which have not been deposited with the appropriate authorities to the extent applicable on account of any dispute.
- (viii) The Company has not taken any loans or borrowings from financial institution, banks and government or has not issued any debentures. Hence reporting under clause 3 (viii) of the order is not applicable to the Company.
- (ix) The Company has not raised any money by way of initial public offer, further public offer, debt instruments or term loans during the year. Accordingly, Clause 3(ix) of the Order is not applicable.
- (x) Based on the audit procedure performed and on the basis of information and explanations provided by the management, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) In our opinion and according to the information and explanations given to us and based on examination of the records of the Company, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, Clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanation given to us, there are no contracts or arrangements with related parties referred to in section 177 and 188 of the Companies Act, 2013 during the year.
- (xiv) According to the information and explanation given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence reporting under Clause 3(xiv) of the Order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanation given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its subsidiaries or persons connected with them. Accordingly, Clause 3 (xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934.

Place: Kolkata  
Dated: 29<sup>th</sup> June, 2020

For JAIN SONU & ASSOCIATES  
CHARTERED ACCOUNTANTS  
Firm's Registration Number: 324386E

SONU JAIN  
Partner  
Membership Number: 060015





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

(REFERRED TO IN PARAGRAPH 2.A.(f) UNDER 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' OF OUR REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF M/s LENSEL WEB SERVICES PRIVATE LIMITED)

**Report on the Internal Financial Controls over Financial Reporting under clause (i) of Sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")**

### **OPINION**

We have audited the internal financial controls with reference to financial statements of M/s LENSEL WEB SERVICES PRIVATE LIMITED ("the Company") as of 31<sup>st</sup> March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31<sup>st</sup> March 2020, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

### **MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

The Company's Board of Directors 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 controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **AUDITOR'S RESPONSIBILITY**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our Audit. We conducted our Audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note"), issued by Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013 to the extent applicable to an audit of internal financial controls. Those standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial 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 exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor's 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 controls system over financial reporting.



## **MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

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

## **INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Place: Kolkata  
Dated: 29<sup>th</sup> June, 2020

**For JAIN SONU & ASSOCIATES  
CHARTERED ACCOUNTANTS**  
Firm's Registration Number: 324386E

  
**SONU JAIN**  
Partner  
Membership Number: 060015



**LENSEL WEB SERVICES PRIVATE LIMITED**  
14B Camac Street, Nandi Commercial, Kolkata - 700017  
**BALANCE SHEET AS AT 31 MARCH 2020**

Particulars	Notes	Amount (Rs.) 31 March 2020	Amount (Rs.) 31 March 2019
<b>I. ASSETS</b>			
<b>Non-current Assets</b>			
(a) Property, plant and equipment	3	331,146	302,754
(b) Financial assets	4.1	2,957,350	2,957,350
(i) Investments	4.2	4,091,478	4,238,148
(ii) Trade Receivable	4.3	14,076,658	12,568,446
(iii) Loans	5	29,870,348	31,784,218
(c) Other non-current assets			
<b>Current Assets</b>			
(a) Financial assets	6.1	97,682	230,445
(i) Trade receivables	6.2	426,969	293,370
(ii) Cash and cash equivalents	6.3	25,574,448	24,246,359
(iii) Loan	7	562,597	512,778
(b) Other current assets		77,988,676	77,133,869
<b>TOTAL ASSETS</b>			
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	8	1,000,000	1,000,000
(b) Other equity	9	6,874,818	6,861,733
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
(a) Financial liabilities	10	68,966,814	67,824,435
(i) Borrowings	11	136,618	30,817
(b) Other non current liabilities			
(c) Deferred tax liabilities (net)			
<b>Current Liabilities</b>			
(a) Financial liabilities	12	509,519	636,247
(i) Trade payables	13	367,522	653,513
(b) Other current liabilities	14	133,386	127,125
(c) Provisions			
(d) Current Tax Liabilities(Net)		77,988,676	77,133,869
<b>TOTAL EQUITY AND LIABILITIES</b>			

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements 1 to 28

In terms of our separate report of even date

For Jain Sonu & Associates  
Chartered Accountants  
Firm's Registration Number: 324386E

Sonu Jain  
Partner  
Membership Number: 060015

Place: Kolkata  
Dated: 29th June, 2020

For and on behalf of the Board

**LENSEL WEB SERVICES PRIVATE LIMITED**

Lensel Web Services Pvt. Ltd.

Arpita Gupta  
Director  
(DIN : 02839878)

Farzana Chowdhury  
Director  
(DIN : 03061122)



**LENSEL WEB SERVICES PRIVATE LIMITED**  
148 Camac Street, Nandi Commercial, Kolkata - 700017  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020**

Particulars	Note	Amount (Rs.)	Amount (Rs.)
		Year ended 31 March 2020	Year ended 31 March 2019
I. Revenue from operations	15	4,621,482	6,043,467
II. Other income	16	3,496,269	2,110,182
III. Total revenue (I + II)		8,117,751	8,253,649
IV. Expenses		916,618	945,636
Purchase (Software & Service)	17	4,744,093	4,302,242
Employee benefits expense	18	40,708	23,085
Depreciation and amortization expense	19	2,383,795	2,893,724
Other expenses		8,085,213	8,164,687
Total expenses		32,538	88,962
V. Profit before tax (III - IV)			
VI. Tax expense:			
(1) Current tax			
(2) Deferred tax		32,538	88,962
VII. Profit for the period (V-VI)			
VIII. Other comprehensive income			
Items that will not be reclassified to statement of profit and loss			
a) Changes in Fair Value of Equity Instruments through Other Comprehensive Income			
b) Income tax relating to item (a) above			
Other comprehensive income (net of tax)		32,538	88,962
IX. Total comprehensive income for the year		3.25	8.90
X. Earning per equity share attributable to owners of NAME OF COMPANY:		3.25	8.90
(1) Basic			
(2) Diluted			

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements

1 to 28

In terms of our separate report of even date

For Jain Sonu & Associates  
Chartered Accountants  
Firm's Registration Number: 324386E

Sonu Jain  
Partner  
Membership Number: 060055

Place: Kolkata  
Dated: 29th June, 2020

For and on behalf of the Board

LENSEL WEB SERVICES PRIVATE LIMITED

Arpita Gupta  
Director  
(DIN : 02839878)

Farzana Chowdhury  
Director  
(DIN : 03061122)

LENSEL WEB SERVICES Pvt. Ltd.

Farzana Chowdhury  
Director

**LENSEL WEB SERVICES PRIVATE LIMITED**  
14B Camac Street, Nandi Commercial, Kolkata -700017

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2020**

a. Equity share capital		Amount (Rs.)
Particulars	Equity share capital	
As at 31 March 2019	1,000,000.00	
Changes in equity share capital	-	
As at 31 March 2020	1,000,000.00	

Particulars	Reserves and Surplus		Total
	Securities Premium Reserve	Retained Earnings	
Balance as at 31 March 2019	9,096,600.00	(2,189,192.81)	6,907,407.19
Profit for the year		32,537.76	32,537.76
Other comprehensive income			
Balance as at 31 March 2020	9,096,600.00	(2,156,655.05)	6,939,944.95



LENSEL WEB SERVICES PRIVATE LIMITED  
148 Camac Street, Nandi Commercial, Kolkata - 700017

