



# **11<sup>th</sup> Annual Report**

**2019 - 2020**

**MAVEN SYSTEMS PRIVATE LIMITED**

**(CIN: U72900TG2009PTC146864)**

## **BOARD OF DIRECTORS**

Mr. Jayaram Susarla	--	Director
Mr. Mudhunuri Suresh	--	Director
Mr. Suresh Bachalakura	--	Director
Mr. K. Pradeep Chandra	--	Additional Director
Mr. Venkata Sudhakar Simhadri	--	Additional Director

## **REGISTERED OFFICE**

Plot No C -5, A (P) Survey No. 1,  
Laxmi Chambers,  
Industrial Park, beside lane GVK Bio,  
Uppal, Hyderabad – 500039,  
Rangareddy, Telangana.

## **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.

## **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.

## **CONTENTS**

## **Page No's**

Notice to shareholders	
Director's Report	
Independent Auditor's Report	
Balance Sheet	
Statement of Profit and Loss	
Cash Flow Statement	
Notes to Financial Statements	

## NOTICE

Notice is hereby given that the eleventh Annual General Meeting of the Members of **Maven Systems Private Limited** will be held on Monday, 28<sup>th</sup> December, 2020 at 11:30 a.m. at Plot No. 83 & 84, 02<sup>nd</sup> Floor, Punnaiah Plaza, Road No. 02, Banjara Hills, Hyderabad – 500 034, Telangana, 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, 2020 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, 2020 together with their Annexures and the Reports of the Auditors and Directors thereon be and are hereby received, considered, approved and adopted."

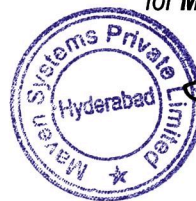
**2. To appoint a Director in place of Mr. Suresh Bachalakura (DIN: 08077526), who retires by rotation and being eligible offers himself for re-appointment and in this regard to pass the following resolution as an Ordinary Resolution.**

**"RESOLVED THAT** Mr. Suresh Bachalakura (DIN: 08077526), 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."

**3. To appoint a Director in place of Mr. Suresh Mudhunuri (DIN: 08077539), 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. Suresh Mudhunuri (DIN: 08077539), 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."

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



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

Place: Hyderabad  
Date: 24<sup>th</sup> December, 2020

**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.

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

<b>Particulars</b>	<b>Suresh Bachalakura</b>	<b>Suresh Mudhunuri</b>
Age	31	44
Qualification	B.Com, LLB, MBA, ACS, PGDADR	BA, PGDBM
Experience	10 years	22 years
Terms and Conditions	Non-Executive Director liable to retire by rotation	Non-Executive Director liable to retire by rotation
Remuneration	Nil	Nil
Remuneration last drawn	Nil	Nil
Date of first appointment	20.04.2018	20.04.2018
Shareholding	Nil	Nil
Relationship with other Directors	Nil	Nil
Number of Meetings of the Board attended during the year	5	5
Other Directorships	Nil	1
Membership/ Chairmanship of Committees of other Boards	Nil	Nil



**MAVEN SYSTEMS PRIVATE LIMITED**

**(CIN: U72900TG2009PTC146864)**

Regd. Office: Plot No C -5, A (P) Survey No. 1, Laxmi Chambers,  
Industrial Park, beside lane GVK Bio, Uppal, Hyderabad – 500039,  
Rangareddi, Telangana.

**ATTENDANCE SLIP**

**PLEASE BRING THIS ATTENDANCE SLIP DULY COMPLETED WITHOUT FAIL AND  
HAND IT OVER AT THE ENTRANCE FOR OBTAINING ENTRY PASS**

I / We hereby record my / our presence at the 11<sup>th</sup> Annual General Meeting of **Maven Systems Private Limited** will be held on Monday, 28<sup>th</sup> December, 2020 at Plot No. 83 & 84, 02<sup>nd</sup> Floor, Punnaiah Plaza, Road No. 02, Banjara Hills, Hyderabad – 500 034, Telangana on Monday, the 28<sup>th</sup> December, 2020 at 11.30 a.m. at shorter notice.

Name of the Shareholder : \_\_\_\_\_

Folio No. : \_\_\_\_\_

Name of the proxy / representative, if any: \_\_\_\_\_

I certify that I am a registered Shareholder / Proxy for the Shareholder of the Company

\_\_\_\_\_  
Signature of the Shareholder / Proxy

Notes:

1. Attendance slip which is not complete in all respects shall not be accepted.
2. Joint Shareholders may obtain additional attendance slip on request.

**MGT – 11**  
**PROXY FORM**

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

**MAVEN SYSTEMS PRIVATE LIMITED**  
**(CIN: U72900TG2009PTC146864)**

Regd. Office: Plot No C -5, A (P) Survey No. 1, Laxmi Chambers,  
Industrial Park, beside lane GVK Bio, Uppal, Hyderabad – 500039,  
Rangareddi, Telangana.

Name (s) of the Member (s)	
Registered Address	
Email ID	
Folio No. / Client ID	
DP ID	

I / We being the member (s) of \_\_\_\_\_ shares of the above named Company, hereby appoint

1.	Name	
	Address	
	E-mail ID	
	Signature	

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 11<sup>th</sup> Annual General Meeting of the Company to be held on Monday, the 28<sup>th</sup> December, 2020, at 11.30 a.m. at Plot No. 83 & 84, 02nd Floor, Punnaiah Plaza, Road No. 02, Banjara Hills, Hyderabad – 500 034, Telangana at shorter notice and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution
1	Adoption of Audited Financial Statements for the year ended 31 <sup>st</sup> March, 2020 along with the Report of Board of Directors and Auditors thereon.
2	Appointment of Mr. Jayaram Susarla as a Director liable to retire by rotation

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2020

Signature of the Shareholder:

Affix Revenue stamp
---------------------------

Signature of the Proxy holder(s):

**NOTE: 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.**

## DIRECTORS' REPORT

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

Your Directors have pleasure in presenting their Eleventh Annual Report together with the Audited Financial Statements of the Company for the Financial Year ended March 31, 2020 together with the Auditors' Report thereon.

### Financial Results :

(Amount in Rupees)

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
Total Revenue	133,161,999	76,609,209
Total Expenses	230,514,176	127,643,387
Profit Before Tax	(97,352,177)	(51,034,178)
Less: Taxes		
Current Tax		-
Differed Tax	-	969,017
Profit After Tax	(97,352,177)	(52,003,195)

### 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 2019-20 at Rs. 1331.62 lakhs as against Rs. 766.09 lakhs for the FY 2018-19. Net Loss for the FY 2019-20 was Rs. 973.52 lakhs as against Rs. 520.03 lakhs for the FY 2018-19.

