

## **Director's Report**

To,  
The Members of  
**METHODHUB SOFTWARE PRIVATE LIMITED**

Your Directors have pleasure in presenting the 6<sup>th</sup> Annual Report of your Company together with the Audited Statement of Accounts and the Auditors' Report of your company for the financial year ended, 31st March, 2022.

### **Financial Results (Rs. In Lacs)**

| <b>Particulars</b> | <b>Year ended 31st<br/>March, 2022</b> | <b>Year ended 31st<br/>March, 2021</b> |
|--------------------|----------------------------------------|----------------------------------------|
| Gross Revenue      | 2262.96                                | 2088.06                                |
| EBDITA             | 590.62                                 | 244.65                                 |
| Finance Cost       | 486.35                                 | 159.44                                 |
| Depreciation       | 8.02                                   | 1.41                                   |
| Profit Before Tax  | 96.25                                  | 83.80                                  |
| Profit After Tax   | 55.61                                  | 60.55                                  |
| Reserves & Surplus | 122.57                                 | 66.97                                  |
| Net Worth          | 258.58                                 | 202.97                                 |

### **TRANSFER TO RESERVES IN TERMS OF SECTION 134 (3) (J) OF THE COMPANIES ACT, 2013**

For the financial year ended 31st March 2022, the Company had not transferred any sum to Reserve Account. Therefore, your Company kept the balance of profit to Profit and Loss Accounts of the Company to Surplus Account.

### **DIVIDEND**

The Board of Directors of your company, after considering holistically the relevant circumstances, has decided that it would be prudent not to recommend any Dividend for the year under review.



## **STATE OF COMPANY'S AFFAIRS**

|      |                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                     |
|------|-----------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| i    | Segment-wise position of business and its operations                                    | The Company is engaged in the Software Development and providing works contract services during the year under review, the total Income of the Company was Rs /- against Rs /- in the previous year which shows the increase in revenue by ____%. During the period, The Company has earned a Profit after tax of Rs /- compared to Rs /- in the previous year which shows the increase by _____%.. |
| ii   | Change in status of the company                                                         | Nil                                                                                                                                                                                                                                                                                                                                                                                                 |
| iii  | Key business developments                                                               | Nil                                                                                                                                                                                                                                                                                                                                                                                                 |
| iv   | Change in the financial year                                                            | Nil                                                                                                                                                                                                                                                                                                                                                                                                 |
| v    | Capital expenditure programmes                                                          | Nil                                                                                                                                                                                                                                                                                                                                                                                                 |
| vi   | Details and status of acquisition, merger, expansion, modernization and diversification | Under Negotiation                                                                                                                                                                                                                                                                                                                                                                                   |
| vii  | Developments, acquisition and assignment of material Intellectual Property Rights       | Nil                                                                                                                                                                                                                                                                                                                                                                                                 |
| viii | Any other material event having an impact on the affairs of the company                 | Nil                                                                                                                                                                                                                                                                                                                                                                                                 |

## **COMMENCEMENT OF ANY NEW BUSINESS**

During the financial year under review no new business commenced by the company.

## **MATERIAL CHANGES AND COMMITMENTS**

No revision of the financial statement or Annual report has been revised during Financial Year 2021-22 for any of the three Preceding financial year.





## **SHARE CAPITAL STRUCTURE OF THE COMPANY:**

### **a) Authorized Capital:**

Rs. 1,50,00,000/- (Rupees One Crore Fifty Lakh Only) divided into 1500000 Equity Shares of Rs.10/- each.

### **b) Issued Capital:**

Rs.1,36,00,000/- (Rupees One Crore Thirty-Six Lakh Only) divided into 13,60,000 Equity Shares of Rs.10/- each.

### **c) Subscribed and Paid-up Capital:**

Rs.1,36,00,000/- (Rupees One Crore Thirty Six Lakh Only) divided into 13,60,000 Equity Shares of Rs.10/- each.

## **TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND**

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

## **BOARD OF DIRECTORS**

The board of directors of the company duly constituted. Following Changes have been made during the year.

1. Mr.Markandeyulu Radhakrishna Garimella – Resigned as a Director on 26/12/2021
2. Mr.Satinder Mohinder Mahindra – Appointed as a Director on 26/12/2021
3. Mr. Lakshmi Narayan Mishra - Resigned as a Director on 25/09/2021
4. Mr.Sankar Krishnan Ramalingam – Resigned as a Director on 26/12/2021

## **APPOINTMENT OF INDEPENDENT DIRECTORS IN THE BOARD AND DECLARATION UNDER SECTION 149(6)**

The provisions of Section 149 pertaining to the appointment of Independent Directors do not apply to our Company.



### **COMPOSITION OF AUDIT COMMITTEE**

The provision of section 177 relating to the Audit committee is not applicable on the company.

### **CONSTITUTION OF NOMINATION AND REMUNERATION COMMITTEE**

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, Director's

qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

### **MEETINGS OF THE BOARD OF DIRECTORS**

The following Meetings of the Board of Directors were held during the Financial Year 2020-21:

| SN | Date of Meeting | Board Strength | No. of Directors Present |
|----|-----------------|----------------|--------------------------|
| 1  | 03/05/2021      | 4              | 4                        |
| 2  | 29/06/2021      | 4              | 4                        |
| 3  | 20/08/2021      | 4              | 4                        |
| 4  | 25/09/2021      | 4              | 4                        |
| 5  | 30/11/2021      | 3              | 3                        |
| 6  | 30/12/2021      | 2              | 2                        |
| 7  | 03/02/2022      | 2              | 2                        |
| 8  | 28/02/2022      | 2              | 2                        |

### **PRESENCE/ATTENDANCE OF DIRECTORS IN THE MEETINGS**

| SN | Name of Director              | Board Meeting      |                        |      | Committee Meeting  |                        |   | AGM |
|----|-------------------------------|--------------------|------------------------|------|--------------------|------------------------|---|-----|
|    |                               | No of Meeting held | No of Meeting attended | %    | No of Meeting held | No of Meeting attended | % |     |
| 1. | Mr.Sankar Krishnan Ramalingam | 5                  | 5                      | 100% |                    |                        |   | Yes |
| 2. | Mr.Laxminarayanan Mishra      | 4                  | 4                      | 100% |                    |                        |   | Yes |
| 3. | Mr.Prasanna Dhandapani        | 8                  | 8                      | 100% |                    |                        |   | Yes |
| 4. | Mr.Markandeyulu Radhakrishna  | 5                  | 5                      | 100% |                    |                        |   | Yes |
| 5. | Mr.Satinder Mohan Mohindra    | 3                  | 3                      | 100% |                    |                        |   | Yes |



### **BOARD EVALUATION**

The provision of section 134(3)(p) relating to board evaluation is not applicable on the company.

### **PARTICULARS OF EMPLOYEES**

Provision related to the particulars of the employees employed by the company falling within Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to the Company.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors of the Company confirms that-

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The directors had prepared the annual accounts on a going concern basis; and
- (e) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **INTERNAL FINANCIAL CONTROLS**

As per amended exemption notification for the private company under section 462 of the Companies Act 2013, there is no as such obligation on the Company to set up an Internal Financial Control system in the company.



### **REPORTING OF FRAUDS BY AUDITORS**

For the Financial year 2021-22, the Statutory Auditor has not reported any instances of fraud committed in the Company by its Officers or Employees.

### **INFORMATION ABOUT SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANY**

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

### **DEPOSITS**

The company has not accepted deposits from public within the meaning of Section 73 of the Companies Act, 2013 also no unsecured loan accepted from its directors and relative of directors under sub rule 1 clause (C) sub clause (Viii) of rule 2 of Companies (Acceptance of Deposits) Rules 2014.