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2020

Particulars	For the year ended 31.03.2020		For the year ended 31.03.2019	
	Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)
<b>I. CASH FLOWS</b>				
<b>1. From Operating Activities</b>				
(a) Net Profit / (Loss) before tax from Operating Activities		32,538		88,962
Adjustments:				
Depreciation and amortisation	40,708		23,085	
Interest income	(3,496,289)		(2,210,131)	
Other income	-		(51)	
		(3,455,561)		(2,187,097)
Operating Profit/ (Loss) before working capital changes		(3,423,023)		(2,098,135)
(b) Working Capital changes:				
Decrease/ (Increase) in trade receivables	279,433		(25,513)	
Decrease/ (Increase) in loans	(1,328,089)		(24,246,358)	
Decrease/ (Increase) in other current assets	(49,829)		(38,363)	
Increase/ (Decrease) in Trade Payables	(126,727)		77,909	
Increase/ (Decrease) in other current liabilities	(285,991)		23,511	
Increase/ (Decrease) in provisions	6,261	(1,504,932)	16,952	(24,192,865)
Cash generated from Operating Activities		(4,927,956)		(26,290,999)
Income Taxes Paid		-		-
Taxes relating to earlier year		-		-
Net Cash from Operating Activities	Total of (1)	(4,927,956)		(26,290,999)
<b>2. From Investing Activities</b>				
Purchase of Fixed Assets	(89,100)		-	
Purchase/Sale of Investment	-		100,000	
Decrease/(Increase) in Non Current Loans	(1,588,213)		(1,225,084)	
Decrease/(Increase) in other Financial Assets	-		-	
Decrease/(Increase) in other Non Current Assets	1,913,870		2,438,987	
Decrease/(Increase) in Borrowings	1,142,379		21,578,311	
Decrease/(Increase) in Other Financial Liabilities	-		-	
Decrease/(Increase) in Other Non Current Liabilities	105,801		(25,175)	
Dividend received	-		-	
Interest received	3,496,289		2,210,131	
Other income	-		51	
Investment in Partnership Firm	-		-	
Profit on Investment (In partnership firm)	-		-	
Net Cash from Investing Activities	Total of (2)	5,081,008		25,075,220
<b>3. From Financing Activities</b>				
Decrease/(Increase) in Other Equity		(18,453)		(45,674)
Total of (3)		(18,453)		(45,674)
<b>II. Net (decrease)/Increase in Cash and Bank Balances (I-II)</b>	Total Cash flows (1+2+3)	133,599		(1,261,453)
Add: Cash and Bank Balances at the beginning of the period		293,370		1,554,822
<b>II. Cash and Bank Balances at the end of the period (Refer Note 6.2)</b>		426,969		293,370

In terms of our separate report of even date

For Jain Sons & Associates  
Chartered Accountants  
Firm's Registration Number: 324386E

Sonu Jain  
Partner  
Membership Number: 060015

Place: Kolkata  
Dated: 19th June, 2020

For and on behalf of the Board

LENSEL WEB SERVICES PRIVATE LIMITED

Arpita Gupta  
Director  
(DIN : 02839878)

Lenisel Web Services Pvt. Ltd.  
Farzana Chowdhury  
Director  
(DIN : 03061122)

3. Property, Plant and Equipment, Goodwill & Intangible Assets

Gross carrying amount	Property, Plant and Equipment										
	Buildings (Leasehold Premises)	Computers	Printer	Refrigerator	Others	Access Control Systems	Air Condition	Telephone	Plant and Equipment (Comp)	Networking Equipment	Furniture and Fixtures
Cost or valuation At 31 March 2019	505,801	296,910	15,856	9,500	190,616	83,939	279,051	11,200	125,703	32,136	237.3
Add : Addition	-	-	-	-	-	-	69,100	-	-	-	-
Less : Disposals / Write off	-	-	-	-	-	-	-	-	-	-	-
Less : Capitalised during the year	-	-	-	-	-	-	-	-	-	-	-
At 31 March 2020	505,801	296,910	15,856	9,500	190,616	83,939	348,151	11,200	125,703	32,136	237.3
Accumulated Depreciation / Amortization / Impairment											
At 31 March 2019	262,979	281,429	15,061	7,771	181,084	79,742	265,106	10,640	123,885	32,136	225.5
Depreciation charge for the year	12,242	3,232	-	780	-	-	24,454	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-
Impairment charge for the year	-	-	-	-	-	-	-	-	-	-	-
At 31 March 2020	275,222	284,660	15,063	8,550	181,084	79,742	289,559	10,640	123,885	32,136	225.5
Net book value											
At 31 March 2020	230,580	12,250	793	950	9,531	4,197	58,599	560	1,818	-	11.8
At 31 March 2019	242,822	15,481	793	1,729	9,531	4,197	13,951	560	1,818	-	11.8

KOLKATA  
Chartered Accountants  
S. P. S.



LENSEL WEB SERVICES PRIVATE LIMITED  
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

4.1. Investments		No of Shares		Amount in RS.	
Particulars	Face Value	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Investments in Equity Instruments (unquoted - fully paid up)					
Measured at cost:					
- Ritural Shares & Securities Ltd.	10	3,300	3,300	300,000	300,000
- Hareesh Collectors Pvt Ltd	10	7,250	7,250	2,657,350	2,657,350
Aggregate amount of unquoted Investments		10,550	10,550	2,957,350	2,957,350



**LENSEL WEB SERVICES PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

4.2. Trade Receivable (non - current)		Amount (Rs.)	Amount (Rs.)
		31 March 2020	31 March 2019
Particulars			
Unsecured, Considered good		4,091,478	4,238,148
<b>TOTAL</b>		<b>4,091,478</b>	<b>4,238,148</b>

4.3. Loans (non - current)		Amount (Rs.)	Amount (Rs.)
		31 March 2020	31 March 2019
Particulars			
Unsecured, Considered good			
Other Loans (Interest Accrued There On)		14,076,658	12,568,446
<b>TOTAL</b>		<b>14,076,658</b>	<b>12,568,446</b>

5. Other non-current assets		Amount (Rs.)	Amount (Rs.)
		31 March 2020	31 March 2019
Particulars			
Unsecured, considered good			
i) Minimum Alternate Tax Credit entitlement		133,386	127,125
ii) Other Advances		29,736,962	31,657,093
<b>TOTAL</b>		<b>29,870,348</b>	<b>31,784,218</b>

6.1. Trade Receivable (Current)		Amount (Rs.)	Amount (Rs.)
		31 March 2020	31 March 2019
Particulars			
Unsecured, considered good		97,682	230,445
<b>TOTAL</b>		<b>97,682</b>	<b>230,445</b>

6.2. Cash and cash equivalents		Amount (Rs.)	Amount (Rs.)
		31 March 2020	31 March 2019
Particulars			
i) Balances with banks			
in current accounts		52,409	80,177
ii) Cash on hand		374,559	213,193
<b>TOTAL</b>		<b>426,969</b>	<b>293,370</b>

6.3. Loans (Current)		Amount (Rs.)	Amount (Rs.)
		31 March 2020	31 March 2019
Particulars			
Unsecured, Considered good			
Other Loans (Interest Accrued There On)		25,574,448	24,246,359
<b>TOTAL</b>		<b>25,574,448</b>	<b>24,246,359</b>

7. Other current assets		Amount (Rs.)	Amount (Rs.)
		31 March 2020	31 March 2019
Particulars			
Unsecured, considered good			
i) Deposits with government and others		550,738	500,919
ii) Other Advances		11,859	11,859
<b>TOTAL</b>		<b>562,597</b>	<b>512,778</b>



8. Equity share capital	Amount (Rs.)	Amount (Rs.)
Particulars	31 March 2020	31 March 2019
<b>AUTHORIZED:</b>		
10,000 Equity Shares ( Previous year: 10,000) of Rs.100 each	1,000,000	1,000,000
<b>TOTAL</b>	<b>1,000,000</b>	<b>1,000,000</b>
<b>ISSUED, SUBSCRIBED &amp; PAID-UP CAPITAL</b>		
10,000 Equity Shares ( Previous year: 10,000) of Rs.100 each	1,000,000	1,000,000
<b>TOTAL</b>	<b>1,000,000</b>	<b>1,000,000</b>

(A) Movement in equity share capital:

Particulars	Number of shares	Amount (Rs.)
Balance at March 31, 2019	10,000	1,000,000
Movement during the year	-	-
Balance at March 31, 2020	10,000	1,000,000

(B) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at 31.3.2020		As at 31.3.2019	
	No. of Shares	% holding	No. of Shares	% holding
Lee & Nee Softwares ( Exports) Ltd.	10000	100	10000	100

