

netripples[®]

NETRIPPLES SOFTWARE LIMITED



FINANCIAL STATEMENTS
FINANCIAL YEAR 2020-21

20.08.2021
www.netripples.com

CASH FLOW STATEMENT FOR COMPANIES OTHER THAN FINANCE COMPANIES			
2.0 Cash Flow Statement for the year ended As on 31 March 2021		netripples	
		For the Year ended 31 March 2021	For the Year ended 31 March 2020
		Rs.	Rs.
A. Cash flow from operating activities			
	Net Profit / (Loss) before extraordinary items and tax	1,13,406	1,28,899
	<i>Adjustments for:</i>		
	Depreciation and amortization	9,27,683	7,21,842
	Provision for impairment of fixed assets and intangibles		
	Other R & T and Legal Expenses	39,700	99,000
	(Profit) / loss on sale / write off of assets		
	Expense on employee stock option scheme		
	Finance costs	-	-
	Operating profit / (loss) before working capital changes	10,80,789	9,49,741
<i>Adjustments for (increase) / decrease in operating assets:</i>			
	Inventories	9,12,85,470	8,87,22,468
	Trade receivables	41,23,665	59,12,685
	Short-term loans and advances		
	Long-term loans and advances	-	-
	Other current assets	-	-
	Other non-current assets		
<i>Adjustments for increase / (decrease) in operating liabilities:</i>			
	Trade payables	5,73,651	7,35,450
	Other current liabilities	-	-
	Other long-term liabilities		
	Short-term provisions	23,712	30,400
	Long-term provisions		
	Cash flow from extraordinary items		
	Cash generated from operations	9,58,92,561	9,48,19,044
	Net income tax (paid) / refunds		
	Net cash flow from / (used in) operating activities (A)	9,58,92,561	9,48,19,044

NETRIPPLES SOFTWARE LIMITED
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3.0 PROFIT AND LOSS ACCOUNT (WITHOUT EBITDA) As on 31 March 2021
(Statement of Profit and Loss without stating EBITDA)

Particulars		Note No.	For the Year ended 31 March 2021	For the Year ended 31 March 2020
A	CONTINUING OPERATIONS			
1	Revenue from operations (gross)			
	Exports	15.0	10,91,11,485	14,00,00,520
	Indigenous		-	-
	Less: Excise duty		-	-
	Revenue from operations (net)		-	-
2	Other income			
3	Total revenue (1+2)		10,91,11,485	14,00,00,520
4	Expenses			
	(c) Changes in inventories of finished goods, work in progress and stock in trade	16.0	-21,76,012	77,85,725
	(d) Employee benefits expense	17.0	21,77,448	27,91,600
	(e) Finance costs		-	-
	(f) Depreciation and amortisation expense	10.0	9,27,683	7,21,842
	(g) Other expenses	18.0	10,80,68,960	12,85,72,455
	Total expenses		10,89,98,079	13,98,71,621
5	Profit / (Loss) before product Upgrade /Exceptional items and tax (3 - 4)		1,13,406	1,28,899
6	Product Compatibility Upgrades /Exceptional Profit / (Loss) before extraordinary items and tax (5 + 6)			
7	Profit / (Loss) before extraordinary items and tax (5 + 6)		1,13,406	1,28,899
8	Extraordinary items (under evaluation)			
9	Profit / (Loss) before tax (7 + 8)		1,13,406	1,28,899
10	Tax expense:			
	(a) Current tax expense for current year	8.0	23,712	30,400
	(b) (Less): MAT credit (where applicable)			
	(c) Current tax expense relating to prior years			
	(d) Net current tax expense		23,712	30,400
	(e) Deferred tax			
11	Profit / (Loss) from continuing operations (9 + 10)		89,694	98,499
B	DISCONTINUING OPERATIONS			
13	Profit / (Loss) from discontinuing operations (12 + 13 + 13 iii)			
C	TOTAL OPERATIONS			
14	Profit / (Loss) for the year (11 + 13)		89,694	98,499

In terms of our report attached.

