To,
BSE Limited
P. J. Towers, Dalal Street
Mumbai - 400 001

Date: 08.09.2021

Dear Sir/ Madam,
Sub: 21st Annual Report
Ref: Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Unit: Infronics Systems Limited (Script Code: 537985)
With reference to the subject cited, please find the enclosed 21st Annual Report of the Company pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as sent to the shareholders for the ensuing 21st Annual General Meeting of the Company to be held on 30.09.2021.

This is for the information and records of the exchange, please.

Thanking you.

Yours faithfully,
For Infronics Systems Limited

INFRONICS SYSTEMS LTD Hyderabad

K. Jagannadha Raju
Wholetime Director
(DIN: 06411509)

Encl. as above

Plot No: 866, 4th Floor, K Complex, Ayyappa Society, Madhapur, Hyderabad 500081
eMail: info@infronics.com

INFRONICS SYSTEMS LIMITED

21st ANNUAL REPORT

2020-2021

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. K. Jagannadha Raju	-	Whole-time Director (DIN: 06411509)
Mr. M. V. S Ramesh Varma	-	Director (DIN: 06680580)
Mrs. N. Satyavathi	-	Independent Director (DIN: 06361271)
Mr. K. Srinivasa Rao	-	Independent Director (DIN: 06465192)

CHIEF FINANCIAL OFFICER

Mr. Siddantapu Emmanuel Raju

REGISTERED OFFICE

Plot No: 866, 4th Floor, K Complex,
Ayyappa Society, Madhapur
Hyderabad – 500081, Telangana

STATUTORY AUDITORS

V. Ravi & Co.
Chartered Accountants,
Somajiguda, Hyderabad

INTERNAL AUDITOR

M/s. Bandaru &Associates.,
Chartered Accountants,
Visakhapatnam

SECRETARIAL AUDITOR

Ms. Aakanksha
Practicing Company Secretary
Plot No. 8-2-603/23/3 & 8-2-603/23, 15,
2nd Floor, HSR Summit, Banjara Hills,
Road No. 10, Beside No. 1 News Channel
office, Hyderabad - 500034

CORPORATE IDENTITY NUMBER

L72200TG2000PLC033629

AUDIT COMMITTEE

1. Mr. K. Srinivasa Rao -Chairman
2. Mr. M.V.S. Ramesh Varma -Member
3. Mrs. Namburu Satyavathi -Member

NOMINATION & REMUNERATION COMMITTEE

1. Mr. K. Srinivasa Rao -Chairman
2. Mrs. Namburu Satyavathi -Member

STAKEHOLDERS RELATIONSHIP COMMITTEE

1. Mr. K. Srinivasa Rao -Chairman
2. Mr. M.V.S. Ramesh Varma -Member
3. Mrs. Namburu Satyavathi -Member

REGISTRAR & SHARE TRANSFER AGENTS

M/s. Aarthi Consultants Private Limited
1-2-285, Near Gaganmahal Nursing Home,
Street No 7, Domalguda, Hyderabad-500029.
Ph: 040-27638111/27634445, Fax: 040-27632184
Email: info@aarthiconsultants.com

LISTED AT

BSE Limited.

DEMAT ISIN NUMBER IN NSDL& CDSL:

INE463B01036

WEBSITE: www.infronics.com

INVESTOR E-MAIL ID: info@infronics.com

NOTICE

Notice is hereby given that the Twenty First Annual General Meeting of the Shareholders of M/s. Infronics Systems Limited will be held on Thursday, the 30th day of September 2021 at 02.00 p.m. through video conferencing and other audio-visual means to transact the followingbusiness:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2021, the Statement of Profit & Loss and Cash Flow Statement for the year ended on that date together with the Notes attached thereto, along with the Reports of Auditors and Directors thereon.

2. To appoint a director in place of Mr. M.V.S Ramesh Varma (DIN: 06680580) who retires by rotation and being eligible, offers himself for re-appointment.

For and on behalf of the Board of
Infronics Systems Limited

Sd/-
K. Jagannadha Raju
Whole-time Director
(DIN: 06680580)

Place: Hyderabad
Date: 14.08.2021

Notes:

1. In pursuance of Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings, details in respect of the Directors seeking appointment/ re-appointment at the AGM, form part of this Annual Report.

2. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020 and extended circular dated January 13, 2021. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.

3. The Deemed Venue of the 21st AGM of the Company shall be its Registered office

4. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

5. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at all members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

6. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

7. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.

8. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at https://www.infronics.com/.The Notice can also be accessed from the website of the Stock Exchange i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL agency for providing the Remote e-Voting facility and e-voting system during the AGM i.e. www.evotingindia.com.

9. The Register of Members and Share Transfer Books of the Company will remain closed from 24.09.2021 to 30.09.2021 (Both days inclusive).

10. The Company has appointed Mrs. Aakanksha, Practicing Company Secretary, as scrutinizer of the Company to scrutinize the voting process.

11. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2020-2021 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories.

12. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

13. The Members can join the e-AGM 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.

14. THE INTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:

(i) The voting period begins on 27.09.2021 at 9.00 a.m. and ends on 29.09.2021 at 5.00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23.09.2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020,** under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Type of shareholders	**Login Method**
Individual Shareholders holding securities in Demat mode with **CDSL**	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by Company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat

	Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with **NSDL**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on Company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Individual Shareholders (holding securities in demat mode) login through their **Depository Participants**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders**, **by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

(iv) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular**,** Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode** is given below:

Important note:

Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with **CDSL**	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

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

1) The shareholders should log on to the e-voting website www.evotingindia.com.

2) Click on "Shareholders" module.

3) Now enter your User ID

   a. For CDSL: 16 digits beneficiary ID,
   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
   c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

4) Next enter the Image Verification as displayed and Click on Login.

5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any Company, then your existing password is to be used.

6) If you are a first time user follow the steps given below:

	For Shareholders holding shares in Demat Form and other than individual and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.

Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. • If both the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

(vi) After entering these details appropriately, click on "SUBMIT" tab.

(vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(ix) Click on the EVSN <Company Name>.

(x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvi) Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

(xvii) Facility for Non – Individual Shareholders and Custodians –Remote Voting

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address info@infronics.com (designated email address by Company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.

2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.

3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.

4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.

5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 3 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at info@infronics.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 3 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at info@infronics.com. These queries will be replied to by the Company suitably by email.

8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

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

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.

2. For Demat shareholders -, please update your email id & mobile no. with your respective Depository Participant (DP).

3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43

15. OTHER INSTRUCTIONS:

(i) The voting rights of shareholders shall be in proportions to the shares held by them in the paid equity share capital of the Company as on the cut-off date i.e. 23.09.2021.

(ii) The Scrutinizer shall after the conclusion of the Voting at the Annual General Meeting first count the votes cast at the meeting and thereafter unblock the votes cast though remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and make not later than three days of conclusion of the meeting a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or person authorized by him.

(iii) Voting is provided to the members through e-voting and at the Annual General Meeting of the Company. A Member can opt for only one mode of voting i.e. either through e-voting or at the Annual General Meeting of the Company.

(iv) If a Member casts votes by both modes, then voting done through e-voting shall prevail.

(v) The results declared along with the Scrutinizer's Report shall be placed on the Company's website https://www.infronics.com/ and on the website of CDSL and will be communicated to the BSE Limited.

For and on behalf of the Board of
Infronics Systems Limited

Sd/-
K. Jagannadha Raju
Wholetime Director
(DIN: 06680580)

Place: Hyderabad
Date: 14.08.2021

BOARDS' REPORT

To the Members,
M/s. Infronics Systems Limited

The Directors have pleasure in presenting before you the Boards' Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2021.

1. FINANCIAL SUMMARY/HIGHLIGHTS, OPERATIONS, STATE OF AFFAIRS:

The performance during the period ended 31st March, 2021 has been as under:

(Amount in Rs.)

Particulars	**2020-21**	**2019-20**
Revenue from operation	4,44,24,793	2,06,82,776
Other income	--	91,612
Total Income	4,44,24,793	2,07,74,388
Total Expenses	(4,25,92,254)	(2,33,27,536)
Profit/ (Loss) Before Exceptional Item and Tax	18,32,539	(25,53,148)
Less: Exceptional Item	--	--
Less: Provision for taxation	2,85,876	--
Profit after Tax	**15,46,663**	**(25,53,148)**

2. MATERIAL CHANGES AND COMMITMENTS:

There were no material changes and commitments affecting financial position of the company between 31st March 2021 and the date of Board's Report. (i.e.14.08.2021)

3. CHANGE IN THE NATURE OF BUSINESS, IF ANY:

During the period under review and the date of Board's Report there was no change in the nature of Business.

4. DETAILS RELATING TO DEPOSITS, COVERING THE FOLLOWING:

The Company has not accepted any deposits falling within the meaning of sec.73, 74 & 76 of the Companies Act, 2013 read with the Rule 8(v) of Companies (Accounts) Rules 2014, during the financial year under review. Further, there are no deposits which are not in compliance with the requirements of Chapter V of the Companies Act, 2013.

5. TRANSFER TO RESERVES:

The company has not transferred any amount to reserves for the year.

6. DIVIDEND:

Keeping the Company's revival plans in mind, the Directors have decided not to recommend dividend for the year.

7. REVISION OF FINANCIAL STATEMENTS:

There was no revision of the financial statements for the year under review

8. BOARD MEETINGS:

The Board of Directors duly met 7 (Seven) times on 25.07.2020, 15.09.2020, 31.10.2020, 13.11.2020, 03.12.2020, 13.02.2021 and 03.03.2021 and in respect of which meetings, proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.

9. SHARE CAPITAL:

The authorized capital of the company stands at Rs. 11,00,00,000 /- divided into 1,10,00,000 equity shares of Rs.10/- each.

The paid up Share capital of the Company stands at Rs.7,92,64,615/- divided into 79,26,462 equity shares of 10/- each.

10. DISCLOSURE OF INTERNAL FINANCIAL CONTROLS:

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. During the year under review, no material or serious observation have been noticed for inefficiency or inadequacy of such controls. The Company maintains appropriate system of internal control, including monitoring procedures, to ensure that all assets are safeguarded against loss from unauthorized use or disposition. Company policies, guidelines and procedures provide for adequate checks and balances, and are meant to ensure that all transactions are authorized, recorded and reported correctly.

11. SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS:

No orders have been passed by any Regulator or Court or Tribunal which can have impact on the going concern status and the Company's operations in future.

12. PARTICULARS OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES:

There were no contracts or arrangements entered into by the company during the financial year.

13. CORPORATE GOVERNANCE:

Since the paid up equity share capital and net worth of the company does not exceed Rs. 10 crores and Rs. 25 crores respectively, Corporate Governance as mentioned in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not applicable to the company.

14. ANNUAL RETURN:

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an annual return is uploaded on website of the company i.e https://www.infronics.com/.

15. DIRECTORS/CEO/CFO AND KEY MANANGERIAL PERSONNEL:

During the period under review following were the Directors/ Key Managerial Personnel resigned/appointed during the financial year 2020-21 including between the financial year ended 31st March 2021 and date of Board's report (i.e 14.08.2021):

S. No.	Name of the Directors/KMP	Designation	Nature of change (Appointment/ Change in designation/ Cessation)	Date of appointment/ change in designation/ cessation
1	K. Jagannadha Raju	Director	Change in Designation	29.12.2020
2	Vikas Kumar Sharma	Company Secretary	Resignation	31.10.2020
3	N. Satyavathi	Independent Director	Re-appointment	30.09.2020

Further as required under regulation 36 (3) of the SEBI (LODR), Regulations, 2015, brief particulars of the Directors seeking appointment/re-appointment are given as under: -

Name of the Director	M.V.S Ramesh Varma
Date of Birth	01.04.1974
Qualification	Post Graduation
Expertise in specific functional areas	Operations
Names of listed entities in which the person also holds the directorship and the membership of Committees of the board	Nil
No. of Shares held in the Company	26,313 Equity Shares
Inter se relationship with any Director	Nil

16. DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS:

The Company has received declarations from Mrs. N. Satyavathi and Mr. K. Srinivasa Rao of the company to the effect that they are meeting the criteria of independence as provided in Sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

17. COMPOSITION OF AUDIT COMMITTEE:

I. The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013.

II. The terms of reference of the Audit Committee include a review of the following:

- Overview of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements reflect a true and fair position and that sufficient and credible information is disclosed.
- Reviewing the utilization of loans and/or advance from /investment by the holding company in the subsidiary exceeding rupees 100 crores or 10 percent of the asset size of the subsidiary, whichever is lower.
- Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
- Discussion with external auditors before the audit commences, of the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- Reviewing the financial statements and draft audit report including quarterly / half yearly financial information.
- Reviewing with management the annual financial statements before submission to the Board, focusing on:

1. Any changes in accounting policies and practices;
2. Qualification in draft audit report;
3. Significant adjustments arising out of audit;
4. The going concern concept;
5. Compliance with accounting standards;
6. Compliance with stock exchange and legal requirements concerning financial statements and
7. Any related party transactions

- Reviewing the company's financial and risk management's policies.
- Disclosure of contingent liabilities.
- Reviewing with management, external and internal auditors, the adequacy of internal control systems.
- Reviewing the adequacy of internal audit function, including the audit character, the structure of the internal audit department, approval of the audit plan and its execution, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
- Discussion with internal auditors of any significant findings and follow-up thereon.
- Reviewing the findings of any internal investigations by the internal auditors into the matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Looking into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- Reviewing compliances as regards the Company's Whistle Blower Policy.