(C) Terms/Rights attached to equity shares

- a) The Company has only one class of Equity Shares having par value of Rs 100 each. Each share holder is eligible for one vote per share held.
- b) 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, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

9. Other equity	Amount (Rs.)	Amount (Rs.)
Particulars	31 March 2020	31 March 2019
<b>Reserves and surplus</b>		
(i) Securities Premium Reserve	9,096,600	9,096,600
ii) Retained Earnings	(2,221,782)	(2,234,867)
<b>TOTAL</b>	<b>6,874,818</b>	<b>6,861,733</b>

(i) Securities Premium Reserve	Amount (Rs.)	Amount (Rs.)
Particulars	31 March 2020	31 March 2019
Opening balance	9,096,600	9,096,600
Movement during the year	-	-
Closing balance	9,096,600	9,096,600





**(ii) Retained earnings**

Particulars	Amount (Rs.) 31 March 2020	Amount (Rs.) 31 March 2019
Opening balance		
Profit for the year	(2,234,867)	(2,278,155)
Items of other comprehensive income recognised directly in retained earnings	32,538	88,962
Closing balance	(19,453)	(45,674)
	(2,221,782)	(2,234,867)

**10. Borrowings**

Particulars	Amount (Rs.) 31 March 2020	Amount (Rs.) 31 March 2019
Non- Current		
Unsecured Loans		
Inter Corporate Deposits from Related Parties		
TOTAL	68,966,814	67,824,435
	68,966,814	67,824,435

Inter Corporate Deposits from related parties are taken from Holding Co. Lee & Nee Softwares (Exports) Ltd. (Wholly Owned).

**11. Other Non Current Liabilities**

Particulars	Amount (Rs.) 31 March 2020	Amount (Rs.) 31 March 2019
Advances from Customers	136,618	30,817
TOTAL	136,618	30,817

**12. Trade payables (current)**

Particulars	Amount (Rs.) 31 March 2020	Amount (Rs.) 31 March 2019
Dues to micro enterprises and small enterprises	-	-
Dues to creditors other than micro enterprises and small enterprises	509,519	636,247
TOTAL	509,519	636,247

**13. Other current liabilities**

Particulars	Amount (Rs.) 31 March 2020	Amount (Rs.) 31 March 2019
i) Advances from customers	108,431	269,361
ii) Statutory liabilities	(7,538)	64,872
iii) Employee benefits payable	266,629	319,280
TOTAL	367,522	653,513

**14. Provisions (current)**

Particulars	Amount (Rs.) 31 March 2020	Amount (Rs.) 31 March 2019
Provision for Income Tax	133,386	127,125
TOTAL	133,386	127,125



**LENSEL WEB SERVICES PRIVATE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

**15. Revenue from operations**

	Amount (Rs.)	Amount (Rs.)
Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Sale of Software Services (ITES)	4,621,482	6,043,467
<b>TOTAL</b>	<b>4,621,482</b>	<b>6,043,467</b>

**16. Other income**

	Amount (Rs.)	Amount (Rs.)
Particulars	Year ended 31 March 2020	Year ended 31 March 2019
i) Interest Income:		
- from others	3,496,269	2,210,131
ii) Other Non Operating Income		
- Other Income	-	51
<b>TOTAL</b>	<b>3,496,269</b>	<b>2,210,182</b>

**17. Employee benefits expense**

	Amount (Rs.)	Amount (Rs.)
Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Salaries, wages and bonus	4,439,062	3,942,911
Contribution to provident and other funds	2,881	37,126
Staff welfare expenses	302,150	322,205
<b>TOTAL</b>	<b>4,744,093</b>	<b>4,302,242</b>



**LENSEL WEB SERVICES PRIVATE LIMITED**
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

<b>18. Depreciation and amortization expense</b>		Amount (Rs.)	Amount (Rs.)
Particulars	Year ended 31 March 2020	Year ended 31 March 2019	
Depreciation of property, plant and equipment	40,708	23,085	
<b>TOTAL</b>	<b>40,708</b>	<b>23,085</b>	

<b>19. Other expenses</b>		Amount (Rs.)	Amount (Rs.)
Particulars	Year ended 31 March 2020	Year ended 31 March 2019	
Power & Fuel	20,590	45,740	
Repairs & Maintenance			
- Others	5,850	52,852	
Rates & taxes	2,324	4,810	
Business Promotion Exp.	108,512	253,392	
Consultancy Charges	271,000	181,400	
Cost to Investment Exp	590	590	
Communication Exp			
- Telephone Exp.	38,643	98,898	
Bank Charges & Commission	2,144	3,794	
Customer Support	360,000	1,034,600	
Conveyance	260,213	309,271	
Travelling Exp	116,450	141,755	
Referral Fee Paid	245,978	383,300	
Printing & Stationery	254,270	205,895	
GST Late Fee Paid	-	150	
Income Tax	-	24,941	
Intt on TDS	-	247	
Other Expenses	318,030	145,389	
Internal Audit Fees	180,000	-	
Legal Expenses	180,000	-	
Professional Fees	6,500	-	
Filing Fees	7,700	1,700	
<b>TOTAL</b>	<b>2,378,795</b>	<b>2,888,724</b>	

<b>19.a. Payment to auditor</b>		Amount (Rs.)	Amount (Rs.)
Particulars	Year ended 31 March 2020	Year ended 31 March 2019	
(a) To statutory auditors			
-Statutory audit fee	5,000	5,000	
(b) To others			
-Certification and taxation matters	-	-	
<b>TOTAL</b>	<b>5,000</b>	<b>5,000</b>	





LENSEL WEB SERVICES PRIVATE LIMITED  
14B Camac Street, Nandi Commercial, Kolkata - 700017  
Details of Balance Sheet as on 31.3.2020

**NON CURRENT ASSETS**  
**FINANCIAL ASSETS**

**Note- 4.2**

Trade Receivable  
Unsecured, considered Good  
Rituraj Shares & Securities  
Mahesh Tiwari

Total

Rs.	P.	31.03.2020	31.03.2019
4,081,477.75	-	4,081,477.75	146,670.00
		<u>4,081,477.75</u>	<u>4,238,147.75</u>

**Note- 4.3**

**Loans**

i) Other Loans ( Interest accrued thereon)  
Farm Tea & Chemicals Pvt Ltd.  
Kadambari Tea Co. Ltd.

Rs.	P.	Rs.	P.
2,236,050.00	-	1,996,474.00	-
11,640,608.00	-	10,571,972.00	-
		<u>14,076,858.00</u>	<u>12,568,448.00</u>

**Note- 5**

Other non-current assets  
Unsecured, considered Good

a) Minimum Alternate Tax Credit entitlement

133,385.64

127,125.07

**b) Others Advances -**

Trade Advances  
Awdhul Landmark LLP  
S.M.Gupta  
S M Gupta (HUF)  
Rituraj Shares & Securities Ltd.  
Dinesh Agarwal  
Shreespal Infra Realty Limited  
Gayatri Chakraborty  
Jagadish Prasad Tosawar  
Radheyshyam Chakraborty HUF  
Sachin Chakraborty  
Suresh Chakraborty Huf  
Neha Sharma  
Snehlata Agarwal  
Surendra Chamarla ( HUF)

Rs.	P.	Rs.	P.
4,000,000.00	-	4,000,000.00	-
-	-	1,288,961.00	-
-	-	100,000.00	-
3,699,175.07	-	3,648,945.07	-
1,500,000.00	-	1,500,000.00	-
11,764,000.00	-	11,754,000.00	-
467,056.14	-	467,056.14	-
1,500,000.00	-	1,500,000.00	-
1,980,153.61	-	1,980,153.61	-
544,777.50	-	947,677.50	-
1,321,900.00	-	1,500,000.00	-
900,000.00	-	-	-
600,000.00	-	1,500,000.00	-
1,460,000.00	-	1,460,000.00	-
		<u>29,736,962.32</u>	<u>31,657,093.32</u>

