

# LAFFAN SOFTWARE LIMITED

*33<sup>rd</sup>*  
***ANNUAL REPORT***  
*2017 - 2018*

# **Corporate Information**

## **BOARD OF DIRECTORS**

MR. SWAPAN SARKAR  
MR. PARTHA CHAKRABORTY  
SMT. KAKALI GHOSH

## **AUDITORS COMMITTEE**

CA SHANTIMAY MAJUMDER & CO.  
CHARTERED ACCOUNTANTS

## **REGISTRAR & SHARE COMMITTEE**

### **TRANSFER AGENT**

ABS CONSULTANT PVT. LTD.  
99, STEPHEN HOUSE  
4, B. B. D. BAGH (E), KOLKATA – 700 001  
PH: 22201043

## **BANKERS**

HDFC BANK  
KOLKATA

## **REGISTERED & ADMINISTRATIVE OFFICE**

205, HARIBOL ROY MARKET  
2ND FLOOR, A. T. ROAD  
NEAR SARAF BUILDING  
GUWAHATI – 781 001

## **CORPORATE OFFICE**

21/7, SAHAPUR COLONY  
GROUND FLOOR  
KOLKATA – 700 053

## **COMMITTEES OF THE BOARD**

### **AUDIT COMMITTEE**

MR. SWAPAN SARKAR  
MR. PARTHA CHAKRABORTY  
SMT. KAKALI GHOSH

### **STAKEHOLDERS RELATIONSHIP**

MR. SWAPAN SARKAR  
MR. PARTHA CHAKRABORTY  
SMT. KAKALI GHOSH

### **NOMINATION & REMUNERATION**

MR. SWAPAN SARKAR  
MR. PARTHA CHAKRABORTY  
SMT. KAKALI GHOSH

### **RISK MANAGEMENT COMMITTEE**

MR. SWAPAN SARKAR

MR. PARTHA CHAKRABORTY  
SMT. KAKALI GHOSH

**LAFFAN SOFTWARE LIMITED**

CIN: L72200AS1985PLC002426  
REGD. OFFICE: 205, Haribol Roy Market, 2<sup>nd</sup> Floor,  
A.T. Road, Guwahati – 781 001  
Website: laffan.co.in  
Email Id: laffan@india.com, Phone: +91 7890587498

**NOTICE**

NOTICE is hereby given that:

The 33<sup>rd</sup> Annual General Meeting of the Members of Laffan Software Limited will be held on Friday, 28<sup>th</sup> September, 2018 at 9.30 a.m. at the Registered Office of the Company at 205, Haribol Roy Market, 2<sup>nd</sup> Floor, A. T. Road, Guwahati – 781 001 to transact the following businesses: -

**AS ORDINARY BUSINESS**

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2018 and the Statement of Profit and Loss for the financial year ended on that date and the Reports of the Boards of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Swapan Sarkar (holding DIN: 05149442) who retires by rotation in term of section 152(6) of the Companies Act, 2013 and being eligible offers himself for re-appointment.
3. To ratify the appointment of Shantimay Majumdar & Co, Chartered Accountants, having Firm's registration no. 317116E, as the Auditors of the Company from the conclusion of this Annual General Meeting, till the conclusion of the next Annual General Meeting, and to authorize the Board of Directors to fix their remuneration and in this regard to consider and if thought fit to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to provision of Section 139, 142 and other applicable provisions, if any, of the Companies Act,2013 (corresponding to Section 224 and other applicable provisions, if any, of the Companies Act, 1956), the Company hereby ratifies the appointment of Shantimay Majumder & Co., (Firm Registration No. 317116E) Chartered Accountants, as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting at such remuneration as may be fixed by the Board of Directors of the Company in consultation with them.”

By Order of the Board  
Sd/-  
(Swapan Sarkar)  
Executive Director  
DIN: 05149442

Place: Guwahati  
Dated: 29/08/2018

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## NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (“AGM”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. THE INSTRUMENT APPOINTING PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE COMMENCEMENT OF THE MEETING.

In terms of Rule 19 of the Companies (Management and Administration) Rules, 2014, a person can act as a proxy on behalf of members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy such person shall not act as a proxy for any person or shareholder.

2. Only registered Members of the Company or any proxy appointed by such registered Member may attend and vote at the Meeting as provided under the provisions of the Companies Act, 2013. In case any shareholder has voted electronically, then he/she can participate in the Meeting but not vote.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 22.09.2018 to 28.09.2018 (both days inclusive) for determining the name of Members eligible for dividend on equity shares if declared at the meeting.
4. Duly executed and stamped transfer deeds, along with the share certificates, should be submitted to the Company’s Registrar and Share Transfer Agents before the closure of the Register of Members for registration
5. Corporate Members are requested to send a duly certified copy of the Board Resolution pursuant to Section 113 of the Companies Act, 2013/ Power of Attorney authorizing their representative(s) to attend and vote on their behalf at the Meeting.
6. Members holding shares in physical form and wishing to make / change a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013 may submit the prescribed particulars in Form No. SH-13 (Nomination Form) or SH-14 (Cancellation or Variation of Nomination), to the Company
7. Electronic copy of the Annual Report, Notice of the Meeting of the Company inter-alia indicating the process and manner of remote e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company / Depository Participants for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the Meeting of the Company inter alia indicating the process and manner of remote e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode
8. Pursuant to the provisions of Section 91 of the Companies Act, 2013 (corresponding to Section 154 of the Companies Act, 1956), a member desirous of obtaining any information concerning the accounts and operation of the Company is requested to send his queries to the Company at least 7 days before the date of the meeting, so that the information required by the member is made available at the meeting.
9. In view of Go Green initiative being undertaken by the Company, members who have not yet registered their e-mail address so far are requested to register/update their e-mail addresses with the Company’s RTA or with the Company at [email id](#). Shareholders holding shares in dematerialized form are requested to register their e-mail addresses and changes therein with the concerned Depositories through their Depository Participant.
10. Members are requested to bring their copy of Annual Report to the Meeting. A member desirous of getting any information with regard to accounts of the company is requested to send the queries to the Company at least 10 days before the meeting to the Company Secretary at the Registered Office of the Company.