### **LOANS, GUARANTEES AND INVESTMENTS**

The Company has duly complied with the provisions of Section 186 of the Companies Act, 2013. The Company has granted loans duly complied with provision but not made any investments, gives guarantee or extended any security during the financial year.

### **RELATED PARTY TRANSACTIONS**

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company. Particulars of Transactions with Related party with noted on accounts forming part of the Financial Statements.

Further all the necessary details of transaction entered with the related parties as defined under Section 188 of the Companies Act, as defined under Section 2 (76) of the said Act are attached herewith in form no. AOC-2 for your kind perusal and information.

### **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

The Company does not meet the criteria of Section 135 of Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 so there is no requirement to constitution of Corporate Social Responsibility Committee.



## **ENERGY CONSERVATION, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO**

Information on conservation of Energy, Technology absorption, Foreign Exchange earnings and outgo required to be disclosed under Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are provided hereunder:

| PARTICULARS                                                                                                                                         | REMARKS                                                                                                                                                                                                                                               |
|-----------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>A) CONSERVATION OF ENERGY:</b>                                                                                                                   | The Corporation is taking due care for using electricity in the office and its branches. The Corporation usually takes care for optimum utilization of energy. No capital investment on energy Conservation equipment made during the financial year. |
| <b>B) TECHNOLOGY ABSORPTION:</b>                                                                                                                    | The Company has not absorbed the technology from any outside resources.                                                                                                                                                                               |
| <b>(c) FOREIGN EXCHANGE EARNINGS AND OUTGO:</b>                                                                                                     |                                                                                                                                                                                                                                                       |
| > The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows | Inflow : \$.5,46,000/-<br><br>Outflow : Nil                                                                                                                                                                                                           |

## **RISK MANAGEMENT**

Risks are events, situations or circumstances which may lead to negative consequences on the Company's business. Risk management is a structured approach to manage uncertainty. A formal enterprise-wide approach to Risk Management is being adopted by the Company and key risks will now be managed within a unitary framework. As a formal roll-out, all business divisions and corporate functions will embrace the Risk Management Policy and Guidelines and make use of these in their decision making. Key business risks and their mitigation are considered in the annual/strategic business plans and in periodic management reviews. The risk management process in our multi-business, multi-site operations, over a period of time will become embedded into the Company's business systems and processes, such that our responses to risks remain current and dynamic.



### **VIGIL MECHANISM / WHISTLE BLOWER POLICY**

The Company is not required to form such a policy.

### **REGULATORY ACTION**

There are no significant and material orders passed by the regulators or courts or Tribunals that could impact the going concern status and operations of the company in future.

### **STATUTORY AUDITORS AND THEIR REPORT**

At the Annual General Meeting held on 30/11/2022, M/s. Ram & Ravi, Chartered Accountants (FRN No.002824S) was appointed as statutory auditors of the company to hold office till the conclusion of the Annual General Meeting to be held in the calendar year 2026. In terms of the first proviso to Section 139 of the Companies Act, 2013.

Company has received certificate from the Auditors to the effect they are not disqualified to continue as statutory auditors under the provisions of applicable laws.

There are no observations (including any qualification, reservation, adverse remark, or disclaimer) of the Auditors in their Audit Report that may call for any explanation from the Directors. Further, the notes to accounts referred to in the Auditor's Report are self-explanatory.

### **SECRETARIAL AUDITORS**

The Secretarial Audit is not applicable on the company as it is not covered under the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

### **COST RECORDS**

Pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records maintenance is not applicable on the company.

### **CORPORATE INSOLVENCY RESOLUTION PROCESS INITIATED UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (IBC)**

No such process initiated during the period under review under the Insolvency and Bankruptcy Code, 2016 (IBC)







## **THE DETAILS OF DIFFERENCE BETWEEN THE AMOUNTS OF THE VALUATION DONE**

Clause not applicable

## **FAILURE TO IMPLEMENT ANY CORPORATE ACTION**

All the corporate actions taken during the financial year 2021-22 and reporting for the same with the concerned department have been completed within specified time limit.

## **ANNUAL RETURN**

As per MCA vide Notification dated 05.03.2021 The Extract of Annual Return as required under section 92(3) of the Companies Act, 2013 in Form MGT-9 is not required to be prepared from Financial Year 2020-21 onwards hence not applicable.

A copy of Annual Return as required under section 134(3) of the Companies Act, 2013, is available on the Company's website i.e., [www.method-hub.com](http://www.method-hub.com) for the kind perusal and information.

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

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

Your Directors state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

## **HUMAN RESOURCES AND INDUSTRIAL RELATIONS**

The Company takes pride in the commitment, competence and dedication of its employees in all areas of the business. The Company has a structured induction process at all locations and management development programs to upgrade the skills of managers. Objective appraisal systems based on key result areas (KRAs) are in place for senior management staff.

The Company is committed to nurturing, enhancing, and retaining its top talent through superior learning and organizational development. This is a part of our Corporate HR function and is a critical pillar to support the organization's growth.





## **HEALTH, SAFETY AND ENVIRONMENT PROTECTION**

The company's Health and Safety Policy commits to complying with applicable legal and other requirements connected with occupational Health, Safety and Environment matters and provides a healthy and safe work environment to all employees of the Company.

## **SECRETARIAL STANDARDS**

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board and General Meetings of the Company.

## **APPRECIATION AND ACKNOWLEDGEMENT**

Your Directors place on record their deep appreciation to employees at all levels for their hard work, dedication and commitment. The Board places on record its appreciation for the support and co-operation your company has been receiving from its Suppliers, Retailers, Dealers & Distributors and others associated with the Company. The Directors also take this opportunity to thank all Clients, Vendors, Banks, Government and Regulatory Authorities for their continued support.

For and on behalf of the Board

**METHODHUB SOFTWARE PRIVATE LIMITED**



**PRASANNA DHANDAPANI**

Director

DIN: 02187044

**Place:** Bengaluru

**Date:** 30.11.2022

**METHODHUB SOFTWARE PRIVATE LIMITED**  
**4th Floor, 1655/A, 14th Main, HSR Layout Sector 7, Bangalore - 560102 Karnataka**  
**E-Mail : mahendra@methodhub.in**  
**CIN : U74900KA2016PTC085743**

**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 arms length transactions under third proviso thereto**

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

| SN | Name(s) of the related party and nature of relationship | Nature of contracts / arrangements / transactions | Duration of the contracts / arrangements / transactions | Salient terms of the contracts or arrangements or transactions including the value, if any | Justification for entering into such contracts or arrangements or transactions | Date(s) of approval by the Board | Amount paid as advances, if any | Date on which the special resolution was passed in general meeting as required under first proviso to Section 188 |
|----|---------------------------------------------------------|---------------------------------------------------|---------------------------------------------------------|--------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------|----------------------------------|---------------------------------|-------------------------------------------------------------------------------------------------------------------|
|    | NA                                                      | NA                                                | NA                                                      | NA                                                                                         | NA                                                                             | NA                               | NA                              | NA                                                                                                                |

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

| SN | Name(s) of the related party and nature of relationship | Nature of contracts / arrangements / transactions | Duration of the contracts / arrangements / transactions | Salient terms of the contracts or arrangements or transactions including the value, if any | Date(s) of approval by the Board, if any | Amount paid as advances, if any |
|----|---------------------------------------------------------|---------------------------------------------------|---------------------------------------------------------|--------------------------------------------------------------------------------------------|------------------------------------------|---------------------------------|
| 1  | SewTech Inc, USA                                        | Service Contract                                  | 12 months                                               | The contract is cost plus margin contract                                                  | 03/05/2021                               | Nil                             |





Ram & Ravi

*Chartered Accountant*  
New No. 7/2, Old No. 3/2,  
Norton 3<sup>rd</sup> Street, Mandaveli, Chennai – 600 028.

