



## 10<sup>th</sup> Annual Report 2018-19

### MAVEN SYSTEMS PRIVATE LIMITED (CIN: U72900PN2009PTC134858)

#### BOARD OF DIRECTORS

|                         |    |                     |
|-------------------------|----|---------------------|
| Mr. Jayaram Susarla     | -- | Director            |
| Mr. Mudhunuri Suresh    | -- | Director            |
| Mr. Suresh Bachalakura  | -- | Director            |
| Mr. K. Pradeep Chandra* | -- | Additional Director |

\* Mr. K. Pradeep Chandra has been appointed as Additional Director w.e.f.13<sup>th</sup> August, 2019.

#### REGISTERED OFFICE

Galore Tech, Survey No. 22,  
Hissa No.1/2+2/1+3/1+4/1/1,  
Bavdhan Khurd, Pune  
Maharashtra – 411021

#### SECRETARIAL AUDITOR

M/s B S S & Associates  
Company Secretaries  
Off: Parameswara Apartments  
# 6-3-626, 5th Floor, 5 – A  
Anand Nagar, Khairatabad  
Hyderabad - 500 004.

#### STATUTORY AUDITORS

M/s. S. T. Mohite & Co.,  
Chartered Accountants  
G-5, B-Block, Paragon Venkatadri  
Apartments,  
3-4-812, Street No. 01, Barkatpura,  
Hyderabad – 500 027.

#### CONTENTS

#### Page No's

|                               |         |
|-------------------------------|---------|
| Notice to shareholders        | 2 - 10  |
| Director's Report             | 11 - 22 |
| Independent Auditor's Report  | 27 - 36 |
| Balance Sheet                 | 37 - 37 |
| Statement of Profit and Loss  | 38 - 38 |
| Cash Flow Statement           | 39 - 39 |
| Notes to Financial Statements | 41 – 59 |

## NOTICE

Notice is hereby given that the Tenth Annual General Meeting of the Members of **Maven Systems Private Limited** will be held on Saturday, 28<sup>th</sup> September, 2019 at 11:00 a.m. at the registered office of the Company situated at Galore Tech, Survey No. 22, Hissa No.1/2+2/1+3/1+4/1/1, Bavdhan Khurd, Pune, Maharashtra – 411021, at a shorter notice, to transact the following business:

### Ordinary Business

**1. Adoption of financial statements:**

To receive, consider and adopt the Audited Financial Statements for the financial year ended 31<sup>st</sup> March, 2019 together with the Reports of the Directors and Auditors thereon and in this regard pass the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** the Audited Accounts of the Company containing the Balance Sheet and the Statement of Profit & Loss for the year ended 31<sup>st</sup> March, 2019 together with their Annexures and the Reports of the Auditors and Directors thereon be and are hereby received, considered, approved and adopted.”

**2. To appoint a Director in place of Mr. Jayaram Susarla (DIN: 08077540), who retires by rotation and being eligible offers himself for re-appointment and in this regard to pass the following resolution as an Ordinary Resolution.**

**“RESOLVED THAT** Mr. Jayaram Susarla (DIN: 08077540), who retires by rotation in accordance with Section 152 of the Companies Act, 2013 be and is hereby re-appointed as a director liable to retire by rotation.”

### Special Business

**3. Appointment of Mr. K. Pradeep Chandra (DIN: 05345536) as a Director:**

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

**“RESOLVED THAT** pursuant to Section 149, 150, 152 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, Mr. K. Pradeep Chandra (DIN: 05345536) who was appointed as an Additional Director of the Company by the Board of Directors with effect from 13<sup>th</sup> August, 2019 and whose term of office expires at this Annual General Meeting (AGM) in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying its intention to propose Mr. K. Pradeep Chandra as a candidate for the office of Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

**4. Appointment of Mr. Venkata Sudhakar Simhadri (DIN: 01883241) as a Director:**

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

**“RESOLVED THAT** pursuant to Section 149, 150, 152 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, Mr. Venkata Sudhakar Simhadri (DIN: 01883241) who was appointed as an

Additional Director of the Company by the Board of Directors with effect from 26<sup>th</sup> September, 2019 and whose term of office expires at this Annual General Meeting (AGM) in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying its intention to propose Mr. Venkata Sudhakar Simhadri as a candidate for the office of Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

**5. To increase the Borrowing Limit u/s 180(1)(c) of the Companies Act, 2013 upto INR 100 Crores.**

*To consider and, if thought fit, to pass the following resolution as a Special Resolution:*

“**RESOLVED THAT** in supersession of all earlier resolutions and pursuant to Sections 180(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 (the 'Act'), and the Companies (Meetings of Board and its Powers) Rules, 2014 and other Rules, Regulations, Notifications and Circulars issued including any statutory modification or re-enactment thereof for the time being in force, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as 'the Board') which term shall be deemed to include any Committee which the Board may have constituted or may hereinafter constitute to exercise its powers including the powers conferred by this Resolution) for borrowing from time to time, any sum or sums of money for the purposes of the Company, upon such terms and conditions and with or without security, as the Board may in its discretion think fit, notwithstanding that the money or monies to be so borrowed by the Company (apart from the temporary loans obtained or to be obtained from time to time from the Company's Bankers in the ordinary course of business) together with the sums already borrowed, may exceed the aggregate of the paid-up share capital of the Company and its free reserves that is to say, reserves not set apart for any specific purposes, provided however that the sums so borrowed and remaining outstanding on account of principal shall not, at any time, exceed Rs.100 Crores (Indian Rupees One Hundred Crores only).”

“**RESOLVED FURTHER THAT** for the purpose of giving effect to the above, Board of Directors of the Company and/or any person authorized by the Board from time to time be and is hereby empowered and authorised to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution.”

**6. To create Charges / Mortgages on or sell or otherwise dispose of the moveable and immoveable properties of the Company, both present and future, in respect of borrowings upto INR 100 Crores.**

*To consider and if thought fit, pass the following Resolution as a Special Resolution:*

**RESOLVED THAT** in supersession of all earlier resolutions, in pursuance to the limits stated in the Item No. 05 above and the provisions of Section 180(1)(a) of the Companies Act, 2013 along with the Statutory amendments thereof, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company, to create charges, mortgages and / or hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company, in such form and manner and with such ranking, whether exclusive, *pari-passu*, subservient or otherwise and at such time and on such terms as the Board may determine, on all or any of the moveable and / or immovable properties of the Company, both present and future and / or on the whole or any part of the undertaking(s) of the Company, in favour of the banks, non-banking financial companies,

financial institutions and other lender(s), Agent(s) and Trustee(s), for securing the borrowings of the Company availed / to be availed by way of loans(s) (in Foreign currency and / or rupees) and / or debentures (convertible / non-convertible / secured / unsecured) and / or securities in the nature of debt instruments issued / to be issued by the Company (hereinafter termed 'loans'), from time to time, provided that the total amount of loans shall not at any time exceed INR 100 Crores (Indian Rupees One Hundred Crores Only) in excess of the aggregate of the paid-up capital of the Company and its free reserves (apart from temporary loans obtained / to be obtained from the Company's bankers in the ordinary course of business) in respect of such borrowings and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to, between the Board of Directors and the lender(s), Agent(s) and Trustee(s) of the Company.”

**FURTHER RESOLVED THAT** the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary and with power to settle questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further approval of the Members of the Company.”

**7. To increase the limits u/s 186(2) of Companies Act, 2013 for extending loans, providing guarantees, making investments or giving securities for loans taken by any person or body corporate.**

*To consider and, if thought fit, to pass the following resolution as a Special Resolution:*

**"RESOLVED THAT** in suppression of all earlier resolutions and pursuant to the provisions of Section 186 of the Companies Act, 2013, read with Rule 11 of the Companies (Meetings of Board and its Powers) Rules, 2014 as amended from time to time (including any amendment thereto or re-enactment thereof for the time being in force), if any, the approval of the members of the Company be and is hereby accorded to the Board to (a) give any loan to any Body corporate(s) / person (s); (b) give any guarantee or provide security in connection with a loan to any Body corporate(s) / person (s); and (c) acquire by way of subscription, purchase or otherwise, securities of any Body corporate from time to time in one or more tranches as the Board of Directors as in their absolute discretion deem beneficial and in the interest of the Company, for an amount not exceeding INR 100 Crores (Indian Rupees One Hundred Crores only) outstanding at any time notwithstanding that such investments, outstanding loans given or to be given and guarantees and security provided are in excess of the limits prescribed under Section 186 of the Companies Act, 2013”.

**“RESOLVED FURTHER THAT** in case of divestment of the investment, the Directors of the Company be and are hereby authorized to sign the necessary applications, papers, forms, documents, deeds etc. for effective implementation of decision of divestment taken by the Company from time to time”.

**“RESOLVED FURTHER THAT** for the purpose of giving effect to the above, Board of Directors of the Company and/or any person authorized by the Board from time to time be and is hereby empowered and authorised to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution.”

**8. To consider and approve the transactions with Related Parties under Section 188 of the Companies Act, 2013.**

*To consider and if thought fit, pass the following Resolution as an Ordinary Resolution:*

**"RESOLVED THAT** pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013 and the rules made there under including any modification or amendments or clarifications thereon, if any, and subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary, approval of the members be and is hereby accorded, for entering into transactions, including Material Related Party Transactions, in the ordinary course of business at arms' length price, whether by means of contracts/ arrangements or otherwise, from time to time, with the related parties on such terms and conditions as detailed in explanatory statement hereto, provided such transactions, in the opinion of the Board of Directors of the Company with those related parties are in the ordinary course of business and at arm's length price.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to settle any question, difficulty or doubt that may arise with regard to giving effect to the above resolution and to do all such acts, deeds, things as may be necessary in its absolute discretion deem necessary, proper, desirable and to finalize any documents and writings related thereto.

*by Order of the Board of Directors  
for **Maven Systems Private limited***

*Place: Pune*

*Date: 26<sup>th</sup> September, 2019*

**Suresh Bachalakura**

**Director**

**DIN:08077526**

**Notes:**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and such proxy need not be a member of the Company. The proxy form duly signed must be deposited at the Registered Office of the Company not later than 48 hours before the time fixed for commencement of the meeting.
2. A Member entitled to attend and vote at the Meeting is entitled to appoint a Proxy to attend and, on a poll, to vote instead of himself and the Proxy need not be a Member of the company
3. Proxies, in order to be effective, must be received in the enclosed Proxy Form at the Registered Office of the company not less than forty-eight hours before the time fixed for the Meeting.
4. A Corporate Member intending to send its authorized representatives to attend the Meeting in terms of Section 113 of the Companies Act, 2013 is requested to send to the company a certified copy of the Board Resolution authorizing such representative to attend and vote on its behalf at the Meeting.
5. Members/Proxies/Authorized Representatives are requested to bring the attendance slips duly filled in for attending the Meeting.

6. The Register of Directors and their shareholding maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
7. The Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the Members at the Annual General Meeting.
8. This meeting is being convened at a shorter notice. The members are requested to kindly award their consent for holding this meeting at shorter notice.
9. Route-map to the venue of the Meeting is provided at the end of the Annual Report.

### **Explanatory Statement**

*[Pursuant to Section 102(1) of the Act, the following Explanatory Statement sets out material facts relating to the business under Item No. 3, 4, 5, 6, 7 & 8 of the accompanying Notice dated: 26<sup>th</sup> September, 2019 convening the 10<sup>th</sup> Annual General Meeting of the Company is scheduled on 28<sup>th</sup> September, 2019.]*

### **Special Business:**

#### **Item No. 3: Appointment of Mr. K. Pradeep Chandra as Director of the Company**

The Board of Directors, at its meeting held on 13<sup>th</sup> August, 2019, appointed Mr. K. Pradeep Chandra (DIN: 05345536) as an Additional Director of the Company with effect from 13<sup>th</sup> August, 2019, pursuant to Section 161 of the Companies Act, 2013, read with the Articles of Association of the Company. Pursuant to the provisions of Section 161 of the Companies Act, 2013, Mr. K. Pradeep Chandra will hold office up to the date of the ensuing AGM.

The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member proposing the candidature of Mr. K. Pradeep Chandra for the office of Director, to be appointed as such under the provisions of the Companies Act, 2013.

The Company has received following from Mr. K. Pradeep Chandra

- (i) Consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014 and
- (ii) Intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Sub-section (2) of Section 164 of the Companies Act, 2013.

The resolution seeks the approval of members for the appointment of Mr. K. Pradeep Chandra (DIN: 05345536) as a Director of the Company.

None of the directors or their relatives, except Mr. K. Pradeep Chandra to whom the resolution relates, is interested or concerned in the resolution. The Board recommends the resolution set forth in Item no. 3 for the approval of the members.

#### **Item No. 4: Appointment of Mr. Venkata Sudhakar Simhadri as Director of the Company**

The Board of Directors, at its meeting held on 26<sup>th</sup> September, 2019, appointed Mr. Venkata Sudhakar Simhadri (DIN: 01883241) as an Additional Director of the Company with effect from 26<sup>th</sup> September, 2019, pursuant to Section 161 of

the Companies Act, 2013, read with the Articles of Association of the Company. Pursuant to the provisions of Section 161 of the Companies Act, 2013, Mr. Venkata Sudhakar Simhadri will hold office up to the date of the ensuing AGM.

The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member proposing the candidature of Mr. Venkata Sudhakar Simhadri for the office of Director, to be appointed as such under the provisions of the Companies Act, 2013.

The Company has received following from Mr. Venkata Sudhakar Simhadri

- (i) Consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014 and
- (ii) Intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Sub-section (2) of Section 164 of the Companies Act, 2013.

The resolution seeks the approval of members for the appointment of Mr. Venkata Sudhakar Simhadri (DIN: 01883241) as a Director of the Company.

None of the directors or their relatives, except Mr. Venkata Sudhakar Simhadri to whom the resolution relates, is interested or concerned in the resolution. The Board recommends the resolution set forth in Item no. 4 for the approval of the members.

**Item No. 5: To increase the Borrowing Limit u/s 180(1)(c) of the Companies Act, 2013 upto INR 100 Crores.**

In terms of the provisions of Section 180(1)(c) of the Companies Act, 2013, the Board of Directors of the Company cannot, except with the consent of the Company, borrow moneys, apart from temporary loans obtained from the Company's bankers in the ordinary course of business, in excess of aggregate of the paid up capital and its free reserves (reserves not set apart for any specific purpose).