11. Members are requested to mention their Folio Number/ Client ID/DP ID Number (in case of shares held in dematerialized form) in all their correspondence with the Company / Depository Participant in order to facilitate response to their queries promptly.
12. Members who are holding shares of the Company in physical form through multiple folios in identical order of names are requested to write to the Company, enclosing their share certificates, to enable the Company to consolidate their holdings in one folio.
13. Ministry of Corporate Affairs vide its circular no.17/2011 dated 21/04/2011 & 18/2011 dt.29/04/2011 has taken Green Initiative in the Corporate Governance by allowing the companies to send various notices/documents including audited financial results, directors report, auditors report, general meeting notices to the members through electronic mode to the registered email addresses of the shareholders.  
Members are therefore requested to register their email addresses with the Company and also keep a note to inform any change in your email address.  
As per SEBI's circular in respect of transaction involving transfer of shares in physical form of a listed company, it is mandatory for the transferee(s) to furnish copy of PAN card for registration of transfer of shares.
14. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

**Details of Director Seeking Re-Appointment/Appointment at the Annual General Meeting**

<b>Name</b>	Swapan Sarkar	
Date of Birth	04-01-1966	
Directors Identification Number (DIN)	05149442	
Age	52 years	
Qualification	Graduate	
Expertise in Specific Area	Finance	
Date of first Appointment on board of the Company	21-05-2012	
List of Directorship held in other companies	5	
Membership/Chairmanships of Audit and stakeholders relationship committees	Yes	

15. Members may note that the Notice of the Meeting will be available on the Company's website [laffan.co.in](http://laffan.co.in). The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, the Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 read with Rules issued thereunder will be available for inspection by the members at the Meeting.
16. The relevant documents referred to in this Notice and Explanatory Statement are open for inspection at the Meeting and such documents will also be available for inspection in physical or in electronic form at the registered office and copies thereof shall also be available for inspection in physical or electronic form at the registered office from the date of dispatch of the Notice till the date of the Meeting on all working days, except Saturdays, from 10:00 A.M to 12:00 Noon.
17. Voting through Electronic Means:
  - i. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 w.e.f. 19 March 2015 and Regulation 44 of Listing Obligations and Disclosure Requirements Regulations, 2015 the Company is pleased to provide to the members, the facility of voting by electronic means in respect of business to be transacted at the Meeting which includes the facility of casting the votes by the Members using an electronic voting system from a place other than venue of the Meeting ("remote e-voting") and the same will be provided by Central Depository Services (India) Limited (CDSL).

- ii. The facility of voting through ballot or polling paper shall also be made available for the members at the Meeting who have not been able to vote electronically and who are attending the Meeting. The members who have cast their vote electronically would be entitled to attend the Meeting but would not be permitted to cast their vote again at the Meeting. The facility to vote by electronic voting system will not be provided at the Meeting.
- iii. The remote e-voting period commences on 25<sup>th</sup> September, 2018 (9.00 A.M. IST) and ends on 27<sup>th</sup>, September, 2018 (5.00 P.M. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the close of working hours on 21<sup>st</sup> September, 2018 ('Cut-off date') may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting on 27<sup>th</sup> September 2018 after 5.00 P.M. IST. Once the vote on a resolution is cast by the Member, he/she shall not be allowed to change it subsequently.
- iv. **K Sonee & Company**, Practising Company Secretary, Cop. No. 14302 (Mr. Kaushik Sonee FCS, Membership No. 7921) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

**The instructions for shareholders voting electronically are as under:**

1. The voting period begins on 25<sup>th</sup> day of September, 2018 (9.00 A.M. IST) and ends on 27<sup>th</sup> day of September, 2018 (5.00 P.M. IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) on 21<sup>st</sup> day of September, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
2. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
3. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
4. Click on Shareholders.
5. Now Enter your User ID
  - For CDSL: 16 digits beneficiary ID,
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - Members holding shares in Physical Form should enter Folio Number registered with the Company.
6. Next enter the Image Verification as displayed and Click on Login.
7. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

8. If you are a first-time user follow the steps given below:
9. After entering these details appropriately, click on "SUBMIT" tab.

10. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
11. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
12. Click on the EVSN for the relevant "LAFFAN SOFTWARE LIMITED" on which you choose to vote.
13. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
14. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
15. After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
16. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
17. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
18. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
19. Note for Non – Individual Shareholders and Custodians
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
20. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

## **LAFFAN SOFTWARE LIMITED**

CIN: L72200AS1985PLC002426  
REGD. OFFICE: 205, Haribol Roy Market, 2<sup>nd</sup> Floor,  
A.T. Road, Guwahati – 781 001  
Website: laffan.co.in  
Email Id: laffan@india.com, Phone: +91 7890587498

### **DIRECTOR'S REPORT**

To,  
The Shareholders,

The Board of Directors of your Company takes pleasure in presenting the 33<sup>rd</sup> Annual Report and Audited Financial statements on the business and operations of your Company for the financial year ended 31<sup>st</sup> March, 2018.

#### **1. Financial Results:**

	<b>(Rs. in Lacs)</b>	
<b>Particulars</b>	<b>2017-18</b>	<b>2016-17</b>
Gross Turnover	244.76	378.90
Total Expenditure	56.61	347.10
Profit/(Loss) before Tax	188.15	31.80
Provision for Tax	10.81	5.86
Profit/(Loss) after Tax	177.34	25.94

#### **2. Business performance**

The Company does not have divisions therefore division wise working details are not applicable. Total revenue from operations of the Company was Rs. 244.76 lacs for the year ended 31<sup>st</sup> March, 2018 as against Rs. 378.90 Lacs for the year ended 31<sup>st</sup> March, 2017. During the financial year 2017-18, the Company earned a profit after tax of Rs. 177.34 Lacs as compared to Rs. 25.94 Lacs in previous year.

#### **3. Share capital**

The paid up equity capital as on March 31, 2018 is Rs. 152217000/- divided into 15221700 equity shares of Rs. 10/- each. During the year under review, the Company has not issued bonus shares nor issued shares with differential voting rights nor granted stock options nor sweat equity and nor buy back its own securities.

#### **4. Dividend:**

Your Directors do not recommend any dividend for the equity shareholders for the financial year 2017-18.

#### **5. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Out-Go:**

##### **A) Conservation of energy:**

- (i) The steps taken or impact on conservation of energy; Nil
- (ii) The steps taken by the company for utilizing alternate sources of energy; Nil
- (iii) The capital investment on energy conservation equipment; Nil

**Note: - The Company does not have any manufacturing activities which require heavy consumption of energy. The company uses latest technology low energy consumption products in its office.**



**B) Technology absorption:**

- (i) The efforts made towards technology absorption: Nil
- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution: Nil
- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): Nil
  - a) The details of technology imported: Nil
  - b) The year of import; Nil
  - c) Whether the technology been fully absorbed; Nil
  - d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; Nil and
- (iv) The expenditure incurred on Research and Development. Nil

**Note: - In respect of the Nature of the Business of the company there was no requirement of any technology.**

**C) Foreign exchange earnings and Outgo:**

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. -No Foreign Exchange is earned or spent by the company during the year under review.

**6. Directors and Key Managerial Personnel**

**A) Changes in Directors and Key Managerial Personnel:**

- i) As per the provisions of Section 149 and 152 of the Companies Act, the shareholders at their Annual General Meeting held on 30<sup>th</sup> September, 2016 (Last years AGM) had approved the re-appointment of all existing Independent Directors of the Company for tenure of up to five consecutive years. None of the Independent Directors are liable to retire by rotation.
- ii) In accordance with section 149(7) of the Companies Act, 2013, each Independent Director has confirmed to the Company that he or she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- iii) Further, in accordance with provisions of Section 152 of the Companies Act, 2013, the shareholders had also approved the variation in the terms of appointment of Mr. Swapan Sarkar, Director, making him liable to retire by rotation.