INDEPENDENT AUDITORS' REPORT

TO

THE MEMBERS OF

METHODHUB SOFTWARE PRIVATE LIMITED

Report on the Audit of Financial Statements

1 Opinion

We have audited the accompanying financial statements of METHODHUB SOFTWARE PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss, 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.

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 ('Act') in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2021, as amended, ("AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit and cash flows for the year ended on that date.

2 Basis for opinion

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

3 Key audit matters

Key audit matters 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.





Ram & Ravi

*Chartered Accountant*

New No. 7/2, Old No. 3/2,

Norton 3<sup>rd</sup> Street, Mandaveli, Chennai – 600 028.

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

4 Information other than the Financial Statements and Auditors' Report Thereon

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

- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

5 Management's responsibility for the financial statements

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

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

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





Ram & Ravi

*Chartered Accountant*

New No. 7/2, Old No. 3/2,

Norton 3<sup>rd</sup> Street, Mandaveli, Chennai – 600 028.

## 6 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 scepticism throughout the audit. We also:

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

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.





Ram & Ravi

*Chartered Accountant*

New No. 7/2, Old No. 3/2,

Norton 3<sup>rd</sup> Street, Mandaveli, Chennai – 600 028.

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.

## 7 Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, I give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

### 1. As required by Section 143(3) of the Act, I report that:

- a) We have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of my audit.
- b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purpose of my audit have been received from the branches not visited by us.
- c) The Balance Sheet, the Statement of Profit and Loss Account including the Statement of Cash Flows dealt with by this Report are in agreement with the books of account and with the returns received from the branches not visited by us.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 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". Our report expresses an unmodified opinion on the adequacy







Ram & Ravi

*Chartered Accountant*

New No. 7/2, Old No. 3/2,

Norton 3<sup>rd</sup> Street, Mandaveli, Chennai – 600 028.

and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, we report that section 197 is not applicable on private company. Hence reporting as per section 197(16) is not required.

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

i) The Company does not have any pending litigations which would impact its financial position in its financial statements.

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

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

iv) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

v) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

vi) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.

vii) The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.







Ram & Ravi

*Chartered Accountant*

New No. 7/2, Old No. 3/2,

Norton 3<sup>rd</sup> Street, Mandaveli, Chennai – 600 028.

2. As required by the Companies ( Auditor's report) Order, 2020 (" the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraph 3 and 4 of the Order.

*For Ram and Ravi*

Chartered Accountants

FRN: 002824S



Proprietor

Membership No. :014059

UDIN: 22014059BELHKK9355

Date: 30/11/2022

Place: Chennai



Ram & Ravi

*Chartered Accountant*

New No. 7/2, Old No. 3/2,

Norton 3<sup>rd</sup> Street, Mandaveli, Chennai – 600 028.

## ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i)(a) In respect of its Property, Plant and Equipment:

(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(i)(b) These Property, plant and equipment were physically verified during the year by the management in accordance with a regular programme of verification which, in our opinion, provides for the physical verification of all fixed assets at reasonable intervals. According to the information and explanation given to me, no material discrepancies were noticed on such verification.

(i)(c) The Company does not hold any immovable property and hence reporting under the Clause (i)(c) is not applicable.

(i)(d) The Company has not revalued any of its Property, plant and equipment and intangible assets during the year.

(i)(e) No proceedings have been initiated during the year or are pending against the Company as at 31 March 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The Company does not have any inventory and hence reporting under the Clause (ii) (a) of the Order is not applicable.

(iii) (a) The Company has not made any investments in, provided any guarantee or security and granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or any other parties during the year, except as summarized below.

(iii) (b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the terms and conditions of the loan granted by the Company are not prejudicial to the Company's interest.

(iii)(c) In respect of loans and advances in the nature of loans provided by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of the principal amounts and receipts of interest are regular as per stipulation.

(iii) (d) No amount in respect of loans granted by the Company was overdue during the year, hence reporting under the Clause (iii) (d) of the Order is not applicable.





Ram & Ravi

*Chartered Accountant*

New No. 7/2, Old No. 3/2,

Norton 3<sup>rd</sup> Street, Mandaveli, Chennai – 600 028.

(iii) (e) During the year, there were no loans or advances in the nature of loan which fell due and in respect of which fresh loan was granted.

(iii) (f) During the year, the company has not granted any loans or advances in the nature of loans which are repayable on demand or without specifying any terms or period of repayment details.

(iv) The Company has not made any investments in, provided any guarantee or security and granted any loans or advances in the nature of loans, secured or unsecured to its related parties, hence reporting under the Clause (iv) of the Order is not applicable.

(v) The company has not accepted any deposits or amounts which are deemed to be deposits, hence reporting under the Clause (v) of the Order is not applicable.

(vi) The maintenance of cost records has not been specified for the activities of the Company by the Central Government under subsection (1) of section 148 of the Companies Act, 2013.

(vii) According to the information and explanation given to us, in respect of statutory dues:

- (a) The Company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to the Company to the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employee's State Insurance, Income tax, cess and other Statutory dues in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

- (b) There were no statutory dues referred to in sub-clause (a) above which have not been deposited as on 31 March 2022 on account of any disputes.

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) (a) In our opinion, the company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(ix) (b) The company has not been declared wilful defaulter by any bank or financial institution or other lender.

(ix) (c) The Term loans taken during the year by the Company have been applied for the purpose for which the loans were obtained.

(ix) (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have not been used during the year for long-term purposes by the Company.

(ix) (e) The Company did not have any subsidiary, associate or joint venture during the year, hence reporting under the Clause (ix)(e) of the Order is not applicable.





Ram & Ravi

Chartered Accountant

New No. 7/2, Old No. 3/2,

Norton 3<sup>rd</sup> Street, Mandaveli, Chennai – 600 028.

(ix) (f) The company has not raised any loan during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies, hence reporting under the Clause (ix)(f) of the Order is not applicable.

(x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under the Clause (x)(a) of the Order is not applicable.

(x) (b) The company has made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and hence reporting under the Clause (x)(b) of the Order is not applicable.

(xi) (a) To the best of our knowledge, no fraud by the company and no material fraud on the company has been noticed or reported during the year.

(xi) (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

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

(xiii) In our opinion, the Company is in compliance with Section 188 of the Companies Act, for transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards. The Company is a private limited company and, hence the provisions of Section 177 of the Companies Act, 2013 are not applicable to the Company.

(xiv) As per Section 138 of the Companies Act, 2013 Internal Audit is not applicable to the Company and hence reporting under the Clause (xiv) (a) and (b) of the Order is not applicable.

(xv) In our opinion, the company has not entered into any non-cash transactions with directors or persons connected with such directors and hence the provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) and hence reporting under the Clause (xiv) (a), (b) and (c) of the Order is not applicable.

(b) According to the information and explanation provided to me, the Company doesn't have any Core Investment Company as part of the Company and accordingly, reporting under the Clause (xiv) (d) of the Order is not applicable.

(xvii) The company has not incurred any cash losses in the financial year covered by our audit and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and





Ram & Ravi

*Chartered Accountant*

New No. 7/2, Old No. 3/2,

Norton 3<sup>rd</sup> Street, Mandaveli, Chennai – 600 028.

our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions nothing has come to our attention which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that the company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

(xx) The Company was not having net worth of rupees five hundred crore or more or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year and hence provisions of Section 135 are not applicable to the Company during the year and hence reporting under the Clause (xx) of the Order is not applicable.

(xxi) The Company does not have any component auditors and hence, reporting under the Clause (xxi) of the Order is not applicable.