Considering the Company's future growth plans, both organic & inorganic, it is necessary to obtain the approval of the members for borrowing monies in excess of the aggregate of the paid-up capital of the Company and its free reserves and to secure the re-payment upto INR 100 Crores (Indian Rupees One Hundred Crores only)thereof. In furtherance of the same, the Board recommends passing of the Special Resolution set out in Item No. 5 of the AGM Notice.

None of the Directors including their relatives is concerned or interested, financial or otherwise, in the said resolution.

**Item No. 6: To create Charges / Mortgages on or sell or otherwise dispose of the moveable and immoveable properties of the Company, both present and future, in respect of borrowings upto INR 100 Crores.**

In terms of the provisions of Section 180 (1) (a) of the Companies Act 2013, the mortgage or charge on all or any part of the movable and/or immovable properties of the Company, maybe deemed as the disposal of the whole, or substantially the whole, of the undertaking of the Company and hence, requires approval from the members of the Company by way of a Special Resolution. Therefore, it is proposed to pass this enabling resolution to authorize the Company to create a charge or mortgage on the assets or properties of the Company for an amount not exceeding INR 100 Crores (Indian Rupees One Hundred Crores only)thereof, in excess of the aggregate of the paid-up capital of

the Company and its free reserves. In furtherance of the same, the Board recommends passing of the Special Resolution set out in Item No. 6 of the AGM notice.

None of the Directors including their relatives is concerned or interested, financial or otherwise, in the said resolution.

**Item No. 7: To increase the limits u/s 186(2) of Companies Act, 2013 for extending loans, providing guarantees, making investments or giving securities for loans taken by any person or body corporate.**

To achieve long term strategic and business objectives, the Board of Directors of the Company proposes to make use of the same by making investment in other bodies corporate or granting loans, giving guarantee or providing security to other persons or other body corporate or as and when required.

Pursuant to the provisions of Section 186(3) of the Companies Act, 2013 and rules made there under, the Company needs to obtain prior approval of shareholders / members by way of special resolution in case the amount of investment, loan, guarantee or security proposed to be made is more than the higher of sixty percent of the paid up share capital, free reserves and securities premium account or one hundred percent of free reserves and securities premium account.

Accordingly, the Board of Directors of the Company proposes to obtain approval of shareholders by way of special resolution as contained in the notice of the AGM for an amount not exceeding INR 100 Crores (Indian Rupees One Hundred Crores only) outstanding at any time notwithstanding that such investments, outstanding loans given or to be given and guarantees and security provided are in excess of the limits prescribed under Section 186 of the Companies Act, 2013.

The Directors therefore, recommend the Special Resolution for approval of the shareholders.

None of the Directors including their relatives is concerned or interested, financial or otherwise, in the said resolution.

**Item No.8: To consider and approve the transactions with Related Parties under Section 188 of the Companies Act, 2013.**

The Companies Act, 2013 aims to ensure transparency in the transactions and dealings between the related parties of the Company. The provisions of Section 188(1) of the Companies Act, 2013 that govern the Related Party Transactions, requires that for entering into any contract or arrangement as mentioned herein below with the related party, the Company must obtain prior approval of the Board of Directors and as per Rules 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 prior approval of the shareholders by way of an Ordinary Resolution must be obtained. All the proposed transactions put up for approval are in ordinary course of business and at arm's length.



The particulars of contract/ arrangements/transactions with related parties are as under:

| S. No. | Name of the Related Party                     | Name of the Director who is related   | Nature of Relationship | Maximum value of Transactions per annum | Nature and Material Terms / Particulars of the contract or arrangement                          |
|--------|---|---|------------------------|---|---|
| 1      | MosChip Technologies Limited                  | 1) Venkata Sudhakar Simhadri.<br>2) K. Pradeep Chandra<br>3) Jayaram Susarla<br>4) Suresh Bachalakura | Holding Company        | 50 Crores                               | sale, purchase or supply of any goods or materials;   |
|        |   |   |                        | 50 Crores                               | availing or rendering of any services;  |
|        |   |   |                        | 20 Crores                               | Capital contribution  |
|        |   |   |                        | 50 crores                               | Giving/ Taking of Loans   |
|        |   |   |                        | 50 crores                               | Bank Guarantees / Corporate Guarantees to be issued on behalf of Banks / financial institutions |
| 2      | MosChip Technologies, USA                     | 1) Venkata Sudhakar Simhadri.   | Fellow subsidiary      | 50 Crores                               | sale, purchase or supply of any goods or materials;   |
|        |   |   |                        | 50 Crores                               | availing or rendering of any services;  |
|        |   |   |                        | 20 Crores                               | Capital Contribution  |
|        |   |   |                        | 50 crores                               | Giving/ Taking of Loans   |
|        |   |   |                        | 50 crores                               | Bank Guarantees / Corporate Guarantees to be issued on behalf of Banks / financial institutions |
| 3      | MosChip Institute of Silicon Systems Pvt Ltd. | 1) Venkata Sudhakar Simhadri.<br>2) Jayaram Susarla   | Fellow subsidiary      | 50 Crores                               | sale, purchase or supply of any goods or materials;   |
|        |   |   |                        | 50 Crores                               | availing or rendering of any services;  |
|        |   |   |                        | 20 Crores                               | Capital Contribution  |
|        |   |   |                        | 50 crores                               | Giving/ Taking of Loans   |
|        |   |   |                        | 50 crores                               | Bank Guarantees / Corporate Guarantees to be issued on behalf of Banks / financial institutions |

The Directors therefore, recommend the Resolution for approval of the shareholders.

None of the Directors of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, except to the extent of the shares held by them in any of the parties above, in the resolution as set out at item no. 8 of the Notice.

*by Order of the Board of Directors  
for **Maven Systems Private limited***

Place: Pune  
Date: 26<sup>th</sup> September, 2019

**Suresh Bachalakura**  
**Director**  
**DIN:08077526**

**Additional information as required under Secretarial Standard-2 notified under  
Section 118 (10) of the Companies Act, 2013**

| <b>Particulars</b>                                       | <b>Jayaram Susarla</b>                              | <b>Pradeep Chandra Kathi</b>                        | <b>Venkata Sudhakar Simhadri</b>                    |
|--|---|---|---|
| Age  | 36  | 62  | 55  |
| Qualification  | CA  | MBA, PhD  | BE, MS  |
| Experience   | 15 years  | 40 years  | 30 years  |
| Terms and Conditions                                     | Non-Executive Director liable to retire by rotation | Non-Executive Director liable to retire by rotation | Non-Executive Director liable to retire by rotation |
| Remuneration   | Nil   | Nil   | Nil   |
| Remuneration last drawn                                  | Nil   | Nil   | Nil   |
| Date of first appointment                                | 20.04.2018  | 13.08.2019  | 26.09.2019  |
| Shareholding   | Nil   | Nil   | Nil   |
| Relationship with other Directors                        | Nil   | Nil   | Nil   |
| Number of Meetings of the Board attended during the year | 3   | 2   | 1   |
| Other Directorships                                      | 2   | 2   | 06  |
| Membership/ Chairmanship of Committees of other Boards   | Nil   | Memberships: 3<br>Chairmanships: Nil                | Nil   |

## DIRECTORS' REPORT

**Dear Members,  
Maven Systems Private Limited,**

Your Directors have pleasure in presenting their Tenth Annual Report together with the Audited Financial Statements of the Company for the Financial Year ended March 31, 2019 together with the Auditors' Report thereon.

### Financial Results :

(Amount in Rupees)

| Particulars       | Year ended<br>31.03.2019 | Year ended<br>31.03.2018 |
|-------------------|--------------------------|--------------------------|
| Total Revenue     | 76,609,209               | 23,688,055               |
| Total Expenses    | 127,643,387              | 59,375,759               |
| Profit Before Tax | (51,034,178)             | (35,687,704)             |
| Less: Taxes       |                          |                          |
| Current Tax       | -                        | -                        |
| Differed Tax      | 969,017                  | (348,299)                |
| Profit After Tax  | (52,003,195)             | (36,036,003)             |

### Financial Performance & State of affairs of the Company:

The Company is a Wholly Owned Subsidiary of MosChip Technologies Limited (formerly MosChip Semiconductor Technology Limited). During the year under review Total Income for FY 2018-19 at Rs.766.09 lakhs as against Rs.236.88 lakhs for the FY 2017-18. Net Loss for the FY 2018-19 was Rs. 520.03 lakhs as against Rs. 360.36 lakhs for the FY 2017-18.

### State of Company's affairs and future outlook:

Maven Systems Pvt. Ltd., a MosChip Company, is a M2M/IoT company with hardware and software platforms that are used for automated lighting, smart metering, remote monitoring of construction and mining equipment (excavators, loaders, cranes, fork lifts), diesel generators, solar panels, wind mills, and logistics (vehicle fleets, school bus, asset tracking). Maven also offers product design services in hardware, embedded, enterprise, and mobile application space.

Maven Systems has expertise in hardware board design, embedded applications and cloud/mobile applications. Our technology skills include wireless (ZigBee, RF, WiFi, Bluetooth, BLE, mesh algorithms, LoRa, GSM), automotive (CANbus, OBD II), industrial, and BMS (Modbus, BACnet, LonWorks). Maven's products control more than 30,000 street lights and more than 40,000 smart meters.

### Dividend:

The Company has not declared any dividend during the year under review.

### Transfer of unclaimed dividend to Investor Education and Protection Fund:

During the year, there was no unclaimed dividend amount to transfer to the Investor Education and Protection Fund.

### Transfer to Reserves:

During the year under review, your Company has not transferred any amount to the reserves.

### Directors:

Mr. Jayaram Susarla, Mr. Mudhunuri Suresh and Mr. Suresh Bachalakura were appointed as Additional Directors in the Board Meeting held on April 20, 2018 and regularized in the AGM held on 28.09.2018.

Mr. Seetha Ramam Voleti, Mr. Kasinath Tumuluru and Mr. Aisola Chandra Sekhar resigned from their directorships w.e.f. April 20, 2018.

The Board of Directors at their meeting held on 13<sup>th</sup> August, 2019 has appointed Mr. K Pradeep Chandra as an Additional Director in the category of Non executive and Non independent Director of the company and he shall hold office upto the date of the ensuing Annual General Meeting of the Company. The company has received the notice in writing from a member proposing his candidature for the office of Director, liable to retire by rotation, pursuant to the provisions of Section 160 of the Companies Act, 2013.

As per the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Jayaram Susarla (Non-Executive Director) of the Company, who retires by rotation at the ensuing Annual general Meeting and being eligible, offers himself for re-appointment.

**Board Meetings:**

The Board met Eight times during the financial year 2018-2019 viz., on, 20.04.2018, 23.05.2018, 26.05.2018, 02.08.2018, 10.08.2018, 12.09.2018, 23.10.2018 and 01.02.2019. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013.

**Subsidiaries, Joint Ventures and Associate Companies:**

The Company does not have any Subsidiary, Joint venture or Associate Company.

**Statutory Auditors:**

M/s. S. T. Mohite & Co., Chartered Accountants (FRN 011410S) were appointed as Statutory Auditors of your Company to hold office from the conclusion of the 9<sup>th</sup> AGM held in the year 2018, until the conclusion of the 14<sup>th</sup> AGM to be held in the year 2023.

**Cost Audit:**

In terms of the provisions of Section 148 of the Companies Act, 2013, read with Rule 3 & 4 of the Companies (Cost Record and Audit) Rules, 2014 and all other applicable provisions of the Companies Act, 2013, the Cost Audit is not applicable to the Company.

**Secretarial Audit Report:**

In terms of the Provisions of Section 204 of the Companies Act, 2013, read with Rule 9 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the SEBI (LODR) Regulations, 2015 and SEBI Circular CIR/CFD/CMD1/27/2019 dated February 08, 2019, the Secretarial Audit is not applicable to the Company for the financial year 2018-2019.

The Company became a material subsidiary for the financial year ended 31.03.2020. The Board of Directors, in their Meeting held on 13<sup>th</sup> August, 2019, has appointed M/s. B S S & Associates, Practicing Company Secretaries, Hyderabad as Secretarial Auditors for the financial year ended 2019-2020.

**Explanation or comments on qualifications, reservations or adverse remarks or disclaimers made by the Auditors in their reports:**

There were no qualifications, reservations or adverse remarks made by the Auditors in their report.

**Disclosure of composition of Audit Committee:**

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 is not applicable to the Company.

**Vigil Mechanism:**

The provisions of Section 177 of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 is not applicable to the Company.

**Particulars of Employees:**

There are no employees whose details need to be reported in terms of the provisions of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**Company's policy relating to directors appointment, payment of remuneration and discharge of their duties:**

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company and hence the Company has not devised any policy relating to appointment of Directors, payment of Managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

**Extract of 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 extract of annual return in Form No. MGT-9 is enclosed as Annexure-A to the Board's Report.

**Material changes and commitment, if any, affecting the financial position of the Company occurred between the end of the financial year to which these Financial Statements relate and the date of the report:**

No material changes and commitments have occurred after the close of the year till the date of this Report, which affect the financial position of the Company.

**Significant and material orders:**

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's Business operations in future.

**Particulars of contracts or arrangements made with related parties:**

Details of each of the related party transaction entered into by the Company during the year together with justification are annexed herewith in Form AOC-2 as "Annexure-B.

**Deposits:**

The Company has not accepted any deposits during the year.

**Particulars of Loans, Guarantees or Investments made under Section 186 of the Companies Act, 2013:**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements in this Annual Report.

**Details in respect of frauds reported by auditors under Section 143 (12) other than those which are reportable to the central government:**

There are no frauds as reported by the statutory auditors under sub-section 12 of Section 143 of the Companies Act, 2013 along with rules made there-under other than those which are reportable to the Central Government.

**Share Capital:**

Authorized Share Capital: The Authorized Capital of the Company is Rs.1,00,000 comprising of 10,000 Equity Shares of Rs.10 each.

Paid-up Share Capital: The Issued and Paid up Capital of the Company is Rs.1,00,000 comprising of 10,000 Equity Shares of Rs.10 each.

Buy Back of Securities: The Company has not bought back any of its securities during the year under review.