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

Maven Systems, with its objective to be a preferred product development partner and single point solution provider, continues its focus on the fastest growing IoT segment. Maven Systems has undertaken concrete efforts to strengthen its technology expertise and broaden its solutions and product engineering services offerings. Maven Systems has been providing solutions in the areas of Asset Tracking, Telematics and providing solutions for street lighting, smart metering and Industrial IoT. Maven Systems is poised to be part of new emerging opportunities by continuing to focus on its inherent strengths in services, turnkey solutions and IoT.

Maven Systems indigenous asset monitoring platform – GeoHEMS for real time monitoring and control of moving and non-moving assets is being adopted by multiple global OEMs. It is a solution for performance, condition, anomaly detection, preventive / predictive maintenance and analysis. With larger adoptions in IoT segment security vulnerabilities are expected to grow and the solution is future proof with highest level of security of TLS 1.2 implementations. Maven

Systems has won contracts from overseas Global OEMs and system integrators for design, production and supply of the solution and its variants.

With its expertise on leading edge IoT technologies, Maven Systems has undertaken product engineering services and successfully delivered solutions for safety wearables, connected safety sensors, automotive - telematics, Smart metering and Cloud based technologies.

**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. K. Pradeep Chandra has appointed as Additional Director in the Board Meeting held on August 13, 2019 and his appointment was regularized in the AGM held on 28.09.2019.

Mr. Venkata Sudhakar Simhadri has appointed as Additional Director in the Board Meeting held on September 26, 2019 and his appointment was regularized in the AGM held on 28.09.2019.

As per the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Suresh Bachalakura and Mr. Mudhunuri Suresh Non-Executive Directors of the Company, who retires by rotation at the ensuing Annual general Meeting and being eligible, offers himself for re-appointment.

**Key Managerial Personnel:**

The company is not required to appoint any Key Managerial Personnel as required under the provisions of Section 203 of the Companies Act, 2013.

**Board Meetings:**

The Board met Five (5) times during the financial year 2019-2020. The intervening gap between any two meetings is within the period prescribed by the Companies Act, 2013.

Name of the Director	Jayaram Susarla	Suresh Bachalakura	Mudhunuri Suresh	K. Pradeep Chandra	Venkata Sudhakar Simhadri
23.05.2019	Yes	Yes	Yes	NA	NA
13.08.2019	Yes	Yes	Yes	Yes	NA
26.09.2019	Yes	Yes	Yes	Yes	Yes
24.10.2019	Yes	Yes	Yes	Yes	Yes
30.01.2020	Yes	Yes	Yes	Yes	Yes

**Attendance of Directors:**

S. No	Name of the Director	Designation	No of Meetings which were entitled to attend	No. of Meetings Attended
1	Mr. Jayaram Susarla	Director	5	5
2	Mr. Suresh Bachalakura	Director	5	5
3	Mr. Mudhunuri Suresh	Director	5	5
4	Mr. K. Pradeep Chandra	Director	4	4
5	Mr. Venkata Sudhakar Simhadri	Director	3	3

**General Meetings:**

Type of Meeting	Date of Meeting	Total No. of members entitled to attend	Attendance	
			No. of members attended	% of total shareholding
AGM	28.09.2019	2	2	100

**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 applicable to the Company for the financial year 2019-2020.

*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. The Secretarial Audit Report given by M/s B S S & Associates is enclosed as "Annexure-A" to the Board's Report.*

**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 director's 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-B**" 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-C**".

**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 2019-20.

**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 2,608,502

Foreign Exchange outflow in terms of actual outflows: USD 4,017,761

**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, 2020, 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***



A handwritten signature in blue ink, appearing to read "Suresh Bachalakura".

**Suresh  
Bachalakura  
Director  
DIN: 08077526**

A handwritten signature in blue ink, appearing to read "Jayaram Susarla".

**Jayaram  
Susarla  
Director  
DIN: 08077540**

Place: Hyderabad  
Date: 24<sup>th</sup> December, 2020

**Annexure 'A' to the Directors' Report**

**Form No. MR-3  
Secretarial Audit Report**

**For the Financial Year ended on March 31, 2020**

[Pursuant to Section 204(1) of the Companies Act, 2013 and  
Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules,  
2014]

To,  
The Members,  
Maven Systems Private Limited,  
(CIN: U72900PN2009PTC134858)  
Galore Tech, Survey No. 22,  
Hissa No.1/2+2/1+3/1+4/1/1,  
Bavdhan Khurd, Pune,  
Maharashtra - 411021.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Maven Systems Private Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2020, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder - Not applicable to the Company during the audit period;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 - Not applicable to the Company during the audit period;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 - Not applicable to the Company during the audit period;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - Not applicable to the Company during the audit period;
  - (d) The Securities Exchange Board of India (Share Based Employee Benefit) Regulations, 2014 - Not applicable to the Company during the audit period;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - Not applicable to the Company during the audit period;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - Not applicable to the Company during the audit period;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - Not applicable to the Company during the audit period; and
  - (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 - Not applicable to the Company during the audit period;
- (vi) Other laws applicable specifically to the Company namely:
  - (a) The Information Technology Act, 2000 and the rules made thereunder
  - (b) The Special Economic Zones Act, 2005 and the rules made thereunder
  - (c) Software Technology Parks of India rules and regulations
  - (d) The Indian Copy Right Act, 1957

(e) The Patents Act, 1970

(f) The Trade Marks Act, 1999

*\* The Company being a material subsidiary of MosChip Technologies Limited, Directors and certain employees of the Company have been categorized as Designated Persons and are covered by the Code of Conduct under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, of MosChip Technologies Limited.*

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India;
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Not applicable to the Company during the audit period.

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

We further report that, on examination of the relevant documents and records and based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit, and also on the review of quarterly compliance reports by respective department heads taken on record by the Board of Directors of the Company, in our opinion, there are adequate systems and processes and control mechanism exist in the Company to monitor and ensure compliance with applicable general laws.

We further report that, the compliances by the Company of applicable financial laws, like direct and indirect tax laws, have not been reviewed in this audit since the same is not within the scope of our audit.

We further report that, the Board of Directors of the Company has been duly constituted. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all Directors to schedule the Board meetings and agenda with detailed notes there on were sent to all the Directors at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications as may be required on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and there were no dissenting views.