**B) Declaration by Independent Director(s) and reappointment, if any**

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**7. Director's Responsibility Statement:**

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the Internal, Statutory, Cost and Secretarial Auditors and external consultant(s) including audit of internal financial controls over financial reporting by the statutory auditors, reviews performed by the management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2017-18.

Accordingly, pursuant to Section 134(5) of the Companies Act, 2013, Board of Directors, to the best of its knowledge and ability, confirm that:

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed.
- ii) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 2017-18 and of the profit or loss of the Company for the year under review.
- iii) The directors have 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.
- iv) The directors have prepared the annual accounts on a going concern basis.
- v) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- vi) The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system was adequate and operating effectively.

#### **8. Meetings:**

The Board of Directors met six times during the year. Details of Board meetings are laid out in Corporate Governance Report, which forms a part of Annual Report.

#### **9. Particulars of Loans, Guarantees or Investments:**

The Company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013 during the Financial Year 2017-18.

#### **10. Contracts and Arrangements with Related Parties:**

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis and are reviewed by the Audit Committee of the Board. During the year the Company has not entered into any contract/arrangement/transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions. A Policy on related party transactions and dealing with related parties as approved by the Board has been posted on the Company's website [laffan.co.in](http://laffan.co.in) as "**Annexure A.**"

#### **11. Extract of Annual Return:**

The extract of Annual Return as provided under section 92(3) of the Companies Act, 2013 in the prescribed Form MGT 9 forms part of this Annual Report and is annexed herewith and marked as "**Annexure B.**"

#### **12. Nomination and Remuneration Committee:**

The composition and terms of reference of the Nomination and Remuneration Committee has been furnished in the Corporate Governance Report forming a part of this Annual Report.

### **13. Risk Policy:**

Business risk evaluation and management is an ongoing process within the Company as per the risk management policy established by the board. The Company understands that risk evaluation and risk mitigation is a function of the Board of the Company and the Board of Directors is fully committed to developing a sound system for identification and mitigation of applicable risks viz., systemic and non-systemic. The Board of Directors has approved a Risk Management Policy as per which the Company is in the process of identifying critical risks of various departments within the Company. Once identified, a sound mitigation system will be put in place. Further the Board is of the opinion that at present there are no material risks that may threaten the functioning of the Company.

The Company has a Risk Management framework in place to identify, assess, monitor and mitigate various risks to the business. This framework seeks to minimize adverse impact on the business objectives and enhance the Company's competitive advantage. The framework also defines the risk management approach across the enterprise at various levels. Risk Management forms an integral part of the Company's planning process. Risk Management Committee of the Board reviews the process of risk management. The details of the Committee and its terms of reference are set out in the Corporate Governance Report forming part of the Board's Report

### **14. Corporate Social Responsibility Initiatives:**

The provisions of section 135 about constitution of Corporate Social Responsibility Committee are not applicable to the Company. Hence, the company has not formed the same.

### **15. Change in the Nature of Business, if Any:**

During the year, there was no change in the nature of business of the Company or any of its subsidiaries.

### **16. Details of Subsidiary/Joint Ventures/Associate Companies:**

The company does not have any subsidiary companies or joint venture companies or associate companies during the year under review. Also, there was no company which have become or ceased to become the subsidiaries/joint ventures/associate company (ies) during the year.

### **17. Deposits:**

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

### **18. Significant and Material Orders Passed by the Regulators or Courts or Tribunals:**

During the financial year under review there were no significant and / or material orders, passed by the Regulatory/ Statutory Authorities or the Courts, which would impact the going concern status and its future operations.

### **19. Internal Control Systems and their Adequacy:**

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined in the Internal Audit Manual. To maintain its objectivity and independence,

the Internal Audit function reports to the Chairman of the Audit Committee of the Board.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

## **20. Particulars of Employees and related disclosures:**

Details of Managerial Remuneration required pursuant to Section 197 and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as *Annexure-C*.

## **21. Corporate Governance:**

As per Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate section on corporate governance, together with a certificate from the Company's Secretarial Auditors, forms part of this report. The company believes in and practices good corporate governance. The Company maintains transparency and also enhances corporate accountability. The following forms part of this Annual Report:

- i. Declaration regarding compliance of Code of Conduct by Board Members and Senior Management Personnel;
- ii. Management Discussion and Analysis;
- iii. Report on the Corporate Governance; and
- iv. Auditors' Certificate regarding compliance of conditions of Corporate Governance

## **22. Audit Committee:**

The Audit Committee comprises of Mr. Partha Chakraborty, who serves as the Chairman of the Committee and Mr. Swapan Sarkar. and Smt. Kakali Ghosh as other members. The terms of reference of the Audit Committee has been furnished in the Corporate Governance Report forming a part of this Annual Report. All the recommendations made by the Audit Committee during the year were accepted by the Board.

## **23. Stakeholders' Relationship Committee:**

The composition and terms of reference of the Stakeholders' Relationship Committee has been furnished in the Corporate Governance Report forming a part of this Annual Report.

## **24. Remuneration Policy:**

The Board has, on the recommendation of the Nomination and Remuneration Committee adopted the Remuneration Policy, which inter-alia includes policy for selection and appointment of Directors, Key Managerial Personnel, Senior Management Personnel and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

## **25. Familiarisation Programme For Board Members:**

The Company is required to conduct the Familiarization Programme for Independent Directors (IDs), to familiarize them about the Company and their roles, rights, responsibilities in the Company. The Familiarization Programme is stated in the Corporate Governance Report forming part of this Annual Report. The details of such Familiarization Programme for directors may be referred to, at the website of the Company at [laffan.co.in](http://laffan.co.in)

## **26. Board Evaluation:**

Pursuant to the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has adopted the Remuneration Policy with comprehensive procedure on performance evaluation. Chairman of the Nomination and Remuneration Committee, who is an Independent Director of the Board, conducted a one-to-one session with each Director to understand their points of view on the parameters for performance evaluation.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations, ethics and compliances, financial reporting process and monitoring activities.

Performance parameters for the Board as a collective body, included parameters like qualification and diversity of Board members, method and criteria for selection of independent directors to ensure independence, availability, appropriateness, clarity of understanding on risk scenarios faced by the Company, existence, sufficiency and appropriateness of policy on dealing with potential conflicts of interest, involvement of Board members in long –term strategic planning etc.

Based on these criteria, the performance of the Board, various Board Committees, Chairman and Individual Directors (including Independent Directors) was found to be satisfactory.

Independent Directors have conducted its meeting without the participation of other Non-Independent Directors and members of management and reviewed the performance of Board, its Committee, Chairman and Individual Directors. On the basis of the review by the Independent Directors, they hold unanimous opinion that the Non-Independent Directors, including the Chairman to the Board have abundant knowledge in their respective fields and are experts in their areas.

## **27. Auditors:**

M/s. Shantimay Majumder & Co. (Firm Registration No. 317116E), Chartered Accountants, Statutory Auditors of the Company retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. They have furnished a Certificate to the effect that their appointment will be in accordance with the limits specified in Section 139 read with Section 141 of the Companies Act, 2013. You are requested to consider their appointment.