*For Ram and Ravi*  
Chartered Accountants  
FRN: 002824S



Proprietor  
Membership No. :014059  
UDIN: 22014059BELHKK9355

Date: 30/11/2022

Place: Chennai



Ram & Ravi

*Chartered Accountant*

New No. 7/2, Old No. 3/2,

Norton 3<sup>rd</sup> Street, Mandaveli, Chennai – 600 028.

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

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial reporting of Method Hub Software Private Limited ("the Company") as at March 31, 2022, 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 over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditors' responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

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







Ram & Ravi

*Chartered Accountant*

New No. 7/2, Old No. 3/2,

Norton 3<sup>rd</sup> Street, Mandaveli, Chennai – 600 028.

#### Meaning of internal financial controls over financial reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) 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 (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### Limitations of internal financial controls over financial reporting

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

#### Opinion

In our opinion and according to the information and explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the criteria of internal control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

*For Ram and Ravi*

Chartered Accountants

FRN: 002824S



Proprietor

Membership No. :014059

UDIN: 22014059BELHKK9355

Date: 30/11/2022

Place: Chennai

METHODHUB SOFTWARE PRIVATE LIMITED  
CIN-U74900KA2016PTC085743  
No. 1692, Ground Floor, 17th Main, 2nd Phase,  
J.P.Nagar, Bangalore - 560 001.  
BALANCE SHEET AS AT 31st March 2022

| PARTICULARS                                                                                 | Notes | 31-Mar-22           | 31-Mar-21           |
|---------------------------------------------------------------------------------------------|-------|---------------------|---------------------|
| <b>I. EQUITY AND LIABILITIES</b>                                                            |       |                     |                     |
| 1 Shareholder's funds                                                                       |       |                     |                     |
| (a) Share Capital                                                                           | 3     | 1,36,00,000         | 1,36,00,000         |
| (b) Reserves and Surplus                                                                    | 4     | 1,22,57,633         | 66,96,813           |
| Total Shareholder's funds                                                                   |       | 2,58,57,633         | 2,02,96,813         |
| 2. Non Current Liabilities                                                                  |       |                     |                     |
| (a) Long-term borrowings                                                                    | 5     | 14,85,87,472        | 12,12,09,760        |
| (b) Deferred tax liabilities                                                                |       | -                   | -                   |
|                                                                                             |       | 14,85,87,472        | 12,12,09,760        |
| 3. Current Liabilities                                                                      |       |                     |                     |
| (a) Short term borrowings and Advances                                                      | 6     | 10,06,49,574        | 9,23,04,100         |
| (b) Trade payables                                                                          |       |                     |                     |
| (i) Total Outstanding dues of micro enterprises and small enterprises                       |       | -                   | -                   |
| (ii) Total Outstanding Dues of Creditors other than micro enterprises and small enterprises | 7     | 47,60,877           | -                   |
| (c) Other current liabilities                                                               | 8     | 5,69,52,639         | 14,31,17,732        |
| (d) Short-term Provisions                                                                   | 9     | 1,00,53,565         | 41,28,843           |
| (e) Provision for taxes                                                                     | 10    | 62,72,133           | 23,33,222           |
|                                                                                             |       | 17,86,88,788        | 24,18,83,897        |
| <b>TOTAL</b>                                                                                |       | <b>35,31,33,893</b> | <b>38,33,90,470</b> |
| <b>II ASSETS</b>                                                                            |       |                     |                     |
| 1. Non-current assets                                                                       |       |                     |                     |
| (a) Fixed assets                                                                            |       |                     |                     |
| (i) Tangible assets (net)                                                                   | 11    | 33,14,574           | 6,81,998            |
| (b) Deferred tax assets (net)                                                               | 12    | 25,897              | 1,51,045            |
| (c) Long-term loans and advances                                                            |       | -                   | -                   |
| (d) Other non current assets                                                                | 13    | 26,95,900           | 58,29,480           |
|                                                                                             |       | 60,36,371           | 66,62,523           |
| 2. Current assets                                                                           |       |                     |                     |
| (a) Inventory/Stock in Trade                                                                |       | -                   | 3,25,00,000         |
| (b) Trade receivables                                                                       | 14    | 10,88,36,817        | 72,87,998           |
| (c) Cash and Cash equivalents                                                               | 15    | 8,68,72,284         | 15,28,85,760        |
| (d) Short-term loans and advances                                                           | 16    | 2,87,96,197         | 28,18,797           |
| (e) Other Current Assets                                                                    | 17    | 12,25,92,223        | 18,12,35,392        |
|                                                                                             |       | 34,70,97,522        | 37,67,27,947        |
| <b>TOTAL</b>                                                                                |       | <b>35,31,33,893</b> | <b>38,33,90,470</b> |

Also see accompanying Notes forming part of financial statements and accounting policies

As per our report attached  
For Ram and Ravi  
Chartered Accountants  
FRN: 0028245

For and on behalf of the Board of Directors  
Methodhub Software Private Limited

DHANDAPANI  
I PRASANNA  
Digitally signed by  
DHANDAPANI  
PRASANNA  
Date: 2022.11.30  
10:07:35 +05'30'

MOHINDRA  
SATINDER  
MOHAN

Digitally signed by  
MOHINDRA SATINDER  
MOHAN  
Date: 2022.11.30 10:15:25  
+05'30'

Prasanna Dhandapani  
(Director)  
DIN: 02187044

Satinder Mohan Mohindra  
(Director)  
DIN: 02767144

Proprietor  
Membership No. 014059  
UDIN : 22014059BELHKK9355  
Date: 30/11/2022  
Place: Chennai

Date: 30/11/2022  
Place: Bangalore





METHODHUB SOFTWARE PRIVATE LIMITED  
CIN-U74900KA2016PTC085743  
No. 1692, Ground Floor, 17th Main, 2nd Phase,  
J.P.Nagar, Bangalore - 560 001.  
STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31st March 2022

|                                       |       | Amount in INR       |                     |
|---------------------------------------|-------|---------------------|---------------------|
| Particulars                           | Notes | 31-Mar-22           | 31-Mar-21           |
| <b>INCOME</b>                         |       |                     |                     |
| Revenue from operations               | 18    | 22,62,95,651        | 20,88,06,251        |
| Other Income                          | 19    | 42,41,186           | 11,72,584           |
| <b>Total Revenue</b>                  |       | <b>23,05,36,837</b> | <b>20,99,78,835</b> |
| <b>Expenses</b>                       |       |                     |                     |
| Cost of Goods Sold                    | 20    | 6,24,82,844         | 14,52,62,846        |
| Employee benefits expense             | 21    | 5,98,18,707         | 2,72,58,326         |
| Finance Cost                          | 22    | 4,86,35,249         | 1,59,44,408         |
| Depreciation and amortization expense | 23    | 8,02,288            | 1,41,071            |
| Administrative and Other expenses     | 24    | 4,91,72,870         | 1,30,64,706         |
| <b>Total Expenses</b>                 |       | <b>22,09,11,958</b> | <b>20,16,71,356</b> |
| Profit before prior period items      |       | 96,24,879           | 83,07,479           |
| Prior Period (Expense)/Income         |       | -                   | 72,529              |
| Profit before extraordinary items     |       | 96,24,879           | 83,80,008           |
| Extra- Ordinary Items                 |       | -                   | -                   |
| Profit before tax                     |       | 96,24,879           | 83,80,008           |
| <b>Tax expense:</b>                   |       |                     |                     |
| Prior Period Tax                      |       |                     | 23,138              |
| Current tax                           |       | 39,38,911           | 23,33,222           |
| Deferred tax Asset                    |       | 1,25,148            | (31,602)            |
| <b>Total Tax expense</b>              |       | <b>40,64,059</b>    | <b>23,24,758</b>    |
| <b>Profit/(Loss) for the period</b>   |       | <b>55,60,820</b>    | <b>60,55,250</b>    |
| <b>Earnings per equity share:</b>     | 25    |                     |                     |
| (1) Basic                             |       | 4.09                | 4.45                |
| (2) Diluted                           |       | 4.09                | 4.45                |