We further report that, having regard to the compliance system prevailing in the Company and as per explanations and management representations obtained and relied upon by us the Company has adequate systems and processes commensurate with the size and operations of the

Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that, during the audit period no event has occurred during which has a major bearing of the Company's affairs.

for **B S S & Associates**  
**Company Secretaries**

**S. Srikanth**  
**Partner**

**M. No.: 22119**

**C.P. No.: 7999UDIN:**  
**A022119B000937396**

Place: Hyderabad  
Date: 13.10.2020

This Report is to be read with our letter of even date which is annexed as 'Annexure A' and forms an integral part of this report.

To,  
The Members,  
Maven Systems Private Limited,  
(CIN: U72900PN2009PTC134858)  
Galore Tech, Survey No. 22,  
Hissa No.1/2+2/1+3/1+4/1/1,  
Bavdhan Khurd, Pune,  
Maharashtra - 411021.

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, that we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is not an assurance as to the future viability of the Company or of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

for **B S S & Associates**  
**Company Secretaries**

**S. Srikanth**  
**Partner**

**M. No.: 22119**

**C.P. No.: 7999**

**UDIN: A022119B000937396**

Place: Hyderabad

Date: 13.10.2020

**Annexure 'B' to the Directors' Report**

**Extract of Annual Return  
For the year ended on 31<sup>st</sup> March, 2020  
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	62011	98.43%
2.	Manufacture of electrical equipment	27104	1.57%

**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 Plot No. 83 & 84, 2nd Floor, Punnaiah Plaza, Road No. 2, Banjara Hills, Hyderabad - 500034	L31909TG1999PLCO 32184	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, 2019				No. of Shares held at the end of the year March 31, 2020				% change during the year
	Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Share	
<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)</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 Shareholdin</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-	-	-
C) Central govt	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FII's	-	-	-	-	-	-	-	-	-
h) Foreign Venture	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub Total (B)(1)</b>	-	-	-	-	-	-	-	-	-
<b>(2) Non Institutions</b>									
a) Bodies									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto	-	-	-	-	-	-	-	-	-
ii) Individuals shareholders holding nominal share capital in excess of Rs.	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub Total</b>	-	-	-	-	-	-	-	-	-
<b>Total Public Shareholding (B)=</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, 2019			Shareholding at the end of the year March 31, 2020			% change in shareholding 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%	-	-
02	Mr. Suresh Bachalakura*	01	0.01%	-	01	0.01%	-	-
	<b>Total</b>	<b>10,000</b>	<b>100%</b>	<b>-</b>	<b>10,000</b>	<b>100%</b>	<b>-</b>	<b>-</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 Technologies 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, 2019	Shareholding at the end of the year March 31, 2020
---------	---	--	--

		<b>No. of shares</b>	<b>% of total shares of the company</b>	<b>No of shares</b>	<b>% of total shares of the company</b>
1	Suresh Mudhunuri	-	-	-	-
2	Jayaram Susarla	-	-	-	-
3	Suresh Bachalakura*	01	0.01%	01	0.01%
4	K. Pradeep Chandra	-	-	-	-
5	Venkata Sudhakar Simhadri	-	-	-	-

\*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

<b>Particulars</b>	<b>Secured Loans excluding deposits</b>	<b>Unsecured Loans</b>	<b>Deposits</b>	<b>Total Indebtedness</b>
<b>Indebtedness at the beginning of the financial year</b>				
<b>i) Principal Amount</b>		183,751,737		183,751,737
<b>ii) Interest due but not paid</b>				
<b>iii) Interest accrued but not Due</b>		-		-
<b>Total (i + ii + iii)</b>		<b>183,751,737</b>		<b>183,751,737</b>
<b>Change in Indebtedness during the financial year</b>				
<b>- Addition</b>		56,023,718		56,023,718
<b>- Reduction</b>		-		-
<b>Net Change</b>		56,023,718		56,023,718
<b>Indebtedness at the end of the financial year</b>				
<b>i) Principal Amount</b>		239,775,455		239,775,455
<b>ii) Interest due but not paid</b>		-		-
<b>iii) Interest accrued but not due</b>		-		-
<b>Total (i + ii+ iii)</b>		<b>239,775,455</b>		<b>239,775,455</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			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	- as % of profit	-	-	-
	- 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, 2020.

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



*Suresh Bachalakura*

**Suresh  
Bachalakura  
Director  
DIN: 08077526**

*S. Jayaram*

**Jayaram  
Susarla  
Director  
DIN: 08077540**

Place: Hyderabad

Date: 24<sup>th</sup> December, 2020

**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**

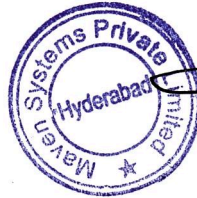
**1. Details of contracts or arrangements or transactions not at arm's length basis:**

There were no contracts / arrangements / transactions entered into during the year ended 31<sup>st</sup> March, 2020 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 2019-20.

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



**Suresh  
Bachalakura  
Director  
DIN: 08077526**



**Jayaram  
Susarla  
Director  
DIN: 08077540**

Place: Hyderabad

Date: 24<sup>th</sup> December, 2020





**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, 2020, 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, 2020 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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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 2020.

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: 19<sup>th</sup> May, 2020



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

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

ICAI:UDIN:200015635AAAABR9403





## 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 2020, 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> 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> 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> In our opinion and according to the information and explanation given to us, the company has no transactions for compliance with the provisions of Sections 185 and 186 of the Act in respect of making investments.
5	3(v)	<b>Acceptance of deposits</b> 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> 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)	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.  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, 2020 for a period of more than six months from the date they became payable.
	3(vii)(b)	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.
	3(viii)	<b>Defaults in repayments to Financial Institutions/Banks/Debenture holders</b> 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.
9	3(ix)	<b>Initial public offer/further offer</b> 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.
10	3(x)	<b>Frauds by or on the company</b> 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.
11	3(xi)	<b>Managerial Remuneration</b> 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.
12	3(xii)	<b>Nidhi company</b> 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.
	3(xiii)	<b>Transactions with Related parties</b> 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.