Sweat Equity: The Company has not issued any Sweat Equity Shares during the year under review.

Bonus Shares: The Company has not issued any Bonus Shares during the year under review.

Employees Stock Option: The Company has not provided any Stock Option Scheme to the employees.

**Secretarial Standards:**

The Company complies with all applicable Secretarial Standards.

**Tax Auditor:**

In terms of the provisions of Income Tax Act, 1961 and all other applicable provisions of the Income Act, 2013, M/s. S.T. Mohite & Co., Chartered Accountants has been appointed as Tax Auditor of the Company for the financial year 2018-19.

**Conservation of energy, research and development, technology absorption, foreign exchange earnings and outgo:**

**A. Energy Conservation:** The consumption of energy is very less and no significant measures taken for conservation, no additional investment for the same and no significant impact on the consumptions of energy.

**B. Technology Absorption:** The Information on Technology Absorption was not annexed as same were not applicable to the Company.

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

Foreign Exchange earned in terms of actual inflows: USD 32,91,200

Foreign Exchange outflow in terms of actual outflows: USD 9,23,083

**Directors' Responsibility Statement:**

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors hereby confirms as under:

1. that in preparation of the Annual Accounts, for the financial year ended March 31, 2019, the applicable accounting standards have been followed and that there have been no material departures;
2. that we have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review;
3. that we have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. that we have prepared the Annual Accounts on a going concern basis; and
5. that we have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**Internal financial control:**

The Board has adopted the systems and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information.

**Corporate Social Responsibility:**

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

**Risk Management Policy:**

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. The Company's internal control systems with reference to the financial statements are adequate and commensurate with the nature of its business and the size and complexity of its operations.

**Policy on prevention of Sexual Harassment at workplace:**

The Company has in place a Prevention of Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. A committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

**Acknowledgements:**

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

*For and on behalf of the Board of Directors  
For **Maven Systems Private limited***

*Place: Pune*  
Date: 26<sup>th</sup> September, 2019

**Suresh Bachalakura**  
Director  
DIN: 08077526

**Jayaram Susarla**  
Director  
DIN: 08077540

**Extract of Annual Return**  
**For the year ended on 31<sup>st</sup> March, 2019**  
**FORM NO. MGT 9**

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

**I Registration & Other Details:**

|     |  |  |
|-----|--|--|
| i   | CIN  | U72900PN2009PTC134858  |
| ii  | Registration Date  | 21/10/2009   |
| iii | Name of the Company  | Maven Systems Private Limited  |
| iv  | Category/Sub-category of the Company                                       | Private Company limited by shares / Indian Non-Government Company  |
| v   | Address of the Registered office & contact details                         | Galore Tech, 5 <sup>th</sup> Floor, S. No. 22 Bavdhan Khurd, Pashan Road, Behind Maratha Mandir, Pune, Maharashtra – 411 021 |
| vi  | Whether listed company   | No   |
| vii | Name, Address & contact details of the Registrar & Transfer Agent, if any. | Not Applicable   |

**II Principal business activities of the company:**

*All the business activities contributing 10% or more of the total turnover of the company shall be stated*

| Sl. No. | Name & Description of main products/services | NIC Code of the Product /service | % to total turnover of the company |
|---------|--|----------------------------------|------------------------------------|
| 1.      | Software Development and Designing           | 6201                             | 34%                                |
| 2.      | Product – VTS                                | 26515                            | 28%                                |
| 3.      | Product – AMR                                | 26513 / 26309                    | 38%                                |

**III Particulars of holding, subsidiary & associate companies:**

| Sl. No. | Name & Address of the Company  | CIN/GLN               | Holding/ subsidiary / associate | % of Shares held | Applicable Section |
|---------|--|-----------------------|---------------------------------|------------------|--------------------|
| 1.      | MosChip Technologies Limited<br>Plot No. 83 & 84, 2nd Floor, Punnaiah Plaza, Road No. 2, Banjara Hills, Hyderabad - 500034 | L31909TG1999PLC032184 | Holding                         | 100%             | 2 (46)             |



IV Shareholding Pattern (Equity Share capital Break up as % to total Equity):

i. Category-wise Share Holding:

| Category of Shareholders                                 | No. of Shares held at the beginning of the year April 01, 2018 |          |               |                   | No. of Shares held at the end of the year March 31, 2019 |          |               |                   | % change during the year |
|--|--|----------|---------------|-------------------|--|----------|---------------|-------------------|--------------------------|
|  | Demat  | Physical | Total         | % of Total Shares | Demat  | Physical | Total         | % of Total Shares |                          |
| <b>A. Promoters</b>                                      |  |          |               |                   |  |          |               |                   |                          |
| <b>(1) Indian</b>  | -  | -        | -             | -                 | -  | -        | -             | -                 | -                        |
| a) Individual/HUF  | 01   | -        | 01            | 100               | 01   | -        | 01            | 100               | -                        |
| b) Central Govt. or State Govt.                          | -  | -        | -             | -                 | -  | -        | -             | -                 | -                        |
| c) Body Corporates                                       | 9,999  | -        | 9,999         | 99.99             | 9,999  | -        | 9,999         | 99.99             | -                        |
| d) Bank/FI   | -  | -        | -             | -                 | -  | -        | -             | -                 | -                        |
| e) Any other   | -  | -        | -             | -                 | -  | -        | -             | -                 | -                        |
| <b>Sub Total:(A)(1)</b>                                  | <b>10,000</b>  | <b>-</b> | <b>10,000</b> | <b>100</b>        | <b>10,000</b>  | <b>-</b> | <b>10,000</b> | <b>100</b>        | <b>-</b>                 |
| <b>(2) Foreign</b>                                       |  |          |               |                   |  |          |               |                   |                          |
| a) NRI- Individuals                                      | -  | -        | -             | -                 | -  | -        | -             | -                 | -                        |
| b) Other Individuals                                     | -  | -        | -             | -                 | -  | -        | -             | -                 | -                        |
| c) Bodies Corp.  | -  | -        | -             | -                 | -  | -        | -             | -                 | -                        |
| d) Banks/FI  | -  | -        | -             | -                 | -  | -        | -             | -                 | -                        |
| e) Any other   | -  | -        | -             | -                 | -  | -        | -             | -                 | -                        |
| <b>Sub Total (A) (2)</b>                                 | <b>-</b>   | <b>-</b> | <b>-</b>      | <b>-</b>          | <b>-</b>   | <b>-</b> | <b>-</b>      | <b>-</b>          | <b>-</b>                 |
| <b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b> | <b>10,000</b>  | <b>-</b> | <b>10,000</b> | <b>100</b>        | <b>10,000</b>  | <b>-</b> | <b>10,000</b> | <b>100</b>        | <b>-</b>                 |
| <b>B. Public Shareholding</b>                            |  |          |               |                   |  |          |               |                   |                          |
| <b>(1) Institutions</b>                                  |  |          |               |                   |  |          |               |                   |                          |
| a) Mutual Funds  | -  | -        | -             | -                 | -  | -        | -             | -                 | -                        |
| b) Banks/FI  | -  | -        | -             | -                 | -  | -        | -             | -                 | -                        |
| C) Central govt  | -  | -        | -             | -                 | -  | -        | -             | -                 | -                        |

|   |               |          |               |            |               |          |               |            |          |
|---|---------------|----------|---------------|------------|---------------|----------|---------------|------------|----------|
| d) State Govt.  | -             | -        | -             | -          | -             | -        | -             | -          | -        |
| e) Venture Capital Fund   | -             | -        | -             | -          | -             | -        | -             | -          | -        |
| f) Insurance Companies  | -             | -        | -             | -          | -             | -        | -             | -          | -        |
| g) FIs  | -             | -        | -             | -          | -             | -        | -             | -          | -        |
| h) Foreign Venture Capital  | -             | -        | -             | -          | -             | -        | -             | -          | -        |
| i) Others (specify)   | -             | -        | -             | -          | -             | -        | -             | -          | -        |
| <b>Sub Total (B)(1):</b>  | -             | -        | -             | -          | -             | -        | -             | -          | -        |
| <b>(2) Non Institutions</b>   |               |          |               |            |               |          |               |            |          |
| a) Bodies corporate   |               |          |               |            |               |          |               |            |          |
| i) Indian   | -             | -        | -             | -          | -             | -        | -             | -          | -        |
| ii) Overseas  | -             | -        | -             | -          | -             | -        | -             | -          | -        |
| b) Individuals  |               |          |               |            |               |          |               |            |          |
| i) Individual shareholders holding nominal share capital upto Rs.1 lakhs            | -             | -        | -             | -          | -             | -        | -             | -          | -        |
| ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs | -             | -        | -             | -          | -             | -        | -             | -          | -        |
| c) Others (specify)   | -             | -        | -             | -          | -             | -        | -             | -          | -        |
| <b>Sub Total (B)(2):</b>  | -             | -        | -             | -          | -             | -        | -             | -          | -        |
| <b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>                                 | -             | -        | -             | -          | -             | -        | -             | -          | -        |
| <b>C. Shares held by Custodian for GDRs &amp; ADRs</b>                              | -             | -        | -             | -          | -             | -        | -             | -          | -        |
| <b>Grand Total (A+B+C)</b>  | <b>10,000</b> | <b>-</b> | <b>10,000</b> | <b>100</b> | <b>10,000</b> | <b>-</b> | <b>10,000</b> | <b>100</b> | <b>-</b> |

**(ii) Share Holding of Promoters**

| Sl. No. | Shareholders Name            | Shareholding at the beginning of the year April 01, 2018 |                                  |  | Shareholding at the end of the year March 31, 2019 |                                  |  | % change in share holding during the year |
|---------|------------------------------|--|----------------------------------|--|--|----------------------------------|--|---|
|         |                              | No of shares   | % of total shares of the company | % of shares pledged/encumbered to total shares | No of shares                                       | % of total shares of the company | % of shares pledged/encumbered to total shares |   |
| 01      | MosChip Technologies Limited | 9,999  | 99.99%                           | -  | 9,999  | 99.99%                           | -  | -   |
| 05      | Suresh Bachalakura           | 01   | 0.01%                            | -  | 01   | 0.01%                            | -  | -   |
|         | Total                        | <b>10,000</b>  | <b>100%</b>                      | -  | <b>10,000</b>                                      | <b>100%</b>                      | -  | -   |

\*Mr. Suresh Bachalakura holds 01 equity share on behalf of MosChip Technologies Limited (formerly MosChip Semiconductor Technology Limited).

**(iii) Change in promoters' shareholding:**

The entire share capital of Maven Systems Private Limited is owned by MosChip Technologies Limited (formerly MosChip Semiconductor Technology Limited). Maven Systems Private Limited is a 100 % wholly owned subsidiary Company of MosChip Limited.

**(iv) Shareholding pattern of top ten shareholders (other than Directors, Promoters & Holders of DRs & ADRs):** None.

**(v) Shareholding of Directors & KMP:**

| Sl. No. | Name of the director / key managerial personnel (KMP) | Shareholding at the beginning of the year April 01, 2018 |                                  | Shareholding at the end of the year March 31, 2019 |                                  |
|---------|---|--|----------------------------------|--|----------------------------------|
|         |   | No. of shares  | % of total shares of the company | No of shares                                       | % of total shares of the company |
| 1       | Suresh Madhunuri                                      | -  | -                                | -  | -                                |
| 2       | Jayaram Susarla                                       | -  | -                                | -  | -                                |
| 3       | Suresh Bachalakura*                                   | -  | -                                | 01   | 0.01%                            |

\*Mr. Suresh Bachalakura holds 01 equity share on behalf of MosChip Technologies Limited (formerly MosChip Semiconductor Technology Limited).

## V Indebtedness:

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

| Particulars   | Secured Loans excluding deposits | Unsecured Loans    | Deposits | Total Indebtedness |
|---|----------------------------------|--------------------|----------|--------------------|
| Indebtedness at the beginning of the financial year |                                  |                    |          |                    |
| i) Principal Amount                                 | -                                | 141,905,835        | -        | 141,905,835        |
| ii) Interest due but not paid                       | -                                | -                  | -        | -                  |
| iii) Interest accrued but not Due                   | -                                | -                  | -        | -                  |
| <b>Total (i + ii + iii)</b>                         | <b>-</b>                         | <b>141,905,835</b> | <b>-</b> | <b>141,905,835</b> |
| Change in Indebtedness during the financial year    |                                  |                    |          |                    |
| - Addition  | -                                | 41,845,902         | -        | 41,845,902         |
| - Reduction   | -                                | -                  | -        | -                  |
| <b>Net Change</b>                                   | <b>-</b>                         | <b>41,845,902</b>  | <b>-</b> | <b>41,845,902</b>  |
| Indebtedness at the end of the financial year       |                                  |                    |          |                    |
| i) Principal Amount                                 | -                                | 183,751,737        | -        | 183,751,737        |
| ii) Interest due but not paid                       | -                                | -                  | -        | -                  |
| iii) Interest accrued but not due                   | -                                | -                  | -        | -                  |
| <b>Total (i + ii+ iii)</b>                          | <b>-</b>                         | <b>183,751,737</b> | <b>-</b> | <b>183,751,737</b> |

## VI Remuneration of Directors and Key Managerial Personnel:

### A) Remuneration to Managing Director, Whole time director and/or Manager:

| Sl. No. | Particulars of Remuneration  | Name of MD/WTD/ Manager |   | Total Amount |
|---------|--|-------------------------|---|--------------|
|         |  |                         |   |              |
| 1       | Gross salary<br><br>(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961<br><br>(b) Value of perquisites u/s 17(2) Income-tax Act, 1961<br><br>(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | -                       | - | -            |
| 2       | Stock Option   | -                       | - | -            |
| 3       | Sweat Equity   | -                       | - | -            |
| 4       | Commission<br>- as % of profit<br>- Others, specify...   | -                       | - | -            |

|   |                        |   |   |   |
|---|------------------------|---|---|---|
| 5 | Others ,please specify | - | - | - |
|   | Total(A)               | - | - | - |
|   | Ceiling as per the Act | - | - | - |

**B) Remuneration to other directors:** Nil.

**VII Penalties/Punishment/Compounding of Offences:**

There were no penalties / punishments / compounding of offences for the year ending 31<sup>st</sup> March, 2019.