There is no audit qualification for the year under review

## **28. Statutory Auditors' Observations:**

The notes on financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors Report does not contain any qualification, reservation or adverse remark.

### **29. Secretarial Audit:**

Pursuant to provisions of section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 K Sonee & Company, Practicing Company Secretary was appointed to conduct the Secretarial Audit of the Company for the financial year ended March 31, 2018. The Secretarial Audit Report is annexed herewith as “**Annexure D**”

### **30. Board’s Response on Auditors Qualification, Reservation or Adverse Remark or disclaimer Made:**

There are no qualifications, reservations or adverse remarks made by the Statutory Auditors in their report or by the Company Secretary in Practice in the Secretarial Audit Report.

### **31. Vigil Mechanism/ Whistle Blower Policy:**

The Company has a vigil mechanism named ‘Laffansoft’ in terms of Section 177 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to deal with instance of fraud and mismanagement, if any, and to report concerns about unethical behavior, wrongful conduct and violation of the Company’s code of conduct or ethics policy. The details of the said policy are explained in the Corporate Governance Report and also posted on the website of the Company i.e. [laffan.co.in](http://laffan.co.in)

### **32. Disclosures Under Sexual Harassment of Women at workplace (Prevention, Prohibition & Redressal) Act, 2013:**

The Company is committed to provide a safe & conducive work environment to its employees and has formulated ‘Policy for Prevention of Sexual Harassment’ to prohibit, prevent or deter any acts of sexual harassment at workplace and to provide the procedure for the redressal of complaints pertaining to sexual harassment, thereby providing a safe and healthy work environment. During the year under review, no case of sexual harassment was reported.

### **33. Prevention of Insider Trading:**

The Company has adopted a Code of Conduct for prevention of insider trading with a view to regulate trading in securities by the Directors and designated employees of the company. The Code requires pre-clearance for dealing in the Company’s shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

All Board Directors and the designated employees have confirmed compliance with the Code.

### **34. Listing Agreement:**

The Securities and Exchange Board of India (SEBI), on September 2, 2015, issued SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the aim to consolidate and streamline the provisions of the Listing Agreement for different segments of capital markets to ensure better enforceability. The said regulations were effective December 1, 2015. Accordingly, all listed entities were

required to enter into the Listing Agreement within six months from the effective date. The company entered into Listing Agreement with Metropolitan Stock Exchange of India Limited on 18<sup>th</sup> March, 2015.

**35. Appreciations:**

Your Company and its Directors wish to extend their sincerest thanks to the Members of the Company, Bankers, State Government, Local Bodies, Customers, Suppliers, Executives, Staff and workers at all levels for their continuous co-operation and assistance.

Place: Guwahati  
Dated: 29/08/2018

By Order of the Board  
Sd/-  
(Swapn Sarkar)  
Executive Director  
DIN: 05149442

**Annexure A to Boards Report**

**FORM NO. AOC -2**

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

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

**1. Details of contracts or arrangements or transactions not at Arm's length basis.  
N.A.**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Details</b>
a)	Name (s) of the related party & nature of relationship	N.A.
b)	Nature of contracts/arrangements/transaction	N.A.
c)	Duration of the contracts/arrangements/transaction	N.A.
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	N.A.
e)	Justification for entering into such contracts or arrangements or transactions'	N.A.
f)	Date of approval by the Board	N.A.
g)	Amount paid as advances, if any	N.A.
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	N.A.

**2. Details of contracts or arrangements or transactions at Arm's length basis.**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Details</b>
a)	Name (s) of the related party & nature of relationship	N.A.
b)	Nature of contracts/arrangements/transaction	N.A.
c)	Duration of the contracts/arrangements/transaction	N.A.
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	N.A.
e)	Date of approval by the Board	N.A.
f)	Amount paid as advances, if any	N.A.

By Order of the Board

Sd/-

(Swapan Sarkar)

Executive Director

DIN: 05149442

Place: Guwahati

Dated: 29/08/2018



**Annexure B to Boards Report**  
**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2018

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

**A REGISTRATION & OTHER DETAILS:**

CIN	L72200AS1985PLC002426
Registration Date	26.08.1985
Name of the Company	LAFFAN SOFTWARE LIMITED
Category/Sub-category of the Company	Public limited company by shares
Address of the Registered office & contact details	205, HARIBOL ROY MARKET, 2ND FLOOR, A.T.ROAD GUWAHATI - 781 001 (Ph.) +91 9163513467
Whether listed company	Yes
Name, Address & contact details of the Registrar & Transfer Agent, if any.	ABS CONSULTANTS PVT. LTD. 99, Stephen House, 4, B.B.D.Bagh, Kolkata - 700 001 Phone No. 033-22201043

**I. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)**

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Investment & Finance		

**II. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -**

Sl. No.	NAME OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1					
2					
3					



Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - DR	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2):-</b>	14441640	148210	14589850	95.85	14441640	148210	14589850	95.85	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	14441640	148210	14589850	95.85	14441640	148210	14589850	95.85	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>15073490</b>	<b>148210</b>	<b>15221700</b>	<b>100.00</b>	<b>15073490</b>	<b>148210</b>	<b>15221700</b>	<b>100.00</b>	<b>-</b>

B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	BAY INLAND FINANCE PVT.LTD.	101850	0.67	-	101850	0.67	-	-
2	ARTILLEGENCE BIO-INNOVATIONS LTD.	530000	3.48	-	530000	3.48	-	
	Total	631850	4.15	-	631850	4.15	-	

C) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	631850	4.15		
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):				
	At the end of the year			631850	4.15

No change in the Holding of the Promoter & Promoter Group Persons

D) Shareholding Pattern of top ten Shareholders:  
(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	NOVELTY TRADERS LIMITED	1247250	8.19	1247250	8.19
2	IMPALA INDUSTRIAL ENTERPRISES LTD.	1190750	7.82	1190750	7.82
3	ONLINE INFORMATION TECHNOLOGIES LTD.	1134000	7.45	1134000	7.45
4	RAMKRISHNA FINCAP LTD.	866250	5.69	866250	5.69
5	SURABHI DAIRY PRODUCTS PVT. LTD.	720500	4.73	720500	4.73
6	N. E. ELECTRONICS LIMITED	665550	4.37	665550	4.37
7	LOGIC INFOTECH LIMITED	610000	4.01	610000	4.01
8	JAGADISHWAR PHARMACEUTICAL WORKS LTD.	593375	3.90	593375	3.90
9	NEW OUTLOOK SECURITIES LIMITED	591000	3.88	591000	3.88
10	MUKTAMANI FINCO LIMITED	589550	3.87	589550	3.87
	At the end of the year	8208225	53.92	8208225	53.92

E) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.					
2.		<i>Nil</i>			
3.					

V) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount		<i>Nil</i>		
ii) Interest due but not paid		<i>Nil</i>		
iii) Interest accrued but not due		<i>Nil</i>		
Total (i+ii+iii)				
Change in Indebtedness during the financial year				
* Addition		<i>Nil</i>		
* Reduction		<i>Nil</i>		
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount		<i>Nil</i>		
ii) Interest due but not paid		<i>Nil</i>		
iii) Interest accrued but not due		<i>Nil</i>		
Total (i+ii+iii)				

#### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

##### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		----	----	----	---	
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961					
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			<i>Nil</i>		
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961			<i>Nil</i>		
2	Stock Option					
3	Sweat Equity					
4	Commission - as % of profit - others, specify...					
5	Others, please specify					
	Total (A)					
	Ceiling as per the Act					

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		----	----	----	---	
1	Independent Directors					
	Fee for attending board committee meetings					
	Commission					
	Others, please specify					
	Total (1)					
2	Other Non-Executive Directors					
	Fee for attending board committee meetings					
	Commission					
	Others, please specify					
	Total (2)					
	Total (B)= (1+2)					
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission				
	- as % of profit				
	others, specify...				
5	Others, please specify				
	Total				

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			<i>Nil</i>		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					

**Annexure C to Boards Report**

**Pursuant to Section 197 and Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

**DETAILS RELATED TO MANAGERIAL REMUNERATION:**

A) Details pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Sl. No.	Requirement of Rule 5(1)	Disclosure		
		Name of the Director	Salary	Ratio
1	The ratio of the remuneration of each director to the median remuneration of the employees for the financial year.			
2	Percentage increase in remuneration of each director, CFO, CEO, CS or Manager in the financial year.	<b>Particulars</b>	<b>% Increase</b>	<b>Remarks</b>
		a) Directors		
		b) MD		
		c) CFO		
		d) CEO		
		e) Company Secretary		
		f) Manager		
3	The percentage increase in the median remuneration of employees in the financial year			
4	The number of permanent employees on the rolls of the company			
5	Average percentile increase already made in the salaries of employee's other than the Managerial Personnel in the last financial year i.e. 2016-17 and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Average percentile increase in remuneration of		
		<b>Managerial Personnel</b>	<b>Employees</b>	
6	Affirmation that the remuneration is as per the remuneration policy of the company	We affirm that the remuneration paid to employees and KMP's was based on the Remuneration Policy.		



B) Details of the Top-10 employee of the Company as required pursuant to rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 who:

- Drawing salary of 1 Crore and 2 Lakhs or above for the year if employed throughout the year -Nil
- Drawing salary of 8.5 Lakhs p/m or above for a month if employed for part of the year -Nil
- Drawing salary more than the salary of MD and having 2% stake in the company -Nil

C) No Managing Director or Whole-time Director of the Company is receiving any commission from the company as well as from the Holding Company or Subsidiary Company of the Company.

D) The disclosures required under clause C (5) of Schedule-V of SEBI (LODR) Regulations, 2015 are mentioned in the “Corporate Governance Report” under the heading “Disclosures”.

**Annexure D to Boards Report**  
**SECRETARIAL AUDIT REPORT**  
**Form No. MR-3**  
**For the Financial Year Ended On 31<sup>st</sup> March, 2018**

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

To,  
The Members,  
**Laffan Software Limited**

1. We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Laffan Software Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.
2. Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:
3. We have examined the books, papers, minute books, forms and returns filed and other records maintained by Laffan Software Limited for the financial year ended on 31<sup>st</sup> March, 2018 according to the provisions of:
  - (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
  - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA) and the rules made thereunder;
  - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
  - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
  - (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.:
    - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
    - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
    - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
    - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
    - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.
- (vi) Other Applicable Acts,
- (a) Factories Act, 1948
  - (b) Payment of Wages Act, 1936, and rules made thereunder,
  - (c) The Minimum Wages Act, 1948, and rules made thereunder,
  - (d) Employees' State Insurance Act, 1948, and rules made thereunder,
  - (e) The Employees' Provident Fund and Miscellaneous Provisions Act, 1952, and rules made thereunder,
  - (f) The Payment of Bonus Act, 1965, and rules made thereunder,
  - (g) Payment of Gratuity Act, 1972, and rules made thereunder,
  - (h) The Water (Prevention & Control of Pollution) Act, 1974, Read with Water (Prevention & Control of Pollution) Rules, 1975,
  - (i) Food Safety and Standards Act, 2006, and rules made thereunder.
4. We have also examined compliance with the applicable clauses of the following:
- Secretarial Standards issued by The Institute of Company Secretaries of India.
  - The Listing Agreements entered into by the Company with Stock Exchange(s) (up to 30th November, 2015) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (effective from 1st December, 2015);
5. We further report that,

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

Adequate notice is given to all the directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

6. We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Date: 29/08.2018  
Place: Kolkata

Kaushik Sonee  
Practicing Company Secretary  
COP No.: 14302

**Annexure to Secretarial Audit Report in form MR-3**

To,  
The Members,  
**Laffan Software Limited**

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

1. It is management's responsibility to identify the Laws, Rules, Regulations, Guidelines and Directions which are applicable to the Company depending upon the industry in which it operates and to comply and maintain those records with same in letter and in spirit. My responsibility is to express an opinion on those records based on our audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices I followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management's Representation about the compliance of Laws, Rules, Regulations, Guidelines and Directions and happening events etc.
5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Date: 29/08.2018  
Place: Kolkata

Kaushik Sonee  
Practicing Company Secretary  
COP No.: 14302



### C. COMMITTEES OF THE BOARD:

#### (a) Audit Committee

The Audit Committee continued working under Chairmanship of Mr. Partha Chakraborty with co-members. During the year, the sub-committee met on four occasions with full attendance of all the members.

The composition of the Audit Committee for the Financial Year ended March 31, 2018 and details of the Members participation at the Meetings of the Committee are as under:

Name of Director	Category	Attendance at the Audit Meetings held on			
Sri Swapan Sarkar	Executive, Director	29.05.17	08.09.17	14.11.17	14.02.18
Sri Partha Chakraborty	Non-Executive, Independent Director	29.05.17	08.09.17	14.11.17	14.02.18
Smt. Kakali Ghosh	Non-Executive, Independent Director	29.05.17	08.09.17	14.11.17	14.02.18

The Committee is governed by a Charter which is in line with the regulatory requirements mandated by the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Some of the important functions performed by the Committee are:

#### Financial Reporting and Related Processes

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommend the appointment, replacement or removal, remuneration and terms of appointment of auditors of the company;
3. To approve rendering of services by the statutory auditors other than those expressly barred under Section 144 of Companies Act, 2013 and remuneration for the same;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon and the CEO & CFO Certificate as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of subsection 3 of Section 134 of the Companies Act, 2013;
  - b. Changes, if any, in accounting policies and practices and reasons for the same;
  - c. Significant adjustments made in the financial statements arising out of audit findings; All the Members on the Audit Committee have the requisite qualification for appointment on the Committee and possess sound knowledge of finance, accounting practices and internal controls.
  - d. Compliance with listing and other legal requirements relating to financial statements;
  - e. Disclosure of any related party transactions (AS 18 of ICAI and RBI guidelines); and
  - f. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval and secure the Certificate from CFO in terms of Clause 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;