**2) CURRENT ASSETS**  
**FINANCIAL ASSETS**

**NOTE- 6**

Trade Receivables  
( unsecured, considered good)  
Aashirvad Shipping  
Anjann Builder Pvt Ltd  
Aster Guest House  
Azad Enterprises  
Bangla Sahitya Parishat  
Belghoria TV Training Institute  
Beta Corporation Limited  
Blue Eye India Pvt Ltd  
Capital Transport Corporation of India  
Cloud Food Station Pvt Ltd  
Comical Sports Pvt Ltd  
Dr. Ranjit Chakraborty  
Excellent Guides  
Ex-Police Officers Guild  
French Engineering Pvt Ltd

31.03.2020

31.03.2019

-	4,370.00
23,600.00	23,200.00
5,546.00	-
-	5,782.00
-	6,962.00
-	2,908.43
-	2,380.00
-	12,700.00
5,546.00	-
2,360.00	-
-	26,868.00
-	500.00
-	4,318.02
-	5,192.00
-	11,700.00



Gandhara Art Gallery  
Hardware Town  
Helios Infrapro Pvt Ltd  
Honeywell Enterprises  
Ideal Udyog  
Jawahar Chandra Pal Ganga Prasad Pal & Co  
Laghu Udyog Nigam Ltd  
Living Room Stories  
Narayana Polypipes  
Nodocil Power Projects Pvt Ltd  
Red Cow Dairy Pvt Ltd  
R.K. Commercial Ltd  
Sai Ply (P) Ltd  
Skyline Projects  
Sree Gee Die & Mould Mfg. Private Limited  
Sudha Jewellers (P) Ltd  
Tewari Warehousing Co Pvt Ltd  
Watt

7,700.00	2,720.00
-	25,075.00
-	5,545.00
10,915.00	14,160.00
-	23,200.00
-	8,830.00
8,520.00	-
11,800.00	38,000.00
4,720.00	1,062.00
926.00	-
9,440.00	-
1,062.00	-
5,548.00	5,192.00
97,682.00	230,445.45

**NOTE-6.2.**  
**CASH & CASH EQUIVALENTS**

(i) Balances With Banks  
In Current Account  
Industrial Bank Ltd.  
ICICI Bank  
IOB  
SBI  
DIB

Rs.	P.	Rs.	P.
F	21,404.80	F	56,259.07
	10,732.01		10,730.01
	1,878.28		1,878.28
	17,577.12		10,491.64
	817.28		817.28
	52,409.49		80,175.88

(ii) Cash on Hand  
Cash

Rs.	P.	Rs.	P.	Rs.	P.	Rs.	P.
374,558.03		374,558.03		213,193.03		213,193.03	

**Note-6.3**  
**Loans**

(i) Other Loans (Interest accrued thereon)  
Bajaj Developers Pvt Ltd  
V.T. Capital Market Pvt Ltd

Rs.	P.	Rs.	P.
20,372,502.00		19,072,153.00	
5,201,945.00		5,174,206.00	
		25,574,448.00	24,246,359.00

**NOTE-7**

**Other Current Assets**

(i) Deposit with Government and others  
TDS AY 18-19  
TDS AY 19-20  
TDS AY 20-21

295,795.00	206,048.00
254,943.00	294,871.00
550,738.00	500,919.00

(ii) Other Advances  
Trade Advances  
Net 4 Network Services Ltd.

11,859.48	11,859.48
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**LENSEL WEB SERVICES PRIVATE LIMITED**  
149 Camac Street, Nandi Commercial, Kolkata -700017  
Details of Balance Sheet as on 31.03.2020

	31.03.2020	31.03.2019
Amount (INR)	Amount (INR)	Amount (INR)
<b>NON CURRENT LIABILITIES</b>		
<b>FINANCIAL LIABILITIES</b>		
Retained earnings		19,311
Tax Deducted at Source	-	1,840
TDS 2005-06	-	3,770
TDS 2006-07	-	5,276
TDS A.Y. 08-09	-	19,067
TDS AY 10-11	-	73
TDS AY 2014-15	-	537
TDS Ay 2015-16	19,453	
TDS AY 18-19		
	<u>19,453.00</u>	<u>45,874.13</u>

**NOTE-10**

**Borrowings**

**Unsecured Loan**

Inter Corporate Deposits From related Parties  
Lee & Nee Softwares (Exports) Ltd. (Fully Owned Holding Co.)

68,966,813.67	67,824,434.88
<u>68,966,813.67</u>	<u>67,824,434.88</u>

**NOTE-11**

**OTHER NON CURRENT LIABILITIES**

**Advances from Customers**

A B Elasto Products Pvt Ltd	10,000.00	-	-
B S B International Career Pvt Ltd	19,600.00	-	-
Naskar & Co.	-	12,600.00	-
Fut Creative	-	5,900.00	-
Holplex	10,000.00	-	-
Marudhar Marble & Granite	8,000.00	-	-
Nelaji Nagar Day College	5,232.00	-	-
Om Print and Pack	6,000.00	-	-
Om Shakti Transformers Limited	10,000.00	-	-
Prime Thermals Pvt Ltd	20,650.00	-	-
Priyam Veg Rasoi	20,000.00	-	-
Proficient Medicare Pvt Ltd	8,826.00	-	-
Promise India Tourism	-	11,317.00	-
Samanta Jewellers	5,000.00	-	-
Tollygunge Vivekananda Seva Sansthan	-	1,000.00	-
Misc. Party	13,410.00	-	-
		136,618.00	30,816.70

**CURRENT LIABILITIES**

**FINANCIAL LIABILITIES**

**NOTE-12**

**Trades Payable**

Ushar Aindal Ltd	39,735.33	39,735.33
Neha Sharma	-	43,260.00
Bustanith Duby	62,125.00	62,125.00
Rajendra Prasad Sonthalia	142,859.00	105,070.00
Renu singh	-	163,150.00
Qualispace	2,271.50	-
Dredit Web Technology Private Ltd	4,454.50	-
Shiv Dayal Somany & Sons	-	108,870.00
Sriv	61,875.00	61,875.00
Citibank Credit Card (Indian Oil) 7747	35,532.65	25,081.40
Audit Fee Payable	5,000.00	5,000.00
Ranika Halder	90,000.00	-
S.G Printers	60,840.00	-
Facebook PPC Creditor	2,888.45	-
Electricity Charges Payable	1,940.00	2,140.00
Total		509,519.23
		<u>536,246.53</u>

**NOTE-13**

**OTHER CURRENT LIABILITIES**

**i) Advances from Customers**

A B. Elasto Products Pvt Ltd	5,000.00	10,000.00
Accotix	20,000.00	-
Auto SPA	7,222.00	-
Auto Tech Projects	-	-



*Signature*



Baja	1,210.00	-	10,000.00
Bengal Jewellery LLP	-	-	19,500.00
B S B International Career Pvt Ltd	-	-	22,125.00
Calcutta Television Network Pvt Ltd	-	-	-
Concept Project & Consultancy Services	355.00	-	944.00
Dancing Diwas	-	-	10,000.00
Green Root Organics	-	-	7,500.00
Hotel Operational Training School	-	-	10,000.00
Hotelex	-	-	25,000.00
Howrah Mills Co Ltd	2,654.00	-	-
Indian Curtains	4,170.00	-	-
IPDA	-	-	10,000.00
Jarakela Lumbemen India Pvt Ltd	5,000.00	-	8,000.00
Lotus Creation	-	-	-
Manudhar Marble & Granite	6,620.00	-	20,000.00
Metal Craft Engineering P Ltd	-	-	5,232.00
Naturenerve	-	-	6,000.00
Natpaj Nagar Day College	-	-	10,000.00
Om Print and Pack	-	-	20,650.00
Om Shakti Transformers Limited	-	-	20,000.00
Prime Thermal Pvt Ltd	-	-	8,826.00
Polyam Veg Rasol	-	-	10,000.00
Proficient Medicare Pvt Ltd	-	-	-
Radiant Eye Foundation	11,000.00	-	900.00
Rati Singh Pvt Ltd	900.00	-	11,200.00
Rishi Sidhi Textile Mills Pvt Ltd	-	-	5,000.00
Sams Cuero Moda Pvt Ltd	-	-	-
Samartha Jewellers	21,000.00	-	5,074.00
Santosh Mohra	-	-	-
Surya Food Farms Pvt. Ltd	11,940.00	-	-
Tethys Business & Projects Pvt Ltd	8,000.00	-	-
The Mission Excellence	3,000.00	-	-
Udyog	2,960.00	-	13,410.00
Misc. Party	-	-	-
	<u>108,431.00</u>		<u>269,381.00</u>