*For and on behalf of the Board of Directors  
For **Maven Systems Private limited***

*Place: Pune  
Date: 26<sup>th</sup> September, 2019*

**Suresh Bachalakura**  
Director  
DIN: 08077526

**Jayaram Susarla**  
Director  
DIN: 08077540

**Form No. AOC-2**

(Pursuant to *clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014*)

**Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto**

**1. Details of contracts or arrangements or transactions not at arm's length basis:**

There were no contracts / arrangements / transactions entered into during the year ended 31<sup>st</sup> March, 2019 which were not at arm's length basis.

**2. Details of material contracts or arrangements or transactions at arm's length basis:**

There were no material contracts or arrangements or transactions with related parties during the financial year 2018-19.

*For and on behalf of the Board of Directors  
For **Maven Systems Private limited***

*Place: Pune*  
Date: 26<sup>th</sup> September, 2019

**Suresh Bachalakura**  
Director  
DIN: 08077526

**Jayaram Susarla**  
Director  
DIN: 08077540

**MAVEN SYSTEMS PRIVATE LIMITED**

Regd. Office: Galore Tech, Survey No. 22, Hissa No.1/2+2/1+3/1+4/1/1, Bavdhan Khurd, Pune, Maharashtra-411021  
CIN: U72900PN2009PTC134858

**FORM NO. MGT - 11**  
**PROXY FORM**

[Pursuant to the provisions of Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s) : \_\_\_\_\_  
Registered Address : \_\_\_\_\_  
E-mail ID : \_\_\_\_\_  
Folio No. / Client ID: DP ID : \_\_\_\_\_

I/We being the Member(s) of \_\_\_\_\_ Equity Shares of Rs.10 each of Maven Systems Private Limited, hereby appoint:

1. Name: \_\_\_\_\_ E-mail Id: \_\_\_\_\_  
Address: \_\_\_\_\_  
Signature: \_\_\_\_\_

Or failing him/her

2. Name: \_\_\_\_\_ E-mail Id: \_\_\_\_\_  
Address: \_\_\_\_\_  
Signature: \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 10<sup>th</sup> Annual General Meeting of the Company, to be held on Friday, 27<sup>th</sup> September, 2019 at 11.00 a.m. at registered office of the Company at Galore Tech, Survey No. 22, Hissa No.1/2+2/1+3/1+4/1/1, Bavdhan Khurd, Pune, Maharashtra - 411021 and at any adjournment(s) thereof, in respect of the resolutions, as indicated below:

I/We wish my above proxy (ies) to vote in the manner as indicated in the box below:

| Resolution No. | Description   | (For)* | (Against)* | (Abstain)* |
|----------------|---|--------|------------|------------|
| 1.             | To adopt Financial Statements of the Company including Report of Board of Directors and Auditors for the financial year ended 31 <sup>st</sup> March, 2019.                                   |        |            |            |
| 2.             | To appoint a Director in place of Mr. Jayaram Susarla (DIN: 08077540), who retires by rotation and being eligible offers himself for re-appointment.  |        |            |            |
| 3.             | Appointment of Mr. K. Pradeep Chandra (DIN: 05345536) as a Director of the Company.   |        |            |            |
| 4.             | Appointment of Mr. Venkata Sudhakar Simhadri (DIN: 01883241) as a Director of the Company.  |        |            |            |
| 5.             | To increase the Borrowing Limit u/s 180(1)(c) of the Companies Act, 2013 upto INR 100 Crores.   |        |            |            |
| 6.             | To create Charges / Mortgages on or sell or otherwise dispose of the moveable and immovable properties of the Company, both present and future, in respect of borrowings upto INR 100 Crores. |        |            |            |
| 7.             | To increase the limits u/s 186(2) of Companies Act, 2013 for extending loans, providing guarantees, making investments or giving securities for loans taken by any person or body corporate.  |        |            |            |
| 8.             | To consider and approve the transactions with Related Parties under Section 188 of the Companies Act, 2013.   |        |            |            |

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2019.

|                                      |
|--------------------------------------|
| Affix<br>1 Rupee<br>Revenue<br>Stamp |
|--------------------------------------|

\_\_\_\_\_  
Signature of Shareholder/s

\_\_\_\_\_  
Signature of first proxy holder

\_\_\_\_\_  
Signature of second proxy holder

\_\_\_\_\_  
Signature of third proxy holder

\*Please put a (√) in the appropriate column against the resolution as indicated in the Box. Alternatively, you may mention the number of shares in the appropriate column in respect of which you would like your proxy to vote. If you leave all the columns blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

Notes:

1. This Form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.
2. A proxy need not be a Member of the Company.
3. In case the Member appointing proxy is a body corporate, the proxy form should be signed under its seal or be signed by an officer or an attorney duly authorised by it and an authenticated copy of such authorisation should be attached to the proxy form.
4. A person can act as proxy on behalf of such number of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. Further, a Member holding more than ten percent of the total share capital of the Company carrying voting rights, may appoint a single person as proxy and such person shall not act as proxy for any other person or Member.
5. Appointing a proxy does not prevent a Member from attending the meeting in person if he/she so wishes.
6. In case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

.....



**MAVEN SYSTEMS PRIVATE LIMITED**

Regd. Office: Galore Tech, Survey No. 22, Hissa No.1/2+2/1+3/1+4/1/1, Bavdhan Khurd, Pune, Maharashtra-411021  
CIN: U72900PN2009PTC134858

(To be handed over at entrance of the Meeting Venue)

**ATTENDANCE SLIP**

Regd. Folio No. / DPID – Client ID No. \_\_\_\_\_

SHAREHOLDER'S NAME: \_\_\_\_\_

(In Block Capitals)

In case of Proxy

NAME OF PROXY: \_\_\_\_\_

(In Block Capitals)

No. of Shares held \_\_\_\_\_

I certify that I am a registered shareholder / proxy for the registered shareholder of the Company.

I hereby record my presence at the Annual General Meeting of the Company held on Friday, 27<sup>th</sup> September, 2019 at 11.00 a.m. at registered office of the Company at Galore Tech, Survey No. 22, Hissa No.1/2+2/1+3/1+4/1/1, Bavdhan Khurd, Pune, Maharashtra-411021 at shorter notice.

**Signature of Shareholders / Proxy**

Notes:

- a) Only Member/Proxy can attend the meeting. No minors would be allowed at the meeting.
- b) Member/Proxy who wishes to attend the meeting must bring this attendance slip to the meeting and hand over at the entrance duly filled in and signed.
- c) Member/Proxy should bring his/her copy of the annual report for reference at the meeting.
- d) Please bring this Attendance Slip when coming to the Meeting.

**FORM NO.MGT-12  
POLLING PAPER**

[Pursuant to Section 109 (5) of the Companies Act, 2013 and  
Rule 21 (1) (C) of the Companies (Management and Administration) Rules, 2014]

|                     |   |
|---------------------|---|
| Name of the Company | Maven Systems Private Limited   |
| CIN                 | U72900PN2009PTC134858   |
| Registered Office   | Galore Tech, Survey No. 22, Hissa No.1/2+2/1+3/1+4/1/1, Bavdhan Khurd, Pune, Maharashtra-411021 |

**BALLOT PAPER**

| Sr. No. | Particulars  | Details                    |
|---------|--|----------------------------|
| 1.      | Name of the First Named Shareholder<br>(In BLOCK letters)  |                            |
| 2.      | Postal address   |                            |
| 3.      | Registered Folio No./<br>*DP ID and Client ID No.<br>(*Applicable to investors<br>holding shares in dematerialized form) |                            |
| 4.      | Class of Share   | Equity Shares of 10/- each |
| 5.      | No of shares held  |                            |

I hereby exercise my vote in respect of Ordinary/ Special Resolution/s enumerated below by Recording my assent or dissent to the said resolution in the following manner:

| S. No.                   | ITEM NO.   | I/we assent<br>to the<br>resolution<br>(For) | I/we dissent<br>from the<br>resolution<br>(Against) | Abstain |
|--------------------------|--|--|---|---------|
| <b>Ordinary Business</b> |  |  |   |         |
| 1.                       | To adopt Standalone Financial Statements of the Company including Report of Board of Directors and Auditors for the financial year ended 31 <sup>st</sup> March, 2019.                         |  |   |         |
| 2.                       | To appoint a Director in place of Mr. Jayaram Susarla (DIN: 08077540), who retires by rotation and being eligible offers himself for re-appointment.   |  |   |         |
| <b>Special Business</b>  |  |  |   |         |
| 3.                       | Appointment of Mr. K. Pradeep Chandra (DIN: 05345536) as a Director of the Company.  |  |   |         |
| 4.                       | Appointment of Mr. Venkata Sudhakar Simhadri (DIN: 01883241) as a Director of the Company.   |  |   |         |
| 5.                       | To increase the Borrowing Limit u/s 180(1)(c) of the Companies Act, 2013 upto INR 100 Crores.  |  |   |         |
| 6.                       | To create Charges / Mortgages on or sell or otherwise dispose of the moveable and immoveable properties of the Company, both present and future, in respect of borrowings upto INR 100 Crores. |  |   |         |
| 7.                       | To increase the limits u/s 186(2) of Companies Act, 2013 for extending loans, providing guarantees, making investments or giving securities for loans taken by any person or body corporate.   |  |   |         |
| 8.                       | To consider and approve the transactions with Related Parties under Section 188 of the Companies Act, 2013.  |  |   |         |

Place:  
Date:

**(Signature of the shareholder)**



## S.T. Mohite & Co., Chartered Accountants

G5, B-Block, Paragon Venkatadri Apartments,  
3-4-812, Street No. 1, Barkatpura,  
Hyderabad - 500 027. T.S. INDIA.  
Mob. : +91 9848994508, 9848359721  
Email : stmohite@yahoo.com

### Independent Auditors' Report

To the Members of  
Maven Systems Private Limited

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of Maven Systems Private Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2019, 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 then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards 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, 2019 and profit (including other 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 financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the 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 financial statements.

#### Key audit matters

Key audit matters ('KAM') are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.





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

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

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

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

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

In preparing the financial statements, management 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 Financial Statements**

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



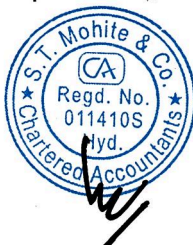


As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also :

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

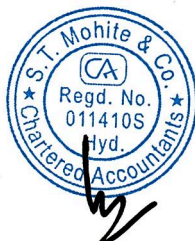




From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation 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 of India 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 to the extent applicable.
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), the 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 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, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 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'.
3. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial
  - 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.
  - iv. The disclosures in the financial statements regarding holdings as well as dealings in Specified Bank Notes during the period from 8th November 2016 to 30 December 2016 have not been made in these





financial statements since they do not pertain to the financial year ended 31 March 2019.

4. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of amendments to section 197(16) of the Act:

In our opinion and to the best of our information and according to the explanations given to us, no remuneration is paid by the Company to its directors during the year. Accordingly no details under Section 197(16) of the Act are required to be commented upon by us.

Place: Hyderabad  
Date: 27<sup>th</sup> May, 2019



For S.T. Mohite & Co.  
Chartered Accountants (Regd. No. 011410S)

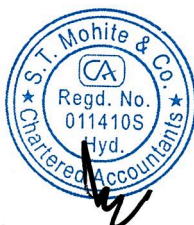
  
SREENIVASA RAO T. MOHITE  
Partner (Membership No. 015635)



### Annexure A to the Independent Auditors' Report

With reference to Annexure A as referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of the company on the financial statement for the year ended 31 March 2019, we report the following:

| SI No. | Ref to CARO | Report by Independent Auditors   |
|--------|-------------|--|
| 1      | 3(i)        | <b>Fixed Assets</b>  |
|        | 3(i)(a)     | The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.   |
|        | 3(i)(b)     | The Company has a regular program of physical verification of its fixed assets, by which all fixed assets are verified on annual basis, in our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, all fixed assets were physically verified during the year. According to the information and explanation given to us, no material discrepancies were noticed on such verification. |
| 2      | 3(i)(c)     | The Company is not holding any immovable properties and accordingly clause 3(i) of the Order is not applicable to the Company for the year under review.   |
|        | 3(ii)       | <b>Inventories</b><br>As explained to us, the inventories has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. The Company has maintained proper records of inventory. There were no material discrepancies noticed on verification between the physical stock and the book records.  |
| 3      | 3(iii)      | <b>Loans to parties covered by Sec.189 of the Companies Act,2013 ('the Act' )</b><br>According to the information and explanation given to us, the Company has not granted any loans, secured or unsecured, to body corporate, firms, Limited Liability Firms or other parties covered in the register required to be maintained under section 189 of the Act. Accordingly the provisions of the clause 3 (iii) of the Order are not applicable to the Company for the year under review.        |
| 4      | 3(iv)       | <b>Loans , guarantees, securities to and investments in other companies</b><br>In our opinion and according to the information and explanation given to us, the company has transactions for compliance with the provisions of Sections 185 and complied with the provisions of Section 186 of the Act in respect of making investments.   |
| 5      | 3(v)        | <b>Acceptance of deposits</b><br>In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits during the year as per provisions of Section 73 or 76 of the Act and any other relevant provisions of the Act and the relevant Rules framed thereunder. Accordingly the provisions of the clause 3 (v) of the Order are not applicable to the Company for the year under review.  |
| 6      | 3(vi)       | <b>Maintenance of cost records</b><br>According to the information and explanations given us, the maintenance of cost records prescribed the under section 148(1) of the Act read with Rule 3 of the Cost Audit Rules is not applicable to the company. Accordingly reporting under clause 3(vi) of the Order is not applicable to the Company for the year under review.  |