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> 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> 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> 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: 19<sup>th</sup>, May, 2020



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

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

ICAI:UDIN:200015635AAAABR9403





## **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 2020 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 2020, 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: 19<sup>th</sup> May, 2020



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

*Sully*  
**SREENIVASA RAO T. MOHITE**  
Partner (Membership No. 015635)  
ICAI:UDIN:200015635AAAABR9403

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

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

	Note	As at 31-Mar-20	As at 31-Mar-19
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	296,248	1,053,549
Other Intangible assets	5	47,859,673	67,328,360
Other non-current assets	6	-	1,198,936
		<b>48,155,921</b>	<b>69,580,845</b>
<b>Current assets</b>			
Inventories	7	26,306,962	41,903,033
Financial assets			
Trade receivables	8	47,389,883	24,288,079
Cash and cash equivalents	9	1,219,125	10,521,807
Loans	10	1,966,234	4,853,434
Current tax assets (Net)		360,395	1,116,544
Other current assets	11	8,314,893	7,697,426
		<b>85,557,492</b>	<b>90,380,323</b>
<b>Total assets</b>		<b>133,713,413</b>	<b>159,961,168</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	12	100,000	100,000
Other equity	13	(242,252,139)	(145,375,442)
<b>Total equity</b>		<b>(242,152,139)</b>	<b>(145,275,442)</b>
<b>Non-current liabilities</b>			
Provisions	14	1,387,801	3,472,950
		<b>1,387,801</b>	<b>3,472,950</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	15	239,775,455	183,751,737
Trade payables	16		
(a) total outstanding dues of micro and small enterprises		-	-
(b) total outstanding dues other than (a) above		122,249,693	111,018,910
Other current liabilities	17	8,778,324	6,299,848
Deferred tax liability	34	9,126	9,126
Provisions	14	3,665,153	684,039
<b>Total current liabilities</b>		<b>374,477,751</b>	<b>301,763,660</b>
<b>Total liabilities</b>		<b>375,865,552</b>	<b>305,236,610</b>
<b>Total equity and liabilities</b>		<b>133,713,413</b>	<b>159,961,168</b>
See accompanying notes forming part of the financial statements	1 to 37	-	-

As per our report of even date attached

**For ST Mohite & Co**

Chartered Accountants

ICAI Firm Registration Number: 011410S

For and on behalf of the Board

**Maven Systems Private Limited****Srinivasa Rao T Mohite**

Partner

Membership No.:015635

**Jayaram Susarla**

Director

DIN : 08077540

**Suresh Bachalakura**

Director

DIN : 08077526

Place: Hyderabad

Date: 19 May 2020

Place: Pune

Date: 19 May 2020



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

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

	Notes	Year ended 31-Mar-20	Year ended 31-Mar-19
<b>I Income</b>			
Revenue from operations	18	132,796,934	76,455,229
Other income	19	365,065	153,980
<b>Total Income</b>		<b>133,161,999</b>	<b>76,609,209</b>
<b>II Expenses</b>			
Cost of material consumed	20	77,940,459	30,590,098
Changes in inventories of finished goods	21	-	8,396,300
Other operating expenses	22	8,701,989	3,633,447
Employee benefits expenses	23	71,429,565	39,668,105
Finance costs	24	25,719,994	14,357,536
Depreciation and amortisation expense	26	20,225,988	11,197,224
Other expenses	25	26,496,180	19,800,677
<b>Total expense</b>		<b>230,514,176</b>	<b>127,643,387</b>
<b>III Loss before tax ( I - II )</b>		(97,352,177)	(51,034,178)
<b>IV Tax expenses</b>			
Deferred tax		-	969,017
<b>Total tax expense</b>		-	<b>969,017</b>
<b>V Loss after tax ( III - IV )</b>		<b>(97,352,177)</b>	<b>(52,003,195)</b>
<b>VI Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss:</b>			
Remeasurement of defined benefit plan		(475,480)	(1,768,213)
<b>Total Other Comprehensive Income</b>		<b>(475,480)</b>	<b>(1,768,213)</b>
<b>VII Total comprehensive income for the year ( V - VI )</b>		<b>(96,876,697)</b>	<b>(50,234,982)</b>
<b>Earnings per equity share (nominal value of INR 2) in INR</b>	33		
Basic		(9,735)	(5,200)
Diluted		(9,735)	(5,200)
See accompanying notes forming part of the financial statements	1 to 37		

As per our report of even date attached

**For ST Mohite & Co**

Chartered Accountants

ICAI Firm Registration Number: 011410S

For and on behalf of the Board

**Maven Systems Private Limited****Srinivasa Rao T Mohite**

Partner

Membership No.:015635

**Jayaram Susarla**

Director

DIN : 08077540

**Suresh Bachalakura**

Director

DIN : 08077526

Place: Hyderabad

Date: 19 May 2020

Place: Pune

Date: 19 May 2020

**Maven Systems Private Limited****Statement of cash flow**

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

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
<b>A Cash Flows from operating activities</b>		
Loss before tax	(97,352,177)	(51,034,178)
<b>Adjustments for :</b>		
Depreciation	757,301	318,253
Amortisation	19,468,687	10,878,971
Finance charges	25,719,994	14,357,536
Interest on bank deposit	(365,065)	(150,617)
<b>Changes in working capital</b>		
Decrease/(Increase) in trade receivables	(23,101,804)	(17,120,500)
Decrease/(Increase) in inventories	15,596,071	(33,068,373)
Decrease/(Increase) in other financial asset	4,086,136	(1,198,936)
Decrease/(Increase) in other current asset	(617,467)	(2,500,996)
(Decrease)/Increase in trade payables	11,230,786	60,195,692
(Decrease)/Increase in current liabilities	(23,241,519)	(11,724,027)
(Decrease)/Increase in short term provision	3,456,594	(1,314,636)
(Decrease)/Increase in long term provision	(2,085,149)	1,908,767
<b>Cash generated from operations</b>	<b>(66,447,613)</b>	<b>(30,453,044)</b>
Income tax paid	756,149	(120,785)
<b>Net cash used for operating activities</b>	<b>(65,691,464)</b>	<b>(30,573,829)</b>
<b>B Cash flow from investment activities</b>		
Increase in other intangible assets	-	(3,041,432)
Purchase of fixed assets	-	(80,850)
Interest on bank deposit	365,065	150,617
<b>Net cash used for investment activities</b>	<b>365,065</b>	<b>(2,971,665)</b>
<b>C Cash flow from financing activities</b>		
Increase of long-term borrowings	56,023,717	41,845,903
<b>Net cash from financing activities</b>	<b>56,023,717</b>	<b>41,845,903</b>
Net Increase/(decrease) in cash and cash equivalents (A+B+C)	(9,302,682)	8,300,409
Add:- Cash and cash equivalents at the beginning of the year	10,521,807	2,221,398
Cash and cash equivalents at the end of the year	<b>1,219,125</b>	<b>10,521,807</b>