III. The previous Annual General Meeting of the Company was held on 29.12.2020 and Chairman of the Audit Committee, attended previous AGM.

IV. The composition of the Audit Committee and the attendance of each member of the Audit Committee are given below:

The Company has complied with all the requirements of Regulation 27 of SEBI (LODR) Regulations 2015 relating to the composition of the Audit Committee.

During the financial year 2020-21, (4) four meetings of the Audit Committee were held on the 25.07.2020, 15.09.2020, 13.11.2020 and 13.02.2021.

The details of the composition of the Committee and attendance of the members at the meetings are given below:

Name	Designation	Category	No. of Meetings held	No. of Meetings attended
Mr. K. Srinivasa Rao	Chairman	NED (I)	4	4
Mr. M.V.S. Ramesh Varma	Member	ED	4	4
Mrs. N. Satyavathi	Member	NED (I)	4	4

NED(ID): Non- Executive Independent Director
ED: Executive Director

18. NOMINATION AND REMUNERATION COMMITTEE:

A). Brief Description of terms of reference:

The Nomination and Remuneration Committee set up by the Board is responsible for:

i. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

ii. formulation of the criteria for evaluation of performance of independent directors and the board of directors.

iii. devising a policy on diversity of board of directors.

iv. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.

v. whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of Independent Directors.

vi. recommend to the Board, remuneration, payable to senior management.

vii. such other matters as may be specified by the Board from time to time.

B) COMPOSITION OF THE COMMITTEE, MEETINGS AND ATTENDANCE DURING THE YEAR:

There were one Nomination and Remuneration Committee Meetings held during the financial year on 13.02.2021.

Name	Designation	Category	No. of Meetings held	No. of Meetings attended
Mr. K. Srinivasa Rao	Chairman	NED (I)	4	4
Mrs. Namburu Satyavathi	Member	NED (I)	4	4

NED(I): Non Executive Independent Director

19. STAKEHOLDERS RELATIONSHIP COMMITTEE:

A) Composition of the Committee, Meetings and Attendance during the Year:

The Details of composition of the Committee are given below:

Name	Designation	Category	No. of Meetings held	No. of Meetings attended
Mr. K. Srinivasa Rao	Chairman	NED (I)	4	4
Mr. M.V.S. Ramesh Varma	Member	ED	4	4
Mrs. Namburu Satyavathi	Member	NED (I)	4	4

B) Powers:

The Committee has been delegated with the following powers:

- To redress shareholder and investor complaints relating to transfer of shares, Dematerialization of Shares, non-receipt of Annual Reports, non-receipt of declared dividend and other allied complaints.
- To approve, transfer, transmission, and issue of duplicate / fresh share certificate(s)
- Consolidate and sub-division of share certificates etc.
- To redress, approve and dispose off any, other complaints, transactions and requests etc., received from any shareholder of the company and investor in general.

The Board has delegated the power to process the transfer and transmission of shares to the Registrar and Share Transfer Agents, who process share transfers within a week of lodgment in the case of shares held in physical form.

20. VIGIL MECHANISM:

Vigil Mechanism Policy has been established by the Company for directors and employees to report genuine concerns pursuant to the provisions of section 177(9) of the Companies Act, 2013 and Regulation 46 of SEBI (LODR) Regulations, 2015. The same has been placed on the website of the Company.

21. RISK MANAGEMENT POLICY:

The company follows a comprehensive system of risk management. The company has adopted a procedure for assessment and minimisation of probable risks. It ensures that all the risks are timely defined and mitigated in accordance with the wee-structured risk management process.

22. BOARD EVALUATION:

Evaluation of all Board members is performed on an annual basis. The evaluation is performed by the Board, Nomination and Remuneration Committee and Independent Directors with specific focus on the performance and effective functioning of the Board and Individual Directors.

In line with Securities and Exchange Board of India Circular No. SEBI/HO/CFD/CMD/CIR/P/2017/004, dated January 5, 2017 and the Companies Amendment Act, 2017 the Company adopted the recommended criteria by Securities and Exchange Board of India.

The Directors were given evaluation forms for the following:
(i) Evaluation of Board;
(ii) Evaluation of Committees of the Board;
(iii) Evaluation of Independent Directors;
(iv) Evaluation of Chairperson;
(v) Evaluation of Non-Executive and Non-Independent Directors; and
(vi) Evaluation of Whole time Director.

The Directors were requested to give following ratings for each criteria:
1. fair;
2. satisfactory; and
3. very satisfactory.

The Directors have sent the duly filled forms to Nomination & Remuneration committee. Based on the evaluation done by the Directors, the Committee has prepared a report and submitted the Evaluation Report. Based on the report, the Board of Directors has informed the rankings to each Director and also informed that the performance of Directors is satisfactory and they are recommended for continuation as Directors of the Company.

23. DIRECTOR'S RESPONSIBILITY STATEMENT:

In pursuance of section 134 (5) of the Companies Act, 2013, the Directors hereby 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 had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

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

d) The Directors had prepared the annual accounts on a going concern basis; and

e) The Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

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

24. FAMILIARISATION PROGRAMMES:

The Company familiarises its Independent Directors on their appointment as such on the Board with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, etc. through familiarisation programme. The Company also conducts orientation programme upon induction of new Directors, as well as other initiatives to update the Directors on a continuing basis. The familiarisation programme for Independent Directors is disclosed on the website of the Company.

25. INFORMATION ABOUT THE FINANCIAL PERFORMANCE / FINANCIAL POSITION OF THE SUBSIDIARIES / ASSOCIATES:

There were no Subsidiaries or associate companies of the company during the financial year 2020-21.

26. NAMES OF THE COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR.

There were no companies which have become or ceased to be the subsidiaries, Joint Ventures or associate companies during the year.

27. DETAILS IN REPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO CENTRALGOVERNMENT.

There have been no frauds reported by the auditors as per section 143 (12).

28. STATUTORY AUDITORS:

The members of the Company in accordance with Section 139 of the Companies Act, 2013 had passed a resolution for appointment of M/s. V. Ravi & Co., Chartered Accountants as Statutory Auditors of the Company for a period of 5 years in the AGM held on 29.12.2020 to hold office up to the conclusion of 25th Annual General Meeting of the Company.

29. INTERNAL AUDITORS:

The company has appointed M/s. Bandaru & Associates as internal auditors for the Financial Year 2020-21.

30. SECRETARIAL AUDITORS:

Pursuant to the provisions of Section 134(3)(f) & Section 204 of the Companies Act, 2013, Secretarial audit report for the financial year 2020-2021 as provided by Mrs. Aakanksha, Practicing Company Secretary is annexed to this Report as **Annexure – II.**

31. QUALIFICATIONS IN AUDIT REPORTS:

(a) Statutory Auditors Report:

The Board has duly reviewed the Statutory Auditor's Report on the Accounts for the year ended March 31, 2021 and has noted that the same does not have any reservation, qualification or adverse remarks. However, the Board decided to further strengthen the existing system and procedures to meet all kinds of challenges and growth in the market expected in view of the robust growth in the industry.

(b) Secretarial Audit Report:

The Board has duly reviewed the Secretarial Audit Report according to the provisions of section 204 of the Companies Act 2013. Following are the observations made by the secretarial auditor and management reply is provided below for the same.

S.no	Observation	Management Response
1	Composition of Nomination and Remuneration Committee in contravention with reg. 19 of SEBI (LODR) Regulations and sec. 178 of Companies Act, 2013.	The company is looking for suitable incumbent for a position of company Secretary and Non-executive Director to comply with the provisions of the companies act, 2013 and SEBI (LODR) Regulations, 2015
2	Non-Appointment of Company Secretary in contravention with reg 6 of SEBI (LODR) Regulations, 2015 and sec. 203 of Companies Act, 2013	

32. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Since Company does not have the net worth of Rs. 500 Crore or more, or turnover of Rs. 1000 Crore or more, or a net profit of Rs. 5 Crore or more during the financial year, Section 135 of the companies Act, 2013 relating to Corporate social responsibility is not applicable and hence the company need not adopt any corporate social responsibility.

33. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The company has not given loans or Guarantees during the year under review.

34. CREDIT & GUARANTEE FACILITIES:

The Company has not availed any facilities of credit and guarantee during the year.

35. DISCLOSURE ABOUT COST AUDIT:

Cost Audit is not applicable to your Company.

36. COMPLIANCE WITH SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandated formulation of certain policies for all the listed companies. All the policies are available on Company's website i.e. www.infronics.com. The policies are reviewed periodically by the Board and updated based on need and new compliance requirement.

37. STATEMENT SHOWING THE NAMES OF THE TOP TEN EMPLOYEES IN TERMS OF REMUNERATION DRAWN AND THE NAME OF EVERY EMPLOYEE AS PER RULE 5(2) & (3) OF THE COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014:

A table containing the particulars in accordance with the provisions of Section 197(12) of the Act, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as **Annexure IV (a)** to this Report.

A statement showing the names of the top ten employees in terms of remuneration drawn and the name of every employee is annexed to this Annual report as **Annexure IV (b)**.

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

38. RATIO OF REMUNERATION TO EACH DIRECTOR:

No remuneration is paid to any of the Director of the Company

39. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:

The required information as per Sec.134 of the Companies Act 2013 is provided hereunder:

A. Conservation of Energy:

Your Company's operations are not energy intensive. Adequate measures have been taken to conserve energy wherever possible by using energy efficient computers and purchase of energy efficient equipment.

B. Technology Absorption: All the Factors mentioned in Rule 8 (3) (b) Technology absorption are not applicable to the Company.

C. Foreign Exchange Earnings and Out Go:

Foreign Exchange Earnings: Rs. NIL
Foreign Exchange Outgo: Rs. NIL

40. INSURANCE:

The properties and assets of your Company are adequately insured.

41. NON-EXECUTIVE DIRECTORS' COMPENSATION AND DISCLOSURES:

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

42. INDUSTRY BASED DISCLOSURES AS MANDATED BY THE RESPECTIVE LAWS GOVERNING THE COMPANY:

The company is in compliance with Secretarial Standards SS-1 and SS-2 issued by The Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meeting.

43. CORPORATE INSOLVENCY RESOLUTION PROCESS INITIATED UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (IBC):

There is no application filed for corporate insolvency resolution process, by a financial or operational creditor or by the company itself under the IBC before the NCLT.

44. CODE OF CONDUCT FOR THE PREVENTION OF INSIDER TRADING:

The Board of Directors has adopted the Insider Trading Policy in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulation, 2015 Amended Regulations 2018. The Insider Trading Policy of the Company lays down guidelines and procedures to be followed, and disclosures to be made while dealing with shares of the Company, as well as the consequences of violation. The policy has been formulated to regulate, monitor and ensure reporting of deals by employees and to maintain the highest ethical standards of dealing in Company securities.

The Insider Trading Policy of the Company covering code of practices and procedures for fair disclosure of unpublished price sensitive information and code of conduct for the prevention of insider trading, is available on our website.

45. EVENT BASED DISCLOSURES:

During the year under review, the Company has not taken up any of the following activities:

1. Issue of sweat equity share: The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Section 54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014.

2. Issue of shares with differential rights: The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a)(ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014.

3. Issue of shares under employee's stock option scheme: The Company has not issued any equity shares under Employees Stock Option Scheme during the year under review and hence no information as per provisions of Section 62(1) (b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014.

4. Non- Exercising of voting rights: During the year under review, there were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014.

5. Disclosure on purchase by company or giving of loans by it for purchase of its shares: The Company did not purchase or give any loans for purchase of its shares.

6. Buy back shares: The Company did not buy-back any shares during the period under review.

7. Disclosure about revision: Since the company did not undergo any revision, this clause is not applicable to the company for the period under review.

8. Preferential Allotment of Shares: The Company did not allot any shares on preferential basis during the period under review.

46. MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT:

Management Discussion and Analysis Report for the year under review which forms part of Annual Report pursuant to the SEBI (LODR) Regulations, 2015 as **ANNEXURE III.**

47. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaint Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees are covered under this policy.

The following is the summary of sexual harassment complaints received and disposed during the calendar year.

- No. of complaints received: Nil
- No. of complaints disposed off: Nil

48. CODE OF CONDUCT COMPLIANCE:

All Members of the Board and Senior Management have affirmed compliance to the Code of Conduct for the Financial Year 2020-21. A declaration signed by the Whole time Director affirming compliance with the Company's Code of Conduct by the Board of Directors and Senior Management for the Financial Year 2020-21 as required under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed as **Annexure I.**

49. ACKNOWLEDGEMENTS:

The Directors wish to place on record their appreciation of the contribution made by the employees at all levels, for the continued growth and prosperity of your Company.

The Directors also wish to place on record their appreciation of business constituents, banks and other financial institutions, other statutory authorities like SEBI, ROC, Stock Exchanges, NSDL, CDSL, etc and shareholders of the Company for their continued support for the growth of the Company.