Also see accompanying Notes forming part of financial statements and accounting policies

For Ram and Ravi  
Chartered Accountants  
FRN: 002824S

  
Proprietor  
Membership No. 014059  
UDIN : 22014059BELHKK9355

Date: 30/11/2022  
Place: Chennai



For and on behalf of the Board of Directors  
Methodhub Software Private Limited

Digitally signed by:  
DHANDAPANI  
PRASANNA  
Date: 2022.11.30  
10:08:17 +05'30'

Prasanna Dhandapani  
(Director)  
DIN: 02187044

MOHINDRA  
SATINDER MOHAN  
Date: 2022.11.30 10:16:15  
+05'30'

Satinder Mohan Mohindra  
(Director)  
DIN: 02767144

Date: 30/11/2022  
Place: Bangalore



METHODHUB SOFTWARE PRIVATE LIMITED  
CIN-U74900KA2016PTC085743  
No. 1692, Ground Floor, 17th Main, 2nd Phase,  
J.P.Nagar, Bangalore - 560 001,  
Cashflow Statement for the year ended 31st March 2022

| Particulars                                              | Amount in INR  |                |
|----------------------------------------------------------|----------------|----------------|
|                                                          | 31-Mar-22      | 31-Mar-21      |
| Cash Flow from operating activities                      |                |                |
| Profit before tax                                        | 96,24,879      | 83,80,008      |
| <i>Adjustments:</i>                                      |                |                |
| Depreciation and amortization                            | 8,02,288       | 1,41,071       |
| Interest on Deposits                                     | (42,41,186)    | (11,72,584)    |
| Finance cost                                             | 4,86,35,249    | 1,59,44,408    |
|                                                          | 5,48,21,230    | 2,32,92,903    |
| <i>Adjustments:</i>                                      |                |                |
| (Increase)/decrease in Trade receivables                 | (10,15,48,819) | 26,18,861      |
| (Increase)/decrease in Inventories                       | 3,25,00,000    | (3,25,00,000)  |
| (Increase)/decrease in Long Term Loans And Advances      | -              | -              |
| (Increase)/decrease in Other Non Current Assets          | 31,33,580      | (8,48,320)     |
| (Increase)/decrease in Short Term Loans and Advances     | (2,29,91,615)  | (3,47,422)     |
| (Increase)/decrease in Other Current Assets              | 5,86,43,169    | (17,47,06,613) |
| Increase/(decrease) in Trade payables                    | 47,60,877      | (18,32,565)    |
| Increase/(decrease) in Provisions                        | 59,24,722      | (96,056)       |
| Increase/(decrease) in Other Current Liabilities         | (8,61,65,093)  | 13,48,86,692   |
| Cash generated from operations                           | (5,09,21,951)  | (4,95,32,520)  |
| Income taxes (paid)/refunded                             | (29,85,785)    | (27,89,775)    |
| Net cash provided/(used) by operating activities         | (5,39,07,736)  | (5,23,22,295)  |
| Cash flow from investing activities                      |                |                |
| Purchase of fixed assets                                 | (34,34,863)    | (6,70,507)     |
| Interest on Fixed Deposit                                | 42,41,186      | 11,72,584      |
| Sales of FA                                              | -              | 71,233         |
| Net cash provided/(used) by investing activities         | 8,06,323       | 5,73,310       |
| Cash flow from financing activities                      |                |                |
| Finance cost paid                                        | (4,86,35,249)  | (1,59,44,408)  |
| Proceeds from issue of capital                           | -              | 1,35,00,000    |
| Loan borrowed                                            | 3,57,23,186    | 20,69,91,600   |
| Net cash provided/(used) by financing activities         | (1,29,12,063)  | 20,45,47,192   |
| Net increase/(decrease) in cash and cash equivalents     |                |                |
| Net changes in cash and cash equivalents                 | (6,60,13,476)  | 15,27,98,207   |
| Cash and cash equivalents at the beginning of the period | 15,28,85,760   | 87,553         |
| Cash and cash equivalents at the end of the period       | 8,68,72,284    | 15,28,85,760   |

Also see accompanying Notes forming part of financial statements and accounting policies

For Ram and Ravi  
Chartered Accountants  
FRN: 002824S

Proprietor  
Membership No. 014059  
UDIN : 22014059BELHKK9355

Date: 30/11/2022  
Place: Chennai



For and on behalf of the Board of Directors  
Methodhub Software Private Limited

DHANDAPAN  
I PRASANNA  
Digitally signed by  
DHANDAPAN PRASANNA  
Date: 2022.11.30 10:08:45  
+05'30'

Prasanna Dhandapani  
(Director)  
DIN: 02187044

MOHINDRA  
SATINDER MOHAN  
Digitally signed by MOHINDRA  
SATINDER MOHAN  
Date: 2022.11.30 10:16:41  
+05'30'

Satinder Mohan Mohindra  
(Director)  
DIN: 02767144

Date: 30/11/2022  
Place: Bangalore



Notes forming part of the financial statements for the year ended 31 March 2022

## 1 CORPORATE INFORMATION

Methodhub Software Private Limited was incorporated as a Private Limited company with CIN U74900KA2016PTC085743 as on 2nd February 2016 under the companies Act 2013. The Company is primarily engaged in the business of Information Technology enabled unique, intelligent business solutions to its client to deliver & technology based efficient services to end users.

## 2 SIGNIFICANT ACCOUNTING POLICIES

### 2.1 Basis of Preparation of Financial Statements

The financial statements have been prepared and presented in accordance, with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention using the accrual basis. GAAP comprises accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') and other pronouncements of the Institute of Chartered Accountants of India, the provisions of the Act.

The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

### 2.2 Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statement are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

### 2.3 Operating Cycle

Based on the nature of the products/ activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non- current.

### 2.4 Cash and Cash Equivalents ( for the purposes of Cash Flow Statement)

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

### 2.5 Cash Flow Statement

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

### 2.6 Depreciation and Amortisation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on Property, Plant and Equipment has been provided on the straight- line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support etc.:

| Particulars          | Useful Life |
|----------------------|-------------|
| Computers            | 3           |
| Office Equipment     | 5           |
| Furniture & Fittings | 10          |



JP



## 2.7 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

- a. Consultancy income from provision of software based services to clients is recognised in the period in which service is rendered.
- b. Revenue from contract services provided on the basis of work orders is recognised upon the issue of completion certificate.
- c. Interest income on Fixed Deposits is recognised on accrual basis.

## 2.8 Property, Plant and Equipment

### Tangible Assets

Property, Plant and Equipment are carried at cost less accumulated depreciation / amortisation and impairment losses, if any. The cost of Property Plant and Equipment comprises its purchases price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use and other incidental expenses up to the date the asset is ready for its intended use. Subsequent expenditure on fixed assets after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Property, Plant & Equipment retired from active use and held for sale are stated at lower of their net book value and net realisable value and are disclosed separately.

## 2.9 Foreign currency transactions

### Initial recognition

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

### Measurement at the balance sheet date

Foreign currency monetary items (other than derivative contracts) of the Company, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Company are carried at historical cost.

### Treatment of exchange differences

Exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

## 2.10 Investments

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

## 2.11 Employee Benefits

Employee benefits include provident fund, employee state insurance scheme, gratuity fund and compensated absences.