 FOR BGS & ASSOCIATES
 Chartered Accountants.
 Firm Regn. No. 0013021S

sd/-

 B.GOVARDHAN SETTY
 Proprietor
 Membership No. : 224317

 PLACE : Hyderabad
 DATE 20.08.2021

 For and on behalf of the Board of Directors
 Netripples Software Limited

sd/-

 Mazhar Pasha
 Managing Director

sd/-

 Sameer Sohrab
 Director

NETRIPPLES SOFTWARE LIMITED					
4.0 PROFIT AND LOSS ACCOUNT (WITH EBITDA) As on 31 March 2021				netripples	
<i>(Statement of Profit and Loss stating EBITDA)</i>					
	Particulars		Note No.	For the Year ended 31 March 2020	
	A	CONTINUING OPERATIONS			
	1	Revenue from operations (gross)	15.0	10,91,11,485	14,00,00,520
		Domestic Income		-	-
		Revenue from operations (net)		-	14,00,00,520
	2	Expenses			
		(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	16.0	-21,76,012	77,85,725
		(d) Employee benefits expense	17.0	21,77,448	27,91,600
		(e) Other expenses		10,80,68,960	12,85,72,455
		Total		10,80,70,396	13,91,49,780
	3	Earnings before exceptional items, extraordinary		1,13,406	8,50,740
	4	Finance costs		-	-
	5	Depreciation and amortization expense	10.0	9,27,683	7,21,842
	6	Other income			
	7	Profit / (Loss) before exceptional and		1,13,406	1,28,899
	8	Exceptional items			
	9	Profit / (Loss) before extraordinary items and tax		1,13,406	1,28,899
	10	Extraordinary items		0	0
	11	Profit / (Loss) before tax (9 ± 10)		1,13,406	1,28,899
	12	Tax expense:			
		(a) Current tax expense for current year	8.0	23,712	30,400
		(b) (Less): MAT credit (where applicable)			
		(c) Current tax expense relating to prior years			
		(d) Net current tax expense		23,712	30,400
		(e) Deferred tax			
				23,712	30,400
	13	Profit / (Loss) from continuing operations (11 ±		89,694	98,499
	B	DISCONTINUING OPERATIONS			
	14.i	Profit / (Loss) from discontinuing operations			
	14.ii	Gain / (Loss) on disposal of assets / settlement			
	14.iii	Add / (Less): Tax expense of discontinuing operations		-	-
		(a) on ordinary activities attributable to the discontinuing operations		-	-
		(b) on gain / (loss) on disposal of assets / settlement of liabilities		-	-
	15	Profit / (Loss) from discontinuing operations (14.i ± 14.ii ± 14.iii)			
	C	TOTAL OPERATIONS		89,694	98,499
	16	Profit / (Loss) for the year (13 ± 15)		89,694	98,499
	<p>In terms of our report attached. FOR BGS & ASSOCIATES Chartered Accountants. Firm Regn. No. 0013021S</p> <p style="text-align: center;">sd/- B.GOVARDHAN SETTY Proprietor Membership No. : 224317</p> <p>PLACE : Hyderabad DATE : 20.08.2021</p>				
	<p style="text-align: right;">For and on behalf of the Board of Directors Netripples Software Limited</p> <p style="text-align: right;">sd/- Mazhar Pasha Managing Director DIN: 00719970</p> <p style="text-align: right;">sd/- Sameer Sohrab Director DIN: 02423411</p>				

NETRIPPLES SOFTWARE LIMITED

Notes forming part of the financial statements Financial Year As on 31 March 2021

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5.0 Share capital

Particulars	As on 31 March 2021		As on 31 March 2020	
	No of Shares	Amount	No of Shares	Amount
(a) Authorised Equity shares of Rs.10 each with voting rights	78,60,000	7,86,00,000	78,60,000	7,86,00,000
(b) Issued # Equity shares of Rs.10 each with voting rights	68,16,900	6,81,69,000	68,16,900	6,81,69,000
Equity shares of ` 10/- each with differential voting rights	-	-	-	-
(c) Subscribed and fully paid up Equity shares of Rs.10 each with voting rights	68,16,900	6,81,69,000	68,16,900	6,81,69,000
Total	6,81,69,000	6,81,69,000	68,16,900	6,81,69,000