| Sl No. | Ref to CARO | Report by Independent Auditors   |
|--------|-------------|--|
| 7      | 3(vii)      | <b>Statutory Dues</b>  |
|        | 3(vii)(a)   | <p>According to the information and explanations given to us and on the basis of our examination of the record of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employee's State insurance, Income Tax, Goods and Service Tax, duty of Customs, Cess and other material statutory dues have been deposited during the year by the Company with the appropriate authorities.</p> <p>According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income tax, Goods and Service Tax, duty of Customs, Cess and other material statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.</p> |
|        | 3(vii)(b)   | <p>According to the information and explanation given to us, there are no dues of statutory dues of Income tax, sales tax, Service tax, Goods and Service tax, Customs duty, Excise duty, Value added tax, cess and other dues have not been deposited by the Company on account of any disputes.</p>  |
|        | 3(viii)     | <b>Defaults in repayments to Financial Institutions/Banks/Debenture holders</b><br><p>In our opinion and according to the information and explanation given to us, the Company has not defaulted in the payment/repayments of loans or borrowings to the banks. The Company did not have any outstanding loans or borrowings from financial Institutions or Government.</p>  |
| 9      | 3(ix)       | <b>Initial public offer/further offer</b><br><p>In our opinion and according to the information and explanation given to us, the company has not made, for the year under review, any initial public offer or further public offer of securities (including debt instruments) or the term loans during the year and hence reporting under clause 3(ix) of the Order is not applicable to the company.</p>  |
| 10     | 3(x)        | <b>Frauds by or on the company</b><br><p>In our opinion and according to the information and explanation given to us, no material fraud on the Company or on the Company by its officers or employees has been noticed are reported during the course of our audit.</p>  |
| 11     | 3(xi)       | <b>Managerial Remuneration</b><br><p>In our opinion and according to the information and explanation given to us based on the examination of the records of the Company, the company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Act.</p>   |
| 12     | 3(xii)      | <b>Nidhi company</b><br><p>In our opinion and according to the information and explanation given to us, the company is not a Nidhi Company as prescribed under Section 406 of the Act and hence paragraph 3(xii) of the Order is not applicable to the company.</p>  |
|        | 3(xiii)     | <b>Transactions with Related parties</b><br><p>In our opinion and according to the information and explanation given to us and based on our examination of the records of the Company, all transactions with related parties are in compliance with provisions of section 177 and section 188 of the Act where applicable, and the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.</p>  |





| Sl No. | Ref to CARO | Report by Independent Auditors   |
|--------|-------------|--|
| 14     | 3(xiv)      | <b>Preferential allotment u/s 62 or private placement u/s 42 of the Act</b><br>According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.  |
| 15     | 3(xv)       | <b>Non-cash transactions with directors u/s 192 of the Act</b><br>In our opinion and according to the information and explanation given to us and based on our examination of the records of the Company, the company has not entered into any non cash transactions with its Directors or persons connected to its Directors or persons connected with him and hence provisions of Sec 192 of the Act and paragraph 3(xv) of the Order are not applicable to the company. |
| 16     | 3(xvi)      | <b>Registration u/s 45-1A of RBI Act, 1934</b><br>According to the information and explanation given to us, The company is not required to be registered under section 45-1A of the Reserve bank of India Act, 1934 and hence paragraph 3(xvi) of the Order is not applicable to the company.  |

Place: Hyderabad  
Date: 27<sup>th</sup>, May, 2019



For S.T. Mohite & Co.  
Chartered Accountants (Regd. No. 011410S)

  
SREENIVASA RAO T. MOHITE  
Partner (Membership No. 015635)



## **Annexure B to the Independent Auditors' Report**

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls with reference to financial statements of Maven Systems Private Limited ("the Company") as of 31 March 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the Orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

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

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by ICAI. 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 with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 Company's internal financial controls system with reference to financial statements.

#### **Meaning of Internal Financial Controls with reference to Financial Statements**

A company's internal financial control with reference to financial statements 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 with reference to financial statements 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.

### **Inherent Limitations of Internal Financial Controls with reference to Financial Statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2019, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Place: Hyderabad  
Date: 27<sup>th</sup> May, 2019



For S.T. Mohite & Co.  
Chartered Accountants (Regd. No. 011410S)

  
SREENIVASA RAO T. MOHITE  
Partner (Membership No. 015635)

**Maven Systems Private Limited**  
**Balance Sheet**

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

|   | Note | As at<br>31 March 2019 | As at<br>31 March 2018 |
|---|------|------------------------|------------------------|
| <b>Assets</b>   |      |                        |                        |
| <b>Non-current assets</b>                                 |      |                        |                        |
| Property, plant and equipment                             | 4A   | 1,053,549              | 1,290,952              |
| Intangible assets under development                       |      | -                      | 75,165,899             |
| Other Intangible assets                                   | 4B   | 67,328,360             | -                      |
| Financial asset   | 5    | 1,198,936              | -                      |
| Deferred tax assets                                       | 33   | -                      | 959,891                |
|   |      | <b>69,580,845</b>      | <b>77,416,742</b>      |
| <b>Current assets</b>                                     |      |                        |                        |
| Inventories   | 6    | 41,903,033             | 8,834,660              |
| Financial assets  |      |                        |                        |
| Trade receivables   | 7    | 24,288,079             | 7,167,579              |
| Cash and cash equivalents                                 | 8    | 10,521,807             | 2,221,398              |
| Other financial assets                                    | 9    | 4,853,434              | 4,853,434              |
| Income tax assets (net)                                   |      | 1,116,544              | 995,760                |
| Other current assets                                      | 10   | 7,697,426              | 5,196,430              |
|   |      | <b>90,380,323</b>      | <b>29,269,261</b>      |
| <b>Total assets</b>                                       |      | <b>159,961,168</b>     | <b>106,686,003</b>     |
| <b>Equity and Liabilities</b>                             |      |                        |                        |
| <b>Equity</b>   |      |                        |                        |
| Equity share capital                                      | 11   | 100,000                | 100,000                |
| Other equity  | 12   | (145,375,442)          | (95,140,460)           |
| <b>Total equity</b>                                       |      | <b>(145,275,442)</b>   | <b>(95,040,460)</b>    |
| <b>Non-current liabilities</b>                            |      |                        |                        |
| Provisions  | 13   | 3,472,950              | 1,564,183              |
|   |      | <b>3,472,950</b>       | <b>1,564,183</b>       |
| <b>Current liabilities</b>                                |      |                        |                        |
| <b>Financial Liabilities</b>                              |      |                        |                        |
| Borrowings  | 14   | 183,751,737            | 141,905,835            |
| Trade payables  | 15   |                        |                        |
| (a) total outstanding dues of micro and small enterprises |      | -                      | -                      |
| (b) total outstanding dues other than (a) above           |      | 111,018,910            | 50,823,218             |
| Other current liabilities                                 | 16   | 6,299,848              | 3,666,339              |
| Deferred Tax liabilities (Net)                            | 33   | 9,126                  | -                      |
| Provisions  | 13   | 684,039                | 3,766,888              |
| <b>Total liabilities</b>                                  |      | <b>301,763,660</b>     | <b>200,162,280</b>     |
| <b>Total equity and liabilities</b>                       |      | <b>159,961,168</b>     | <b>106,686,003</b>     |

See accompanying notes forming part of the financial statements

1 to 36

In terms of our report attached  
for **ST Mohite & Co**

Chartered Accountants

ICAI Firm Registration Number: 011410S

  
Sreenivasa Rao T Mohite  
Partner

Membership No.: 015635

Place: Hyderabad

Date: 23 May 2019



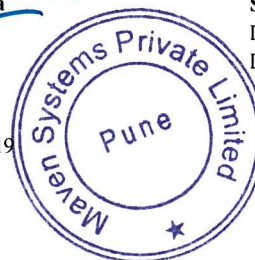
For and on behalf of Board  
**Maven Systems Private Limited**

  
Jayaram Susarla

Director  
DIN 08077540

Place: Pune

Date: 23 May 2019



  
Suresh Bachalakura

Director  
DIN: 08077526

**Maven Systems Private Limited**  
**Statement of Profit and Loss**

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

|   | Note | Year ended<br>31 March 2019 | Year ended<br>31 March 2018 |
|---|------|-----------------------------|-----------------------------|
| Revenue from operations   | 17   | 76,455,229                  | 23,622,388                  |
| Other income  | 18   | 153,980                     | 65,667                      |
| <b>Total Revenue</b>  |      | <b>76,609,209</b>           | <b>23,688,055</b>           |
| <b>Expenses</b>   |      |                             |                             |
| Raw materials consumed  | 19   | 30,590,098                  | 16,359,032                  |
| Changes in inventories of finished goods                          | 20   | 8,396,300                   | (604,925)                   |
| Other operating expenses  | 21   | 3,633,447                   | 89,876                      |
| Employee benefits expenses  | 22   | 39,668,105                  | 11,592,025                  |
| Depreciation and amortisation expense                             | 25   | 11,197,224                  | 946,779                     |
| Finance costs   | 23   | 14,357,536                  | 9,009,382                   |
| Other expenses  | 24   | 19,800,677                  | 21,983,590                  |
| <b>Total expense</b>  |      | <b>127,643,387</b>          | <b>59,375,759</b>           |
| <b>Loss before tax</b>  |      | <b>(51,034,178)</b>         | <b>(35,687,704)</b>         |
| <b>Tax expenses</b>   |      |                             |                             |
| Deferred tax  |      | 969,017                     | (348,299)                   |
| Total tax expense   |      | 969,017                     | (348,299)                   |
| <b>Loss after tax</b>   |      | <b>(52,003,195)</b>         | <b>(36,036,003)</b>         |
| <b>Other comprehensive income</b>                                 |      |                             |                             |
| <b>Items that will not be reclassified to profit or loss:</b>     |      |                             |                             |
| Remeasurements of the Defined Benefit Liabilities - Gain / (loss) |      | (1,768,213)                 | 332,682                     |
| <b>Total comprehensive loss</b>                                   |      | <b>(50,234,982)</b>         | <b>(35,703,321)</b>         |
| <b>Earnings per equity share (nominal value of INR 2) in INR</b>  |      |                             |                             |
| Basic and Diluted   |      | (5,200.32)                  | (3,603.60)                  |

See accompanying notes forming part of the financial statements

1 to 36

**In terms of our report attached**  
**for ST Mohite & Co**

Chartered Accountants

ICAI Firm Registration Number: 011410S

  
**Sreenivasa Babu T Mohite**  
 Partner

Membership No.: 015635

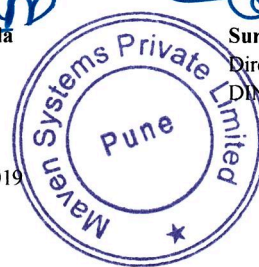
Place: Hyderabad  
 Date: 23 May 2019



For and on behalf of Board of Directors  
**Maven Systems Private Limited**

  
**Jayaram Susarla**  
 Director  
 DIN 08077540

Place: Pune  
 Date: 23 May 2019



  
**Suresh Bachalakura**  
 Director  
 DIN: 08077526

**Maven Systems Private Limited**

**Statement of cash flow**

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

| Particulars  | Year ended<br>31 March 2019 | Year ended<br>31 March 2018 |
|--|-----------------------------|-----------------------------|
| <b>Cash Flows from operating activities</b>                  |                             |                             |
| Loss before tax  | (51,034,178)                | (35,687,704)                |
| <b>Adjustments for :</b>                                     |                             |                             |
| Finance charges  | 14,357,536                  | 9,009,382                   |
| Sale / Write off of fixed asset                              | -                           | (44,667)                    |
| Interest on bank deposit                                     | (150,617)                   | -                           |
| Depreciation   | 11,197,224                  | 946,779                     |
| <b>Changes in working capital</b>                            |                             |                             |
| Decrease/(Increase) in trade receivables                     | (17,120,500)                | 2,768,753                   |
| Decrease/(Increase) in inventories                           | (33,068,373)                | 1,071,683                   |
| Decrease/(Increase) in other financial asset                 | (1,198,936)                 | (592,700)                   |
| Decrease/(Increase) in other current asset                   | (2,500,996)                 | 179,672                     |
| (Decrease)/Increase in trade payables                        | 60,195,693                  | 11,404,383                  |
| (Decrease)/Increase in current liabilities                   | 2,633,509                   | (2,596,758)                 |
| (Decrease)/Increase in short term provision                  | (1,314,636)                 | 3,662,012                   |
| (Decrease)/Increase in long term provision                   | 1,908,767                   | (2,206,559)                 |
| <b>Cash generated from operations</b>                        | <b>(16,095,507)</b>         | <b>(12,085,724)</b>         |
| Income tax paid  | (120,785)                   | (125,907)                   |
| <b>Net cash used for operating activities</b>                | <b>(16,216,292)</b>         | <b>(12,211,631)</b>         |
| <b>Cash flow from investment activities</b>                  |                             |                             |
| Increase in other intangible assets                          | (3,041,432)                 | (50,581,353)                |
| Sale of assets   | -                           | 53,000                      |
| Purchase of fixed assets                                     | (80,850)                    | (906,579)                   |
| Interest on bank deposit                                     | 150,617                     | -                           |
| <b>Net cash used for investment activities</b>               | <b>(2,971,665)</b>          | <b>(51,434,932)</b>         |
| <b>Cash flow from financing activities</b>                   |                             |                             |
| Finance charges  | (14,357,536)                | (11,765,139)                |
| Increase of long-term borrowings                             | 41,845,902                  | 75,139,767                  |
| <b>Net cash from financing activities</b>                    | <b>27,488,366</b>           | <b>63,374,628</b>           |
| Net Increase/(decrease) in cash and cash equivalents         | 8,300,409                   | (271,935)                   |
| Add:- Cash and cash equivalents at the beginning of the year | 2,221,398                   | 2,493,333                   |
| Cash and cash equivalents at the end of the year             | <b>10,521,807</b>           | <b>2,221,398</b>            |

See accompanying notes forming part of the financial statements

1 to 36

In terms of our report attached

for **ST Mohite & Co**

Chartered Accountants

ICAI Firm Registration Number: 011410S

  
Sreenivasa Rao T Mohite

Partner

Membership No.: 015635

Place: Hyderabad

Date: 23 May 2019



For and on behalf of Board of Directors

**Maven Systems Private Limited**

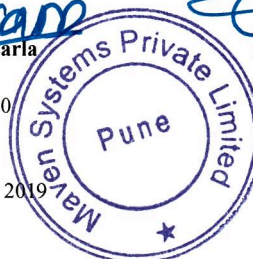
  
Jayaram Susarla

Director

DIN 08077540

Place: Pune

Date: 23 May 2019



  
Suresh Bachalakura

Director

DIN: 08077526

**Maven Systems Private Limited**

**Statement of changes in equity**

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

**a. Equity share capital**

**Equity shares of INR 10 each issued, subscribed and fully paid-up**

|  | Shares | Amount  |
|--|--------|---------|
| As of 1 April 2017                             | 10,000 | 100,000 |
| Change in Equity share Capital during the year | -      | -       |
| As of 31st March 2018                          | 10,000 | 100,000 |
| Change in Equity share Capital during the year | -      | -       |
| As of 31st March 2019                          | 10,000 | 100,000 |