For and on behalf of the Board of
Infronics Systems Limited

	Sd/-	**Sd/-**
Place: Hyderabad	**M V S Ramesh Varma**	**K. Jagannadha Raju**
Date: 14.08.2021	**Director**	**Wholetime Director**
	(DIN: 06680580)	**(DIN: 06411509)**

CERTIFICATE BY THE CFO OF THE COMPANY

To
The Board of Directors
Infronics Systems Limited

Dear Sir,

As required under Regulation 17(8) read with Part B, Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we state that:

1. We have reviewed the financial statements and the cash flow statement for the year ended 31st March 2021 and to the best of our knowledge and belief;
   a. These statements do not contain any materially untrue statement nor omit any material fact nor contain statements that might be misleading, and
   b. These statements present a true and fair view of the company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.

2. There are, to the best of my knowledge and belief, no transactions entered into by the company during the year, which are fraudulent, illegal or violative of the company's code of conduct.

3. We accept responsibility for establishing and maintaining internal controls, we have evaluated the effectiveness of the internal control systems of the company and we have disclosed to the auditors and the audit committee, deficiencies in the design or the operation of internal controls, if any, of which we were aware and the steps that we have taken or propose to take and rectify the identified deficiencies and,

4. That we have informed the auditors and the audit committee of:
   a) Significant changes in the internal control during the year;
   b) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
   c) Instances of significant fraud of which we have become aware and the involvement of any employee having a significant role in the company's internal control system.

For and on behalf of the Board of
Infronics Systems Limited

Sd/-
S E Raju
Chief Financial Officer

Place: Hyderabad
Date: 30.06.2021

DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACOUNT

As per Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company hereby discloses the details of unpaid/unclaimed dividend and the respective share thereof as follows:

**

Aggregate No. of Shareholders and the outstanding shares in the suspense account at the beginning of the year.	No. of shareholders who approached the company for transfer of shares from suspense account during the year.	No. of shareholders to whom shares were transferred from suspense account during the year.	Aggregate No. of Shareholders and the outstanding shares in the suspense account at the end of the year.
NIL	NIL	NIL	NIL

***** Voting Right on these shares shall remain frozen till the rightful owner of such shares claims the shares.***

Note: The Company has never declared dividends since its inception and therefore there is no amount lying in unpaid/unclaimed dividend account.

ANNEXURE - I

CODE OF CONDUCT

The Company has formulated and implemented a Code of Conduct for Board Members and Senior Management of the Company.

Certificate of Code of Conduct for the year 2020-21 as per Regulation 17(5) read with Regulation 34(3) Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Infronics Systems Limited is committed for conducting its business in accordance with the applicable laws, rules and regulations and with highest standards of business ethics. The Company has adopted a "Code of Ethics and Business Conduct" which is applicable to all director, officers and employees.

I hereby certify that all the Board Members and Senior Management have affirmed the compliance with the Code of Ethics and Business Conduct, under a certificate of Code of Conduct for the year 2020-21.

For and on behalf of the Board of
Infronics Systems Limited

Sd/-
S E Raju
Chief Financial Officer

Place: Hyderabad
Date: 14.08.2021

ANNEXURE – II

FORM MR-3
SECRETARIAL AUDIT REPORT
(Pursuant to section 204(1) of the Companies Act, 2013 and
Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021

To
The Members of
M/s. INFRONICS SYSTEMS LIMITED
Hyderabad

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

Based on my verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other Records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the financial year commencing from 1st April, 2020 and ended 31st March, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board process and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, , forms and returns filed and other records maintained by **M/s. INFRONICS SYSTEMS LIMITED** ("The Company") for the financial year ended on 31st March, 2021, according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made there under for specified sections notified and came in to effect from 12th September, 2013 and sections and Rules notified and came in to effect from 1st April, 2014;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under.

iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment (FDI) and Overseas Direct Investment and External Commercial Borrowings;

2. Compliance status in respect of the provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act.

i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; Complied with yearly and event based disclosures, wherever applicable.

ii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; Not Applicable as the company has not issued any shares during the year under review.

iii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not Applicable as the company has not delisted/ proposed to delist its equity shares during the year under review.

iv. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; Not Applicable as the Company has not bought back/ proposed to buy-back any of its securities during the year under review.

v. The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client; Not Applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the year under review.

vi. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008. Not Applicable as the Company has not issued any debt securities during the year under review.

vii. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; Not Applicable as the Company has not issued any Employee Stock Options during the year under review.

viii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 Insider Trading Regulations; The Company has framed code of conduct for regulating & reporting trading by insiders and for fair disclosure and displayed the same on the Company's website i.e. www.infronics.com.

ix. The Securities and Exchange Board of India (Depositories and Participants) regulations, 2018;

x. Other applicable laws include the following:

- Information Technology Act, 2000
- Payment of Wages Act, 1936, and rules made there under,
- The Minimum Wages Act, 1948, and rules made there under,
- Employees' State Insurance Act, 1948, and rules made there under,
- The Employees' Provident Fund and Miscellaneous Provisions Act, 1952, and rules made there under,
- The Payment of Bonus Act, 1965, and rules made there under,
- Payment of Gratuity Act, 1972, and rules made there under,
- Industrial Disputes Act, 1947

I have also examined compliance with the applicable clauses of the following regulation amended from time to time and as applicable to the year under review:

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 were complied with to the extent applicable.

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

a) During the year the company has conducted Six (6) Board meetings, Four (4) Audit committee meetings, Four (4) Stakeholder Relationship committee meetings, One (1) Nomination and Remuneration committee meeting and One (1) Independent Directors meeting. I have also examined compliance with the applicable clauses of Secretarial Standards issued by the Institute of Company secretaries of India.

b) As per the information and explanations provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I report that:

i. The provisions of the Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of:

- External Commercial Borrowings were not attracted to the Company under the financial year under report;
- Foreign Direct Investment (FDI) was not attracted to the company under the financial year under report;
- Overseas Direct Investment by Residents in Joint Venture/Wholly Owned Subsidiary abroad was not attracted to the company under the financial year under report.

ii. As per the information and explanations provided by the company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I report that the Company has not made any GDRs/ADRs or any Commercial Instrument under the financial year under report.

I further report that:

i. The Company has a CFO namely Mr. Siddantapu Enmanuel Raju.

ii. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

iii. As per the Minutes of the meeting, the decisions of the Board were unanimous and no dissenting views have been recorded.

iv. During the year under review, the Company has not undertaken event/action having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

I further report the following observations during the period under review:

i. Composition of Nomination & Remuneration Committee is in contravention of Section 178 of the Companies Act, 2013 and reg. 19 of SEBI (LODR) Regulations, 2015.

ii. Mr. Vikas Kumar Sharma Company Secretary of the company has resigned on 31.10.2020.

Sd/-
Aakanksha
Practicing Company Secretary
C.P. No: 20064
UDIN: A049041C000787625

Place: Hyderabad
Date: 14.08.2021

Annexure A

To
The Members of
M/s. INFRONICS SYSTEMS LIMITED
Hyderabad

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

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.

3. I have relied on the reports given by the concerned professionals in verifying the correctness and appropriateness of financial records and books of accounts of the company.

4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.

6. The secretarial audit report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Sd/-
Aakanksha
Practicing Company Secretary
C.P. No: 20064
UDIN: A049041C000787625

Place: Hyderabad
Date: 14.08.2021

Annexure – III

MANAGEMENT DISCUSSION & ANALYSIS

Overview:

We always want to look ahead and push ourselves to reinvent and reinnovate. We took this opportunity to be introspective and realised our core strengths. We do not see these restrictions as a hurdle but an opportunity to explore new markets and new fields. We believe that with over 30 years of combined management experience in the capital markets and corporate space in India enable us to be competent in this field.

Opportunities and Threats:

Any adverse change in the policies of the Government, Recession etc may further adversely affect the profitability.

The product is at once subjected to local, national and international competition.

Segment –wise or product wise performance:

100% of company revenue is being generated by Software Development.

Internal Control & Adequacy:

The company has adequate internal control system to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition.

Risk Management System:

The company manages our business risk through strict compliance and internal control system.

Risk and Concerns:

Any adverse change in the financial services business or negative policy of Government will affect the company's sector adversely.

Outlook:

Company is focusing on service-based activities. The rapid increase in the volume of enterprise data and growing automation of business processes across several end-use industries such as retail, manufacturing, healthcare, and transportation are expected to drive the demand for business software and services over the forecast period. Significant rise in deployment of enterprise software and services across IT infrastructure for enabling better strategic decision-making, reducing inventory cost, enhancing profitability, and enabling organizations to improve their market position is estimated to drive the market growth over the forecast period.

Details of significant changes in ratio as compared to the immediately previous financial year:

Description	2020-21	2019-20
Inventory Turnover Ratio	0.00	10.91
Interest Coverage Ratio	0.85	-
Current Ratio	0.73	0.59
Debt Equity Ratio	-3.69	(2.46)
Operating Profit Margin (%)	4.16	(8.14)
Net Profit Margin (%)	3.48	(0.12)

Human Resource:

Company has adequately trained and well experienced personnel. Our employees are highly motivated and work in line of the organizational goal.

Details of any change in Return or Net Worth as compared to the immediately previous financial year:

The net worth of the company for FY2020-21 is (86,44,301) and the net worth of for FY2019-20 is (1,01,90,969).

Cautionary Statement:

The statements made in this report describe the Company's objectives and projections that may be forward looking statements within the meaning of applicable laws and regulations. The actual results might differ materially from those expressed or implied depending on the economic conditions, government policies and other incidental factors, which are beyond the control of the Company.

ANNEXURE – IV (a)

STATEMENT SHOWING THE NAMES OF TOP TEN EMPLOYEES PURSUANT TO SEC. 197 READ WITH RULE 5 (1) (2) and (3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

1. **The ratio of remuneration to each director to the median remuneration of the employees of the company for the financial year.**

Director	Total Remuneration	Ratio to median remuneration
K. Jagannadha Raju	Nil	Nil
M.V.S Ramesh Varma		

2. **The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year.**

Name	Designation	Remuneration		Increase/ (Decrease) %
		F.Y 2020-21	F.Y 2019-20	
SE Raju	Chief Financial Officer	Nil	Nil	Nil
Vikas Sharma	Company Secretary	69,000	69,000	Nil

3. **The percentage increase in the median remuneration of employees in the financial year**

Name	Remuneration		Increase/ (Decrease) %
	F.Y 2020-21	F.Y 2019-20	
Median Remuneration of all the employees per annum*	1,83,333	2,54,050	(38.5)

**** Employees who have served for whole of the respective financial years have been considered***

4.

Particulars	Number
The number of employees on the rolls of the company as on March 31, 2021	01

5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and details of there are any exceptional circumstances for increase in the managerial remuneration

Particulars	**Increase/(Decrease) %**
Average percentage increase in the remuneration of all Employees * (Other than Key Managerial Personnel)	(38.5)
Average Percentage increase in the Remuneration of Key Managerial Personnel	Nil

**** Employees who have served for whole of the respective financial years have been considered***

6. Affirmation that the remuneration is as per the remuneration policy of the company.

The Company is in compliance with its remuneration policy.

ANNEXURE – IV (b)

Statement showing the names of the Top ten Employees in terms of Remuneration drawn as per Rule 5 (3) Of the Companies (Appointment and Remuneration Of Managerial Personnel) Rules, 2014

(Amount in Rs.)

S No.	Name of the Employee	Designation of the employee	Remuneration received	Nature of employment whether contractual or otherwise	Qualification and experience of the employee	Date of commencement of employment	The age of the employee	The last employment held by such employee before joining the Company	The percentage of equity shares held by the employee in the Company within the meaning of clause (iii) of sub rule (2) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules,2014.	Whether any such employee is a relative of any director or manager of the Company and if so, name of such director or manager
1	M S Raju	Head – Marketing	22,00,000	Permanent	MS in Software Engineering and more than two decade of experience software development and Software Marketing	01.04.2019	47	Nil	7,31,665	Nil

Independent Auditors' Report

To The Members of **INFRONICS SYSTEMS LIMITED**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **INFRONICS SYSTEMS LIMITED**, which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

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

Basis for opinion

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

Key audit matters

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

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

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

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

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

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

Management's Responsibility for the Standalone Financial Statements

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

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

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

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

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

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

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

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

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

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

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

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

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure- B".**

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

i. The Company does not have any pending litigations on its financial position in its standalone financial Statements.

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

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

For V RAVI & CO.,
Chartered Accountants
Firm Reg No.: 006492S

Sd/-
D Ramesh Kumar
Partner
Membership No: 217139
UDIN:21217139AAAAFK8315

Date: 30/06/2021
Place: Hyderabad

Annexure 'A' to the Independent Auditor's Report

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

i. In respect of the Company's fixed assets:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.

As per the books of Accounts and information provided by the company, the company has no fixed assets during the reporting period, Accordingly, the provisions of clause 3(i) (a), (b) and (c) of the order are not applicable to the company

ii. The Management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical Verification.

As per the books of Accounts and information provided by the company, the company has no inventory during the reporting period, Accordingly, the provisions of clause 3(ii) of the order are 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 Partnerships, or other parties, covered in the register maintained under section 189 of the Companies Act, 2013, Accordingly, the provisions of clause 3(iii) (a),(b) and (c) of the order are not applicable to the company and hence not commented upon.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable. There were no loans granted during the year under Section 185 of the Act.

v. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2021 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.

vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.

vii. According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, except:

SL.NO	Particulars	Amount Rs.
1	TDS Payable	5,91,772
2	Professional tax Payable	15,200
3	GST Payable	6,80,595

(b) Details of dues of Income Tax, Sales Tax, Service Tax, Excise Duty and Value Added Tax which have not been deposited as at March 31, 2021 on account of dispute are given below:

viii. In our Opinion and according to the information and explanations provided by the Management, the company has not defaulted in repayment of loans or borrowings to a financial Institution, bank or Government or dues to debenture holders.

ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.

x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

xi. In our opinion and according to the information and explanations given to us, the Company has not paid / provided any managerial remuneration in accordance with the provisions of section 197 read with Schedule V to the Act.

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

xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.

xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For V RAVI & CO.,
Chartered Accountants
Firm Reg No.: 006492S

Sd/-
D Ramesh Kumar
Partner
Membership No. 217139
UDIN: 21217139AAAAFK8315

Date:30/06/2021
Place: Hyderabad

Annexure "B" to the Independent Auditor's Report

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

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **INFRONICS SYSTEMS LIMITED** ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Management of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance

of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors

of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For V RAVI & CO.,
Chartered Accountants
Firm Reg No.:006492S

Sd/-
D Ramesh Kumar
Partner
Membership No. 217139
UDIN:21217139AAAAFK8315

Date:30/06/2021
Place: Hyderabad

INFRONICS SYSTEMS LIMITED
CIN: L72200TG2000PLC033629
Plot No. 16, Srila Realty Layout, Near Landmark Towers, Madinaguda, Miyapur
Serilingampally Mandal, Hyderabad TG - 500049 IN.
Statement of Financial Position as at March 31, 2021

	Particulars	Note No.	As at Mar 31, 2021	As at Mar 31, 2020
I	**ASSETS**			
1	**Non-current assets**			
	(a) Property, plant and equipment	2	-	-
	(b) Right to use assets		-	-
	(c) Capital work in progress		-	-
	(d) Investment properties		-	-
	(e) Good will		-	-
	(f) Other intangible Assets		-	-
	(g) Intangible Assets under Development		-	-
	(h) Biological Assets other than Bearer Plants		-	-
	(d) Financial assets		-	-
	(i) Investments	3	-	-
	(ii) Trade receivables	4		-
	(iii) Loans	5	24,000	24,000
	(vi) other Fiancial assets	6	-	-
	(e) Deferred Tax Asset (Net)	7	-	-
	(f) Other non-current asset	8	-	-
	Total non-current assets (A)		**24,000**	**24,000**
2	**Current assets**			
	(a) Inventories	9	-	18,96,389
	(a) Financial assets			
	(i) Investments	3	-	-
	(ii) Trade receivables	4	1,86,39,681	69,75,899
	(iii) Loans	5	-	-
	(iii) Cash and cash equivalents	10	2,60,041	49,414
	(iv) Bank Balances other than (iii) above		13,06,504	10,06,504
	(iv) other financial assets	6	-	-
	(b) Current Tax Asset (Net)	7	-	-
	(c) Other current assets	11	30,40,045	49,05,390
	Total current assets (B)		**2,32,46,271**	**1,48,33,596**
	Non Current Assets Clasiffied as Held for Sale (C)		-	-
	Total assets (A+B+C)		**2,32,70,271**	**1,48,57,596**
II	**EQUITY AND LIABILITIES**			
1	**Equity**			
	(a) Equity share capital	12	7,92,64,615	7,92,64,610
	(b) Other equity	13	(8,79,08,916)	(8,94,55,579)
	Total equity (A)		**(86,44,301)**	**(1,01,90,969)**
2	**Liabilities**			
(i)	**Non-current liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	14	-	-
	(ii) Trade Payables	15	-	-
	(iii) Other Financial Liabilties	16		-
	(b) Long term provisions	17	-	-
	(c) Deferred tax Liabilities(Net)		-	-
	(d) Other non Current Liabilities		-	-
	Total non-current liabilities (B)		**-**	**-**
(ii)	**Current liabilities**			
	(a) Financial liabilities			
	(i) Borrowings	14	43,42,284	-
	(ii) Trade payables	15	1,88,39,369	2,04,32,935
	(iii) Other financial liabilities	16	-	-
	(b) Short term provisions	17	2,85,876	-
	(c) Other current liabilities	18	84,47,043	46,15,630
	(d) Current Tax Liabilities (net)	7	-	-
	Total current liabilities (C)		**3,19,14,572**	**2,50,48,565**
	Total liabilities (D=B+C)		**3,19,14,572**	**2,50,48,565**
	Total equity and liabilities (A+D)		**2,32,70,271**	**1,48,57,596**

The notes are an integral part of the financial statements

As per our report of even date
For **V. RAVI & CO.,**
Chartered Accountants
Firm Reg No.006492S

CA D. Ramesh Kumar
Partner
Membership No.217139
UDIN:21217139AAAAFK8315

Place: Hyderabad
Date : 30/06/2021

For and on behalf of the Board of Directors
INFRONICS SYSTEMS LIMITED

Mantena Venkata Surya Ramesh Varma
Director
DIN: 06680580

Korada Srinivasarao
Director
DIN: 06465192

INFRONICS SYSTEMS LIMITED
CIN: L72200TG2000PLC033629
Plot No. 16, Srila Realty Layout, Near Landmark Towers, Madinaguda, Miyapur
Serilingampally Mandal, Hyderabad TG - 500049 IN.
Statement of Profit and Loss and Other Comprehensive Income for the Year ended Mar 31, 2021

	Particulars	Note No.	For the year ended March 31, 2021	For the year ended March 31, 2020
	Continuing Operations			
I	Revenue from operations	19	4,44,24,793	2,06,82,776
II	Other income	20	-	91,612
III	Net gain on de-recognition of financial assets at amortised cost	21	-	-
IV	Net gain on reclassification of financial assets	22	-	-
V	**Total income**		**4,44,24,793**	**2,07,74,388**
VI	**Expenses**			
	(a) Cost of material Consumed	23	3,65,66,691	1,96,48,249
	(b) Purchase of Stock in Trade			
	(c) Changes in stock of finished goods, work-in progress and stock-in-trade	24	-	-
	(d) Employee benefits	25	22,00,000	30,48,698
	(e) Finance cost	26	15,644	-
	(f) Depreciation expense	2	-	-
	(g) Capital Expenditure Written off		-	-
	(h) Net loss on de-recognition of financial assets at amortized cost		-	-
	(i) Net loss on reclassification of financial assets		-	-
	(c) Other expenses	27	38,09,919	6,30,589
	Total expenses (VI)		**4,25,92,254**	**2,33,27,536**
VII	**Profit/(loss) before Share of profit/(loss) of associates / joint ventures, exceptional items and tax (V - VI)**		**18,32,539**	**(25,53,148)**
VIII	Share of profit/(loss) of associates		-	-
	Share of profit/(loss) of joint ventures		-	-
IX	**Profit/(Loss) before exceptional items and tax**		**18,32,539**	**(25,53,148)**
X	**Exceptional itmes**			
XI	**Profit before Tax**		**18,32,539**	**(25,53,148)**
XII	**Tax expense :**			
	a. Current tax		2,85,876	-
	b. Deferred tax		-	-
XIII	**Profit/(loss) for the year from continuing operations (XI-XII)**		**15,46,663**	**(25,53,148)**
	Discontinued Operations			
XIV	Profit/(loss) from discontinued operations		-	-
XV	Tax Expense of discontinued operations		-	-
XVI	**Profit/(loss) from discontinued operations (XIV +XV)**		-	-
XVII	**XVII Profit/(loss) for the year (XIII+XVI)**		**15,46,663**	**(25,53,148)**
XIX	**Other comprehensive income(OCI)**			
	A (i) Items that will not be recycled to profit or loss			
	(a) Changes in revaluation surplus		-	-
	(b) Remeasurements of the defined benefit liabilities / (asset)		-	-
	(c) Equity instruments through other comprehensive income		-	-
	(d) Fair value changes relating to own credit risk		-	-
	(e) Others (specify nature)		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	B (i) Items that may be reclassified to profit or loss		-	-
	(a) Exchange differences in translating the financial statements of foreign operations		-	-
	(b) Debt instruments through other comprehensive income		-	-
	(c) Effective portion of gains and loss on designated portion of hedging instruments in a cash flow hedge		-	-
	(d) Share of other comprehensive income of equity accountedinvestees		-	-
	(e) Others (specify nature)		-	-
	(ii) Income tax on items that may be reclassified to profit or loss		-	-
	Total other comprehensive income		-	-
IX.	**Total comprehensive income for the year (V+ VI)**		**15,46,663**	**(25,53,148)**
X.	**Earning per equity share (for Continuing Opertations)**			
	(i) Basic		0.20	(0.32)
	(ii) Diluted.		0.20	(0.32)
XI.	**Earnings per equity share (for discontinued operation):**			
	(i) Basic		-	-
	(ii) Diluted.		-	-
XII.	**Earnings per equity share (for Continued and discontinued operation):**			
	(i) Basic		0.20	(0.32)
	(ii) Diluted.		0.20	(0.32)

The notes are an integral part of the financial statements

As per our report of even date	For and on behalf of the Board of Directors
For V. RAVI & CO.,	**INFRONICS SYSTEMS LIMITED**
Chartered Accountants	
Firm Reg No.006492S	
	Mantena Venkata Surya Ramesh Varma
	Director
CA D. Ramesh Kumar	DIN: 06680580
Partner	
Membership No.217139	
UDIN:21217139AAAAFK8315	
	Korada Srinivasarao
Place: Hyderabad	Director
Date : 30/06/2021	DIN: 06465192

INFRONICS SYSTEMS LIMITED
CIN: L72200TG2000PLC033629
Plot No. 16, Srila Realty Layout, Near Landmark Towers, Madinaguda, Miyapur
Serilingampally Mandal, Hyderabad TG - 500049 IN.
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March, 2021

		For the year ended March 31, 2021	For the year ended March 31, 2020
A	**CASH FROM OPERATING ACTIVITIES**		
	(Loss)/Profit before tax and extraordinary items	18,32,539	(25,53,148)
	Adjustment for:		
	Income tax expense recognised in profit or loss	-	-
	Finance costs recognised in profit or loss	-	-
	Investment income recognised in profit or loss	-	-
	Gain on disposal of property, plant and equipment	-	-
	Gain on disposal of a subsidiary	-	-
	Gain on disposal of interest in former associate	-	-
	Net (gain)/loss recorded in profit or loss on financial liabilities designated as at fair value through profit or loss	-	-
	Net (gain)/loss arising on financial assets mandatorily measured at fair value through profit or loss	-	-
	Net loss/(gain) arising held for trading financial liabilities	-	-
	Hedge ineffectiveness on cash flow hedges	-	-
	Net (gain)/loss on disposal of available-for-sale financial assets	-	-
	Impairment loss recognised on trade receivables	-	-
	Reversal of impairment loss on trade receivables	-	-
	Depreciation and amortisation of non-current assets	-	-
	Non-current assets written off	-	-
	Net foreign exchange (gain)/loss	-	-
	Expense recognised in respect of equity-settled share-based payments	-	-
	Expense recognised in respect of shares issued in exchange for goods/services	-	-
	Amortisation of financial guarantee contracts	-	-
	Operating Profit before Working Capital Changes	**18,32,539**	**(25,53,148)**
	Movement for Working Capital:		
	Increase in trade and other receivables	(1,16,63,782)	1,16,94,488
	(Increase)/decrease in amounts due from customers under construction contracts		-
	(Increase)/decrease in inventories	18,96,389	(389)
	(Increase)/decrease in other assets	18,65,345	1,13,88,464
	(Increase)/decrease in Loans & Advances		-
	Decrease in trade and other payables	(15,93,566)	(6,87,53,224)
	Increase/(decrease) in amounts due to customers under construction contracts		-
	Increase/(decrease) in provisions		-
	(Decrease)/increase in deferred revenue		-
	(Decrease)/increase in other liabilities	38,31,413	(27,66,189)
	Cash generated from operations	**(38,31,662)**	**(5,09,89,998)**
	- Income taxes paid	-	-
	-	(38,31,662)	(5,09,89,998)
	- Extraordinary & Prior period items	-	-
	NET CASH FROM OPERATING ACTIVITIES	**(38,31,662)**	**(5,09,89,998)**
B	**CASH FLOW FROM INVESTING ACTIVITIES:**		
	Payments to acquire financial assets	-	-
	Proceeds on sale of Investmenst	-	5,05,74,061
	Interest received	-	-
	Royalties and other investment income	-	-
	Dividends received from associates	-	-
	Other dividends received	-	-
	Amounts advanced to related parties	-	-
	Repayments by related parties	-	-
	Payments for property, plant and equipment	-	-
	Proceeds from disposal of property, plant and equipment	-	-
	Payments for investment property	-	-
		-	-
	Payments for intangible assets	-	-
	Net cash outflow on acquisition of subsidiaries	-	-
	Net cash inflow on disposal of subsidiary	-	-
	Net cash inflow on disposal of associate	-	-
	NET CASH FROM INVESTING ACTIVITIES	**-**	**5,05,74,061**