### a. Defined Contribution Plan

Employee State Insurance: Fixed contributions towards contribution to Employee State Insurance etc. are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

### b. Defined Benefit Plan

Provident Fund: The employees and the company make monthly fixed contributions to the Provident Fund, equal to a specified percentage of the covered employee's salary.



M



#### c. Short Term Employee benefits

Short term employee benefits are recognised as an expense as per the Company's scheme based on expected obligations on an undiscounted basis.

#### 2.12 Leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the lease term.

#### 2.13 Earnings per Share

There are no potential equity shares and hence the basic and diluted earnings per share are same. Basic earnings per share is computed by dividing the net profit or loss after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

#### 2.14 Taxation

##### Current Tax

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

##### Deferred Tax

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

##### Minimum Alternate Tax

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that the future economic benefit associated with it will flow to the Company.

#### 2.15 Impairment of Assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. The following intangible assets are tested for impairment each financial year even if there is no indication that the asset is impaired:

(a) an intangible asset that is not yet available for use; and (b) an intangible asset that is amortised over a period exceeding ten years from the date when the asset is available for use.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss.



## 2.16 Goods and Services Tax Input Credit

Goods and Services Tax Input Credit is accounted for in the books during the period in which the underlying service received is accounted and where there is no uncertainty in availing/utilizing the same.

## 2.17 Provisions and Contingencies

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

## 3 Share Capital:

| Particulars                                                  | Amount in INR |             |
|--------------------------------------------------------------|---------------|-------------|
|                                                              | 31-Mar-22     | 31-Mar-21   |
| Authorized Capital                                           |               |             |
| Rs.15,00,000 Equity shares of Rs.10/-each with voting rights | 1,50,00,000   | 1,50,00,000 |
|                                                              | 1,50,00,000   | 1,50,00,000 |
| Issued, subscribed, and paid up capital                      |               |             |
| 13,60,000 Equity shares of Rs.10/- each with voting rights   | 1,36,00,000   | 1,36,00,000 |
| Total                                                        | 1,36,00,000   | 1,36,00,000 |

Refer Notes (i) to (ii) below

### i) Reconciliation of the shares outstanding at the beginning and at the end of the period

| Particulars                          | As on 31st March 2022 |             | As on 31st March 2021 |             |
|--------------------------------------|-----------------------|-------------|-----------------------|-------------|
|                                      | Numbers               | In Rupees   | Numbers               | In Rupees   |
| At the beginning of the year         | 13,60,000             | 1,36,00,000 | 10,000                | 1,00,000    |
| Issued during the year               | -                     | -           | 13,50,000             | 1,35,00,000 |
| Outstanding at the end of the period | 13,60,000             | 1,36,00,000 | 13,60,000             | 1,36,00,000 |

### ii) Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (no. on show of hands) are in proportion to its share of the paid-up-equity capital of the Company. On winding up of the Company, the holders of the equity shares will be entitled to receive the residual assets of the Company, after distribution of all preferential amounts (if any) in proportion to the number of equity shares held.

The Company has not allotted any fully paid up equity shares by way of bonus shares nor has bought back any class of equity shares. No dividend is proposed for the year ending 31st March 2022.

### iii) Equity Shares in Company held by the Each Shareholder holding >5% shares

| Particulars          | As on 31st March 2022 |                                   | As on 31st March 2021 |                                   |
|----------------------|-----------------------|-----------------------------------|-----------------------|-----------------------------------|
|                      | Number of shares held | % holding in that class of shares | Number of shares held | % holding in that class of shares |
| Ahobilam Nagasundram | 5,44,000              | 40.00%                            | 5,44,000              | 40.00%                            |
| Chandrasekar K       | 1,36,000              | 10.00%                            | 1,36,000              | 10.00%                            |
| Jayakumar A          | 6,80,000              | 50.00%                            | 6,80,000              | 50.00%                            |
| Total                | 13,60,000             | 100.00%                           | 13,60,000             | 100.00%                           |

## Share Capital:

| Particulars                             | 31-Mar-22   | 31-Mar-21   |
|-----------------------------------------|-------------|-------------|
| Authorised                              |             |             |
| 10,000 Equity Shares of Rs.10/- each    | 1,50,00,000 | 1,50,00,000 |
| Issued, subscribed & Paid up            |             |             |
| 1,36,000 Equity Shares of Rs. 10/- each | 1,36,00,000 | 1,36,00,000 |
| Total                                   | 1,36,00,000 | 1,36,00,000 |



4 Reserves and Surplus:

| Particulars                                  | 31-Mar-22   | 31-Mar-21 |
|----------------------------------------------|-------------|-----------|
| Balance at the beginning of the year         | 66,96,813   | 6,41,563  |
| Add : Additions made during the year ( Net ) | 55,60,820   | 60,55,250 |
| Total                                        | 1,22,57,633 | 66,96,813 |

5 Long-term borrowings

| Particulars                                          | 31-Mar-22    | 31-Mar-21    |
|------------------------------------------------------|--------------|--------------|
| Unsecured loan                                       | 59,54,760    | 58,72,260    |
| Long Term Loan - Nalinam Muthu Infra Private Limited | 11,57,12,500 | 11,03,37,500 |
| Axis bank - ECLGS loan                               | 2,69,20,212  | -            |
| Total                                                | 14,85,87,472 | 12,12,09,760 |

6 Short Term Borrowings

| Particulars         | 31-Mar-22    | 31-Mar-21   |
|---------------------|--------------|-------------|
| Overdraft from Bank | 10,06,49,574 | 9,23,04,100 |
| Total               | 10,06,49,574 | 9,23,04,100 |

7 Trade Payables

| Particulars                                              | 31-Mar-22 | 31-Mar-21 |
|----------------------------------------------------------|-----------|-----------|
| Due to -                                                 |           |           |
| (a) Total outstanding due of Micro and Small Enterprises | -         | -         |
| (b) Trade Payables                                       | 47,60,877 | -         |
| Total                                                    | 47,60,877 | -         |

8 Other Current Liabilities

| Particulars                       | 31-Mar-22   | 31-Mar-21    |
|-----------------------------------|-------------|--------------|
| Advance from customers            | 4,86,53,934 | 14,28,62,412 |
| Other payables                    | 80,43,385   | -            |
| Employee Health Insurance Payable | 2,55,320    | 2,55,320     |
| Total                             | 5,69,52,639 | 14,31,17,732 |

9 Short Term Provisions

| Particulars            | 31-Mar-22   | 31-Mar-21 |
|------------------------|-------------|-----------|
| Expenses Payable       | 20,02,802   | 2,00,000  |
| Statutory dues payable | 80,50,763   | 5,86,875  |
| Salary Payable         | -           | 33,41,968 |
| Total                  | 1,00,53,565 | 41,28,843 |

10 Provision for Taxes

| Particulars       | 31-Mar-22 | 31-Mar-21 |
|-------------------|-----------|-----------|
| Provision for Tax | 62,72,133 | 23,33,222 |
| Total             | 62,72,133 | 23,33,222 |





11 Tangible Assets

| Particulars          | 31-Mar-22 | 31-Mar-21 |
|----------------------|-----------|-----------|
| Computers            | 32,89,624 | 6,78,977  |
| Office Equipments    | 9,331     | 3,021     |
| Furniture & Fittings | 15,619    | -         |
| Total                | 33,14,574 | 6,81,998  |