**b. Other equity**

| Particulars                                    | Retained Earnings    |
|--|----------------------|
| At April 1, 2017                               | (59,437,139)         |
| Loss for the year                              | (36,036,003)         |
| Other comprehensive income (Net)               | 332,682              |
| <b>Total comprehensive income for the year</b> | <b>(35,703,321)</b>  |
| At March 31, 2018                              | <b>(95,140,460)</b>  |
| Loss for the year                              | (52,003,195)         |
| Other comprehensive income (Net)               | 1,768,213            |
| <b>Total comprehensive income for the year</b> | <b>(50,234,982)</b>  |
| At March 31, 2019                              | <b>(145,375,442)</b> |

See accompanying notes forming part of the financial statements


1 to 36

In terms of our report attached

for **ST Mohite & Co**

Chartered Accountants

ICAI Firm Registration Number: 011410S

  
Sreenivasa Rao Mohite  
Partner  
Membership No.: 015635

Place: Hyderabad  
Date: 23 May 2019

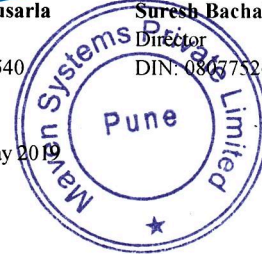


For and on behalf of Board  
**Maven Systems Private Limited**

  
Jayaram Susarla  
Director  
DIN 08077540

  
Suresh Bachalakura  
Director  
DIN: 08077526

Place: Pune  
Date: 23 May 2019





## Maven Systems Private Limited

### Notes forming part of the Financial statements

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

#### 1 General Information

Maven Systems Private Limited ('the Company') was incorporated in 2009 as a private limited company under the Companies Act, 1956. The Registered office of the Company is located at Galore Tech, Survey No. 22, Hissa No.1/2+2/1+3/1+4/1/1, Bavdhan Khurd Pune Pune MH 411021.

The Company is engaged in to business of Internet on Things (IOT). The Financial Statements for the year ended March 31, 2019 were approved by the Board of Directors and authorise for issue on May 23, 2019.

#### 2 Basis of preparation of financial statements

##### 2.1 Statement of Compliance

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

##### 2.2 Preparation of financial statement

These financial statements have been prepared in Indian Rupee ('₹') which is the functional currency of the Company.

These financial statements have been prepared on historical cost basis, except for certain financial instruments which are measured at fair value or amortised cost at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. 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. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

The statement of cash flows have been prepared under indirect method.

##### 2.3 Functional currency

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

##### 2.4 Operating cycle

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

##### Assets :

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

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

##### Liabilities :

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

- a) it is expected to be settled in the Company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is due to be settled within twelve months after the reporting date; or
- d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

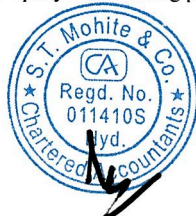
Current assets / liabilities include the current portion of non-current assets/ liabilities respectively. All other assets / liabilities are classified as non-current.

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

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

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

The following are the areas of estimation uncertainty and critical judgements that the management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:



**Maven Systems Private Limited**

**Notes forming part of the Financial statements**

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

**2.5 Critical accounting judgements and key sources of estimation uncertainty (Continued.,)**

**Contingent liability**

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

**Useful lives of depreciable assets**

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

**Provisions**

Provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date adjusted to reflect the current best estimates.

**Investment in equity instruments of subsidiary companies**

During the year, the Company assessed the investment in equity instrument of subsidiary companies carried at cost for impairment testing. These companies are expected to generate positive cash flows in the future years. Detailed analysis has been carried out on the future projections and the Company is confident that the investments do not require any impairment.

**3 Significant accounting policies**

**3.1 Revenue recognition**

The Company derives revenues primarily from business IT services comprising software development, consulting and related services. Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Company has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information in the consolidated statement of profit and loss is not restated – i.e. the comparative information continues to be reported under Ind AS 18 and Ind AS 11. The impact of adoption of the standard on the financial statements of the Company is insignificant.

- Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.
- Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.
- In respect of other fixed-price contracts, revenue is recognised using percentage-of-completion method ('POC method') of accounting with contract costs incurred determining the degree of completion of the performance obligation. The contract costs used in computing the revenues include cost of fulfilling warranty obligations.
- Revenue from the sale of distinct internally developed software and manufactured systems and third party software is recognised upfront at the point in time when the system / software is delivered to the customer. In cases where implementation and / or customisation services rendered significantly modifies or customises the software, these services and software are accounted for as a single performance obligation and revenue is recognised over time on a POC method.
- Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credit performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.
- Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

**Interest income**

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on, time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

**3.2 Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalized at fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower. Assets held under leases that do not transfer substantially all the risks and reward of ownership are not recognized in the balance sheet.

Lease payments under operating lease are generally recognised as an expense in the statement of profit and loss on a straight-line basis over the term of lease unless such payments are structured to increase in line with the expected general inflation to compensate for the lessor's expected inflationary cost increases.



## Maven Systems Private Limited

### Notes forming part of the Financial statements

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

#### 3 Significant accounting policies (Continued..)

##### 3.2 Leases (Continued..)

Further, at the inception of above arrangement, the Company determines whether the above arrangement is or contains a lease. At inception or on reassessment of an arrangement that contains a lease, the Company separates a payments and other consideration required by the arrangement into those for the lease and those for other elements on the basis of their relative fair values.

If the Company concludes for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the Company's incremental borrowing rate.

Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

##### 3.3 Investment in subsidiaries

Investment in subsidiaries are measured at cost less impairment loss, if any.

##### 3.4 Foreign currencies

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

##### 3.5 Borrowing costs

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 their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

##### 3.6 Taxation

Income tax expense consists of current and deferred tax. Income tax expense is recognized in the income statement except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

###### Current tax

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

###### Deferred tax

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for consolidated financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit; differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future; and taxable temporary differences arising upon the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

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

##### 3.7 Earnings per share

The Company presents basic and diluted earnings per share ("EPS") data for its ordinary shares. The basic earnings per share is computed by dividing the net profit attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the net profit attributable to equity shareholders for the year relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share.



## Maven Systems Private Limited

### Notes forming part of the Financial statements

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

#### 3.8 Property, plant and equipment

##### Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and other costs directly attributable to bringing the asset to a working condition for its intended use. Borrowing costs that are directly attributable to the construction or production of a qualifying asset are capitalized as part of the cost of that asset.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses upon disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognized net within "other (income)/expense, net" in the income statement.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of repairs and maintenance are recognized in the income statement as incurred.

Items of property, plant and equipment acquired through exchange of non-monetary assets are measured at fair value, unless the exchange transaction lacks commercial substance or the fair value of either the asset received or asset given up is not reliably measurable, in which case the asset exchanged is recorded at the carrying amount of the asset given up.

##### Depreciation

Depreciation is provided for property, plant and equipment on a straight line basis so as to expense the cost less residual value over their estimated useful lives based on a technical evaluation. The estimated useful lives and residual values are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

| Useful lives of depreciable assets * | Useful Life |
|--------------------------------------|-------------|
| Mask Tools                           | 5           |
| Electrical Installation              | 10          |
| Leasehold improvements               | 6           |
| Lab Equipment's                      | 5           |
| Plant and Machinery                  | 5           |
| Furniture and fixtures               | 10          |
| Office equipment's                   | 5           |
| Computers                            | 3           |
| Vehicles                             | 10          |
| Electrical Installation              | 5           |
| Other Intangible assets              | 3           |

Leased assets are depreciated over the shorter of the lease term and their useful lives. Depreciation is charged on a proportionate basis for all property, plant and equipment purchased and sold during the year.

#### 3.9 Goodwill and other intangible assets

Goodwill represents the cost of acquired business as established at the date of acquisition of the business in excess of the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities less accumulated impairment losses, if any.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or group of cash-generating units) that is expected to benefit from the synergies of the combinations.

Goodwill is tested for impairment annually or when events or circumstances indicate that the implied fair value of goodwill is less than its carrying amount.

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective estimated useful lives on a straight-line basis, from the date that they are available for use.

Software for internal use, which is primarily acquired from third-party vendors and which is an integral part of a tangible asset, is capitalized as part of the related tangible asset. Subsequent costs associated with maintaining such software are recognized as expense as incurred. The capitalized costs are amortized over the estimated useful life of the software or the remaining useful life of the tangible fixed asset, whichever is lower.

##### Amortisation

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

Computer software is amortised on straight line basis over a period of three years.



## Maven Systems Private Limited

### Notes forming part of the Financial statements

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

#### 3.10 Inventories

##### Components and parts:

Components and parts are valued at lower of cost or net realizable value. Cost is determined on First-In-First Out basis.

##### Finished Goods:

Finished goods are valued at the lower of the cost or net realisable value. Cost is determined on First-In-First Out basis.

##### Projects in Progress / Work in Progress:

Hardware equipment and other items are carried at the lower of cost and net realisable value. Cost is determined on a specific identification basis. Cost includes material cost, freight and other incidental expenses incurred in bringing the inventory to the present location / condition.

#### 3.11 Cash flow statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated. Bank overdrafts are classified as part of cash and cash equivalent, as they form an integral part of an entity's cash management.

#### 3.12 Government grants

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

Where the Company receives non-monetary grants, the asset and the grant are accounted at fair value and recognised in the statement of profit and loss over the expected useful life of the asset.

#### 3.13 Impairment of non financial assets

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

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

An impairment loss is recognized in the consolidated income statement if the estimated recoverable amount of an asset or its cash-generating unit is lower than its carrying amount. Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

Goodwill that forms part of the carrying amount of an investment in an associate is not recognized separately, and therefore is not tested for impairment separately. Instead, the entire amount of the investment in an associate is tested for impairment as a single asset when there is objective evidence that the investment in an associate may be impaired.

An impairment loss in respect of equity accounted investee is measured by comparing the recoverable amount of investment with its carrying amount. An impairment loss is recognized in the income statement, and reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

#### 3.14 Employee benefits

##### Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

##### Defined contribution plans

The Company's contributions to defined contribution plans are charged to the income statement as and when the services are received from the employees.

##### Defined benefit plans

The liability in respect of defined benefit plans and other post-employment benefits is calculated using the projected unit credit method consistent with the advice of qualified actuaries. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related defined benefit obligation. In countries where there is no deep market in such bonds, the market rates on government bonds are used. The current service cost of the defined benefit plan, recognized in the income statement in employee benefit expense, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognized immediately in income. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the income statement. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.



## Maven Systems Private Limited

### Notes forming part of the Financial statements

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

#### 3.14 Employee benefits (Continued..)

##### Termination benefits

Termination benefits are recognized as an expense when the Company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognized as an expense if the Company has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

##### Other long-term employee benefits

The Company's net obligation in respect of other long term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and previous periods. That benefit is discounted to determine its present value. Re-measurements are recognized in the consolidated statement of profit and loss in the period in which they arise.

#### 3.15 Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

#### 3.16 Contingent liabilities & contingent assets

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are not recognised in the consolidated financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

#### 3.17 Financial instruments

##### a Recognition and Initial recognition

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

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

##### b Classification and Subsequent measurement

###### Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- fair value through profit and loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its-business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

###### Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.



## Maven Systems Private Limited

### Notes forming part of the Financial statements

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

#### 3.17 Financial instruments (Continued.,)

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

#### Financial assets: Subsequent measurement and gains and losses

**Financial assets at FVTPL:** These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

**Financial assets at amortised cost:** These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

#### Financial liabilities: Classification, Subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

#### c Derecognition

##### Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

##### Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit.

#### d Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.



**Maven Systems Private Limited**

**Notes forming part of the Financial statements**

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

**3.17 Financial instruments (Continued.,)**

**e Impairment**

The Company recognises loss allowances for expected credit losses on financial assets measured at amortised cost:

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at fair value through other comprehensive income (FVOCI) are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

**Measurement of expected credit losses**

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

**Write-off**

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the trade receivable does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

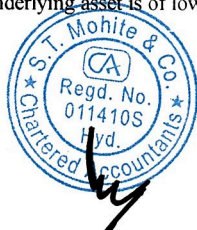
**3.18 Recent Indian Accounting Standards (Ind AS)**

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind AS which the Company has not applied as they are effective from April 1, 2019:

**Ind AS 116 – Leases**

Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting model for lessees. A lessee recognises right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The Company will adopt Ind AS 116 effective annual reporting period beginning April 1, 2019. The Company will apply the standard to its leases, retrospectively, with the cumulative effect of initially applying the standard, recognised on the date of initial application (April 1, 2019). Accordingly, the Company will not restate comparative information, instead, the cumulative effect of initially applying this Standard will be recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019. On that date, the Company will recognise a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at its carrying amount as if the Standard had been applied since the commencement date, but discounted using the lessee's incremental borrowing rate as at April 1, 2019. In accordance with the standard, the Company will elect not to apply the requirements of Ind AS 116 to short-term leases and leases for which the underlying asset is of low value.





**Maven Systems Private Limited**

**Notes forming part of the Financial statements**

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

**3.18 Recent Indian Accounting Standards (Ind AS) (Continued..)**

**Ind AS 12 – Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)**

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The Company does not expect any impact from this pronouncement. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12.

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Company does not expect any significant impact of the amendment on its financial statements.

**Ind AS 109 – Prepayment Features with Negative Compensation**

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. The Company does not expect this amendment to have any impact on its financial statements.

**Ind AS 19 – Plan Amendment, Curtailment or Settlement**

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The Company does not expect this amendment to have any significant impact on its financial statements.

**Ind AS 23 – Borrowing Costs**

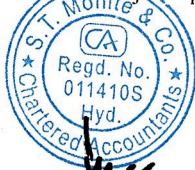
The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The Company does not expect any impact from this amendment.

**Ind AS 28 – Long-term Interests in Associates and Joint Ventures**

The amendments clarify that an entity applies Ind AS 109 Financial Instruments, to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. The Company does not currently have any long-term interests in associates and joint ventures.