See accompanying notes forming part of the financial statements

1 to 37

As per our report of even date attached

**For ST Mohite & Co**

Chartered Accountants

ICAI Firm Registration Number: 011410S

For and on behalf of Board

**Maven Systems Private Limited****Srinivasa Rao T Mohite**

Partner

Membership No.:015635

**Jayaram Susarla**

Director

DIN : 08077540

**Suresh Bachalakura**

Director

DIN : 08077526

Place: Hyderabad

Date: 19 May 2020

Place: Pune

Date: 19 May 2020

**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
<b>At 1 April 2018</b>	<b>10,000</b>	<b>100,000</b>
Change in Equity share Capital during the year	-	-
<b>At 31 March 2019</b>	<b>10,000</b>	<b>100,000</b>
Change in Equity share Capital during the year	-	-
<b>At 31 March 2020</b>	<b>10,000</b>	<b>100,000</b>

**b. Other equity**

Particulars	Retained Earnings	Other Comprehensive Income - Remeasurement of the net defined benefit plans	Total Other Equity
<b>At 1 April 2018</b>	(95,473,142)	332,682	(95,140,460)
Loss for the year	(52,003,195)	-	(52,003,195)
Other comprehensive income (Net)	-	1,768,213	1,768,213
<b>Total comprehensive income for the year</b>	<b>(52,003,195)</b>	<b>1,768,213</b>	<b>(50,234,982)</b>
<b>At 31 March 2019</b>	<b>(147,476,337)</b>	<b>2,100,895</b>	<b>(145,375,442)</b>
Loss for the year	(97,352,177)	-	(97,352,177)
Other comprehensive income (Net)	-	475,480	475,480
<b>Total comprehensive income for the year</b>	<b>(97,352,177)</b>	<b>475,480</b>	<b>(96,876,697)</b>
<b>At 31 March 2020</b>	<b>(244,828,514)</b>	<b>2,576,375</b>	<b>(242,252,139)</b>

See accompanying notes forming part of the financial statements

1 to 37

As per our report of even date attached

**For ST Mohite & Co**

Chartered Accountants

ICAI Firm Registration Number: 011410S

For and on behalf of Board

**Maven Systems Private Limited****Srinivasa Rao T Mohite**

Partner

Membership No.:015635

**Jayaram Susarla**

Director

DIN : 08077540

**Suresh Bachalakura**

Director

DIN : 08077526

Place: Hyderabad

Date: 19 May 2020

Place: Pune

Date: 19 May 2020

## **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, 2020 were approved by the Board of Directors and authorise for issue on May 19, 2020.

#### **2 Basis of preparation of Consolidated Financial Statements**

##### **2.1 Statement of Compliance**

These 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 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 Operating cycle**

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 Operating cycle (Continued..)**

##### **Provision and contingent liability**

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

##### **Useful lives of depreciable assets**

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.

#### **3 Significant accounting policies**

##### **3.1 Revenue recognition**

The Company's contracts with customers include promises to transfer multiple products and services to a customer. Revenues from customer contracts are considered for recognition and measurement when the contract has been approved, in writing, by the parties to the contract, the parties to the contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligations to determine the deliverables and the ability of the customer to benefit independently from such deliverables, and allocation of transaction price to these distinct performance obligations involves significant judgment.

- 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 transaction 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 credits, performance bonus 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**

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to MosChip's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Company has concluded that no changes are required to lease period relating to the existing lease contracts.

##### **3.3 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.

## **Maven Systems Private Limited**

### **Notes forming part of the Financial statements**

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

#### **3.4 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.

#### **3.5 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.

#### **3.6 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)

#### 3.7 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
Furniture and fixtures	10
Office equipment's	5
Computers	3
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.

#### 3.8 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.

#### 3.9 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.

#### 3.10 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.

## **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 Employee benefits (Continued.,)**

##### **Defined benefit plans**

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

##### **Termination benefits**

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

##### **Other long-term employee benefits**

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

#### **3.11 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.

#### **3.12 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.

#### **3.13 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)



## **Maven Systems Private Limited**

### **Notes forming part of the Financial statements**

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

#### **3.13 Financial instruments (Continued..)**

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.

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.

## **Maven Systems Private Limited**

### **Notes forming part of the Financial statements**

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

#### **3.13 Financial instruments (Continued.,)**

##### **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.

##### **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.

#### **3.14 Recent Indian Accounting Standards (Ind AS)**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

**Maven Systems Private Limited**

**Notes forming part of financial statements**

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

**4 Property, plant and equipment**

Particulars	Furniture and fixtures	Office equipment's	Computers	Total
<b>Cost of deemed cost</b>				
<b>At 1 April 2018</b>	<b>365,214</b>	<b>93,005</b>	<b>2,181,479</b>	<b>2,639,698</b>
Additions	-	8,850	72,000	80,850
<b>At 31 March 2019</b>	<b>365,214</b>	<b>101,855</b>	<b>2,253,479</b>	<b>2,720,548</b>
Additions	-	-	-	-
<b>At 31 March 2020</b>	<b>365,214</b>	<b>101,855</b>	<b>2,253,479</b>	<b>2,720,548</b>
<b>Accumulated depreciation</b>				
<b>At 1 April 2018</b>	<b>106,801</b>	<b>68,296</b>	<b>1,173,649</b>	<b>1,348,746</b>
Charge for the year	66,904	6,163	245,187	318,253
<b>At 31 March 2019</b>	<b>173,705</b>	<b>74,459</b>	<b>1,418,836</b>	<b>1,666,999</b>
Charge for the year	51,916	22,023	683,362	757,301
<b>At 31 March 2020</b>	<b>225,621</b>	<b>96,482</b>	<b>2,102,198</b>	<b>2,424,300</b>
<b>Carrying amount</b>				
At 1 April 2018	258,413	24,709	1,007,830	1,290,952
At 31 March 2019	191,509	27,396	834,643	1,053,549
<b>At 31 March 2020</b>	<b>139,593</b>	<b>5,373</b>	<b>151,281</b>	<b>296,248</b>

**5 Intangible Assets**

Particulars	Intangible assets	Intangible assets under development
<b>Cost of deemed cost</b>		
<b>At 1 April 2018</b>	-	75,165,899
Additions / (transfer)	78,207,331	(75,165,899)
<b>At 31 March 2019</b>	<b>78,207,331</b>	-
Additions / (transfer)	-	-
<b>At 31 March 2020</b>	<b>78,207,331</b>	-
<b>Accumulated amortisation</b>		
<b>At 1 April 2018</b>	-	-
Charge for the year	10,878,971	-
<b>At 31 March 2019</b>	<b>10,878,971</b>	-
Charge for the year	19,468,687	-
<b>At 31 March 2020</b>	<b>30,347,658</b>	-
<b>Carrying amount</b>		
At 1 April 2018	-	75,165,899
At 31 March 2019	67,328,360	-
<b>At 31 March 2020</b>	<b>47,859,673</b>	-