C	**CASH FLOW FROM FINANCING ACTIVITIES**			
	Proceeds from issue of equity instruments of the Company		-	-
	Proceeds from issue of convertible notes		-	-
	Payment for share issue costs		-	-
	Payment for buy-back of shares		-	-
	Payment for share buy-back costs		-	-
	Proceeds from issue of redeemable preference shares		-	-
	Proceeds from issue of perpetual notes		-	-
	Payment for debt issue costs Proceeds from borrowing		-	-
	Proceeds from borrowings		43,42,284	-
	Proceeds from government loans		-	-
	Proceeds on disposal of partial interest in a subsidiary that does not involve loss of control		-	-
	Dividends paid on redeemable cumulative preference shares		-	-
	Dividends paid to owners of the Company		-	-
	Interest paid		-	-
	Long Term Provisions		-	-
	NET CASH FROM FINANCING ACTIVITIES		**43,42,284**	-
	NET INCREASE IN CASH & CASH EQUIVALENTS		**5,10,622**	**(4,15,937)**
	Cash and cash equivalents at the beginning of the year		10,55,918	14,71,855
	Effects of exchange rate changes on the balance of cash held in foreign currencies			-
	Cash and cash equivalents at the end of the year		**15,66,540**	**10,55,918**
Reconciliation of cash and cash equivalents as per the cash flow Statement				
Cash and cash equivalents (Note)				10,55,918
Bank overdraft (Note _)				
Balance as per statement of cash flows			**15,66,540**	**10,55,918**
The notes are an integral part of the financial statements				

As per our report of even date	For and on behalf of the Board of Directors
For **V. RAVI & CO.,**	**INFRONICS SYSTEMS LIMITED**
Chartered Accountants	
Firm Reg No.006492S	
	Mantena Venkata Surya Ramesh Varma
	Director
CA D. Ramesh Kumar	DIN: 06680580
Partner	
Membership No.217139	
UDIN:21217139AAAAFK8315	
	Korada Srinivasarao
Place: Hyderabad	Director
Date : 30/06/2021	DIN: 06465192

Corporate Information:

INFRONICS SYSTEMS LIMITED ("the Company") is a listed entity incorporated in India in the year 2000. The Registered office of the company is located at Plot No. 866, K Complex, Ayyappa Society, 4th Floor, Madhapur, Hyderabad, Telangana-500081, India. The Company is engaged in business of "IT and Software Development Services". The Shares of the company is listed in Bombay Stock Exchange.

Disclosure of Significant Accounting Policies:

1.1 Basis for Preparation of Financial Statements:

a) Compliance with Indian Accounting Standards (Ind As)

The Standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind As) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of the Companies Act, 2013.

The standalone financial statements have been prepared on the historical cost basis except for certain instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Accordingly, the Company has prepared these Standalone Financial Statements which comprise the Balance Sheet as at 31 March, 2021, the Statement of Profit and Loss for the year ended 31 March 2021, the Statement of Cash Flows for the year ended 31 March 2021 and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as 'Standalone Financial Statements' or 'financial statements').

These financial statements are approved by the Board of Directors on -30/06/2021.

b) Basis of Preparation of financial statements

The separate financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) under historical cost convention on accrual basis except the assets and liabilities which have been measured at Fair Values.

- Financial instruments – measured at fair value;
- Assets held for sale – measured at fair value less cost of sale;
- Plan assets under defined benefit plans – measured at fair value
- Employee share-based payments – measured at fair value
- Biological assets – measured at fair value
- In addition, the carrying values of recognized assets and liabilities, designated as hedged items in fair value hedges that would otherwise be carried at cost, are adjusted to record changes in the fair values attributable to

the risks that are being hedged in effective hedge relationship.

Current and Non-Current Classification:

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is classified as current when it satisfies any of the following criteria:

- Expected to be realised, or is intended to be sold or consumed, the Company's normal operating cycle.
- held primarily for the purpose of trading;
- It is expected to be realised within twelve months after the reporting date; or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

- It is expected to be settled in the Company's normal operating cycle;
- It is held primarily for the purpose of being traded
- It is due to be settled within 12 months after the reporting date; or the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.
- Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification

All other liabilities are classified as non-current liabilities.

c) Use of estimates and judgment

The preparation of the financial statements in conformity with Ind AS, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

This note provides an overview of the areas where there is a higher degree of judgment or complexity. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation.

The areas involving critical estimates or judgments are:

S.no	Name of the estimate	Note No	Remarks
1	Fair value of unlisted equity securities	Not applicable	No unlisted equity shares are held by the company during the current financial year
2	Goodwill impairment	Not applicable	No amount provided during the current Financial year
4	Useful life of intangible asset	Not Applicable	Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortised over their respective useful life on straight line basis, from the date they are available for use.
5	Defined benefit obligation	Note No.1.15	Long term provision for gratuity
7	Measurement of contingent liabilities and contingent purchase consideration in a business combination	Note No.1.19	Contingent transactions are recognized based on happening contingent event. No contingent liabilities for the report
8	Current tax expense and current tax payable	Note No.1.32	As per the Ind AS.12
9	Deferred tax assets for carried forward tax losses	Note No.1.32	As per the Ind AS.12
10	Impairment of financial assets	Note No.1.3	As per Ind AS 16

d. **Standards issued but not effective** *(based on Exposure drafts available as on date)*

The amendments are proposed to be effective for reporting periods beginning on or after 1 April 2021.

i). Issue of Ind AS 117 – Insurance Contracts:

Ind AS 117 supersedes Ind AS 104 Insurance contracts. It establishes the principles for the recognition, measurement, presentation and disclosure of

insurance contracts within the scope of the standard. Under the Ind AS 117 model, insurance contract liabilities will be calculated as the present value of future insurance cash flows with a provision for risk.

Application of this standard is not expected to have any significant impact on the Company's financial statements.

Amendments to existing Standards

Ministry of Corporate Affairs has carried out amendments of the following accounting standards:

1. Ind AS 103 – Business Combination - nil
2. Ind AS 1, Presentation of Financial Statements and Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors
3. Ind AS 40 – Investment Property – nil

The Company is in the process of evaluating the impact of the new amendments issued but not yet effective.

e. **Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19):**

In assessing the recoverability of assets including trade receivables, unbilled receivables and investments, the Company has considered internal and external information up to the date of approval of these standalone financial statements including credit reports and economic forecasts. The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The eventual outcome of impact of the global health pandemic COVID-19 may be different from those estimated as on the date of approval of these standalone financial statements.

f. **Historical cost convention and Accrual basis**:

The separate financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) under historical cost convention on accrual basis as per the provisions of Companies Act 2013.

- Financial instruments – measured at fair value;
- Assets held for sale – measured at fair value less cost of sale;
- Plan assets under defined benefit plans – measured at fair value
- Employee share-based payments – measured at fair value
- Biological assets – measured at fair value
- In addition, the carrying values of recognized assets and liabilities, designated as hedged items in fair value hedges that would otherwise be carried at cost, are adjusted

to record changes in the fair values attributable to the risks that are being hedged in effective hedge relationship.

1.2. Ind AS 105: Non-Current Assets held for Sale or Discontinued Operations:

This standard specifies accounting for assets held for sale, and the presentation and disclosure for discontinued operations:

(a) Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less cost to sell, and depreciation on such assets to cease; and
(b) Assets that meet the criteria to be classified as held for sale to be presented separately in the balance sheet and the results of discontinued operations to be presented separately in the statement of profit and loss.

S.no	Particulars of Disclosures	As at 31st March 2021 (Rs.)	As at 31st March 2020(Rs.)
1	A Description of Non-Current Asset (Disposal group)	-	-
2	a description of the facts and circumstances of the sale, or leading to the expected disposal, and the expected manner and timing of that disposal	-	-
3	the gain or loss recognized in accordance with paragraphs 20– 22 and, if not separately presented in the statement of profit and loss, the caption in the statement of profit and loss that includes that gain or loss	-	-

1.3 Ind AS 106: Exploration for Evolution of Mineral resources:

This standard specifies the financial reporting for the exploration for evaluation of mineral resources. In particular this standard requires:

a. Limited improvements to existing accounting practices for exploration and evaluation of expenditures
b. Entities that recognize exploration and evaluation of assets to assess such assets for impairment in accordance with this standard and measure any impairment.

Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for the evaluation of mineral resources and help users of

those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation of assets recognised.

This Ind AS 106 not applicable, As the company is engaged in the business of "IT and Software Development Services". Hence this Ind AS does not have any financial impact on the financial statements of the company.

1.4 Ind AS-16: Property, Plant and Equipment:

Property, Plant and Equipment are stated at cost less accumulated depreciation.
Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Property, plant and equipment which are significant to the total cost of that item of Property Plant and Equipment and having different useful life are accounted for as separately.

Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and carrying amount of the asset is recognized in the statement of profit or loss when the asset is derecognised.

Depreciation on Property Plant and Equipment is provided on Straight line method. Depreciation is provided based on useful life as prescribed under part C of the schedule II of the Companies act, 2013.

S.no	Asset	Use full life in Years
1	Plant and Machinery	3-60
2	Electrical Installations	2-40
3	Lab Equipment	3-60
4	Computers	3-10
5	Office Equipment	2-20
6	Furniture & Fixtures	3-15
7	Vehicles	5-20

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

The books of Accounts of company doesnot carry any Property, Plant and Equipment during the reporting period, hence this accounting standard does not have financial impact on the financial statements of the company.

Impairment

Property Plant and Equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

1.5 Impairment Assets (Ind AS 36)

The Company's non-financial assets, other than deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

The books of accounts of the company doesn't carry any impairment of assets during the reporting period, hence this accounting standard does not have financial impact on the financial statements of the company.

1.6 Intangible assets (Ind AS 38):

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their estimated useful life on straight line basis.

Subsequent costs are included in assets carrying amount or recognized or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

The residual Values, useful lives and methods of depreciation of Property Plant and Equipment are reviewed at each Financial year end and adjusted prospectively, if appropriate.

Gains or losses arising from derecognition of Intangible asset are measured as the difference between the net disposal proceeds and carrying amount of the asset is recognized in the statement of profit or loss when the asset is derecognised.

The books of accounts of the company doesn't carry any Intangible assets during the reporting period, hence this accounting standard does not have financial impact on the financial statements of the company.

1.7 Cash Flow Statement (Ind AS 7):

Cash flows are reported using the indirect method under Ind AS 7, whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

a). Non-cash items: Nil

b). Changes in Liability Arising from Financing Activity:

Particulars	01-Apr-20	Cash Flow		31-Mar-21
		Receipts	Payments	
Current Borrowings	-	43,42,284	-	43,42,284
Non-current Borrowings	-	-	-	-
Total	**-**	**43,42,284**	**-**	**43,42,284**

1.8 Operating Cycle:

The Company has adopted its normal operating cycle as twelve months based on the nature of products and the time between the acquisition of assets for processing and their realization, for the purpose of current / non-current classification of assets and liabilities.

1.9 Capital Work In Progress

Capital Work in Progress (CWIP) includes Civil Works in Progress, Plant & Equipment under erection and Preoperative Expenditure pending allocation on the assets to be acquired/commissioned, capitalized. It also includes payments made to towards technical know-how fee and for other General Administrative Expenses incurred for bringing the asset into existence.

1.10 Investments:

Investments are classified as Non-Current and Current investments.
Investments, which are readily realisable and are intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as non-current investments.

Current investments are carried at lower of cost and fair value. Non-Current Investments are carried at cost less provision for other than temporary diminution, if any, in value of such investments.

1.11 Effects of changes in Foreign Rates (Ind AS 21):

Foreign currency transactions are recorded at the exchange rates prevailing on the dates when the relevant transactions took place. Exchange difference arising on settled foreign currency transactions during the year and translation of assets and liabilities at the yearend are recognized in the statement of profit and loss.

In respect of Forward contracts entered into to hedge risks associated with foreign currency fluctuation on its assets and liabilities, the premium or discount at the inception of the contract is amortized as income or expense over the period of contract. Any profit or loss arising on the cancellation or renewal of forward contracts is recognized as income or expense in the period in which such cancellation or renewal is made.

The company has not entered any foreign exchange transactions during the reporting period, hence this accounting standard does not have financial impact on the financial statements.

1.12 Borrowing Costs (Ind AS 23):

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for the intended use or sale.

Investment income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is recognised in statement of profit and loss.

Discounts or premiums and expenses on the issue of debt securities are amortised over the term of related securities are included within borrowing costs. Premiums payable on early redemptions of debt securities, in lieu of future costs, are recognised as borrowing costs.

All other borrowing costs are recognised as expenses in the period in which it is incurred.

1.13 Revenue Recognition (Ind AS 18) :

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured**.** The following specific recognition criteria must also be met before revenue is recognized:

a) Sales Revenue is recognized on dispatch to customers as per the terms of the order. Gross sales are net of returns and applicable trade discounts and excluding GST billed to the customers.

b) Subsidy from Government is recognized when such subsidy has been earned by the company and it is reasonably certain that the ultimate collection will be made.

c) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head “other income” in the statement of profit and loss.

d) All other incomes are recognized based on the communications held with the parties and based on the certainty of the incomes.

1.14 Accounting for Government Grants and Disclosure of Government Assistance (Ind AS 20):

Government grants:

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will

be received.

Government grants are recognised in the Statement of Profit and Loss on a systematic basis over the years in which the Company recognises as expenses the related costs for which the grants are intended to compensate or when performance obligations are me.

Government grants, whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets and nonmonetary grants are recognised and disclosed as 'deferred income' under non-current liability in the Balance Sheet and transferred to the Statement of Profit and Loss on a systematic and rational basis over the useful lives of the related assets.