#### (i) Statutory Liabilities

	Rs.	P	
Professional Tax Payable	(1,265.00)	1,260.00	
GST Payable	193,456.85	165,444.92	
IGST Payable	(25,749.63)	450.84	
KGST Payable	(183,276.41)	(108,970.05)	
Excise Payable	-	952.00	
TDS Payable	9,296.00	5,734.00	
<b>Total</b>		<b>(7,538.39)</b>	<b>94,671.51</b>

#### (ii) Employee Benefits Payable

Anindita Sen	-	14,151.00	
Anindam Bhattacharya	-	28,882.00	
Anurima Sarkar	21,370.00	11,825.00	
Biswajit Chandra	29,366.00	26,350.00	
Debajit Bag	44,800.00	40,800.00	
Debasree das	-	37,850.00	
Farzana Chowdhury	38,850.00	36,850.00	
Nishi Shroff	17,967.00	-	
Nita Sen Mukherjee	16,193.00	18,741.00	
Prasanta Shee	16,644.00	-	
Sandip Ghosh	-	24,064.00	
Shantanu Banerjee	24,257.00	22,047.00	
Shubhadeep Dutta	20,039.00	-	
Srinika Kundu	17,580.00	-	
Subhendu Roy	18,563.00	-	
Sunjoy Sen	-	35,880.00	
Uttiya Goswami	-	21,870.00	
	<u>266,626.00</u>	<u>319,280.00</u>	

#### NOTE-14

#### PROVISIONS CURRENT

#### (i) PROVISION FOR TAXATION

FY 15-16	28,967.00	29,967.00	
FY 16-17	65,284.00	65,284.00	
FY 17-18	14,922.28	14,922.28	
FY 18-19	16,951.79	88,982.46	
FY 19-20	32,537.76	-	
MAT @ 18.5%	6,019.49	16,458.06	
Add: Education Cess	180.58	329.16	
Add: Secondary & Higher Education Cess	60.19	164.58	
	<u>133,385.84</u>	<u>127,125.07</u>	



**LENSEL WEB SERVICES PRIVATE LIMITED**  
**14B Camac Street, Nandi Commercial, Kolkata -700017**  
**DETAIL SHEET OF STATEMENT OF PROFIT & LOSS**  
**FOR THE YEAR ENDED 31.3.2020**

**1) REVENUE FROM OPERATIONS**

<b>Software Sales- Domestic</b>		311,870.00
Domain Fees		1,468,448.00
Hosting Fees		566,904.12
Web Designing		1,260,279.36
Search Engine Registration		204,100.00
Search Media Optimisation		
Other Fees		
Annual Maintt	158,670.00	
Other Fees	597,210.56	
Banner Management Charges	-	
Mobile Application Charges	-	
PPC Service Charges	48,000.00	803,880.56
Product Application Fees	-	6,000.00
Software Development Charges		<u>4,621,482.04</u>

**2) OTHER INCOME**

**2) d) Other non-operating income**

Misc Income	
<b>TOTAL</b>	

	<b>Rs.</b>	<b>P.</b>
<b>Purchase (Software &amp; Services)</b>		
Domain Registration Charges		283,898.41
Hosting Charges Paid		632,719.77
		<u>916,618.18</u>

**Employee Benefit Expenses**

	<b>Current Yr</b>
<b>Salary</b>	
Salary	4,169,561.67
Bonus	269,500.00
	<u>4,439,061.67</u>

<b>Contribution of Provident Fund &amp; Other Funds</b>	2,881.06
Contribution to Employee State Insurance Fund	
ESIC Demand Paid	<u>2,881.06</u>

<b>Staff Welfare</b>	97,610.00
Staff Welfare	204,540.00
Incentives	<u>302,150.00</u>



Repair & Maintt  
Repair&Maint

5,850.00

5,850.00

Rates & Taxes

Taxes

2,324.38

Trade Licence

2,324.38

Consultancy Charges

Consultancy Charges

-

-

Cost to Investment Exp

Demat Charges

590.00

590.00

COMMUNICATION EXPENSES

Telephone Expenses

Telephone Expenses

Rs. P.

38,643.00

38,643.00

Other Expenditure

Rs. P.

Current Year

General Expense ( Includes office Maintt)

97,090.00

Interest charges

8.00

Interest on Ptax

60.00

Facebook Exp

45,671.76

PPC Exp

3,160.95

Registration exp.

10,000.00

Sundry Bal w/off

162,039.30

318,030.01





## Lensel Web Services Pvt. Ltd.

Notes to financial statements for the year ended 31<sup>st</sup> March 2020  
Summary of significant accounting policies and other explanatory information

### 1. CORPORATE & GENERAL INFORMATION

Lensel Web Services Pvt Ltd. is a Company limited by shares, incorporated and domiciled in India. It is an IT-enabled service company based in the IT hub of Kolkata, India. With over 19 years of experience Lensel Web Services Pvt Ltd is engaged in business of developing, designing, the website and digital marketing all over the India.

The registered office of the Company is located at 14-B, Camac Street, Kolkata-700017, India.

The financial statements of the Company for the year 31<sup>st</sup> March 2020 were approved and authorized for issue by board of directors in their meeting held on 29<sup>th</sup> June, 2020.

### 2. SIGNIFICANT ACCOUNTING POLICIES

a. **Statement of Compliance:** These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

b. **Basis of Preparation of Financial Statements:** The Company has consistently applied the accounting policies used in the preparation of financial statement of all period presented. The financial statements has been prepared considering all IND AS as notified and made applicable by Ministry of Corporate Affairs for reporting date i.e. 31 March 2020.

The Company follows the mercantile system of accounting and generally the accrual concept in preparing the accounts except dividend which is recorded on cash basis.

c. **Basis of Measurement:** The financial statements have been prepared on a historical cost basis, except the financial assets (investments) & financial liabilities, if any which are measured at fair value. They are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income.

d. **Use of Estimates and Judgments:** Preparation of financial statements requires the use of judgments, estimates and assumptions in the application of accounting policies that affects the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation of such estimates and judgments are done based on historical experience and other factors, including future expectations that are believed to be reasonable. Revisions to accounting estimates are recognized prospectively and in the period in which the estimates are revised and future periods are affected. Differences between actual results and estimates are recognised in the period in which they materialize.

Details of critical estimates and judgments used which have a significant effect on the carrying amount of assets and liabilities, are provided in the following notes:

#### Income tax:

The Company's tax jurisdiction is India. Significant judgments are involved in estimating budgeted profits for the purpose of paying income tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. The Company uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and deductions which is exercised while determining the provision for income tax.

#### Useful lives of Property, plant and equipments:

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and its residual value at the end of its life. Useful life and residual value of an asset is determined by the Management at the time an asset is acquired and reviewed periodically, including at the financial year end. This reassessment may result in change in depreciation expense in future periods. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

#### Assessment of defined benefit obligations:

The Company's defined benefit obligation to its employees and net periodic defined benefit cost / income requires the use of certain assumptions, including, among others, estimates of discount rates and expected return on plan assets. Changes in these assumptions may affect the future funding requirements of the plans. Actuarial gains / losses, the sensitivity analysis for changes in estimates are disclosed in the relevant Notes.