**Maven Systems Private Limited****Notes forming part of Financial Statements**

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

	As at 31-Mar-20	As at 31-Mar-19
<b>6 Other assets</b>		
<b>Non-current assets</b>		
Unsecured, considered good		
Advances to employees *	-	1,198,936
	<u>-</u>	<u>1,198,936</u>
* Carried at fair value through statement of profit and loss		
<b>7 Inventories</b>		
Inventories consist of the following:		
Hardware and Product Component for IoT *	26,306,962	41,903,033
	<u>26,306,962</u>	<u>41,903,033</u>
* Inventories are carried at lower of cost and net realisable value.		
<b>8 Trade receivables</b>		
<b>Trade receivables - Current</b>		
Unsecured, considered good	48,781,883	24,288,079
	<u>48,781,883</u>	<u>24,288,079</u>
Less: Allowance	1,392,000	-
	<u>47,389,883</u>	<u>24,288,079</u>
<b>9 Cash and bank balances</b>		
<b>Cash and cash equivalents</b>		
Balances with banks:		
- in Current account	1,219,125	10,521,807
	<u>1,219,125</u>	<u>10,521,807</u>
<b>10 Loans - current</b>		
Unsecured, considered good		
Security deposits	1,366,234	4,253,434
Earnest Money Deposits	600,000	600,000
	<u>1,966,234</u>	<u>4,853,434</u>
<b>11 Other current assets</b>		
<i>Unsecured, considered good</i>		
Advances to employees	1,373,850	1,348,291
Balance with Government Authorities	235,048	235,048
Indirect tax recoverable	1,220,981	3,789,933
Advance to Vendors	2,961,777	841,261
Prepaid expenses	548,238	1,482,894
Unbilled revenue	1,975,000	-
	<u>8,314,893</u>	<u>7,697,426</u>

**Maven Systems Private Limited**

**Notes forming part of Financial Statements**

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

	As at 31-Mar-20	As at 31-Mar-19
<b>12 Equity share capital</b>		
<b>Authorised Share Capital</b>		
10,000 (March 31, 2019: 10,000) Equity shares of Rs. 10 each.	100,000	100,000
	<u>100,000</u>	<u>100,000</u>
<b>Issued, subscribed and fully paid-up</b>		
10,000 (March 31, 2019: 10,000) equity shares of Rs.10/- each fully paid-up	100,000	100,000
<b>Total</b>	<u><b>100,000</b></u>	<u><b>100,000</b></u>

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

Particulars	As at 31-Mar-20		As at 31-Mar-19	
	No. of equity shares	Amount	No. of equity shares	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	<b>10,000</b>	<b>100,000</b>	<b>10,000</b>	<b>100,000</b>

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

Name of the Share holders	As at 31-Mar-20		As at 31-Mar-19	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
MosChip Technologies Limited	10,000	100%	10,000	100%
	<b>10,000</b>	<b>100%</b>	<b>10,000</b>	<b>100%</b>

**(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 31-Mar-20	As at 31-Mar-19
<b>13 Other equity</b>		
<b>a) Retained earning</b>		
Opening balance	(147,476,337)	(95,473,142)
Loss for the year	(97,352,177)	(52,003,195)
<b>Total other equity</b>	<u><b>(244,828,514)</b></u>	<u><b>(147,476,337)</b></u>
<b>b) Other comprehensive income</b>		
<b>Remeasurement of defined benefit plan</b>		
Opening balance	2,100,895	332,682
Additions during the year	475,480	1,768,213
<b>Closing balance</b>	<u><b>2,576,375</b></u>	<u><b>2,100,895</b></u>
<b>Total other equity</b>	<u><b>(242,252,139)</b></u>	<u><b>(145,375,442)</b></u>

**Maven Systems Private Limited****Notes forming part of Financial Statements**

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

	As at 31-Mar-20	As at 31-Mar-19
<b>14 Provisions</b>		
<b>Non-Current</b>		
Provision for employee benefits		
- Gratuity (refer note 29 )	64,435	2,701,801
- Compensated absences	18,175	771,149
- Warranty	1,305,191	-
	<b>1,387,801</b>	<b>3,472,950</b>
<b>Current</b>		
Provision for employee benefits		
- Gratuity (refer note 29)	3,176,801	355,462
- Compensated absences	488,352	328,577
	<b>3,665,153</b>	<b>684,039</b>
<b>15 Borrowings</b>		
<b>Current- Borrowings</b>		
<b>Unsecured Borrowings</b>		
- From related parties (refer note 28 )	239,775,455	183,751,737
	<b>239,775,455</b>	<b>183,751,737</b>
<b>16 Trade payables</b>		
Trade payables		
(a) total outstanding dues of micro and small enterprises (refer note 30 )	-	-
(b) total outstanding dues other than (a) above	122,249,693	111,018,910
	<b>122,249,693</b>	<b>111,018,910</b>
<b>17 Other liabilities</b>		
<b>Current</b>		
Statutory liabilities	3,431,196	685,349
Advance from customer	5,180,612	5,094,282
Revenue received in advance	166,515	520,218
	<b>8,778,324</b>	<b>6,299,848</b>

**Maven Systems Private Limited****Notes forming part of Financial Statements**

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

	<b>Year ended 31-Mar-20</b>	<b>Year ended 31-Mar-19</b>
<b>18 Revenue from operations</b>		
IoT Business unit	132,796,934	76,455,229
	<b>132,796,934</b>	<b>76,455,229</b>
<b>19 Other income</b>		
Interest income	365,065	150,617
Miscellaneous income	-	3,363
	<b>365,065</b>	<b>153,980</b>
<b>20 Cost of material consumed</b>		
Opening stock	41,903,033	438,360
Add: Purchases during the year	62,344,388	72,054,771
Less: Closing stock	26,306,962	41,903,033
	<b>77,940,459</b>	<b>30,590,098</b>
<b>21 Changes in inventories of finished goods</b>		
Opening Stock	-	8,396,300
Closing Stock	-	-
	<b>-</b>	<b>8,396,300</b>
<b>22 Other operating expenses</b>		
Job work Charges	5,715,779	3,266,225
Other expenses	2,986,210	367,222
	<b>8,701,989</b>	<b>3,633,447</b>
<b>23 Employee benefits expense</b>		
Salaries, wages and bonus	67,702,905	34,525,490
Contribution to provident and other funds	1,560,572	3,359,803
Staff welfare expenses	2,166,088	1,782,813
	<b>71,429,565</b>	<b>39,668,105</b>
<b>24 Finance costs</b>		
Bank charges	25,837	302,649
Interest on other loans	8,930,000	-
Interest on loan from holding Company	16,764,157	14,054,887
	<b>25,719,994</b>	<b>14,357,536</b>