**Ind AS 103 – Business Combinations and Ind AS 111 – Joint Arrangements**

The amendments to Ind AS 103 relating to re-measurement clarify that when an entity obtains control of a business that is a joint operation, it re-measures previously held interests in that business. The amendments to Ind AS 111 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not remeasure previously held interests in that business. The Company will apply the pronouncement if and when it obtains control / joint control of a business that is a joint operation.



**Maven Systems Private Limited**

**Notes forming part of financial statements**

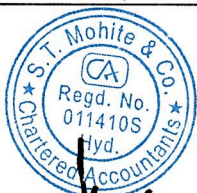
(All amounts in Indian Rupees, except share data and where otherwise stated)

**4A Property, plant and equipment**

| Particulars                     | Furniture and fixtures | Office equipment's | Computers | Total     |
|---------------------------------|------------------------|--------------------|-----------|-----------|
| <b>Cost of deemed cost</b>      |                        |                    |           |           |
| <b>At March 31, 2017</b>        | 312,214                | 101,337            | 1,327,901 | 1,741,452 |
| Additions                       | 53,000                 | -                  | 853,578   | 906,578   |
| Deletions                       | -                      | 8,332              | -         | 8,332     |
| <b>At March 31, 2018</b>        | 365,214                | 93,005             | 2,181,479 | 2,639,698 |
| Additions                       |                        | 8,850              | 72,000    | 80,850    |
| Deletions                       |                        |                    |           | -         |
| <b>At March 31, 2019</b>        | 365,214                | 101,855            | 2,253,479 | 2,720,548 |
| <b>Accumulated depreciation</b> |                        |                    |           |           |
| <b>At March 31, 2017</b>        | 24,693                 | 48,754             | 328,520   | 401,967   |
| Charge for the year             | 82,108                 | 19,542             | 845,129   | 946,779   |
| Less: Deletions                 |                        | -                  | -         | -         |
| <b>At March 31, 2018</b>        | 106,801                | 68,296             | 1,173,649 | 1,348,746 |
| Charge for the year             | 66,904                 | 6,163              | 245,187   | 318,253   |
| Less: Deletions                 |                        |                    |           | -         |
| <b>At March 31, 2019</b>        | 173,705                | 74,459             | 1,418,836 | 1,666,999 |
| <b>Carrying amount</b>          |                        |                    |           |           |
| At March 31, 2017               | 287,521                | 52,583             | 999,381   | 1,339,485 |
| At March 31, 2018               | 258,413                | 24,709             | 1,007,830 | 1,290,952 |
| <b>At March 31, 2019</b>        | 191,509                | 27,396             | 834,643   | 1,053,549 |

**4B Other Intangible Assets**

| Particulars                     | Intangible assets | Intangible assets under development |
|---------------------------------|-------------------|-------------------------------------|
| <b>Cost of deemed cost</b>      |                   |                                     |
| <b>At March 31, 2017</b>        | -                 | -                                   |
| Additions                       | -                 | -                                   |
| Deletions                       | -                 | -                                   |
| <b>At March 31, 2018</b>        | -                 | 75,165,899                          |
| Additions / (transfer)          | 78,207,331        | (75,165,899)                        |
| Deletions                       | -                 | -                                   |
| <b>At March 31, 2019</b>        | 78,207,331        | -                                   |
| <b>Accumulated amortisation</b> |                   |                                     |
| <b>At March 31, 2017</b>        | -                 | -                                   |
| Charge for the year             | -                 | -                                   |
| Less: Deletions                 |                   |                                     |
| <b>At March 31, 2018</b>        | -                 | -                                   |
| Charge for the year             | 10,878,971        | -                                   |
| Less: Deletions                 |                   |                                     |
| <b>At March 31, 2019</b>        | 10,878,971        | -                                   |
| <b>Carrying amount</b>          |                   |                                     |
| At March 31, 2017               | -                 | -                                   |
| At March 31, 2018               | -                 | 75,165,899                          |
| <b>At March 31, 2019</b>        | 67,328,360        | -                                   |



**Maven Systems Private Limited**

**Notes forming part of the Accounts for the year ended 31 March, 2019**

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

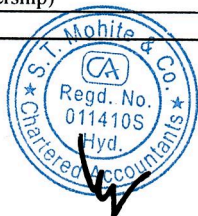
|   | As at<br>31 March 2019 | As at<br>31 March 2018 |
|---|------------------------|------------------------|
| <b>5 Financial assets</b>   |                        |                        |
| <b>Non-current assets</b>   |                        |                        |
| <i>Unsecured, considered good</i>   |                        |                        |
| Advances to employees *   | 1,198,936              | -                      |
|   | <u>1,198,936</u>       | <u>-</u>               |
| * Carrying at fair value  |                        |                        |
| <b>6 Inventories *</b>  |                        |                        |
| Inventories consists of the following:                                      |                        |                        |
| Raw materials and components  | 41,903,033             | 438,360                |
| Work in process stock   | -                      | 6,220,340              |
| Finished Goods  | -                      | 2,175,960              |
|   | <u>41,903,033</u>      | <u>8,834,660</u>       |
| * Inventories are carried at the lower of cost and net realisable value.    |                        |                        |
| <b>7 Trade receivables</b>  |                        |                        |
| <b>Current</b>  |                        |                        |
| Unsecured, considered good  | 24,288,079             | 7,167,579              |
|   | <u>24,288,079</u>      | <u>7,167,579</u>       |
| <b>8 Cash and cash equivalents</b>  |                        |                        |
| Balances with banks:  |                        |                        |
| - in Current account  | 10,521,807             | 2,221,398              |
|   | <u>10,521,807</u>      | <u>2,221,398</u>       |
| <b>9 Other financial assets</b>   |                        |                        |
| Unsecured, considered good unless otherwise stated                          |                        |                        |
| <b>Current</b>  |                        |                        |
| Earnest Money Deposits  | 600,000                | 600,000                |
| Security deposits   | 4,253,434              | 4,253,434              |
|   | <u>4,853,434</u>       | <u>4,853,434</u>       |
| <b>10 Current assets</b>  |                        |                        |
| Unsecured, considered good  |                        |                        |
| Advances to employees   | 1,348,291              | 755,418                |
| Balance with Government Authorities   | 235,048                | -                      |
| Indirect tax recoverable  | 3,789,933              | 3,407,311              |
| Advance to Vendors  | 841,261                | 270,778                |
| Prepaid expenses  | 1,482,894              | 762,924                |
|   | <u>7,697,426</u>       | <u>5,196,430</u>       |
| <b>11 Equity Share Capital</b>  |                        |                        |
| <b>Authorised :</b>   |                        |                        |
| 10,000 (March 31, 2018: 10,000) Equity shares of Rs. 10 each.               | 100,000                | 100,000                |
| <b>Total</b>  | <u>100,000</u>         | <u>100,000</u>         |
| <b>Issued, subscribed and fully paid-up</b>                                 |                        |                        |
| 10,000 (March 31, 2018: 10,000) equity shares of Rs.10/- each fully paid-up | 100,000                | 100,000                |
|   | <u>100,000</u>         | <u>100,000</u>         |

**a. Reconciliation of shares outstanding at the beginning and end of the year**

| Particulars                              | As at 31st March, 2019 |                | As at 31st March, 2018 |                |
|--|------------------------|----------------|------------------------|----------------|
|  | No. of equity shares   | Amount         | Number                 | Amount         |
| Outstanding at the beginning of the year | 10,000                 | 100,000        | 10,000                 | 100,000        |
| Issued during the year                   | -                      | -              | -                      | -              |
| Outstanding at the end of the year       | <u>10,000</u>          | <u>100,000</u> | <u>10,000</u>          | <u>100,000</u> |

**b. Details of shareholders holding more than 5% shares in the Company**

| Name of the Share holders                                     | As at 31st March, 2019 |                | As at 31st March, 2018 |                |
|---|------------------------|----------------|------------------------|----------------|
|   | No. of Shares held     | % of Holding   | No. of Shares held     | % of Holding   |
| MosChip Technologies Limited (Including beneficial ownership) | 10,000                 | 100.00%        | 10,000                 | 100.00%        |
|   | <u>10,000</u>          | <u>100.00%</u> | <u>10,000</u>          | <u>100.00%</u> |



**Maven Systems Private Limited**

**Notes forming part of the Accounts for the year ended 31 March, 2019**

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

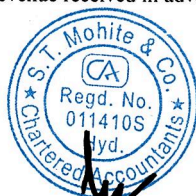
**11 Equity Share Capital (Continued..)**

**c. Terms / rights attached to the equity shares**

Equity shares of the Company have a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

d. 10,000 shares are held by Holding Company namely MosChip Technologies Limited (Including beneficial ownership)

|   | As at<br>31 March 2019      | As at<br>31 March 2018     |
|---|-----------------------------|----------------------------|
| <b>12 Other equity</b>                                    |                             |                            |
| <b>Retained earning</b>                                   |                             |                            |
| Opening balance   | (95,140,460)                | (59,437,139)               |
| Loss for the year   | (52,003,195)                | (36,036,003)               |
| Other comprehensive income                                | 1,768,213                   | 332,682                    |
| <b>Total other equity</b>                                 | <b><u>(145,375,442)</u></b> | <b><u>(95,140,460)</u></b> |
| <b>13 Provisions</b>                                      |                             |                            |
| <b>Non-Current</b>  |                             |                            |
| Provision for employee benefits                           |                             |                            |
| - Gratuity (refer note 28)                                | 2,701,801                   | 1,564,183                  |
| - Compensated absences                                    | 771,149                     | -                          |
|   | <b><u>3,472,950</u></b>     | <b><u>1,564,183</u></b>    |
| <b>Current</b>  |                             |                            |
| Provision for employee benefits                           |                             |                            |
| - Gratuity (refer note 27)                                | 355,462                     | 3,766,888                  |
| - Compensated absences                                    | 328,577                     | -                          |
|   | <b><u>684,039</u></b>       | <b><u>3,766,888</u></b>    |
| <b>14 Borrowings</b>                                      |                             |                            |
| Unsecured   |                             |                            |
| From related parties                                      |                             |                            |
| Holding Company   | 183,751,737                 | 141,905,835                |
|   | <b><u>183,751,737</u></b>   | <b><u>141,905,835</u></b>  |
| <b>15 Trade payables</b>                                  |                             |                            |
| Trade payables  |                             |                            |
| (a) total outstanding dues of micro and small enterprises | -                           | -                          |
| (b) total outstanding dues other than (a) above           | 111,018,910                 | 50,823,218                 |
|   | <b><u>111,018,910</u></b>   | <b><u>50,823,218</u></b>   |
| <b>16 Other current liabilities</b>                       |                             |                            |
| Current   |                             |                            |
| Statutory liabilities                                     | 685,349                     | 2,194,590                  |
| Advance from Customer                                     | 5,094,282                   | 942,377                    |
| Revenue received in advance                               | 520,218                     | 529,372                    |
|   | <b><u>6,299,848</u></b>     | <b><u>3,666,339</u></b>    |



**Maven Systems Private Limited**

**Notes forming part of the Accounts for the year ended 31 March, 2019**

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

|  | Year ended<br>31 March 2019 | Year ended<br>31 March 2018 |
|--|-----------------------------|-----------------------------|
| <b>17 Revenue from operations</b>                  |                             |                             |
| IoT Products                                       | 76,455,229                  | 23,622,388                  |
|  | <b>76,455,229</b>           | <b>23,622,388</b>           |
| <b>18 Other income</b>                             |                             |                             |
| Interest income                                    | 150,617                     | -                           |
| Miscellaneous income                               | 3,363                       | 65,667                      |
|  | <b>153,980</b>              | <b>65,667</b>               |
| <b>19 Raw materials consumed</b>                   |                             |                             |
| Opening stock                                      | 438,360                     | 2,114,968                   |
| Add: Purchases                                     | 72,054,771                  | 14,682,424                  |
| Less: Closing stock                                | 41,903,033                  | 438,360                     |
|  | <b>30,590,098</b>           | <b>16,359,032</b>           |
| <b>20 Changes in inventories of finished goods</b> |                             |                             |
| Opening stock                                      | 8,396,300                   | 7,791,375                   |
| Closing stock                                      | -                           | 8,396,300                   |
|  | <b>8,396,300</b>            | <b>(604,925)</b>            |
| <b>21 Other Operating Expenses</b>                 |                             |                             |
| Jobwork Charges                                    | 3,266,225                   | -                           |
| Other expenses                                     | 367,222                     | 89,876                      |
|  | <b>3,633,447</b>            | <b>89,876</b>               |
| <b>22 Employee benefits expense</b>                |                             |                             |
| Salaries, wages and bonus                          | 34,525,490                  | 7,706,395                   |
| Contribution to provident and other funds          | 3,359,803                   | 2,706,181                   |
| Staff welfare expenses                             | 1,782,813                   | 1,179,449                   |
|  | <b>39,668,105</b>           | <b>11,592,025</b>           |
| <b>23 Finance costs</b>                            |                             |                             |
| Interest on loans                                  | 14,054,887                  | 8,942,851                   |
| Bank Charges                                       | 302,649                     | 66,531                      |
|  | <b>14,357,536</b>           | <b>9,009,382</b>            |
| <b>24 Other expenses</b>                           |                             |                             |
| Power and fuel                                     | 1,871,658                   | 2,331,864                   |
| Repairs and maintenance                            | 308,637                     | 261,873                     |
| Auditors Remuneration (refer note 26)              | 155,100                     | 160,000                     |
| Postage, and Telephone Expenses                    | 425,254                     | 1,219,122                   |
| Lease rentals                                      | 8,955,684                   | 6,949,800                   |
| Rent on Equipment's                                | 150,000                     | 150,000                     |
| Security expenses                                  | 879,790                     | 1,230,092                   |
| Travelling and conveyance                          | 1,795,707                   | 3,970,300                   |
| Rates and taxes                                    | 9,487                       | 999,216                     |
| Professional charges                               | 1,110,569                   | 1,099,578                   |
| Printing and stationery                            | 28,557                      | 125,669                     |
| Communication expenses                             | 205,841                     | 48,855                      |
| Insurance  | -                           | 48,419                      |
| Subscription charges                               | 2,387,557                   | 751,905                     |
| Office maintenance                                 | 1,206,849                   | 578,278                     |
| Foreign Exchange Fluctuation                       | 56,789                      | 360,933                     |
| General Expenses                                   | 253,199                     | 632,846                     |
| Bad debts written off                              | -                           | 1,064,840                   |
|  | <b>19,800,677</b>           | <b>21,983,590</b>           |
| <b>25 Depreciation and amortisation expense</b>    |                             |                             |
| Depreciation                                       | 318,253                     | 946,779                     |
| Amortisation                                       | 10,878,971                  | -                           |
|  | <b>11,197,224</b>           | <b>946,779</b>              |