7. Reviewing, with the management, performance of statutory and internal auditors and adequacy of the internal control systems;
8. Discussion with Internal Auditors and the Management of any significant findings, status of previous audit recommendations and follow up there on;
9. Review Management letters/ letters of internal control weakness issued by the Statutory Auditors;
10. Review the Internal Audit Report relating to internal control weakness;
11. To review the functioning of the Whistle Blower/ Vigil Mechanism;
12. Approval of appointment of CFO (i.e., the whole time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background etc. of the candidate;
13. Review Management discussion and analysis of financial condition and results of operations;
14. Review Statement of significant related party transactions, submitted by management;
15. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
16. Valuation of undertakings or assets of the company, wherever it is necessary;
17. Evaluation of internal financial controls and risk management systems;
18. Approve and recommend to the Board the transactions of the Company with Related Parties or any subsequent modification thereof;
19. Carry out such other business as may be required by applicable law or considered appropriate in view of the general terms of reference and the purpose of the Audit committee; and
20. Any other matter as delegated by the Board of Directors of the Company from time to time

<p><b>(b) Stakeholders' Relationship Committee</b></p>
--

In compliance with the provisions of Section 178 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements), 2015, the Board has renamed the existing "Shareholders'/Investors' Grievance Committee" as the "Stakeholders' Relationship Committee".

The terms of reference of the Committee are:

- transfer/transmission of shares/debentures and such other securities as may be issued by the Company from time to time;
- issue of duplicate share certificates for shares/debentures and other securities reported lost, defaced or destroyed, as per the laid down procedure;
- issue new certificates against subdivision of shares, renewal, split or consolidation of share certificates / certificates relating to other securities;
- issue and allot right shares / bonus shares pursuant to a Rights Issue / Bonus Issue made by the Company, subject to such approvals as may be required;
- to approve and monitor dematerialization of shares / debentures / other securities and all matters incidental or related thereto;
- to authorize the Company Secretary and Head Compliance / other Officers of the Share Department to attend to matters relating to non-receipt of annual reports, notices, non-receipt of declared dividend / interest, change of address for correspondence etc. and to monitor action taken;
- monitoring expeditious redressal of investors / stakeholder's grievances;
- Such other matters as per the directions of the Board of Directors of the Company which may be considered necessary in relation to shareholders and investors of the Company and/ or as required under SEBI (Listing Obligations & Disclosure Requirements), 2015 relating to Corporate Governance, as amended, from time to time.

The composition of the Stakeholders' Relationship Committee for the Financial Year ended March 31, 2018 and details of the Members participation at the Meetings of the Committee are as under:

Name of Director	Category	Attendance at the Board Meetings held on			
Sri Swapan Sarkar	Executive	29.05.17	08.09.17	14.11.17	14.02.18
Sri Partha Chakraborty	Non-Executive Independent	29.05.17	08.09.17	14.11.17	14.02.18
Smt. Kakali Ghosh	Non-Executive Independent	29.05.17	08.09.17	14.11.17	14.02.18

### (c) Nomination and Remuneration Committee

In compliance with Section 178 of the Companies Act, 2013, the Board has renamed the existing "Compensation Committee" as the "Nomination and Remuneration Committee". The terms of reference of the Committee inter alia, include the following:

- Succession planning of the Board of Directors and Senior Management Employees;
- Identifying and selection of candidates for appointment as Directors / Independent Directors based on certain laid down criteria;
- Identifying potential individuals for appointment as Key Managerial Personnel and to other Senior Management positions;
- Formulate and review from time to time the policy for selection and appointment of Directors, Key Managerial Personnel and senior management employees and their remuneration;
- Review the performance of the Board of Directors and Senior Management Employees based on certain criteria as approved by the Board.

The composition of the Nomination and Remuneration Committee for the Financial Year ended March 31, 2018 and details of the Members participation at the Meetings of the Committee are as under:

Name of Director	Category	Attendance at the Board Meetings held on	
Sri Partha Chakraborty	Non-Executive Independent	08.09.17	14.02.18
Smt. Kakali Ghosh	Non-Executive Independent	08.09.17	14.02.18
Sri Swapan Sarkar	Executive	08.09.17	14.02.18

### (d) Risk Management Committee: (Non-Mandatory Committee)

Business Risk Evaluation and Management is an on-going process within the organization. The Company has a robust risk management framework to identify, monitor and minimize risks as also identify business opportunities.

The objectives and scope of the Risk Management Committee broadly comprises:

- Oversight of risk management performed by the executive management;
- Reviewing the BRM policy and framework in line with local legal requirements and SEBI guidelines;
- Reviewing risks and evaluate treatment including initiating mitigation actions and ownership as per a pre-defined cycle;
- Defining framework for identification, assessment, monitoring, mitigation and reporting of risks.

The composition of the Risk Management Committee for the Financial Year ended March 31, 2018 and details of the Members participation at the Meetings of the Committee are as under:

Name of the Member	Category	Attendance at the Risk Management Committee meeting held on 08.09.17
Sri Swapan Sarkar	Executive	Yes



Sri Partha Chakraborty	Non-Executive Independent	Yes
Smt. Kakali Ghosh	Non-Executive Independent	Yes

**D. INDEPENDENT DIRECTORS' MEETING:**

During the year under review, the Independent Directors met on 14.02.2018, inter alia, to discuss:

- Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole.
- Evaluation of the performance of the chairman of the Company, taking into account the views of the Executive and Non-executive directors.
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the Meeting.

**E. FAMILIARISATION PROGRAMME FOR BOARD MEMBERS:**

At the time of appointing a Director, a formal letter of appointment is given to him/her, which inter alia explains the role, function, duties and responsibilities expected of him/her as a Director of the Company. The Director is also explained in detail the compliances required from him under the Companies Act, 2013, Clause 49 of the Listing Agreement and other relevant regulations and his affirmation taken with respect to the same.

Further, with a view to familiarise him with the Company's Operations, the Director is also given an induction kit which shall include at the minimum:

- Mission, Vision and Values of Company Business
- Brief profile of the Board of Directors
- Composition of Committees of the Board
- Brief profile of Senior Managerial Personnel
- Latest Annual Report
- Latest Shareholding Pattern and Shareholders holding more than 5% of shares
- Codes and Policies

and other relevant information pertaining to the Company's business.

The Chairman & Whole Time Director also has a one to-one discussion with the newly appointed Director. The above initiatives help the Director to understand the Company, its business and the regulatory framework in which the Company operates and equips him to effectively fulfill his role as a Director of the Company.

The details of such Familiarisation Programme for directors may be referred to, at the website of the Company at its weblink i.e. [neelectronics.co.in](http://neelectronics.co.in)

**F. BOARD EVALUATION:**

Pursuant to the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adopted the Remuneration Policy with the comprehensive procedure on performance evaluation. Chairman of the Nomination and Remuneration Committee, who is an Independent Director of the Board conducted a one-to one session with each Director to understand their points of view on the parameters for performance evaluation.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning

such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations, - financial reporting process and monitoring activities, ethics and compliances.