**Maven Systems Private Limited****Notes forming part of Financial Statements**

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

	<b>Year ended 31-Mar-20</b>	<b>Year ended 31-Mar-19</b>
<b>25 Other expenses</b>		
Power and fuel	1,924,909	1,871,658
Repairs and maintenance	101,983	308,637
Auditors Remuneration (refer note 27 )	155,100	155,100
Postage, Telegram and Telephone Expenses	129,260	425,254
Operating Leases (refer note 32 )	10,152,842	8,955,684
Rent on Equipment's	139,000	150,000
Security expenses	665,680	879,790
Travelling and conveyance	2,207,793	1,795,707
Rates and taxes	51,593	9,487
Professional charges	643,232	1,110,569
Printing and stationary	48,343	28,557
Communication expenses	228,766	205,841
General Expenses	1,008,324	253,199
Subscription charges	3,286,388	2,387,557
Office maintenance	1,974,100	1,206,849
Foreign Exchange Fluctuation	333,730	56,789
Bad debts written off	3,445,137	-
	<b>26,496,180</b>	<b>19,800,677</b>
<b>26 Depreciation and Amortisation expense</b>		
Depreciation	757,301	318,253
Amortisation	19,468,687	10,878,971
	<b>20,225,988</b>	<b>11,197,224</b>



**Maven Systems Private Limited****Notes forming part of Financial Statements**

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

**27 Auditors' remuneration**

Particulars	Year ended 31-Mar-20	Year ended 31-Mar-19
As fees for Audit	130,100	130,100
As fees for Audit under the Income-tax Act, 1961	25,000	25,000
<b>Total</b>	<b>155,100</b>	<b>155,100</b>

**28 Related party disclosures**

a) The following table provides the name of the related party and the nature of its relationship with the Company:

Name of the parties	Relationship
MosChip Technologies Limited	Holding Company
Jayaram Susarla	Director
Suresh Bachalakura	Director

In terms of Para 18 of Ind AS 24, the above list represents only the directors, KMP's and relatives, who are having transactions with the Company

As per clause 8 of general instruction to Division II of Schedule III to the Companies Act., the above related parties are identified as per the terms and meaning assigned in Ind AS 24 Related Party Disclosures.

b) **Details of all transactions with related parties during the year:**

Particulars	Year ended 31-Mar-20	Year ended 31-Mar-19
<b>MosChip Technologies Limited</b>		
Purchase of goods	876,142	39,267,073
Reimbursement of expenses	286,143	343,647
Sale of Services (Cross Charge)	-	18,087,771
Loans received	56,023,718	41,845,903
Interest expenses	16,764,157	14,054,887

c) **Balances outstanding:**

	As at 31-Mar-20	As at 31-Mar-19
<b>MosChip Technologies Limited</b>		
Loans	239,775,455	183,751,738
Other Payables	77,548,693	51,663,730

**29 Gratuity**

The Group provides its employees with benefits under a defined benefit plan, referred to as the "Gratuity Plan". The Gratuity Plan entitles an employee, who has rendered at least five years of continuous service, to receive 15 days salary for each year of completed service (service of six months and above is rounded off as one year) at the time of retirement/exit, restricted to a sum of ₹ 2,000,000.

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	As at Year ended	As at Year ended
<b>Opening balance</b>	<b>3,057,263</b>	<b>5,331,071</b>
Service cost	511,548	497,990
Interest cost	203,194	248,582
Benefits paid	(55,289)	(1,252,167)
Actuarial gain	(475,480)	(1,768,213)
<b>Closing balance</b>	<b>3,241,236</b>	<b>3,057,263</b>
Net liability recognised in the balance sheet	3,241,236	3,057,263
Long term provision	64,435	2,701,801
Short term provision	3,176,801	355,462

**Maven Systems Private Limited**
**Notes forming part of Financial Statements**

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

**29 Gratuity (Continued.,)**
**Gratuity cost**

<b>Expenses recognised in statement of profit and loss</b>	<b>Year ended Year ended</b>	<b>Year ended Year ended</b>
Service cost	511,548	497,990
Interest cost	203,194	248,582
	<b>714,742</b>	<b>746,572</b>
<b>Re-measurement Gain / (Losses) in OCI</b>		
Actuarial Gain / (Loss) due to demographic assumption changes -	(143,433)	-
Actuarial Gain / (Loss) due to financial assumption changes	156,482	(1,768,213)
Actuarial Gain / (Loss) due to experience adjustments	(488,529)	-
<b>Total Gain / (Loss) routed through OCI</b>	<b>(475,480)</b>	<b>(1,768,213)</b>
<b>Assumptions</b>	<b>As at Year ended</b>	<b>As at Year ended</b>
Discount rate	5.4%	7.1%
Future salary increases	7.0%	7.0%
Employee turnover		
Age upto 30 years	58.0%	20.0%
Age 31 - 40 years	30.0%	24.0%
Age 41 - 50 years	10.0%	5.0%
Age above 50 years	2.0%	4.0%

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

	<b>As at Year ended</b>	<b>As at Year ended</b>
Effect of + 1% change in rate of discounting	3,502,718	2,878,007
Effect of - 1% change in rate of discounting	3,862,864	3,260,323
Effect of + 1% change in rate of salary increase	3,857,947	3,204,695
Effect of - 1% change in rate of salary increase	3,503,614	2,890,314

The sensitivity results above determine their individual impact on Defined Benefit Obligation. In reality, the plan is subject to multiple external experience items which may move the defined Benefit Obligation in similar or opposite directions, while the Plan's sensitivity to such changes can vary over time

**30 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.

**31 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.

**32 Leases**
**Where the Company is a lessee:**

The Company has elected not to apply the requirements of Ind AS 116 to leases which are expiring within 12 months from the date of transition by class of asset and leases for which the underlying asset is of low value on a lease-by-lease basis.

After considering current and future economic conditions, the Company has concluded that all lease agreements are cancellable, hence there are no leases which falls under Ind AS 116 Leases.

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%.

Amounts recognised in statement of profit and loss:

<b>Particulars</b>	<b>Year ended 31-Mar-20</b>	<b>Year ended 31-Mar-19</b>
Cancellable operating lease expense	10,152,842	8,955,684
Non - cancellable operating lease expense	-	-
<b>Total</b>	<b>10,152,842</b>	<b>8,955,684</b>

**Maven Systems Private Limited****Notes forming part of Financial Statements**

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

**33 Earnings per share**

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

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity Shares.