The benefit of a government loan at a below-market rate of interest and effect of this favourable interest is treated as a government grant. The loan or assistance is initially recognised at fair value and the government grant is measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates and recognised to the income statement immediately on fulfillment of the performance obligations. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

1.15 Inventories (Ind AS 2):

Inventories are assets:

a. Held for sale in the ordinary course of business;
b. In the process of production for such sale;
c. In the form of materials or supplies to be consumed in the production process or in the rendering of services

Net Realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Inventories at the year end are valued as under:

Raw Materials, Packing Material, Components, Consumables and Stores & Spares	At Cost as per First in First out Method (FIFO).
Work In Progress and Finished goods	At lower of net realizable value and Cost of Materials plus Cost of Conversion and other costs incurred in bringing them to the present location and condition.

- Cost of Material excludes duties and taxes which are subsequently recoverable.
- Stocks at Depots are inclusive of duty, wherever applicable, paid at the time of dispatch from Factories.
- Based on the information provided the difference between physical verification and valuation of the of inventories are charged to the profit and loss account.

The books of accounts the company doesnot carry any inventory value during the reporting period, and hence this accounting standard doesnot have financial impact on the Financial Statements.

1.16 Trade Receivables – Doubtful debts:

A Trade receivable represents the company's right to an amount of consideration that is unconditional.

Provision is made in the Accounts for Debts/Advances which is in the opinion of Management are Considered doubtful of Recovery.

1.17 Retirement and other Employee Benefits:

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as expenditure, when an employee renders related service.

Gratuity liability is a defined benefit obligation and the cost of providing the benefits under this plan is determined on the basis of actuarial valuation at each year-end. Actuarial valuation is carried out for this plan using the projected unit credit method. Actuarial gains and losses for defined benefits plan is recognized in full in the period in which they occur in the statement of profit and loss.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

1.18 Ind AS 17- Leases

A Lease is classified as a Finance Lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Finance charges in respect of finance lease obligations are recognized as finance costs in the statement of profit and loss. In respect of operating leases for premises, which are cancellable / renewable by mutual consent on agreed terms, the aggregate lease rents payable are charged as rent in the Statement of Profit and Loss.

1.19 Insurance Claims:

Insurance Claims are accounted for on the basis of claims admitted/excepted to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

1.20 Earnings per Share (Ind AS 33):

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.21 Provisions, Contingent Liabilities and Contingent Assets (Ind AS 37):

Provisions are recognised in the balance sheet when the company has a present obligation (legal or constructive) as a result of a past event, which is expected to result in an outflow of resources embodying economic benefits which can be reliably estimated. Each provision is based on the best estimate of the expenditure required to settle the present obligation at the balance sheet. Where the time value of money is material, provisions are made on a discounted basis.

Disclosure for Contingent liabilities is made when there is a possible obligation or present 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 the past events where it is either not probable that an outflow of resources embodying in economic benefits will be required to settle or a reliable estimate of amount cannot be made.

Disclosure for Contingent assets are made when there is possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. However Contingent assets are neither recognized nor disclosed in the financial statements.

1.22 Prior Period and Extraordinary and Exceptional Items:

(i) All Identifiable items of Income and Expenditure pertaining to prior period are accounted through ''Prior Period Items''.

(ii) Extraordinary items are income or expenses that arise from events or transactions that are clearly distinct from the ordinary activities of the enterprise and, therefore, are not expected to recur frequently or regularly. The nature and the amount of each extraordinary item be separately disclosed in the statement of profit and loss in a manner that its impact on current profit or loss can be perceived.

(iii) Exceptional items are generally non-recurring items of income and expenses within profit or loss from ordinary activities, which are of such, nature or incidence.

1.23 Financial Instruments (Ind AS 107 Financial Instruments: (Disclosures)

I. Financial assets:

A. Initial recognition and measurement

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

B. Subsequent Measurement

a) Financial assets measured at amortized cost (AC)

A financial asset is 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.

b) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose Objective is achieved by both collecting contractual cash flows and selling financial

assets 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.

c) Financial assets measured at fair value through profit or loss (FVTPL)

A Financial asset which is not classified in any of above categories are measured at FVTPL e.g. investments in mutual funds. Financial assets are reclassified subsequent to their recognition, if the Company changes its business model for managing those financial assets. Changes in business model are made and applied prospectively from the reclassification date which is the first day of immediately next reporting period following the changes in business model in accordance with principles laid down under Ind AS 109 –Financial Instruments.

II. Financial Liabilities

A. Initial recognition

All financial liabilities are recognized at fair value and in case of borrowings, net of directly attributable cost. Fees of recurring nature are directly recognized in the Statement of Profit and Loss as finance cost.

B. Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments

1.24 Contingent Liabilities not provided for and commitments:

(in Rupees)

Nature of Contingent Liability	March 31, 2021	March 31, 2020
i. Unexpired guarantees issued on behalf of the company by Banks for which the Company has provided counter guarantee	NIL	NIL
ii. Bills discounted with banks which have not matured	Nil	Nil
iii. Corporate Guarantees issued by Company on behalf of others to Commercial Banks & Financial Institutions	Nil	Nil
iv. Collateral Securities offered to Banks for the limit Sanctioned to others	Nil	Nil
v. Legal Undertakings given to Customs Authorities for clearing the imports	Nil	Nil
vi. Claims against the company not acknowledged as debts		

a.	Excise	NIL	NIL
b.	Sales Tax	NIL	NIL
c.	Service Tax	Nil	Nil
d.	Income Tax	NIL	NIL
e.	Civil Proceedings	NIL	NIL
f.	Company Law Matters	Unascertainable	Unascertainable
g.	Criminal Proceedings	Unascertainable	Unascertainable
h.	Others	Nil	Nil
vii.	Estimated amounts of contracts remaining to be executed on Capital Account and not provided for	Nil	Nil

1.25 Operating Segments (Ind AS 108)

Operating segment is a component of an entity:

a. That engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity).
b. Whose operating results are regularly reviewed by the entity's chief operating decision maker to make decision about resources to be allocated to the segments and assess its performance, and
c. For which discrete financial information is available.

The Company is engaged in business of "IT and Software Development Services". As there are no separate reportable segments, Segment Reporting as per Ind AS -108, "Operating Segments" is not applicable.

1.26 Events After the Reporting Period (Ind AS 10)

Events after the reporting period are those events, favorable and unfavourable, that occur between the end of the reporting and the date when the financial statements are approved by the Board of Directors in case of a company, and, by the corresponding approving authority in case of any other entity for issue. Two types of events can be identified:

a. Those that provide evidence of conditions that existed at the end of reporting period (adjusting events after the reporting period);
b. Those that are indicative of conditions that arose after the reporting period (non-adjusting events after the reporting period).

An entity shall adjust the amounts recognized in its financial statements to reflect adjusting events after the reporting period.

As per the information provided and Books of Accounts no such events are identified during the reporting period. Hence Ind AS 10 Events After the Reporting Period is not applicable.

1.27 Construction Contracts (Ind AS 11)

Construction contract is a contract specifically negotiated for the construction of an asset or a combination of assets that are closely interrelated or interdependent in terms of their design, technology, and function or their ultimate purpose or use.

The company is engaged in business of "IT and Software Development Services", hence Ind AS 11 “Construction Contract” is not applicable.

1.28 Income Taxes (Ind AS 12)

The Tax Expense for the period comprises of current and deferred tax.

- **Current Tax:**
  Current Tax Assets and Liabilities are measured at the amount expected to be recovered from or paid to the Income tax authorities, based on tax rates and laws that are enacted at the Balance Sheet date.
- **Deferred Tax:**
  Deferred tax liabilities are recognized for all timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

  At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.
  The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

New and Amended Standards

1.29 Amendment to Ind AS 116: COVID -19 Related Rent Concessions:

The amendments provide relief to lessees from applying Ind AS 116 guidance on lease modification accounting for rent concessions arising as a direct consequence of Covid-19 pandemic. As a practical expedient, a lessee may elect not to access whether a Covid-19 related rent concession from a lessor is lease modification. A lessee that makes this election accounts for any change in lease payments resulting from COVID-19 related rent concession the same way it would account for the changes under Ind AS 116, if changes were not lease modifications. This Amendment had no impact on the standalone financial statements of the Company.

1.30 Amendment to Ind AS 1 and Ind AS 8: Definition of material:

The Amendments provide a new definition of material that states "information is material if omitting, misstating or obscuring it is reasonably be expected to influence decisions that the primary uses of general purpose financial statements make on the basis of those financial statements, which provide financial information about specific reporting entity". The amendments clarify that materiality will depend on the nature of magnitude of information, either individually or in combination with other information, in the context of the financial year statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on standalone financial statements of the company.

1.31 Amendment to Ind AS 107 and Ind AS 109: Interest Rate Benchmark Reform:

The amendments to Ind AS 109 Financial Instruments: Recognition and Measurements provide number of reliefs, which apply to all hedging relationships that are directly affected interest rate benchmark reform. A hedging relationship is affected if the reform gives raise to uncertainty about the timing and/or amount of bench mark -based cash flow of hedging items or hedging instrument. These amendments have no impact on the standalone financial statements of the company as it does not have any interest rate hedge relation.

The amendment to Ind AS 107 prescribe the disclosure which entities are required to make for hedging relationship to which the reliefs as per the amendments in Ind AS 109 are apply. This amendment had no impact on the standalone financial statement of the company.

INFRONICS SYSTEMS LIMITED						
Notes to accounts						
Note 2: Property, Plant Equipment						Amount Rs.
Particular	**Plant & Machinery**	**Computers**	**Office Equipment**	**Furniture & Fixtures**	**Vehicles**	**Total**
Cost/Deemed Cost:						
As at March 2019	**-**	**-**	**-**	**-**	**-**	**-**
Additions	-				-	-
Deletions	-			-	-	-
As at March 2020	**-**	**-**	**-**	**-**	**-**	**-**
Additions	**-**	**-**	**-**	**-**	**-**	**-**
Deletions	**-**	**-**	**-**	**-**	**-**	**-**
As at March 2021	**-**	**-**	**-**	**-**	**-**	**-**
Depreciation/Impairment	**-**	**-**	**-**	**-**	**-**	**-**
As at March 2019	-	-	-	-	-	-
Depreciation for the year	-	-	-	-	-	-
Disposals		-	-	-	-	-
Impairment	-	-	-	-	-	-
As at March 2020	**-**	**-**	**-**	**-**	**-**	**-**
Depreciation for the year	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Impairment	-	-	-	-	-	-
As at March 2021	**-**	**-**	**-**	**-**	**-**	**-**
Net Book Value						
As at March 2021	-	-	-	-	-	-
As at March 2020	-	-	-	-	-	-
As at March 2019	-	-	-	-	-	-
Note 1(a): Other Intangible Assets						
Particular	**Trade marks**					
Cost/Deemed Cost:						
As at March 2019	**-**					
Additions	-					
Deletions						
As at March 2020	**-**					
Additions	**-**					
Deletions	**-**					
As at March 2021	**-**					
Depreciation/Impairment	**-**					
As at March 2019	**-**					
Depreciation for the year	-					
Disposals	-					
Imapaitmenty	-					
As at March 2020	**-**					
Depreciation for the year	-					
Disposals	-					
Imapaitmenty	-					
As at March 2021	**-**					
Net Book Value						
As at March 2021	-					
As at March 2020	-					
As at March 2019	-					

INFRONICS SYSTEMS LIMITED			
CIN: L72200TG2000PLC033629			
Plot No. 16, Srila Realty Layout, Near Landmark Towers, Madinaguda, Miyapur			
Serilingampally Mandal, Hyderabad TG - 500049 IN.			
Notes annexed to and forming part of the Financial Statements			
Note.3 : Invesments			
S.No	**Particulars**	**As at Mar 31, 2021**	**As at Mar 31, 2020**
	Non Current		
1	Investments in quoted shares	-	-
2	**(i) Investment in unquoted shares of subsidiaries**	-	-
	a) Mobiprise Systems Private Limited (1,46,10,996 Equity shares of Rs.3/- Each)	-	-
	(ii) Investment in unquoted shares of subsidiaries		
	b) Biomorf Systems Ltd (1,12,68,563 equity shares of Rs.1/- each)	-	-
3	Investment in Joint Ventures	-	-
4	Investment in Preference Shares	-	-
5	Investment in partnerships	-	-
	Total	**-**	**-**
	Current		
1	Investments in quoted shares	-	-
2	Investment in unquoted shares of subsidiaries	-	-
3	Investment in Joint Ventures	-	-
4	Investment in Preference Shares	-	-
5	Investment in partnerships	-	-
	Total	**-**	**-**
Note 4:Trade Receivables			
S.No	**Particulars**	**As at Mar 31, 2021**	**As at Mar 31, 2020**
	Non Current		
A	**Secured and considered good:**		
	-From Related party	-	-
	-From Others	-	-
B	**Unsecured and considered good:**		
	-From Related party	-	-
	-From Others	-	-
C	**Doubtful:**		
	-From Related party	-	-
	-From Others	-	-
	Less: allowance for doubtfull debts	-	-
	Total	**-**	**-**
	Current:		
A	**Secured and considered good:**		
	-From Related party	-	-
	-From Others	-	-
B	**Unsecured and considered good:**		
	-From Related party	-	-
	-From Others	1,86,39,681	69,75,899
C	**Doubtful:**		
	-From Related party	-	-
	-From Others	-	-
	Less: allowance for doubtfull debts	-	-
	Total	**1,86,39,681**	**69,75,899**
Note 5: Loans			
S.No	**Particulars**	**As at Mar 31, 2021**	**As at Mar 31, 2020**
	Non Current:		
A	**Loans :**		
1	To related parties	-	-
2	to other boady corporate	-	-
3	to employees	-	-
4	Securirty Deposits	24,000	24,000
5	Less: allowances for Doubfull loans	-	-
	Total Loans	**24,000**	**24,000**
	Notes:		
1	Considered good	-	-
2	Considered Doubt full, Provided:	-	-
3	To related parties	-	-
4	To other boady corporate	-	-
5	To employees	-	-
	Total	**24,000**	**24,000**
	Current:		
A	**Loans :**		
1	To related parties	-	-
2	To other body corporate	-	-
3	To employees	-	-
4	Security Deposits	-	-
5	Less: allowances for Doubfull loans	-	-
	Total	**-**	**-**