NETRIPPLES SOFTWARE LIMITED



Notes forming part of the financial statements Financial Year As on 31 March 2021

6.0 Reserves and surplus

	For the year ended 31 March 2021	For the year ended 31 March 2020
Closing balance		
(g) General reserve		
Opening balance	3,03,93,641	3,02,95,142
Add: Transferred from surplus in Statement of Profit	89,694	98,499
Less: Utilized / transferred during the year for:		
Issuing bonus shares		
Others (give details)		
Closing balance	3,04,83,335	3,03,93,641

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Notes forming part of the financial statements Financial Years on 31 March 2021

7.0 Trade payables *

Particulars	As at 31 March 2020	As at 31 March 2020
Trade payables: Acceptances Other than Acceptances	5,73,651	7,35,450
Total	5,73,651	7,35,450

* Trade payables are dues in respect of goods purchased or services received (including from employees, professionals and others under contract) in the normal course of business.

NETRIPPLES SOFTWARE LIMITED

Notes forming part of the financial statements
Financial Year As on 31 March 2021

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8.0 Short-term provisions

Particulars		For the year ended 31 March, 2020
(b) Provision - Others:		
(i) Provision for tax - Current Year	23,712	30,400
(ii) Provisions for taxes up to last year		
Total	23,712	30,400

NETRIPPLES SOFTWARE LIMITED



Notes forming part of the financial statements As on 31 March 2021

9.0 Fixed assets

A.	Tangible assets	Gross block									
		Balance as at 1 April, 2020	Additions	Disposals	Acquisitions through business combinations	Reclassified as held for sale	Revaluation increase	Effect of foreign currency exchange differences	Borrowing cost capitalized	Other adjustments (Difference deducted as per Present Value)	Balance as at 31 March, 2021
	(a) Plant and Equipment	17712747		88564							17624183
	(b) Furniture and Fixtures	6519394		32597							6486797
	(c) Electrical Installations	5517017		35861							5481156
	(d) Vehicles	2259860		0							2259860
	(e) Office equipment	6983905		34920							6948985
	Total	38992923		191941							38800982
	Previous year										

Note 8 Fixed assets (contd.)

A	Tangible assets	Accumulated depreciation and impairment							Net block		
		Balance as at 1 April, 2020	Depreciation / amortization expense for the year 2020-21	Eliminated on disposal of assets	Eliminated on reclassification as held for sale	Impairment losses recognized in statement of profit and loss	Reversal of impairment losses recognized in Statement of Profit and Loss	Other adjustments	Balance as at 31 March, 2021	Balance as at 31 March, 2021	Balance as at 31 March, 2020
	(a) Plant and Equipment	15769934	278137	88564				15959507	1664676	1942813	
	(b) Furniture and Fixtures	5668252	122782	32597				5758437	728360	851142	
	(c) Electrical Installations	4796524	102695	35861				4863358	617798	720493	
	(d) Vehicles	1230433	154414	0				1384847	875013	1029427	
	(e) Office equipment	5151288	269655	34920				5386023	1562962	1832617	
	Total	32616431	927683	191941				33352173	5448809	6376492	

NETRIPPLES SOFTWARE LIMITED

Notes forming part of the financial statements Financial Year As on 31 March 2021


10.0 Depreciation



C. Depreciation and amortization relating to continuing operations:			
Particulars		For the year ended 31 March 2021	For the year ended 31 March 2020
Depreciation and amortization for the year on tangible assets as per Note		9,27,683	7,21,842
Depreciation and amortization for the year on intangible assets as per Note			
Less: Utilized from revaluation reserve			
Depreciation and amortization relating to discontinuing operations			
Depreciation and amortization relating to continuing operations		9,27,683	7,21,842
Notes:			
(I) Details of amounts written off on reduction of capital or revaluation of assets or sums added to assets on revaluation during the preceding 5 years:			