Independent Directors has conducted its meeting without the participation of other Non-Independent Directors and members of management and reviewed the performance of Board, its Committee, Chairman and Individual Directors. On the basis of the review by the Independent Directors, they hold unanimous opinion that the Non-Independent Directors, including the Chairman to the Board, have abundant knowledge in their respective fields and are experts in their areas.

#### **G. 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 at large. All Related Party Transactions are placed before the Audit Committee. The Policy on Related Party Transactions as approved by the Board has been uploaded on the Company's website. The said Policy may be referred to, at the website of the Company at its weblink i.e. [laffan.co.in](http://laffan.co.in)

#### **H. VIGIL MECHANISM / WHISTLE BLOWER POLICY:**

In terms of the Section 177 of the Companies Act, 2013 read with rules made thereunder and SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has framed a 'Breach of Integrity and Whistle Blower Policy' with an objective to deal with issues pertaining to integrity, encouraging the employees and directors of the Company to raise any concern about Company's operations and working environment, including possible breaches of Company's policies and standards, without fear of adverse managerial action being taken against such employees.

Instances of such suspected or confirmed incident of fraud/ misconduct may be reported on the designated email id i.e. [laffan@india.com](mailto:laffan@india.com) which is managed by the fraud control team.

The Policy has been uploaded on the website of the Company. The said Policy may be referred to, at the website of the Company at its weblink i.e. [laffan.co.in](http://laffan.co.in)

#### **I. DISCLOSURES:**

- (a) Materially Significant related party transactions  
There was no transaction of material nature with any of the related party, which is in conflict with the interest of the company.
- (b) Details of non-compliance by the company, penalties, strictures imposed on the company by the Stock Exchange or SEBI or any authority on any matter related to capital markets during last 3 years.

There was no instance of levy of any penalties during the last three years.

#### **J. MEANS OF COMMUNICATION WITH SHAREHOLDERS:**

##### **Quarterly results**

The quarterly/ half yearly/ annual un-audited/ audited financial results of the Company are sent to the Stock Exchanges immediately after they are approved by the Board of Directors. These results are simultaneously posted on the web address of the Company at [neelectronics.co.in](http://neelectronics.co.in) pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The results of the Company were published in the following local and national dailies:

Website the Company's web address neelectronics.co.in The website contains a complete overview of the Company. The Company's Annual Report, financial results, details of its business, shareholding pattern, compliance with Corporate Governance, contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances and Code of Conduct are uploaded on the website.  
Metropolitan Stock Exchange of India (MSEI) has a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, among others are also filed electronically on the Listing Centre.

**SEBI Complaints Redress System (SCORES)**

The investor complaints are processed in a centralised web-based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

**K. MANAGEMENT DISCUSSION AND ANALYSIS (MDA):**

The MDA section is carried in detail and attached herewith.

**L. GENERAL BODY MEETINGS:**

**A) Location and time of the last three Annual General Meetings**

Year	Location	Day & Date	Time
2015	205, Haribol Roy Market, 2 <sup>nd</sup> Floor, A. T. Road, Guwahati – 781001	Wednesday, 30.09.2015	11.00 A. M.
2016	205, Haribol Roy Market, 2 <sup>nd</sup> Floor, A. T. Road, Guwahati – 781001	Friday, 30.09.2016	10.30 A. M.
2017	205, Haribol Roy Market, 2 <sup>nd</sup> Floor, A. T. Road, Guwahati – 781001	Saturday, 30.09.2017	09.30 A. M.

**B) The particulars of Extra-Ordinary General Meetings held during the last three years are as under:**

Year	Date and Time	Resolution Passed
N.A.	N.A.	N.A.

**C) Postal Ballot**

No resolutions were passed through postal ballot during the last Financial Year

**M. GENERAL SHAREHOLDER INFORMATION:**

i.	AGM: Date, time and venue	Friday, 28 <sup>th</sup> September, 2018 at 9.30 a.m.
ii.	Financial year	31 <sup>st</sup> March, 2018
iii.	Date of Book closure	22 <sup>nd</sup> September, 2018 to 28 <sup>th</sup> September, 2018
iv.	Dividend Payment Date	No dividend was declare
v.	Listing on Stock Exchanges	MSEI Ltd
vi.	Stock Code	LAFFANSOFT & 32088
vii.	Market Price Data: High., Low during each month in last financial year	There was no trading during the Year
viii.	Performance in comparison to broad-based indices such as BSE Sensex, CRISIL index etc.	

ix.	Registrar and Transfer Agents	ABS Consultant Pvt. Ltd.
x.	Share Transfer System	Demat and Physical (both)
xi.	Distribution of shareholding	As per Annexure-1
xii.	De-materialization of shares and liquidity	15073490 Equity share
xiii.	Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity	NA
xiv.	Plant Locations	NA
xv.	Address for correspondence	205, Haribol Roy Market, A.T.Road, Guwahati- 781001

#### Distribution of Shareholding (Annexure – 1)

No. of Shares	No. of shareholders	% of Total holders	No. of Shares	% of total Holdings
Upto - 500	133	67.86	13310	0.09
501 - 1000	Nil	Nil	Nil	Nil
1001 – 2000	Nil	Nil	Nil	Nil
2001 – 3000	1	0.51	2500	0.02
3001 – 4000	Nil	Nil	Nil	Nil
4001 – 5000	24	12.24	116400	0.76
5001 – 10000	4	2.04	26000	0.17
10001 – 50000	1	0.51	50000	0.33
50001 – 100000	Nil	Nil	Nil	Nil
100001 & Above	33	16.84	15013490	98.63
<b>TOTAL</b>	<b>196</b>	<b>100.00</b>	<b>15221700</b>	<b>100.00</b>

## **INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE REPORT**

### **The Members of Laffan Software Limited**

We have examined the compliance of conditions of Corporate Governance by N. E. Electronics Limited for the year ended March 31, 2018 stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the said Company with Stock Exchanges.

The Compliance of condition of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company to ensure Compliance with the condition of Corporate Governance. It is neither an audit nor an expression of an opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has fully complied with all the mandatory conditions of Corporate Governance as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Shantimay Majumder & Co.  
Chartered Accountants  
Firm Registration No. 317116E

Sd/  
Saantimoy Majumder  
Proprietor

Membership No: 053264  
Kolkata

**CFO CERTIFICATION PURSUANT TO SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

**The Board of Directors  
Laffan Software Limited  
205, Haribol Roy Market  
A.T. Road,  
Guwahati-781 001**

We, the undersigned in our respective capacities as Vice Chairman and Whole Time Director, Chief Financial Officer and of Laffan Software Limited, certify to the Board in terms of requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 that we have reviewed the Financial Statements and the Cash Flow Statement of the Company for the Financial Year ended 31 March 2018.