Signed



**Impairment Testing:**

Impairment tests in subsidiaries, goodwill and intangible assets are tested for impairment annually and when events occur or changes in circumstances indicate that the recoverable amount of the asset or cash generating units to which these pertain is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to dispose. The calculation of value-in-use for a cash generating unit involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions. Refer note 2 (g), (i) and (j) for details.

**Provision of provisions and contingencies:**

The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

The Company uses significant judgements to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements. Refer note 2 (l), 14 for details.

**Recognition of deferred tax assets:**

Refer note 2 (s) for details.

**Current & Non-current classification:**

The Company presents all its assets and liabilities in the balance sheet based on current or non-current classification. Assets and liabilities are classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Section 11 to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

**Fair value measurements:**

The Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values.

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

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

**Impact of uncertainties relating to the global health pandemic COVID-19:**

The management has considered the possible effects, if any, that may result from the pandemic relating to COVID 19 on the carrying amount of receivables. In making the assumptions and estimates relating to the uncertainties as at the Balance sheet date in relation to the carrying amounts of these assets, the management has considered the global economic conditions prevailing at the date of approval of financial statements and has used internal and external sources of information to the extent determined by it. The actual outcome of assumptions and estimates may vary in the future due to the impact of the pandemic.

- e. **Revenue/Expenses Recognition:** The Company derives revenue primarily from Information Technology Services and Solutions. The Company recognizes revenue when it transfers control over a product or a service to a customer. The method for recognizing revenues depends on the nature of the services rendered.

The selection criteria for various types of contracts are as follows:

**(i) Time and Material Contracts:**

Revenue from time-and-material contracts is recognized based on the time / efforts spent and billed to clients.

**(ii) Maintenance Contracts:**

Revenue from maintenance contracts is recognised on a pro-rata basis over the period in which such services are rendered.





Final types of contracts, unearned revenues represent billing in excess of revenue recognized on service contracts and is included in Current Liabilities until the above revenue recognition criteria is met. Advance payments received from customers for whom no goods have been rendered are presented as "Advance from customers".

Revenues are reported net of GST and applicable discounts and allowances.

**Income**

Income primarily comprises of interest, dividend. Interest income is recognized in the Statement of Profit and Loss using effective interest method at the time of accrual. Dividend income is recognized in the Statement of Profit and Loss when the right to receive dividend is established.

**f. Standards issued but yet not effective**

The Ministry of Corporate Affairs (MCA) notified new standard and amendments to the existing standards. There is no such notification, which standards have been applicable from 01 April 2020.

**g. Property, Plant and Equipment:**

**Recognition and Initial measurement:**

Property, plant and equipment is stated at historical cost less accumulated depreciation and impairment losses, if any. Historical cost is expenditure that is directly attributable to the acquisition of the items. Subsequent costs are added in the asset's carrying amount (recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of such item can be measured reliably. All other repairs and maintenance expenses are charged to the statement of profit and loss in the period in which they are incurred. Gains or losses arising on retirement or disposal of property, plant and equipment are recognized in the statement of profit and loss.

**Subsequent measurement (depreciation and useful lives):**

Depreciation is provided on a pro-rata basis on the written down value (WDV) method based on estimated useful life prescribed under Schedule II of the Companies Act, 2013. However, assets value up to Rs 5,000 are fully depreciated in the year of acquisition. Residual value, useful lives and method of depreciation of property, plant and equipment is reviewed at each Balance Sheet date and any change therein is adjusted prospectively.

**Classification of asset**

**Useful life**

Fixed assets	10 years
Depreciable assets	3 - 5 years
Buildings	60 years

**Dispositions:**

Any property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the statement of profit and loss, when the asset is de-recognized.

**h. Impairment of non-financial assets:**

Impairment test for impairment is done at each Balance Sheet date when there is an indication that a non-financial asset may be impaired. If indication of impairment exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made. Assets/cash generating unit whose carrying value exceeds their recoverable amount are written down to the recoverable amount by recognizing the impairment loss as an expense in the statement of profit and loss. Recoverable amount is higher of an asset's/cash generating unit's fair value less cost of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset/cash generating unit and from its disposal at the end of its useful life. Assessment is done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset/cash generating unit in any prior accounting periods may no longer exist or may have decreased, based on which a reversal of an earlier impairment loss is recognized in the statement of profit and loss.

**i. Financial Instruments**

**Initial recognition**

The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets or financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

**Subsequent measurement**

Financial assets carried at amortized cost

Signature





Financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**Financial assets at fair value through other comprehensive income**

Financial assets, if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and where the company has exercised the option to classify the equity investment as at fair value through other comprehensive income, all fair value changes on the investment are recognised in other comprehensive income. The accumulated gains or losses on such investments are not recycled to the Statement of Profit and Loss even on sale of such investment.

**Financial assets at fair value through profit or loss**

Financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss. However, in cases where the Company has made an irrevocable election for particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, the subsequent changes in fair value are recognized in Other Comprehensive Income.

**Equity instruments:**

The Company classifies all its equity investments at fair value, apart from investments in unquoted equity instruments.

**iii) Recognition of financial instruments**

A company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for Derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

**j. Investments**

Investments, which are readily realizable and intended to be held for not more than one year from the date of investment made, are classified as Current Investments. All investments other than current investments are classified as non-current investments. Investments are held in accordance with the applicable Ind AS.

**k. Provisions, contingent liabilities and contingent assets :**

A provision is recognized when an enterprise has a present legal or constructive 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 the amount can be reliably estimated. Provisions are measured at its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

A provision for contingent liability is made when there is a possible obligation that arises from the past events and the existence of which is confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company and that may, but not probable that an outflow of resources would be required to settle the obligation. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are neither recognised nor disclosed in the financial statements.

**L. Functional currency and presentation currency:**

The financial statements are presented in Indian Rupees (i.e., INR). Functional currency is the currency of the primary economic environment in which the Company operates.

**m. Employee benefits expense**

**Defined contribution plans:**

The Company provides defined contribution plan for post-employment benefits in the form of Employee State Insurance benefit scheme administered by the ESI's authorities. The Company's contributions to defined contribution plans are charged to the statement of profit and loss when incurred.

**Defined benefit plans:**

The Company also provides for Gratuity and Leave Encashment based on actuarial valuation made by an independent actuary as per Ind AS 19. Compliance of The Institute of Chartered Accountants of India. Actuarial gains / losses are disclosed under relevant Notes.

**Short term employee benefits:**

The Company accounts amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the service. These benefits include performance incentives.



n. **Borrowings:**

The Company has not borrowed any sums except interest free loan from its Holding Company.

o. **Inventory:**

The Company does not have any inventory as such provisions of Ind AS 2 are not applicable.

p. **Cash Flows:**

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipt or payments and item of income or expense associated with investing or financing cash-flows. The cash flow from operating, investing and financing activities of the Company are segregated.

q. **Cash Equivalents:**

Cash equivalents comprise of cash at bank and on hand.

r. **Leases:**

The Company has acquired certain building on finance lease. Such lease arrangements are for a period of 99 years and the entire lease amount has been paid upfront at the time of initiation of the lease. The Company has recognized these building so acquired as owned assets instead of lease under property, plant and equipment at an amount equal to the upfront lease payment plus initial direct costs. The amount is amortized over the estimated life of the assets under straight line method.

s. **Income Tax:**

Income tax expense for the period is the tax payable on the current period's taxable income based on the applicable income tax rates with adjustments for changes in deferred tax assets or liabilities attributable to temporary differences and unused tax losses or credits.

Income tax is calculated based on tax laws enacted or substantively enacted at the end of the reporting period.

Income tax is recognized on temporary differences arising from the tax bases of assets and liabilities and their respective carrying amounts in the financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction that does not result from a business combination and at the time of such transaction, affects neither the accounting profit or taxable profit (tax loss) for the period. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or liability is settled.

Income tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable income will be available against which those temporary differences/losses can be utilized. Minimum alternate tax ('MAT') credit entitlement is recognized as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a debit to the statement of profit and loss and shown as MAT credit entitlement. This is reviewed at each balance sheet date and the amount of MAT credit entitlement is written down to the extent it is not reasonably certain that normal income tax will be paid during the specified period.