	NETRIPPLES SOFTWARE LIMITED		netripples
	Notes forming part of the financial statements Financial Year As on 31 March 2021		
	11.0 Inventories		
	(At lower of cost and net realizable value)		
	Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020
	(b) Work-in-progress @ (Refer Note below) Goods-in-transit	2,02,27,863	1,97,34,500
		2,02,27,863	1,97,34,500
	(c) Finished goods (other than those	7,10,57,607	6,89,87,968
		7,10,57,607	6,89,87,968
	Total	9,12,85,470	8,87,22,468

	<p style="text-align: center;">NETRIPPLES SOFTWARE LIMITED netripples</p>		
	<p>Notes forming part of the financial statements Financial Year As on 31 March 2020</p>		
	<p>12.0 Trade receivables</p>		
	Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020
	Other Trade receivables		
	Secured, considered good	41,23,665	59,12,685
	Doubtful		
	Less: Provision for doubtful trade		
	Total	41,23,665	59,12,685

NETRIPPLES SOFTWARE LIMITED			
Notes forming part of the financial statements Financial Year As on 31 March 2021			
13.0 Cash and cash equivalents			
	Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020
	(a) Cash on hand	20,500	35,450
	(b) Cheques, drafts on hand		
	(c) Balances with banks		
	(i) In current accounts	23,042	30,022
	(ii) In EEFC accounts		
	(iii) In deposit accounts (Refer Note (i) below)		
	(d) Others (specify nature)		
	Total	43,542	65,472
	Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 <i>Cash Flow Statements</i> is		

NETRIPPLES SOFTWARE LIMITED netripples			
Notes forming part of the financial statements Financial Years on 31 March 2021			
14.0 Other Current Assets *			
16.00	Particulars	As at 31 March 2021	As at 31 March 2020
16.1	GST refund claim for FY 2017-18	13,931	13,931
16.2	GST refund claim for FY 2018-19	5,66,720	5,66,720
16.3	GST credits as on 31 March 2019	31,788	31,788
16.4	GST credits as on 31 March 2020	96,838	
	Total	7,09,277	6,12,439
<p>*Current Assets are dues in respect of receivables from Statutory Organizations like GST Income Tax, other Govt Agencies or Private agencies where an amount as on 31st March of that financial year is accumulated and shown here.</p>			

		NETRIPPLES SOFTWARE LIMITED		netripples	
		Notes forming part of the financial statements Financial Years on 31 March 2020			
		15.0 Revenue from operations			
	Particulars	As on 31 March, 2021	As on 31 March, 2020	As on 31 March, 2019	
(a)	Sale of products @ (Refer Note (I) below)				
	Exports	10,91,11,485	14,00,00,520	24,96,04,474	
	Domestic Sales			2,60,526	
(b)	Sale of services @ (Refer Note (ii) below)				
(c)	Other operating revenues # (Refer Note (iii) below)				
		10,91,11,485	14,00,00,520	24,98,65,000	
(d)	<u>Less:</u> duties				
	Total	10,91,11,485	14,00,00,520	24,98,65,000	

	NETRIPPLES SOFTWARE LIMITED		netripples
	Notes forming part of the financial statements Financial Year As on 31 March 2021		
	16.0 Changes in inventories of finished goods, work-in-progress and stock-in-trade @		
Ref. No.	Particulars	As on 31 March, 2021	As on 31 March, 2020
	<u>Inventories at the end of the year:</u>		
	Finished goods	7,10,57,607	6,89,87,968
	Work-in-progress	2,02,27,863	1,97,34,500
	Stock-in-trade		
		9,12,85,470	8,87,22,468
	<u>Inventories at the beginning of the year:</u>		
	Finished goods	6,89,87,968	6,45,37,143
	Work-in-progress	1,97,34,500	2,14,79,572
		8,87,22,468	8,60,16,715
	Add Stock-in-trade/Milestone Under Acceptance	-386990	-1,04,91,478
	Net (increase) / decrease	(21,76,012)	77,85,725

		netripples	
		NETRIPPLES SOFTWARE LIMITED Notes forming part of the financial statements Financial Year As on 31 March 2021	
		17.0 Employee benefits expense	
	Particulars	As on 31 March 2021	As on 31 March 2020
	Salaries and wages #		
	Contributions to provident and other funds (Refer Note 30.4) @	21,10,170	27,37,012
	Staff welfare expenses **	67,278	54,587
	Total	21,77,448	27,91,600