**Maven Systems Private Limited**

**Notes forming part of the Accounts for the year ended 31 March, 2019**

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

**26 Auditors' remuneration**

| Particulars                                      | 31 March 2019  | 31 March 2018  |
|--|----------------|----------------|
| As fees for Audit                                | 135,100        | 135,000        |
| As fees for Audit under the Income-tax Act, 1961 | 20,000         | 25,000         |
| As reimbursement of out of pocket expenses       | -              | -              |
| <b>Total</b>                                     | <b>155,100</b> | <b>160,000</b> |

**27 Related party disclosures**

**A. Names of related parties and related party relationship**

| Name of the related party                 | Nature of Relationship |
|---|------------------------|
| MosChip Technologies Limited              | Holding Company        |
| First Pass Semiconductors Private Limited | Fellow subsidiary      |
| Suresh Bachalakura                        | Director               |
| Jayaram Susarla                           | Director               |

**B. Details of related party transactions**

|  | 31 March 2019 | 31 March 2018 |
|--|---------------|---------------|
| <b>MosChip Technologies Limited</b>              |               |               |
| Purchase of goods                                | 39,267,073    | 8,334,682     |
| Reimbursement of expenses                        | 343,647       | 1,540,678     |
| Sale of Services (Cross Charge)                  | 18,087,771    | -             |
| Loans received                                   | 41,845,903    | 88,270,000    |
| Interest expenses                                | 14,721,574    | 8,942,851     |
| <b>First Pass Semiconductors Private Limited</b> |               |               |
| Reimbursement of expenses                        | 500,000       | -             |

**C. Balance receivable/(payable) at year end**

|  |             |             |
|--|-------------|-------------|
| <b>MosChip Technologies Limited</b>              |             |             |
| Loans  | 183,751,737 | 141,905,835 |
| Other Payables                                   | 51,663,731  | 11,479,111  |
| <b>First Pass Semiconductors Private Limited</b> |             |             |
| Other receivables                                | 500,000     | -           |



**Maven Systems Private Limited**

**Notes forming part of the Accounts for the year ended 31 March, 2019**

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

**28 Gratuity**

The Company provides its employees with benefits under a defined benefit plan, referred to as the "Gratuity Plan". The Gratuity Plan entitles an employee, who has rendered at least five years of continuous service, to receive 15 days salary for each year of completed service (service of six months and above is rounded off as one year) at the time of retirement/exit.

The following tables summarize the components of net benefit expense recognised in the statement of profit or loss and the amounts recognised in the balance sheet for the plan:

Reconciliation of opening and closing balances of the present value of the defined benefit obligations:

| Particulars  | 31-March-19        | 31-March-18        |
|--|--------------------|--------------------|
| <b>Opening balance</b>   | <b>5,331,071</b>   | <b>4,472,000</b>   |
| Service cost   | 497,990            | 304,096            |
| Interest cost  | 248,582            | 10,404             |
| Past Service Cost  | -                  | 877,253            |
| Benefits paid  | (1,252,167)        | -                  |
| Actuarial gain   | (1,768,213)        | (332,682)          |
| <b>Closing balance</b>   | <b>3,057,263</b>   | <b>5,331,071</b>   |
| Present value of projected benefit obligation at the end of the year | 3,057,263          | 5,331,071          |
| Fair value of plan assets at the end of the year                     | -                  | -                  |
| Net liability recognised in the balance sheet                        | 3,057,263          | 5,331,071          |
| Long term provision  | 2,701,801          | 1,564,183          |
| Short term provision   | 355,462            | 3,766,888          |
| <b>Expenses recognised in statement of profit and loss</b>           | <b>31-March-19</b> | <b>31-March-18</b> |
| Service cost   | 497,990            | 877,253            |
| Interest cost  | 248,582            | 304,096            |
| Past Service Cost  | -                  | 10,404             |
| <b>Gratuity cost</b>   |                    |                    |
| Return on plan assets Greater / (Less) than discount rate            | (1,768,213)        | (332,682)          |
| <b>Total Gain / (Loss) routed through OCI</b>                        | <b>(1,768,213)</b> | <b>(332,682)</b>   |

| Assumptions             | 31-March-19 | 31-March-18 |
|-------------------------|-------------|-------------|
| Discount rate           | 7.1%        | 7.7%        |
| Future salary increases | 7.0%        | 7%          |
| Employee turnover       |             |             |
| Age upto 30 years       | 15%         | 15%         |
| Age 31 - 40 years       | 15%         | 15%         |
| Age 41 - 50 years       | 15%         | 15%         |
| Age above 50 years      | 15%         | 15%         |

**A quantitative sensitivity analysis for significant assumption and its impact on projected benefit obligation are as follows:**

|  | 31-March-19 | 31-March-18 |
|--|-------------|-------------|
| Effect of + 1% change in rate of discounting     | 2,878,007   | 5,249,107   |
| Effect of - 1% change in rate of discounting     | 3,260,323   | 5,420,809   |
| Effect of + 1% change in rate of salary increase | 3,204,695   | 5,400,869   |
| Effect of - 1% change in rate of salary increase | 2,890,314   | 5,264,487   |

The sensitivity analyses above have been determined based on a method that extrapolates the impact on projected benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.



**Maven Systems Private Limited**

**Notes forming part of the Accounts for the year ended 31 March, 2019**

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

**29 Dues to Micro, small and medium enterprises**

The Company sought the information from all the suppliers, based on the information available with the Company, there are no outstanding amounts payable to creditors who have been identified as "suppliers" within the meaning of "Micro, Small and Medium Enterprises Development (MSMED) Act, 2006", hence there is not reportable as required as per Sec 22(i) to (vi) of the MSMED Act, 2006 read with Schedule III of Companies Act, 2013.

**30 Segment Reporting (Ind AS 108):**

The Company is exclusively engaged in the business of Internet on Things (IoT) primarily in India. As per Ind AS 108 "Operating Segments", specified under Section 133 of the Companies Act, 2013, there are no reportable operating or geographical segments applicable to the Company.

**31 Leases**

**Where the Company is a lessee:**

The Company has taken various office premises under operating leases. The leases typically run for a term ranging from one to five years, with an option to renew the lease after the term completion. The escalation clause in these arrangement ranges from 5% to 15%.

i) Future minimum lease payments under non-cancellable operating leases are as follows:

| Particulars                                  | 31-March-19 | 31-March-18 |
|--|-------------|-------------|
| Not later than 1 year                        | 6,965,352   | 8,955,684   |
| Later than 1 year and not later than 5 years | -           | 26,957,448  |
| Later than 5 years                           | -           | -           |

ii) Lease rents under the operating Leases are recognized in the Statement Profit & Loss on a accrued basis. The total charge as rent to the Statement of Profit & Loss for the year is Rs. 89,55,684/- for Office.

| Particulars               | 31-March-19      | 31-March-18      |
|---------------------------|------------------|------------------|
| Cancellable lease expense | 8,955,684        | 6,949,800        |
| <b>Total</b>              | <b>8,955,684</b> | <b>6,949,800</b> |

**32 Earnings per share**

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

The following table sets out the computation of basic and diluted earnings per share:

| Particulars  | 31-March-19         | 31-March-18         |
|--|---------------------|---------------------|
| Loss for the year  | (52,003,195)        | (36,036,003)        |
| Less: Preference dividend for the year   | -                   | -                   |
| <b>Loss attributable to equity share holders</b>   | <b>(52,003,195)</b> | <b>(36,036,003)</b> |
| <b>Shares</b>  |                     |                     |
| Weighted average number of equity shares outstanding during the year – basic and diluted | 10,000              | 10,000              |
| <b>Earnings per share of par value ₹ 10 – Basic (₹)</b>                                  | <b>(5,200.32)</b>   | <b>(3,603.60)</b>   |
| <b>Earnings per share of par value ₹ 10 – Diluted (₹)</b>                                | <b>(5,200.32)</b>   | <b>(3,603.60)</b>   |

**33 Deferred Tax**

| Computation of Deferred Tax                   | 31-March-19    | 31-March-18    |
|---|----------------|----------------|
| On Depreciation                               | (870,078)      | 98,939         |
| Disallowance on account of non payment of TDS |                |                |
| 43B Disallowance                              | 36,576         | 36,576         |
| Others  | 824,375        | 824,375        |
| <b>DTA/(DTL) as on 31.03.2019</b>             | <b>(9,126)</b> | <b>959,891</b> |

The following is the analysis of Deferred Tax Assets presented in the Balance Sheet:

| Particulars                      | As At          |                |
|----------------------------------|----------------|----------------|
|                                  | 31-March-19    | 31-March-18    |
| Deferred Tax Asset               | (9,126)        | 959,891        |
| Deferred Tax Liabilities         | -              | -              |
| <b>Deferred Tax Assets (Net)</b> | <b>(9,126)</b> | <b>959,891</b> |





**Maven Systems Private Limited**

**Notes forming part of the Accounts for the year ended 31 March, 2019**

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

**34 Financial Risk Management Framework**

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support Company's operations. The Company's principal financial assets include inventory, trade and other receivables, cash and cash equivalents and refundable deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below.

**a) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and other price risk, such as equity price risk and commodity/ real estate risk. Financial instruments affected by market risk include loans and borrowings and refundable deposits. The sensitivity analysis in the following sections relate to the position as at March 31, 2019 and March 31, 2018. The sensitivity analyses have been prepared on the basis that the amount of net debt and the ratio of fixed to floating interest rates of the debt.

The analysis excludes the impact of movements in market variables on: the carrying values of gratuity and other post retirement obligations; provisions.

The below assumption has been made in calculating the sensitivity analysis:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2019 and March 31, 2018.

**Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Company does not enter into any interest rate swaps.

**Interest rate sensitivity**

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

|                       | <b>Increase/decrease</b> | <b>Effect on profit before tax</b> |
|-----------------------|--------------------------|------------------------------------|
| <b>March 31, 2019</b> |                          |                                    |
| INR                   | +1%                      | 1,837,517                          |
| INR                   | -1%                      | 1,837,517                          |
|                       |                          |                                    |
| <b>March 31, 2018</b> |                          |                                    |
| INR                   | +1%                      | 1,419,058                          |
| INR                   | -1%                      | 1,419,058                          |

The Company's debt portfolio consists of short term fixed rate borrowings.



**Maven Systems Private Limited****Notes forming part of the Accounts for the year ended 31 March, 2019**

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

**34 Financial Risk Management Framework****b) Credit risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The credit risk arises principally from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks and financial institutions and other financial instruments.

Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom credit has been granted after obtaining necessary approvals for credit. The collection from the trade receivables are monitored on a continuous basis by the management.

Ind AS requires expected credit losses to be measured through a loss allowance based on historical collection pattern. There is no major credit loss related to IoT business.

However, the Company has provided for credit loss wherever required on review of exposure on case to case basis.

**c) 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 per requirements. The Company continuously monitors forecast and actual cash flows.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

|                                  | On demand   | Less than 3 months | 3 to 12 months | 1 to 5 years | > 5 years   | Total       |
|----------------------------------|-------------|--------------------|----------------|--------------|-------------|-------------|
| <b>Year ended March 31, 2019</b> |             |                    |                |              |             |             |
| Borrowings                       | -           | -                  | -              | -            | 183,751,737 | 183,751,737 |
| Trade payables                   | 111,018,910 | -                  | -              | -            | -           | 111,018,910 |
| Other Financial Liabilities      | -           | -                  | -              | -            | -           | -           |
| <b>Year ended March 31, 2018</b> |             |                    |                |              |             |             |
| Borrowings                       | -           | -                  | -              | -            | 141,905,835 | 141,905,835 |
| Trade payables                   | 50,823,218  | -                  | -              | -            | -           | 50,823,218  |
| Other Financial Liabilities      | -           | -                  | -              | -            | -           | -           |

**35 Capital management**

The Company's policy is to maintain a stable capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors capital on the basis of return on capital employed as well as the debt to total equity ratio.

For the purpose of debt to total equity ratio, debt considered is long-term and short-term borrowings. Total equity comprise of issued share capital and all other equity reserves.

The capital structure as of March 31, 2019, March 31, 2018 was as follows:

| Particulars   | 31-March-19   | 31-March-18  |
|---|---------------|--------------|
| Total equity attributable to the equity shareholders of the Company | (145,275,442) | (95,040,460) |
| As a percentage of total capital                                    | -378%         | -203%        |
| Long term borrowings including current maturities                   | -             | -            |
| Short term borrowings   | 183,751,737   | 141,905,835  |
| Total borrowings  | 183,751,737   | 141,905,835  |
| As a percentage of total capital                                    | 478%          | 303%         |
| Total capital (equity and borrowings)                               | 38,476,295    | 46,865,375   |



**Maven Systems Private Limited**

**Notes forming part of the Accounts for the year ended 31 March, 2019**

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


36 Previous year figures have been regrouped wherever necessary, to correspond with the current period's classification / disclosure.

**In terms of our report attached**

**for ST Mohite & Co**

Chartered Accountants

ICAI Firm Registration Number: 011410S

  
**Sreenivasa Rao T Mohite**  
Partner  
Membership No.:015635



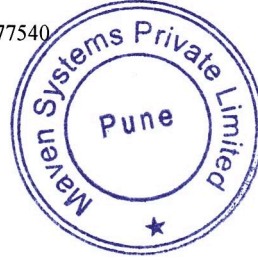
Place: Hyderabad  
Date: 23 May 2019

For and on behalf of Board of Directors

**Maven Systems Private Limited**

  
**Jayaram Susarla**  
Director  
DIN 08077540

  
**Suresh Bachalakura**  
Director  
DIN: 08077526



## Route map for Venue of the AGM



### Contact us:

#### **Maven Systems Private Limited (a MosChip Group Company)**

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