Income tax assets and tax liabilities are offsetted where the entity has a legally enforceable right to offset and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

t. **Segment Reporting:**

The Company is primarily engaged in Information Technology and related services. There are no other reportable segments in terms of IND AS 108 Segment Reporting issued by The Institute of Chartered Accountants of India.

u. **Earnings per Share:**

Earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period for all periods presented is adjusted for events that have changed the number of outstanding equity shares, without a corresponding change in the resources. For the purpose of calculating diluted earnings per equity share, net profit for the period is adjusted to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of dilutive potential equity shares. As on the balance sheet date, the Company has no dilutive potential equity shares.

v. **Events after the reporting period:**

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorization for issue. Non-adjusting events are events that are indicative of conditions that arose after the end of the reporting period. Non-adjusting events after the reporting period are not accounted, but disclosed.





W. F. **Accounting pronouncements**

L. New standards, amendments to standards and interpretations are effective for annual periods beginning after 01 April 2019, and have not  
L. been adopted in preparing these financial statements. New standards, amendments to standards and interpretations that could have potential  
L. impact on the financial statements of the Company are:

1. **AS 116 – Leases**

AS 116 on Leases notified by The Ministry of Corporate Affairs on 30th March 2019, effective for financial periods beginning from April 2019, replaces the existing standard Ind AS 17 on Leases. The revised Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both, the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all both operating and finance leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses to the lessee are charged to the statement of Profit & Loss as and when incurred. Ind AS 116 does not envisage any difference in accounting of lease expense for the lessor as compared the erstwhile standard. The revised Standard also contains enhanced disclosure requirements for lessees.

The standard permits two possible methods of transition:

1. Retrospective – Recognize assets and liabilities relating to lease commitments retrospectively in each prior period, applying Ind AS 116 Accounting Policies, Changes in Accounting Estimates and Errors.

2. Modified retrospective – Recognized the right to use (ROU) asset at the date of initial application by measuring the same at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognized in the balance sheet immediately before the date of initial application.

The Company is proposing to use the 'Modified Retrospective Approach' for transitioning to Ind AS 116 on the date of initial application (April 1, 2019). Accordingly, the comparatives for the year ended March 31, 2019 will not be retrospectively adjusted. The management is in the process of assessing the impact on adoption of Ind AS 116 and does not expect the same to be significant. The exemption is available for the same.



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## Notes to financial statements for the year ended 31 March 2020

20. **Deferred tax**  
Deferred tax is the tax expected to be payable or recoverable on differences between the carrying value of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences whereas, deferred tax assets are only recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. Deferred tax has not been recognized due to the existence of forward losses which may remain unutilized.

21. **Alternate Tax (MAT)** paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to normal income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax.

22. **Segment Reporting**  
As per the provisions of the Companies Act, 2013, MAT is recognized as an asset in the Balance Sheet when it is probable that future economic benefits associated with it will be realized. Since, MAT is recognized as an asset in the Balance Sheet when it is probable that future economic benefits associated with it will be realized, MAT is recognized as an asset in the Balance Sheet when it is probable that future economic benefits associated with it will be realized.

23. **Particulars of related parties**  
As per the information available with the Company, there are no party who falls under the provisions of Micro and Small Enterprises as per the definition of MSME Act, 2006 and accordingly the disclosure is not applicable.

24. **Segment Reporting**  
The Company's business activity falls within a single primary business segment i.e. Software business and therefore, the disclosure of "Segment Reporting" is not applicable.

	Year ended 31 March 2020	Year ended 31 March 2019
25. <b>Earnings per equity share (EPS)</b>		
(a) Profit attributable to equity shareholders	32,538	88,962
(b) Weighted average number of equity shares outstanding during the year (nos')	10,000	10,000
(c) EPS	100.00	100.00
(d) Dividend per share		
(e) Dividend per equity share	3.25	8.90
(f) Dividend per equity share	3.25	8.90

26. **Provision for employee benefits**  
As per the provisions of Ind AS-19 on employee benefits expense

	2019-20 (Rs.)	2018-19 (Rs.)
<b>Defined Contribution Plan:</b>		
Contribution to the above plan is recognized for the year as under:		
Employer's contribution to Employee State Insurance	2881/-	21,187/-

27. **Defined Pension Plans**  
The Company has got the actuarial valuation of employee benefit done at the year end.

28. **Actuarial Valuation of Defined Pension Plans**  
Showing Changes in Present Value of Obligations:

	From: 01-04-2019 To: 31-03-2020	From: 01-04-2018 To: 31-03-2019
Present value of the obligation at the beginning of the period	6,11,437	5,46,434
Interest cost	42,801	42,353
Current service cost	1,03,608	1,13,888
Past service cost	0	0
Benefit payments	0	0
Actuarial loss	(1,30,707)	(91,288)
Present value of the obligation at the end of the period	6,27,139	6,11,437



24.1 Statement of total Actuarial (gain) / loss on liabilities

	From: 01-04-2019 To: 31-03-2020	From: 01-04-2018 To: 31-03-2019
Actuarial loss from changes in assumptions (mortality)	Not Applicable	Not Applicable
Actuarial loss from changes in assumptions	45,914	0
Expense (gain)/ loss for Plan	(1,76,621)	(91,288)
Recognized in other income	(1,30,707)	(91,288)

24.2 Statement of the amount to be recognized in the Balance Sheet:

	As on: 31-03-2020	As on: 31-03-2019
Present value of the obligation at the end of the period	6,27,139	6,11,437
Present value of plan assets at end of period	0	0
Present value of (gain) recognized in Balance Sheet analysis	6,27,139	6,11,437
Present value of surplus/ (Deficit)	(6,27,139)	(6,11,437)

24.3 Statement of the amount recognized in the statement of Profit and Loss:

	From: 01-04-2019 To: 31-03-2020	From: 01-04-2018 To: 31-03-2019
Present value of the obligation at the end of the period	42,801	42,353
Present value of plan assets at end of period	1,03,608	1,13,888
Present value of (gain) recognized in P&L	0	0
Present value of (gain) recognized in P&L	(0)	(0)
Present value of (gain) recognized in P&L	1,46,409	1,56,241

24.4 Statement of comprehensive (income) / expenses (Remeasurement)

	From: 01-04-2019 To: 31-03-2020	From: 01-04-2018 To: 31-03-2019
Recognized actuarial (gain)/loss	(91,288)	0
Loss - obligation	(1,30,707)	(91,288)
Loss - plan assets	0	0
Gain/loss	(1,30,707)	(91,288)
Actuarial (gain)/loss. C/F	(2,21,995)	(91,288)

24.5 Statement of Interest Cost

	From: 01-04-2019 To: 31-03-2020	From: 01-04-2018 To: 31-03-2019
Defined benefit obligation	42,801	42,353
Plan assets	0	0
Interest (Income)	42,801	42,353

24.6 Statement of adjustment:

	From: 01-04-2019 To: 31-03-2020	From: 01-04-2018 To: 31-03-2019
Adjustment (Gain) / loss for Plan	(1,76,621)	(91,288)
Adjustment Gain / (loss) for Plan	0	0



of membership data at the date of valuation and statistics based thereon:

	As on: 31-03-2020	As on: 31-03-2019
Employees	11	12
Salary	2,86,000	3,31,500
Service (Years)	3.8	3.9
Service (yr)	27.3	25.4
Age (yr)	32.7	34.6
Life duration (based on flows) in years	22	23
Life expectancy	26,000	27,625

Global assumptions employed for the calculations are tabulated:

	7.00 % per annum	7.75 % per annum
Rate	5.00 % per annum	5.00 % per annum
	IALM 2012-14	IALM 2006-08 Ultimate
(Per Annum)	5.00% p.a.	5.00% p.a.