INFRONICS SYSTEMS LIMITED			
	Notes:		
1	Considered fgood	-	-
2	Considered Doubt full, Provided:	-	-
3	To related parties	-	-
4	to other boady corporate	-	-
5	to employees	-	-
Note 6: Other Financial Assets			
S.No	**Particulars**	**As at Mar 31, 2021**	**As at Mar 31, 2020**
	Non Current		
1	Export benefits and entitlements	-	-
2	Insurance claims recievable	-	-
3	Advances toiwards equity/preference share capital	-	-
4	**Derivative instrucments:**		
a	Dreivative instruments at fair value	-	-
b	Cash flow hedges	-	-
c	Foreign exchange forward contracts	-	-
	Total Derivative Instruments at fair value through OCI	**-**	**-**
5	**Derivative instruments at fair value through profit or loss through OCI:**		
	Derivatives not designated as hedges	-	-
	Foreign exchange forward contracts	-	-
	Embedded derivatives	-	-
	Total derivative instruments at fair value through profit or loss	-	-
	Total Financial Assets	**-**	**-**
	Current		
1	Export benefits and entitlements	-	-
2	Insurance claims recievable	-	-
3	Advances toiwards equity/preference share capital	-	-
4	**Derivative instrucments:**		
a	Dreivative instruments at fair value	-	-
b	Cash flow hedges	-	-
c	Foreign exchange forward contracts	-	-
	Total Derivative Instruments at fair value through OCI	**-**	**-**
5	**Derivative instruments at fair value through profit or loss through OCI:**	-	-
	Derivatives not designated as hedges	-	-
	Foreign exchange forward contracts	-	-
	Embedded derivatives	-	-
	Total derivative instruments at fair value through profit or loss	-	-
	Total Financial Assets	**-**	**-**

INFRONICS SYSTEMS LIMITED			
Note 7: Income Taxes			
S.No	**Particulars**	**As at Mar 31, 2021**	**As at Mar 31, 2020**
	a). Current Tax liability		
	Opening Balance	-	-
	Add: Current tax payble for the year	-	-
	Less: Taxes Paid	-	-
	Closing balances	**-**	**-**
	b). Current Tax Asset	-	-
	Opening Balance		
	Add: Taxes paid/TDS Receivable	-	-
	Less: Current tax payable for the year	-	-
	Closing Balance	-	-
	c). Differed Tax Asset		
	Differed tax Asset - (A)	-	-
	Provision for Emplyoees	-	-
	Waranty Provisions	-	-
	Loss allowance on financial and Contract Assets	-	-
	Others	-	-
	Sub Total (A)	-	-
	Differred tax Liabilty- (B)		
	Opening Balance	-	-
	on Written down value of fixed assets	-	-
	Others	-	-
	Sub Total (B)	**-**	**-**
	Total (A-B)	**-**	**-**
Note 8: Other Assets Non Current Assets			
S.No	**Particulars**	**As at Mar 31, 2021**	**As at Mar 31, 2020**
A	**Other Non-Current Assets**		
	Capital Advances	-	-
	Advances other than capital advances	-	-
	Security Deposits:		
	Government Authorities - Electricity Dept	-	-
	— Advances to Related Parties	-	-
	— Other Advances	-	-
	Total of Other Non-current Assets	**-**	**-**
Note 9: Inventories			
	Particulars	**As at Mar 31, 2021**	**As at Mar 31, 2020**
	Stock in Trade	-	18,96,389
	Total Inventories	**-**	**18,96,389**
Notes 9a): Disclaousre of Inventories pledged as security for liabilties as follows			
S.No		**Carrying Amount Rs.**	**Carrying Amount Rs.**
A	**As at 31st March 2021**		
a	Raw Material	-	-
b	Work In Process	-	-
c	Finished Goods	-	-
B	**As at 31st March 2020**		
a	Raw Material	-	-
b	Work In Process	-	-
c	Finished Goods	-	-
	Total Inventories	**-**	**-**

INFRONICS SYSTEMS LIMITED			
Note 10: Cash and Cash Equivalents			
S.No	**Particulars**	**As at Mar 31, 2021**	**As at Mar 31, 2020**
1	Cash and Cash Equivalents (Note 9.1)	2,60,041	49,414
2	Bank Balances other than Cash and Cash Cash Equivalents	13,06,504	10,06,504
	Total Cash and Cash Equivalents	**15,66,545**	**10,55,918**
Notes:			
1. In the Balance sheet Cash comprises cash and demand deposits.			
2.Cash equivalents are held for the purpose of short term cash commitments rather than for investment or other purpose			
Note 10a): Cash and Cash Equivalents			
S.No	**Particulars**	**As at Mar 31, 2021**	**As at Mar 31, 2020**
	Cash Balances	**37,126**	**37,126**
	On Current Accounts:		
	Balance with Scheduled Banks	2,22,915	12,288
	Total Cash and Cash Equivalents	**2,60,041**	**49,414**
Note 11: Other Current Assets			
S.No	**Particulars**	**As at Mar 31, 2021**	**As at Mar 31, 2020**
	Other Current Assets		
1	**Capital Advances:**		
	Advances to Plant and Machinery	-	-
2	**Advances other than capital advances:**		
	MAT Credit Entitlement	-	-
3	Security Deposits	-	-
4	Advances to Suppliers	-	-
5	**Other Advances:**		-
	Balance in Indirect Tax Payable account	-	-
	VAT Receivable	4,76,758	4,76,758
	Income Tax Refund Receivable	1,00,778	15,95,884
	GST Receivable	-	6,02,354
	TDS Receivable	-	22,30,394
	Other Receivables	24,62,509	-
	Total of Other current Assets	**30,40,045**	**49,05,390**
Note 14: Borrowings			
S.No	**Particulars**	**As at Mar 31, 2021**	**As at Mar 31, 2020**
	Non-Current:		
1	Bonds	-	-
2	Debentures(Secured)	-	-
3	**Term loans:**		
i	Secured	-	-
ii	Unsecured	-	-
iii	From banks	-	-
iv	Working Capital	-	-
v	Deferred payment liabilities	-	-
vi	Other Loans	-	-
vii	-Finance lease obligations	-	-
viii	- Preference shares	-	-
ix	Interest-free sales Tax deferal loan from state Govt.	-	-
4	**Unsecured Loans**		
i	Loans fom Individuals other than Banks		-
	Total	**-**	**-**

INFRONICS SYSTEMS LIMITED			
	Current:		
1	Bonds	-	-
2	Debentures(Secured)	-	-
3	**Term loans:**		
i	Secured	-	-
ii	Unsecured	-	-
iii	From banks	-	-
iv	Working Capital	-	-
v	Deferred payment liabilities	-	-
vi	Other Loans	-	-
vii	-Finance lease obligations	-	-
viii	- Preference shares	-	-
ix	Interest-free sales Tax deferal loan from state Govt.	-	-
4	**Unsecured Loans**		
i	Loans fom Individuals other than Banks	43,42,284	-
	Total	**43,42,284**	**-**

Disclores regarding Borrowings			
S.No	Particualrs	**As at Mar 31, 2021**	**As at Mar 31, 2020**
	Non Current		
	Term Loans	-	-
	From Banks	**-**	**-**

S.No	**Particualrs**	**As at Mar 31, 2021**	**As at Mar 31, 2020**
	Current		
	Secured		
	Term Loans	-	-
	From Banks	-	-
	Interest-free sales Tax deferal loan from state Govt.	-	-
	Unsecured		
	Unsecured loans from individulas other than Banks	-	-

Note 15 : Trade Payables

S.No	**Particulars**	**As at Mar 31, 2021**	**As at Mar 31, 2020**
	Non Current:		
A	**Trade payables**		
	Dues to Micro, Small and Medium Enterprises	-	-
	Dues to other than Micro, Small and Medium Enterprises	-	-
	Sub Total	-	-
	Total	**-**	**-**
	Current:		
A	**Trade payables**		
	Dues to Micro, Small and Medium Enterprises	-	-
	Dues to other than Micro, Small and Medium Enterprises	1,88,39,369	2,04,32,935
	Total	**1,88,39,369**	**2,04,32,935**

Note: Dues to micro and small enterprises - As per Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED' Act) This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

INFRONICS SYSTEMS LIMITED			
Note 16 :Other Financial Liabilities			
S.No		**As at Mar 31, 2021**	**As at Mar 31, 2020**
	Non Current:		
1	Invester enducation protection fund	-	-
4	**Others:**		
i	Retention money for capital projects	-	-
ii	Payble towards capital expenditure	-	-
iii	Payble towards Services received	-	-
iv	Payble towards other expenses	-	-
v	Interest accrued but no due on borrowings	-	-
	Total	**-**	**-**
	Current		
1	Current Maturities of Long Term Borrowings	-	-
2	Current Maturities of finance lease obligation	-	-
3	Invester enducation protection fund	-	-
4	**Others:**		
i	Retention money for capital projects	-	-
ii	Payble towards capital expenditure	-	-
iii	Payble towards Services received	-	-
iv	Payble towards other expenses	-	-
v	Interest accrued but no due on borrowings	-	-
	Total	**-**	**-**
Note 17: Provisions			
S.No	**Particualrs**	**As at Mar 31, 2021**	**As at Mar 31, 2020**
	Non Current:		
	a). Provision for Emplyoee Bebefits		
	For Provident Fund	-	-
	For gratuity	-	-
	Provision for compensated absences	-	
	b). Others		
	Service Waranties	-	-
	Statutory Dues	-	-
	Legal Calims	-	-
	Total	**-**	**-**
	Current:		
	a). Provision for Emplyoee Benefits		
	For Provident Fund	-	-
	For gratuity	-	-
	Provision for compensated absences	-	-
	b). Others		
	Service Waranties	-	-
	Statutory Dues		-
	Income Tax Payable	2,85,876	
	Legal Calims	-	-
	Total	**2,85,876**	**-**
Note 18 : Other current Liabilities			
S.No	**Particulars**	**As at Mar 31, 2021**	**As at Mar 31, 2020**
	a).Revenue Received in Advance		
	Advances From customers	-	-
	b).Other Payables	-	-
	Statutory Dues Payable		
	Provident fund payable	-	-
	Professional Tax payable	15,200	14,400
	ESI contribution payable		-
	Interest Payable on statutory dues		-
	TDS payable	5,91,772	59,796
	Salaries payable	20,62,398	23,75,124
	GST Payable	6,80,595	-
	Other dues Payable		
	K Sandhya	26,94,508	9,67,516
	M Vindhya	14,00,000	9,50,000
	K Srinivasa Rao		-
	Other Expenses payable	7,06,270	1,48,794
	Statutory Audit fee payable	2,96,300	1,00,000
	Total	**84,47,043**	**46,15,630**

INFRONICS SYSTEMS LIMITED			
Note 19: Revenue from operations			
	Particulars	**For the year ended March 31, 2021**	**For the year ended March 31, 2020**
A	**Revenue from contracts with customers disaggregated based on nature of product or services**		
	Revenue from Sale of Products		
	a). Sale of Products	-	-
	b). Stock in Trade	-	-
	Net Revenue	**-**	**-**
	Revenue from Sale Service		
	a). Software services	4,44,24,793	##########
	b). Other Services	-	-
	Sub total	**4,44,24,793**	**2,06,82,776**
	Other Operating Revenues		
	a). Export Incentives	-	-
	b). Royalty Received	-	-
	From subsidiaries and associates	-	-
	From others	-	-
	c). Scrap Sale	-	-
	d). Others	-	-
	Sub total	**-**	**-**
	Total Revenue from Operations	**4,44,24,793**	**2,06,82,776**
B	**Disaggregated revenue information**		
	Revenue from contracts with customers disaggregated based on geography		
	a).Domestic	-	-
	b).Export	-	-
		-	-
	C)Reconciliation of Gross Revenue from Contracts With Customers		
	Gross Revenue	-	-
	Less: Discount	-	-
	Less: Returns	-	-
	Less: Price Concession	-	-
	Less: Incentives and performance bonus	-	-
	Less: Goods and Service Tax	-	-
	Net Revenue recognised from Contracts with Customers	-	-
	The Company does not have any remaining performance obligation as contracts entered for sale of goods are for a shorter duration. There are no contracts for sale of services wherein, performance obligation is unsatisfied to which transaction price has been allocated.		