18.0 OTHER EXPENSES**netripples**

Notes forming part of the financial statements Financial Year As on 31 March 2021

18.0 Other expenses


Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020
Travelling and conveyance *	2,54,495	3,26,275
Communication *	49,555	63,532
Computer Peripherals and Consumables	1,21,063	1,54,911
Insurance A/c	32,231	1,62,205
Rates and Taxes	4,07,041	4,54,617
Onsite Project Infrastructure Services	2,49,95,903	3,12,32,357
Printing & Stationary and Books	72,465	1,01,282
Power and Fuel	1,70,187	1,83,571
Onsite Project Operating Software Tools and SW Services	2,44,41,704	2,43,24,259
Business Promotions	1,90,524	8,54,523
Repairs and maintenance - Others *	46,027	59,007
Office Maintenance	74,143	93,026
General Expenses	2,60,233	2,43,876
Onsite Project Miscellaneous Expenses	1,73,31,712	1,62,71,995
Directors Sitting Fee	13,496	17,302
Onsite Third party SW Integration & Config Services	2,39,06,946	2,84,49,998
R & T ,Legal and Professional Charges	39,700	99,000
Subscriptions & Seminars Membership Fees	37,912	64,997
Vehicle Maintenance	65,033	80,743
Onsite Medical Equipment & Device Integration Expenses	1,54,83,590	2,52,34,979
Auditors Remuneration	75,000	1,00,000
Total	10,80,68,960	12,85,72,455

NETRIPPLES SOFTWARE LIMITED							netripples		
19.0 Revenue Segment Information as on 31.03.2021									
Ref. No.	Note	For the year ended 31 March 2020				Particulars			
		Particulars	Single Segment	Eliminations	Total	Segment information			
			Application Software and Services			There is Single Segment of Application Software and Services			
						For the year ended 31 March 2020			
						Particulars	Single Segment	Eliminations	Total
							Application Software and Services		
		Revenue	10,91,11,485	-	10,91,11,485	Revenue	14,00,00,520	-	14,00,00,520

NETRIPPLES SOFTWARE LIMITED
Notes forming part of the financial statements Financial Year As on 31.03.2021
20.0 Earnings Per Share



Note	Particulars	For the year ended on 31 March 2021	For the year ended on 31 March 2020
	Earnings per share		
	<u>Basic</u>		
	<u>Continuing operations</u>		
	Net profit / (loss) for the year from continuing operations	89,694	98,499
	Less: Preference dividend and tax thereon		
	Net profit / (loss) for the year from continuing operations attributable to	89,694	98,499
	Weighted average number of equity shares	68,16,900	68,16,900
	Par value per share	10	10
	Earnings per share from continuing operations - Basic	0.0132	0.0144
	<u>Total operations</u>		
	Net profit / (loss) for the year	89,694	98,499
	Less: Preference dividend and tax thereon		
	Net profit / (loss) for the year attributable to the equity shareholders	89,694	98,499
	Weighted average number of equity shares	68,16,900	68,16,900
	Par value per share	10	10
	Earnings per share - Basic	0.0132	0.0144
	<u>Continuing operations</u>	0	0
	Net profit / (loss) for the year from continuing operations	89,694	98,499
	Net profit / (loss) for the year from continuing operations attributable to	89,694	98,499
	Weighted average number of equity shares	68,16,900	68,16,900
	Par value per share	10	10
	Earnings per share from continuing operations, excluding extraordinary	0.0132	0.0144
	<u>Total operations</u>		
	Net profit / (loss) for the year	89,694	98,499
	Net profit / (loss) for the year attributable to the equity shareholders,	89,694	98,499
	Weighted average number of equity shares	68,16,900	68,16,900
	Par value per share	10	10
	Earnings per share, excluding extraordinary items - Basic	0.0132	0.0144