Assumed:

Retirement Age	60 Years	60 Years
	Last drawn qualifying salary	Last drawn qualifying salary
	5 Years of service	5 Years of service
Final Retirement	15/26 * Salary * Past Service (yr)	15/26 * Salary * Past Service (yr)
Exit due to death and	As above except that no vesting conditions apply	As above except that no vesting conditions apply
	2000000.00	2000000.00

Liability (\*Expected payout in next year as per schedule III of the Companies Act, 2013) :

	As on: 31-03-2020	As on: 31-03-2019
(Short Term)*	30,260	20,284
Liability (Long Term)	5,96,879	5,91,153
	6,27,139	6,11,437

Plan on entity's future cash flows

Investment arrangements and funding policy

Expected contribution during the next annual reporting period

Best estimate of Contribution	1,29,352	1,47,250
per year		

Actuarial profile of defined benefit obligation

Life duration (based on flows) in years	22	23
-----------------------------------------	----	----

Table of expected benefit payments (In absolute terms i.e. undiscounted)

1 Mar 2021	30,260
1 Mar 2022	10,563
1 Mar 2023	10,563
1 Mar 2024	10,762
1 Mar 2025	10,990
wards	5,54,001

Signed  
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for next period:

contribution during next	1,29,352	
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Sensitivity Analysis: Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and increase rate. Effect of change in mortality rate is negligible. Please note that the sensitivity analysis presented below may not be of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation as some of the assumptions may be correlated. The results of sensitivity analysis are given below:

	As on: 31-03-2020
Obligation (Base)	6,27,139 @ Salary Increase Rate : 5%, and discount rate :7%
Increase in Discount Rate	5,61,909; x=1.00% [Change (10)%]
Decrease in Discount Rate	7,04,632; x=1.00% [Change 12%]
Increase in Salary Growth Rate	7,05,458; x=1.00% [Change 12%]
Decrease in Salary Growth Rate	5,60,150; x=1.00% [Change (11)%]
Increase in Withdrawal Rate	6,37,794; x=1.00% [Change 2%]
Decrease in Withdrawal Rate	6,14,653; x=1.00% [Change (2)%]

Statement of liability

	From: 01-04-2019 To: 31-03-2020	From: 01-04-2018 To: 31-03-2019
Defined benefit liability/	6,11,437	5,46,484
Recognized in P&L	1,46,409	1,56,241
Gain/ loss-Total current	(1,30,707)	(91,288)
Balance	0	0
Defined benefit liability/ (asset)	6,27,139	6,11,437

Party disclosures:

Information on related party transactions as required by Ind AS - 24 - Related Party Disclosures for the year ended 31 March 2020.

Information on the related parties and related party relationships

Information on management personnel

Name of the Person	Designation
Mr. Gupta	Director
Mr. Chowdhury	Director
Mr. Kamari	Director

Information on relatives of Key Management Personnel / Enterprises owned or significantly influenced by Key Management Personnel or their relatives

- Mr. Shares & Securities Ltd.
- Mr. Shares & Securities
- Mr. Gupta
- Mr. Gupta (HUF)

Information on transactions with related parties

Information on transactions with Key Managerial Personnel

Mr. Chowdhury	Director's Salary
Mr. Gupta	Legal Expenses



Year ended  
31 March 2020  
5,07,823/-  
1,80,000/-

Year ended  
31 March 2019  
4,69,452/-

**End Balances with related parties:**

	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2019
<b>Loans</b>		
from Holding Company:		
Nee Softwares Exports Ltd.	68,966,814/-	67,824,435/-
<b>Receivables:</b>		
Shares & Securities	40,91,478/-	40,91,478/-
<b>Advances:</b>		
Supta	-	12,88,961/-
Supta (HUF)	-	1,00,000/-
<b>Advances:</b>		
Shares & Securities Ltd	36,99,175/-	36,48,945/-

**Value measurement:**

**Category wise classification of financial instruments**

	As at 31 March 2020	As at 31 March 2019
<b>Financial assets:</b>		
<b>Measured at cost</b>		
Receivable	41,89,160/-	44,68,593/-
Cash Equivalents	39,651,106/-	36,814,805/-
Cash Equivalents	4,26,969/-	2,93,370/-
<b>Measured at Cost</b>		
Investments in Unquoted Equity Instruments	29,57,350/-	29,57,350/-
<b>Financial Assets</b>	<b>47,224,585/-</b>	<b>44,534,118/-</b>
<b>Liabilities:</b>		
<b>Measured at Amortized Cost</b>		
Payables	5,09,519/-	6,36,247/-
Borrowings	68,966,814/-	67,824,435/-
<b>Financial Liabilities</b>	<b>69,476,333/-</b>	<b>68,460,681/-</b>

Investments are not held for trading. Upon application of Ind AS - 109 - Financial Instruments, the Company has chosen to measure these investments in unquoted equity instruments at cost as the management believes that presenting fair value gains and losses relating to these investments in the statement of profit and loss may not be indicative of the performance of the Company.

Management assessed that the fair value of cash and cash equivalents, loans, Trade receivables, trade payables and borrowings approximate the carrying amount largely due to short-term maturity of these instruments.

**Fair value of assets and liabilities measured at cost/amortized cost**

Carrying amount of financial assets and financial liabilities measured at amortized cost are a reasonable approximation of their fair values as the Company does not anticipate that the carrying amount would be significantly different from the values that would be eventually realized or settled. Management assessed that fair values of cash and cash equivalents, loans, trade receivables, trade payables and borrowings approximate their carrying amounts due to the short term maturities of these instruments.

**Financial risk management**

Company's business activities are exposed to credit risk. Company's senior management is responsible for establishing and monitoring the risk management framework within its overall risk management objectives and strategies approved by the Board of Directors. Such risk management strategies and objectives are established to identify and analyze potential risks faced by the Company, set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and assess risk management performance. Any change in Company's risk management objectives and policies need approval of its Board of Directors.



**Credit risk:**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts payable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking account their financial position, past experience and other factors.

**Trade receivables**

Trade credit risks are managed by each business unit in accordance with the credit policy, procedures and controls relating to credit management. Credit quality of each individual customer is assessed based on financial positions, past trends, market reputation, trading market and economic conditions, expected business and anticipated regulatory changes. Based on this evaluation, credit and credit terms are decided for each individual customer. Exposure to customer credit risk is regularly monitored through credit and release. The Company has a low concentration of risk in respect of trade receivables since its customers are widely spread operates in diversified industries and varying market conditions.

Impairment of trade receivables is based on expected credit loss model (simplistic approach) depending upon the historical data, financial conditions of customers and anticipated regulatory changes. Maximum exposure to credit risks at the reporting date disclosed in Note 4.2 & 5.1. Company does not hold any collateral in respect of such receivables.

**Other financial instruments**

Risks from other financial instruments include mainly cash and cash equivalents and deposits with banks. Such risk is managed by the Board of Directors of the Company in accordance with Company's overall investment policy approved by its Board of Directors. Investments are reviewed by the Board of Directors on a quarterly basis.

Company has no exposure to credit risk relating to its cash and cash equivalents. Credit risk for other financial instruments are assessed by the Board of Directors in accordance with its overall risk management policies. Impairment of such assets is computed using expected credit loss model (general approach) assessed on the basis of financial position, detailed analysis and expected business counterparty to such financial assets.

**Capital Management:**

Company's policy is to maintain a strong capital base so as to maintain creditor and market confidence and to sustain future development of the business.

- For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity components attributable to the equity shareholders. The primary objective of the Company's capital management is to maximize the shareholder value.

The previous year figures have been regrouped, reclassified and restated, wherever necessary, to correspond with the current year's classification.

Terms of our report attached

V. Jain Sonu & Associates

Chartered Accountants

Firm's Registration Number: 324386E

V. Jain

Partner

Membership No. 060015

Upto: 29<sup>th</sup> June, 2020

Office: Kolkata



For and on behalf of the Board  
Lensel Web Services Pvt. Ltd.  
Rajzand Chowdhury  
Director  
(DIN : 03061122)  
Arpita Gupta  
Director  
(DIN : 02839878)  
Director