12 Deferred tax assets/liabilities (net):

The position of deferred tax (liabilities)/assets computed in accordance with the requirements of AS-22 on "Accounting for Taxes on Income" by the Companies (Accounting standard) rules 2006 is as stated below :

| Particulars                                                                                     | 31-Mar-22  | 31-Mar-21 |
|-------------------------------------------------------------------------------------------------|------------|-----------|
| Deferred Tax Asset (Liability) on account of Depreciation                                       | (1,46,900) | (21,752)  |
| Deferred Tax Asset (Liability) on account of Other Items<br>(Reversible on subsequent payments) | 1,72,797   | 1,72,797  |
| Total                                                                                           | 25,897     | 1,51,045  |

13 Non current assets

| Particulars                            | 31-Mar-22 | 31-Mar-21 |
|----------------------------------------|-----------|-----------|
| Advance towards Capital Asset Purchase | 26,95,900 | 58,29,480 |
| Total                                  | 26,95,900 | 58,29,480 |

14 Trade Receivables

| Particulars                                                                               | 31-Mar-22    | 31-Mar-21 |
|-------------------------------------------------------------------------------------------|--------------|-----------|
| Outstanding for a period exceeding six months from the date they are due for payment.     |              |           |
| - Related Parties                                                                         | -            | -         |
| - Others                                                                                  | -            | -         |
| Outstanding for a period not exceeding six months from the date they are due for payment. |              |           |
| - Related Parties                                                                         | -            | -         |
| - Others                                                                                  | 10,88,36,817 | 72,87,998 |
| Total                                                                                     | 10,88,36,817 | 72,87,998 |

15 Cash and Bank Balances

| Particulars                   | 31-Mar-22   | 31-Mar-21    |
|-------------------------------|-------------|--------------|
| (a) Cash and cash equivalents |             |              |
| Cash on Hand                  | 1,41,224    | 75,024       |
| Balances with Banks           |             |              |
| - In Axis Bank Ltd            |             |              |
| Fixed Deposit                 | 8,18,21,382 | 7,70,83,372  |
| Current Account               | 48,83,248   | 7,57,11,372  |
| - In HDFC Bank Ltd            | 26,430      | 15,992       |
| Total                         | 8,68,72,284 | 15,28,85,760 |

16 Short-term Loans and Advances

| Particulars     | 31-Mar-22   | 31-Mar-21 |
|-----------------|-------------|-----------|
| Rent Deposit    | 9,10,400    | 3,50,000  |
| GST             | 2,24,31,215 | -         |
| TDS receivables | 54,54,582   | 24,68,797 |
| Total           | 2,87,96,197 | 28,18,797 |





## 17 Other current assets

| Particulars                 | 31-Mar-22    | 31-Mar-21    |
|-----------------------------|--------------|--------------|
| Unbilled Debtors            | 7,37,84,775  | 3,58,31,775  |
| Advance tax                 | 10,00,000    | 10,00,000    |
| Advance to Employees        | 1,12,800     | -            |
| Other Current Assets        | 49,28,003    | -            |
| Advance to Vendors          | 2,17,41,645  | 14,44,03,617 |
| Inter Company Loan - Others | 2,10,25,000  | -            |
| Total                       | 12,25,92,223 | 18,12,35,392 |

## 18 Revenue From Operations

| Particulars        | 31-Mar-22    | 31-Mar-21    |
|--------------------|--------------|--------------|
| Export of Services | 13,56,38,611 | 4,12,64,084  |
| Domestic Services  | 41,18,581    | 47,87,593    |
| Sale of Products   | 4,85,85,459  | 16,27,54,574 |
| Unbilled Revenue   | 3,79,53,000  | -            |
| Total              | 22,62,95,651 | 20,88,06,251 |

## 19 Other Income

| Particulars  | 31-Mar-22 | 31-Mar-21 |
|--------------|-----------|-----------|
| Other Income | 42,41,186 | 11,72,584 |
| Forex Gain   | -         | -         |
| Total        | 42,41,186 | 11,72,584 |

## 20 Cost of Goods Sold

| Particulars         | 31-Mar-22   | 31-Mar-21     |
|---------------------|-------------|---------------|
| Opening Stock       | 3,25,00,000 | -             |
| Add: Purchases      | 2,99,82,844 | 17,77,62,846  |
| Less: Closing stock | -           | (3,25,00,000) |
| Total               | 6,24,82,844 | 14,52,62,846  |

## 21 Employee benefits expense

| Particulars            | 31-Mar-22   | 31-Mar-21   |
|------------------------|-------------|-------------|
| Salaries and bonus     | 5,87,00,467 | 2,69,55,949 |
| Staff welfare expenses | 11,18,240   | 3,02,377    |
| Total                  | 5,98,18,707 | 2,72,58,326 |

## 22 Finance Cost

| Particulars         | 31-Mar-22   | 31-Mar-21   |
|---------------------|-------------|-------------|
| Bank Charges        | 94,753      | 4,75,447    |
| Interest on Bank OD | 65,40,496   | 14,68,961   |
| Interest on Loan    | 4,20,00,000 | 1,40,00,000 |
| Total               | 4,86,35,249 | 1,59,44,408 |

## 23 Depreciation and Amortization Expenses

| Particulars       | 31-Mar-22 | 31-Mar-21 |
|-------------------|-----------|-----------|
| Computers         | 8,01,074  | 1,40,145  |
| Office Equipments | 1,033     | 926       |
| Motor Vehicles    | 181       | -         |
| Total             | 8,02,288  | 1,41,071  |



## 24 Administrative and Other Expenses

| Particulars                       | 31-Mar-22          | 31-Mar-21          |
|-----------------------------------|--------------------|--------------------|
| Professional Charges              | 3,37,77,996        | 79,05,359          |
| Travelling Expenses               | 65,37,432          | 22,41,044          |
| Refreshment Expenses              | -                  | 57,177             |
| Mobile & Landline Expenses        | 2,06,141           | 4,84,836           |
| Subscription Charges              | 50,11,392          | 13,62,929          |
| Electricity Charges               | 79,276             | 55,159             |
| Office Expenses                   | 1,29,639           | 46,358             |
| Repair & Maintenance              | 35,439             | -                  |
| Audit fee                         | 2,00,000           | 1,85,000           |
| Insurance Expenses                | 7,42,040           | -                  |
| Printing & Stationery             | 52,378             | -                  |
| Rental expenses                   | 15,19,200          | 3,98,006           |
| Training and Development          | 88,000             | 30,000             |
| Rates and taxes                   | 7,86,363           | 1,52,374           |
| Misc Expenses                     | 7,574              | 2,703              |
| Loss on Dispose of Motor Vehicles | -                  | 1,43,761           |
| <b>Total</b>                      | <b>4,91,72,870</b> | <b>1,30,64,706</b> |

## 25 Earnings Per Share

| Particulars                                                                         | 31-Mar-22 | 31-Mar-21 |
|-------------------------------------------------------------------------------------|-----------|-----------|
| Net profit / (loss) for the year                                                    | 55,60,820 | 60,55,250 |
| Weighted average number of equity shares outstanding for calculation of basic EPS   | 13,60,000 | 13,60,000 |
| Add: Effect of dilutive potential equity shares                                     | -         | -         |
| Weighted average number of equity shares outstanding for calculation of diluted EPS | 13,60,000 | 13,60,000 |
| <b>Earnings Per Share</b>                                                           |           |           |
| Basic & Diluted                                                                     | 4.09      | 4.45      |
| Diluted                                                                             | 4.09      | 4.45      |