INFRONICS SYSTEMS LIMITED			
Note 20: Other Income			
	Particulars	**For the year ended March 31, 2021**	**For the year ended March 31, 2020**
	Interest income		
	a).Financial assets mandatorily measured at fair value through profit or loss	-	-
	b). Interest income on financial assets fair valued through other comprehensive income		
	-Non Convertible debentures	-	-
	c). Financial assets carried at amortised cost		
	Tax free bonds and government bonds	-	-
	Deposits with banks and others	-	-
	Sub toal (i)	-	-
	Dividend Income		
	a).Investments mandatorily measured at fair value through profit or loss	-	-
	b).Equity investment designated at fair value through other comprehensive income	-	-
	Sub total (ii)	-	-
	Unwinding of discount on security deposits(iii)	-	-
	Government grants (iv)	-	-
	Rental income on Investment Properties (v)	-	-
	Others Interest	-	91,612
	Total(i+ii+iii+iv+v)	**-**	**91,612**
Note 21: Net gain on de-recognition of financial assets at amortised cost			
	Particulars	**For the year ended March 31, 2021**	**For the year ended March 31, 2020**
	Profit on sale of land and buildings	-	-
	Written off of liability	-	-
	Total Gain	**-**	**-**
Note 22: Net gain on reclassification of financial assets			
	Deposits with banks and others	**For the year ended March 31, 2021**	**For the year ended March 31, 2020**
	Profit on sale of land and buildings	-	-
	Written off of liability	-	-
	Total Gain	**-**	**-**
Note 23 Cost of Material Consumed			
	Particulars	**For the year ended March 31, 2021**	**For the year ended March 31, 2020**
	A. Raw Material Consumed		
	Raw materials at the beginning of the year	18,96,389	18,96,000
	Add: Purchases During the year	3,46,70,302	1,96,48,638
	Less: Raw materials at the end of the year	-	18,96,389
	Total cost of raw material consumed	**3,65,66,691**	**1,96,48,249**
	B). Packing Material		
	Packing materials at the beginning of the year	-	-
	Add : Purchases During the year	-	-
	Less: Packing materials at the end of the year	-	-
	Total cost of packing materials consumed (B)	**-**	**-**
	Total cost of Materials consumed (A)+(B)	3,65,66,691	1,96,48,249

INFRONICS SYSTEMS LIMITED			
Note 24 Changes in inventories of finished goods, work-in-progress and stock-in-trade			
	Particulars	**For the year ended March 31, 2021**	**For the year ended March 31, 2020**
	Opening Balance		
	Finished Goods	-	-
	Work in Progress	-	-
	Stock in Trade (Including Goods in Transit)	-	-
	Spares and Consumables	-	-
	Total Opening Balnces	**-**	**-**
	Closing Balance	**-**	**-**
	Finished Goods	-	-
	Work in Progress	-	-
	Stock in Trade (Including Goods in Transit)	-	-
	Spares and Consumables	-	-
	Total Closing Balance	-	-
	Total Changes in inventories of finished goods, work-inprogress and stock-in-trade	**-**	**-**

INFRONICS SYSTEMS LIMITED			
Note 25 Empolyee Bebefits			
	Particulars	**For the year ended March 31, 2021**	**For the year ended March 31, 2020**
	Salaries, Wages, Bonus etc.	22,00,000	30,48,698
	Contribution to P.F, E.S.I and Other Statutory Funds	-	-
	Employee share based payment expenses	-	-
	Gratuity	-	-
	Leave compensation	-	-
	Post-employment pension benefits	-	-
	Post-employment medical benefits	-	-
	Staff welfare expenses	-	-
	Total Employee benefits	**22,00,000**	**30,48,698**
Note 26 Finance Cost			
	Particulars	**For the year ended March 31, 2021**	**For the year ended March 31, 2020**
	Interest and finance charges on financial liabilities carried at amortised cost		
	a). Interest on Bank Borrowings	-	-
	b). Interest on Bill Discounting	-	-
	c). Other Interest Expenses(Bank Charges)	15,644	-
	Less: Amount Capitalised		
	Total Interest on financial liabilities carried at amortised cost	**15,644**	**-**
	Intest on Trade payables (as per MSME Act)	-	-
	Interest on delayed payment of statutory dues	-	-
	Unwinding of discount on provision	-	-
	Exchange difference regarded as adjustment to borrowing costs	-	-
	Dividend on redeemable preference shares (including dividend distribution tax)	-	-
	Total Finance Cost	**15,644**	**-**
Note 2 : Depreciation and Amortisation Expenses			
	Particulars	**For the year ended March 31, 2021**	**For the year ended March 31, 2020**
	Depreciation on plant, property and equipment	-	-
	Depreciation on Investment properties	-	-
	Amortisation on Intangible assets	-	-
	Total depreciation and Amortisation expenses	**-**	**-**

INFRONICS SYSTEMS LIMITED			
Note 27 : Other expenses			
	Particulars	**For the year ended March 31, 2021**	**For the year ended March 31, 2020**
	Audit Fees	1,00,000	1,00,000
	Rates and Taxes	12,67,046	1,36,528
	Computer maintainance	4,280	4,365
	Telephone & SMS Charges	1,47,278	-
	Office maintainance	-	18,748
	Repairs & Maintainance	20,508	
	Printing & Stationery	-	42,000
	Professional & Consultancy	1,84,000	47,367
	Rent	74,400	1,45,000
	Vehicle Maintenance	1,94,343	-
	Advertisement	96,426	93,375
	Bank Charges	-	2,854
	Interest on TDS	26,193	-
	Other Interest & Charges	1,407	-
	Insurance	15,450	22,552
	Registration, License & Filing Fee	600	17,800
	Other Expenses	16,77,988	-
	Total	**38,09,919**	**6,30,589**
27.1 Payment to Auditors			
	Particualrs	**For the year ended March 31, 2021**	**For the year ended March 31, 2020**
	As An Auditor		
	- Audit Fees		1,00,000
	- Tax Audit	-	-
	- Limited Review	-	-
	In Other Capacity		
	- Taxation Matters	-	-
	- Company Law matters	-	-
	- Certification matters	-	-
	- Reimbursement of Expenses	-	-
	Total Payment to Auditor	**-**	**1,00,000**
27.2 Corporate Social Responsibility(CSR) Not Applicable to this period			
	Particualrs	**For the year ended March 31, 2021**	**For the year ended March 31, 2020**
	Amount required to be spent as per Section 135 of the Companies Act, 2013	-	-
	Amount spent during the year on:	-	-
		-	-

INFRONICS SYSTEMS LIMITED
NOTES TO ACCOUNTS

Related Party Disclosures (Ind AS 24):

28. Related Party disclosures required as per Accounting Standard (Ind AS-24) on "Related Party disclosures "issued by the Institute of Chartered Accountants of India, are as below :

a) Names of related parties and the Description of Relationship:

Sl. No	Name	Relationship
(i)	Subsidiaries	NIL
(ii)	**Key Management Personnel**	
	Siddantapu Enmanuel Raju	CFO
	Mantena Venkata Surya Ramesh Varma	Director
	Korada Srinivasa Rao	Director
	Jagannadha Kutcharlapati Raju	Director
	Namburu Satyavathi	Director

31. Consolidated and Separate Financial Statement (Ind AS 27):

The company has no subsidiary companies for the current reporting period**.** Hence consolidate and separate financial statement are not applicable.

32. Investments in Associates (Ind AS 28):

The company has not made any investments in any of its associates during the reporting period**.** This accounting standard has no financial impact on the financial statements for the current reporting period.

33. Interest in Joint Ventures (Ind AS 31)

The company has no interest in any Joint ventures. This accounting standard has no financial impact on the financial statements for the current reporting period.

34. Earnings Per Share (Ind AS 33):

a) Basic Earnings Per Share for (continued operations) there are no discontinued operations hence, EPS is presented for continued operations only.

Particulars	March 31, 2021	March 31, 2020
Profit After Tax (Rs.)- (A)	15,46,663	(25,53,148)
Weighted Average No. of Shares (Basic)- (B)	79,26,461	79,26,461
EPS (Basic) = (A)/(B)	0.02	(0.32)

b). Diluted earnings per share (continued operations) there are no discontinued operations hence, EPS is presented for continued operations only.

Particulars	**March 31, 2021**	**March 31, 2020**
Profit After Tax (Rs.)- (A)	15,46,663	(25,53,148)
Weighted Average No. of Shares (Diluted) -(B)	79,26,461	79,26,461
EPS (Diluted) = (A)/(B)	0.02	(0.32)

35. Derivative instruments and un-hedged foreign currency exposure:

a) There are no outstanding derivative contracts as at March 31, 2021 and March 31, 2020.

b) Particulars of Un-hedged foreign currency exposure is : Nil

36. Confirmation of Balances:

Confirmation letters have been issued by the company to Trade Receivables, Trade Payables, Advances to suppliers and others advances requesting that the confirming party responds to the company only if the confirming party disagrees with the balances provided in the request and however the company has not received any letters on disagreements.

37. Net Current Assets:

S.no	**Particulars**	**As at 31st March 2021**	**As at 31st March 2020**
A	**Current Assets:**		
1	Inventories	-	18,96,389
2	Trade Receivables	1,86,39,681	69,75,899
3	Cash and Cash equivalent	2,60,041	49,414
4	Current Tax Asset (Net)	-	-
5	Other Current Asset	43,46,549	59,11,894
	Total Current Assets	**2,32,46,271**	**1,48,33,596**
B	**Current Liabilities:**		
1	Borrowings	43,42,284	-
2	Trade Payables	1,88,39,369	2,04,32,935
3	Other Current Liabilities	87,32,919	46,15,630
	Total Current liabilities	**3,19,14,572**	**2,50,48,565**
C	Current Assets-Current Liabilities	(86,68,301)	(1,02,14,969)

38. Revenue from Operations:

S.no	Particulars	As at 31st March 2021	As at 31st March 2020
1	Sale of goods:		
	Sale of Manufactured Products	4,44,24,793	2,06,82,776
	Stock In trade	-	-
	Total	4,44,24,793	2,06,82,776
2	Revenue from Sale of Service	-	-
3	Other Operating Revenues	-	-

39. Revenue Reconciliation:

S.no	Particulars	As at 31st March 2021	As at 31st March 2020
1	Sale of Products"		
	Domestic	4,44,24,793	2,06,82,776
	Exports	-	-
	Gross Revenue	4,44,24,793	2,06,82,776
	Less: Discount	-	-
	Less: Returns	-	-
	Less: price Concession	-	-
	Less Incentives and Performance bonus	-	-
	Less: Goods and service Tax	-	-
	Net Revenues recognized from contracts with customers	4,44,24,793	2,06,82,776

40. Other Income:

S.no	Particulars	As at 31st March 2021	As at 31st March 2020
1	Discounts Received	-	-
2	Interest Received from FD	-	-
3	Other Income	-	91,612

41. Details of Loans given, Investments made and Guarantee given covered Under Section 186(4) of the Companies Act, 2013.

The company has not extended any Corporate Guarantees in respect of loans availed by any company/firm as at March 31, 2021

42. Auditors' Remuneration:

Particulars	March 31, 2021	March 31, 2020
Fees towards*		
Statutory Audit	1,00,000	1,00,000

*The fees is exclusive of GST

43. Dues to Micro Small and Medium Enterprises:

Disclosure required as per section 22 of the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act.) as at 31.03.2021.

SL No	Description	March 31, 2021
1	Principal amount due to suppliers under MSMED	NIL
2	Interest accrued and due to suppliers covered under MSMED on the above amount, unpaid	NIL
3	Payment made to suppliers (with Interest) beyond the appointed day during the year.	NIL
4	Payment made to suppliers (other than interest) beyond the appointed day during the previous year	NIL
5	Interest paid to suppliers covered under MSMED	NIL
6	Interest due & Payable to suppliers covered under MSMED Act., towards payments already made.	NIL

The information has been given in respect of such vendors to the extent they could be identified as micro and small enterprises on the basis of information available with company.

As per the information provided / submitted by the Company, there are no dues to Micro, Small and Medium Enterprises covered under('MSMED' Act, 2006).

44. Financial Risk Management

In course of its business, the company is exposed to certain financial risk such as market risk (Including currency risk and other price risks), credit risk and liquidity risk that could have significant influence on the company's business and operational/financial performance. The Board of directors reviews and approves risk management framework and policies for managing these risks and monitor suitable mitigating actions taken by the management to minimize potential adverse effects and achieve greater predictability to earnings.

45. Credit Risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the company. The company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, a means of mitigating the risk of financial loss from defaults.

The company makes an allowance for doubtful debts/advances using expected credit loss model.

46. Liquidity risk

Liquidity risk refers to the risk that the company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as pre requirements. The Company's exposure to liquidity risk is minimal as the promoters of the company is infusing the funds based on the requirements.

47. Amounts have been rounded off to nearest Rupee.

As per our report of even date
For V RAVI & CO.,
Chartered Accountants
Firm Reg. No. 006492S

Sd/-
D Ramesh Kumar
Partner
Membership No. 217139
UDIN:21217139AAAAFK8315

For and on behalf of the Board of
INFRONICS SYSTEMS LIMITED

M V S Ramesh Varma	**K Srinivasa Rao**
Managing Director	**Director**
DIN: 06680580	**DIN:06465192**

Place: Hyderabad
Date: 30/06/2021