NETRIPPLES SOFTWARE LIMITED				
Notes forming part of the financial statements Financial Year 2020-21				
				
GN 6.13	21.0 Deferred Tax Liabilities			
Ref. No.	Note	Particulars	As at 31 March 2021	As at 31 March 2020
		Deferred tax (liability) / asset		
		<u>Tax effect of items constituting deferred tax liability</u>		
		On difference between book balance and tax balance of		
		On expenditure deferred in the books but allowable for tax	23,61,065	23,61,065
		On items included in Reserves and surplus pending		
		Others		
		Tax effect of items constituting deferred tax liability	23,61,065	23,61,065
		Net deferred tax (liability) / asset	23,61,065	23,61,065
		The Company has recognized deferred tax asset on unabsorbed depreciation to the extent of the corresponding deferred tax liability on the difference between the book balance and the written down value of fixed assets under Income Tax (or) The Company has recognized deferred tax asset on unabsorbed depreciation and brought forward business losses based on the Management's estimates of future profits considering the non-cancellable customer orders received by the Company.		
		The net deferred tax liability / asset should always be classified as non-current and disclosed on the face of the Balance Sheet.		

INDEPENDENT AUDITORS' REPORT

To the Members of NETRIPPLELS SOFTWARE LIMITED
Report on the Financial Statements

We have audited the accompanying standalone financial statements NETRIPPLELS SOFTWARE LIMITED as at March 31, 2021, the Statement of profit and loss for the year ended, the Statement of changes in the equity, the statement of changes in the cash flows and a summary of the significant accounting policies and other explanatory information.

Management's responsibility for the Financial Statements:

The Company's Board of directors is responsible for the matters stated in Section 134(5) of the Company Act, 2013 with respect to the preparation of these standalone financial statements to give a true and fair view of financial position, financial performance, changes in the equity 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, read with Companies (Indian Accounting Standards) Rules, 2015 as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safe guarding of 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 financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have considered the provisions of Act and the Rules made there under including the accounting standards and matters which are required to be included in the audit report and the Order issued under section 143(11) of the Act.

We conducted our audit in accordance with Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the institutes of Chartered Accountants of India. Those standards and pronouncements required that we comply with ethical requirements, plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial

statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the company's preparation of financial statements that give a true and fair view, in order to design the audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An Audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as March 31, 2021, and its profit for the year ended on the date.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern.

Report on other legal and regulatory requirements.

- (1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
- (2) As required by Sec 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) The Balance Sheet and Statement of profit and loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of confirmations received from the Directors and taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March 2021 from being appointed as a director in terms of Section 164(2) of the Act.

- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”. Our report expresses an unmodified opinion on the adequacy 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 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.
 - II) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

For BGS & ASSOCIATES,
Chartered Accountants.
FRN-0013021S

Sd/-
B. Govardhana Setty
Proprietor
Membership No :224317

Place: Hyderabad
Date: 26.08.2020.

“Annexure A” to the Independent Auditors’ Report

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of the Company for the year ended March 31, 2021:

- 1)
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
 - (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
 - (c) The title deeds of immovable properties are held in the name of the company.
- 2)
 - (a) The management has conducted the physical verification of inventory at reasonable intervals.
 - b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.

- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including 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 with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2021 for a period of more than six months from the date on when they become payable.
b) According to the information and explanation given to us, there are no dues of income tax, sales tax, outstanding on account of any dispute.
- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.

- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For and on behalf of
BGS& Associates
Chartered Accountants
Firm's registration number:013021S

Sd/-
Proprietor
Membership number:224317

Place: Hyderabad,
Date: 26.08.2020.

Annexure – B to the Independent Auditors' Report

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

We have audited the internal financial controls over financial reporting of NETRIPPLELS SOFTWARE LIMITED as of March 31, 2021 in conjunction with our audit of the standalone 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, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting:

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- 1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.
- 2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company.
- 3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting:

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

Opinion

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

For BGS & ASSOCIATES,
Chartered Accountants.

Sd/-

Proprietor

Membership No :224317

Place: Hyderabad,

Date: 26.08.2020.