## 26 Related Party Transactions

|                       |                    |               |              |
|-----------------------|--------------------|---------------|--------------|
| Ahobilam Nagasundaram | Equity Shares      | Shareholder   | -            |
|                       | Expenses           | Shareholder   | 57,15,414    |
|                       | Reimbursement      | Shareholder   | -            |
|                       | Consulting Charges | Shareholder   | 21,60,000    |
|                       | Interest on Loan   | Shareholder   | -            |
| K Chandrasekaran      | Remuneration       | Shareholder   | -            |
|                       | Equity Shares      | Shareholder   | -            |
|                       | Expenses           | Shareholder   | 9,77,271     |
|                       | Reimbursement      | Shareholder   | -            |
|                       | Loan given         | Shareholder   | -            |
| A Jayakaumar          | Interest on Loan   | Shareholder   | -            |
|                       | Remuneration       | Shareholder   | -            |
|                       | Equity Shares      | Shareholder   | -            |
|                       | Expenses           | Shareholder   | 18,90,491    |
|                       | Reimbursement      | Shareholder   | -            |
| SewTech INC           | Loan given         | Shareholder   | -            |
|                       | Interest on Loan   | Shareholder   | -            |
|                       | Remuneration       | Shareholder   | -            |
|                       | Equity Shares      | Related Party | -            |
|                       | Sales              | Related Party | 13,56,38,611 |
| SewTech INC           | Loan given         | Related Party | -            |
|                       | Interest on Loan   | Related Party | -            |
|                       | Remuneration       | Related Party | -            |



METHODHUB SOFTWARE PRIVATE LIMITED  
DEPRECIATION AS PER COMPANIES ACT FOR THE YEAR 2021-22  
ACCOUNTING PERIOD 01.04.2021 TO 31.03.2022, ASSESSMENT YEAR 2022-23

| Particulars          | GROSS BLOCK        |                             |           |                     | Useful life in Years | Rate of Depreciation | DEPRECIATION       |              |              |                     | NET BLOCK           |                     |
|----------------------|--------------------|-----------------------------|-----------|---------------------|----------------------|----------------------|--------------------|--------------|--------------|---------------------|---------------------|---------------------|
|                      | As at 1 April 2021 | Additions during the period | Deletions | As at 31 March 2022 |                      |                      | As at 1 April 2021 | For the year | On Disposals | As at 31 March 2022 | As at 31 March 2021 | As at 31 March 2022 |
|                      | Rs.                | Rs.                         | Rs.       | Rs.                 |                      |                      | Rs.                | Rs.          | Rs.          | Rs.                 | Rs.                 | Rs.                 |
| Computers            | 8,34,970           | 34,11,719                   | -         | 42,46,689           | 3                    | 33.33%               | 1,55,993           | 8,01,074     | -            | 9,57,067            | 32,89,622           | 6,78,977            |
| Office Equipment     | 4,873              | 7,343                       | -         | 12,216              | 5                    | 20.00%               | 1,852              | 1,033        | -            | 2,885               | 9,332               | 3,021               |
| Furniture & Fittings | -                  | 15,800                      | -         | 15,800              | 10                   | 10.00%               | -                  | 181          | -            | 181                 | 15,619              | -                   |
| Total                | 8,39,843           | 34,34,862                   | -         | 42,74,705           |                      |                      | 1,57,845           | 8,02,288     | -            | 9,60,133            | 33,14,573           | 6,81,998            |



METHODHUB SOFTWARE PRIVATE LIMITED  
Calculation of Deferred Tax for FY 2021-22

|                            | As on 31st Mar 22 | As on 31st Mar 22 | Difference | Temporary | Permanent | Income Tax Rate |         | 27.82%       |            |
|----------------------------|-------------------|-------------------|------------|-----------|-----------|-----------------|---------|--------------|------------|
|                            |                   |                   |            |           |           | Future          |         | Deferred Tax |            |
|                            | Companies Act     | Income Tax Act    |            |           |           | Deductible      | Taxable | Asset        | Liability  |
| Net Block of Assets        | 8,02,288          | 12,52,137         | 4,49,849   | 4,49,849  |           |                 |         |              | (1,25,148) |
| Closing Deferred Tax Asset | 8,02,288          | 12,52,137         | 4,49,849   | 4,49,849  | -         | -               | -       | -            | (1,25,148) |

| Particulars                        | Amount in Rupees |
|------------------------------------|------------------|
| Deferred Tax Opening Balance in BS | 1,51,045         |
| Deferred Tax P & L Balance         | (1,25,148)       |
| Deferred Tax Closing Balance in BS | 25,897           |



METHODHUB SOFTWARE PRIVATE LIMITED  
DEPRECIATION AS PER INCOME TAX ACT FOR THE YEAR 2021-22  
ACCOUNTING PERIOD 01.04.2021 TO 31.03.2022, ASSESSMENT YEAR 2022-23

| Particulars          | Rate of Depn<br>% | WDV as on<br>01.04.2021<br>Rs. | Additions during the year |                         | Disposals<br>Rs. | Total<br>Rs. | Depreciation for<br>the year<br>Rs. | WDV as on<br>31.03.2022<br>Rs. |
|----------------------|-------------------|--------------------------------|---------------------------|-------------------------|------------------|--------------|-------------------------------------|--------------------------------|
|                      |                   |                                | upto Sept. 2021<br>Rs.    | After Sept. 2021<br>Rs. |                  |              |                                     |                                |
| BLOCK 1              |                   |                                |                           |                         |                  |              |                                     |                                |
| Computers            | 40%               | 5,91,435                       | 16,66,098                 | 17,45,621               | -                | 40,03,154    | 12,52,137                           | 27,51,017                      |
| Block 2              |                   |                                |                           |                         |                  |              |                                     |                                |
| Office Equipment     | 15%               | 4,142                          | -                         | 7,343                   | -                | 11,485       | 1,172                               | 10,313                         |
| Block 3              |                   |                                |                           |                         |                  |              |                                     |                                |
| Furniture & Fittings | 10%               | -                              | -                         | 15,800                  | -                | 15,800       | 790                                 | 15,010                         |
| Total                |                   | 5,95,577                       | 16,66,098                 | 17,68,764               | -                | 40,30,439    | 12,54,099                           | 27,76,340                      |



Property, Plant and Equipment

|                   | Gross Block        |                             |           |                     | Accumulated depreciation |                      |                         |                                |                          |              |                                      |                      |                     |                             |                     | Net Block           |                    |
|-------------------|--------------------|-----------------------------|-----------|---------------------|--------------------------|----------------------|-------------------------|--------------------------------|--------------------------|--------------|--------------------------------------|----------------------|---------------------|-----------------------------|---------------------|---------------------|--------------------|
| Asset Description | As at 1 April 2021 | Additions during the period | Deletions | As at 31 March 2022 | As at 1 April 2021       | Useful life in years | New useful life in days | Already useful life 31/03/2021 | expired as on 31/03/2021 | Balance days | Asset used during the year (in days) | Depreciation per day | Charge for the year | Deletions during the period | As at 31 March 2022 | As at 31 March 2022 | As at 1 April 2021 |
| Computers         | 8,34,970           | 34,11,719                   | -         | 42,46,690           | 1,55,993                 | 3                    | 86,505                  | 4,394                          | 82,111                   |              | 17,459                               | 3,684                | 8,01,074            | -                           | 9,57,067            | 32,89,623           | 6,78,977           |
| Office Equipment  | 4,873              | 7,343                       | -         | 12,216              | 1,852                    | 5                    | 3,450                   | 1,095                          | 2,555                    |              | 393                                  | 4                    | 1,033               | -                           | 2,885               | 9,332               | 3,021              |
| Office Furniture  | -                  | 15,800                      | -         | 15,800              | -                        | 10                   | 3,450                   | -                              | 3,450                    |              | 44                                   | 4                    | 101                 | -                           | 101                 | 15,519              | -                  |
| Total             | 8,39,843           | 34,24,862                   | -         | 42,74,706           | 1,57,845                 |                      |                         |                                |                          |              |                                      |                      | 8,02,288            | -                           | 9,60,133            | 32,14,574           | 6,81,998           |