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

<b>Particulars</b>	<b>Year ended 31-Mar-20</b>	<b>Year ended 31-Mar-19</b>
Loss for the year	(97,352,177)	(52,003,195)
Less: Preference dividend for the year	-	-
Loss attributable to equity share holders	<b>(97,352,177)</b>	(52,003,195)
Equity Shares outstanding as at the end of the year (in nos.)	10,000	10,000
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>(9,735.22)</b>	<b>(5,200.32)</b>
<b>Earnings per share of par value ₹ 10 – Diluted (₹)</b>	<b>(9,735.22)</b>	<b>(5,200.32)</b>

**34 Deferred Tax**

<b>Computation of Deferred Tax</b>	<b>Year ended 31-Mar-20</b>	<b>Year ended 31-Mar-19</b>
<b>Opening Balance</b>	<b>(9,126)</b>	<b>(978,143)</b>
43B Disallowance	-	36,576
On Depreciation	-	932,440
<b>Net Deferred Tax Asset / (Liability)</b>	<b>(9,126)</b>	<b>(9,126)</b>

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

<b>Particulars</b>	<b>As at 31-Mar-20</b>	<b>As at 31-Mar-19</b>
Deferred Tax Asset	(9,126)	(9,126)
Deferred Tax Liabilities	-	-
<b>Net Deferred Tax Asset / (Liability)</b>	<b>(9,126)</b>	<b>(9,126)</b>

## Maven Systems Private Limited

### Notes forming part of Financial Statements

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

#### 35 Financial Risk Management Framework

The Company's principal financial liabilities represents 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, 2020 and March 31, 2019. 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, 2020 and March 31, 2019.

##### 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:

	Increase/decrease	Effect on profit before tax
<b>March 31, 2020</b>		
INR	+1%	2,397,755
INR	-1%	2,397,755
<b>March 31, 2019</b>		
INR	+1%	1,837,517
INR	-1%	1,837,517

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

##### 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, 2020</b>						
Borrowings	-	-	-	-	239,775,454	239,775,454
Trade payables	122,249,659	-	-	-	-	122,249,659
<b>Year ended March 31, 2019</b>						
Borrowings	-	-	-	-	183,751,737	183,751,737
Trade payables	111,018,910	-	-	-	-	111,018,910

**Maven Systems Private Limited**

**Notes forming part of Financial Statements**

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

**36 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.

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

As per our report of even date attached

**For ST Mohite & Co**

Chartered Accountants

ICAI Firm Registration Number: 011410S

For and on behalf of Board

**Maven Systems Private Limited**

**Srinivasa Rao T Mohite**

Partner

Membership No.:015635

**Jayaram Susarla**

Director

DIN : 08077540

**Suresh Bachalakura**

Director

DIN : 08077526

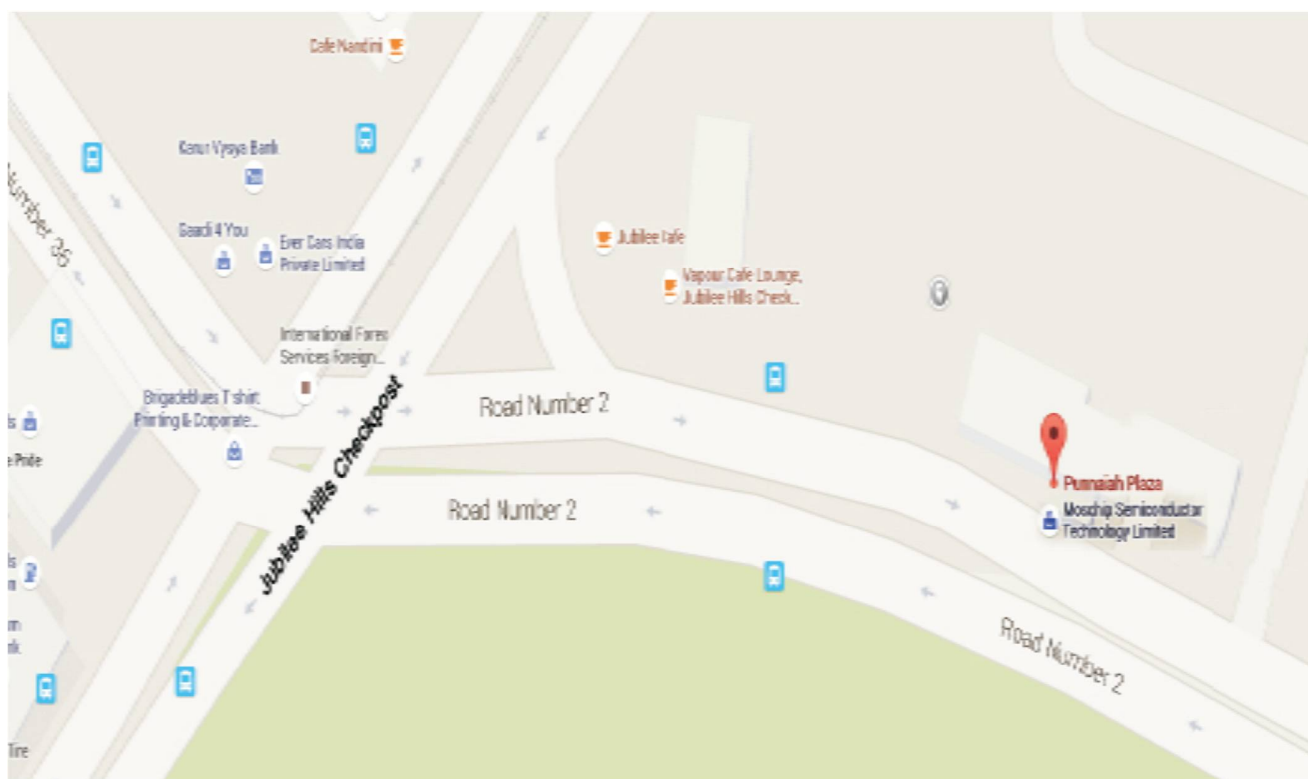
Place: Hyderabad

Date: 19 May 2020

Place: Pune

Date: 19 May 2020

## Route map for Venue of the AGM



### Venue of the AGM:

**Plot No. 83 & 84, 02<sup>nd</sup> Floor, Punnaiah Plaza,  
Road No. 02, Banjara Hills, Hyderabad,  
Telangana – 500034.**

### Contact us:

**Maven Systems Private Limited**

**(a MosChip Group Company)**

**U72900TG2009PTC146864**

**Plot No C -5, A (P) Survey No. 1, Laxmi Chambers,  
Industrial Park, beside lane GVK Bio, Uppal, Hyderabad – 500039,  
Rangareddy, Telangana.**