1. To the best of our knowledge and belief, we certify that:
  - a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that are misleading.
  - b) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
  - c) There are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
2. For the purpose of Financial Reporting, we accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
3. We have indicated to the Auditors and the Audit Committee:
  - a) significant changes, if any, in the internal controls over financial reporting during the year.
  - b) significant changes, if any, in the accounting policies made during the year and the same have been disclosed in the notes to the financial statements; and
  - c) instances of significant fraud, if any, of which we have become aware and the involvement therein, of the management or an employee having a significant role in the company's internal control system over financial reporting.

By Order of the Board  
Sd/-  
(Swapan Sarkar)  
Executive Director  
DIN: 05149442

Place: Guwahati  
Dated: 29/08/2018

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

Your Directors have pleasure in presenting the Management Discussion and Analysis Report for the year ended on 31st March 2018.

### **FORWARD-LOOKING STATEMENTS:**

This report contains forward-looking statements based on certain assumptions and expectations of future events. The Company, therefore, cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company's actual results, performance or achievements can thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis of any subsequent developments, information or events.

### **OPPORTUNITIES AND THREATS:**

The fundamental growth drivers of the country's economy as well as our company continue to remain strong despite the pressures of slowdown and inflationary conditions prevalent till recently in the nation and also globally.

The threats to the segments in which the company operates are volatility in Exchange rate, pricing pressure arising due to competition from low cost suppliers, technology up-gradation, and severe competition among competitor and newly emerging competitive nations and stricter environment laws. Further, the Indian economy is now integrated with the world economy to a very large extent and therefore vulnerable to the direct impact of such a slowdown; such an impact could adversely affect the Company's performance as well. Therefore, the company has decided to close down the manufacturing activity, concentrate on the trading, and look for other opportunities in the Export market.

### **MANAGEMENT TEAM:**

The existing management has a strong technical and management knowledge and experience in the chemical business.

Mr. Swapan Sarkar, Chairman of the Company is an entrepreneur and is having vast knowledge and expertise in handling various businesses including the business of the Company.

### **INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:**

The Company has proper and adequate internal control system commensurate with the size of the business operations geared towards achieving efficiency in its various business operations, safeguarding assets, optimum utilization of resources and compliance with statutory regulations. The management is ensuring an effective internal control system to safeguard the assets of the company. Efforts for continued improvement of internal control system are being consistently made in this regard. The company has cleared secured bank liability against assets.

### **HUMAN RESOURCES VIS-À-VIS INDUSTRIAL RELATIONS:**

The Company values and appreciates the dedication and drive with which its employees have contributed towards improved performance during the year under review. The industrial relations with staff and officers are cordial during the year under review. All issues pertaining to staff matters are resolved in harmonious and cordial manner.

**CAUTIONARY STATEMENT:**

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates changes in the Government regulations, tax laws, and other statutes and other incidental factors.

By Order of the Board

Sd/-

Swapan Sarkar  
Executive Director  
DIN: 05149442

Place: Guwahati  
Dated: 29/08/2018



**Independent Auditor's Report**

To  
The Members of  
**LAFFAN SOFTWARE LIMITED**

**Report on the Financial Statements**

1. We have audited the accompanying Ind AS financial statements of **LAFFAN SOFTWARE LIMITED** (“the Company”), which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss for the year then ended, Cash Flow as March 31, 2018 and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility of the Financial Statements**

2. The Management and Board of Directors of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance 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 rule 7 of Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent, and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

3. Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks 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 the financial statements, that give a true and fair view, in order to design 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 controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's management and Board of Directors, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

6. 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 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, Cash Flow Statement as at 31<sup>st</sup> March, 2018, and its Profit for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

7. As required by the Companies (Auditor's Report) Order, 2017 ('the Order') 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.
8. As required by section 143(3) of the Act, we further 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, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.

- d. In our opinion, the aforesaid financial statements comply with the applicable Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014 and Companies (Accounting Standards) Amendment Rules, 2016.
- e. On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, 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” to this report.
- g. In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
  - 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, as such the question of commenting on any material foreseeable losses thereon does not arise.
  - iii) There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.
  - iv) The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2018.

For Shantimay **Majumder & Co.**  
Chartered Accountants  
Firm Regn.No.: 317116E

Place: Kolkata  
Dated: 29/08/2018

Sd/-  
Saantimoy Majumder  
(Proprietor)  
Membership No: 053264

**Annexure A to Independent Auditors' Report**

Referred to in paragraph 11(f) of the Independent Auditors' Report of even date to the members of Laffan Software Ltd. on the Ind AS financial statements for the year ended March 31, 2018

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

1. We have audited the internal financial controls over financial reporting of Laffan Software Limited. ("the Company") as of March 31, 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

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

2. 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 (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditors' Responsibility**

3. 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 (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

4. 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

5. 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**

6. 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 standalone Ind AS 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 standalone Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

7. 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**

8. In our opinion, 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, 2018, 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 Shantimay **Majumder & Co.**  
Chartered Accountants  
Firm Regn.No.: 317116E

Place: Kolkata  
Dated: 29/08/2018

Sd/-  
Saantimoy Majumder  
(Proprietor)  
Membership No: 053264

**Annexure – ‘B’ referred to under the heading “Report on Other Legal and Regulatory Requirements” of our Report of even date:**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets have been physically verified by the management during the year which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, the title deeds of immovable properties are held in the name of the Company.
- (ii) In our opinion, the inventories have been physically verified during the year by the management at reasonable intervals and as explained to us no material discrepancies were noticed on physical verification.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, guarantees, and securities granted in respect of which provisions of Section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, the Company has complied with provisions of Section 186 of the Companies Act 2013 in respect of investments made during the year.
- (v) The Company has not accepted any deposits from the public.
- (vi) As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the Company.

- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, customs duty, excise duty, value added tax, cess and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues were outstanding at the year end, for a period of more than six months from the date they became payable.
- (c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, wealth-tax, customs duty, excise duty, value added tax and cess on account of any dispute, not arise.
- (viii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to any bank. Further, the Company does not have any debentures and loan from financial institution or government.
- (ix) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not raised any money way of initial public offer/further public offer/debt instruments and term loans and hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud on or by the officers and employees of the Company has been noticed or reported during the year.
- (xi) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, managerial remuneration in accordance with the requisite approvals mandated by the provision of section 197 read with Schedule V to the companies Act, 2013.

- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company and hence not commented upon.
- (xiii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence not commented upon.
- (xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to 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.
- (xvi) According to the information and explanations given to us, the provisions of Section 45-1A of the Reserve Bank of India Act, 1934 are not applicable to the Company.

**For Shantimay Majumder & Co.**  
Chartered Accountants  
Firm Regn.No.: 317116E

Place: Kolkata  
Dated: 29/08/2018

Sd/-  
Saantimoy Majumder  
(Proprietor)  
Membership No: 053264



**LAFFAN SOFTWARE LIMITED**

**Balance Sheet asat 31st March, 2018**

	Particulars	Note No.	As at 31 March, 2018	As at 31 March, 2017
			Rs	Rs
<b>A</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Shareholders' Funds</b>			
	(a) Share Capital	2	152,217,000.00	152,217,000.00
	(b) Reserves and Surplus	3	73,747,178.46	56,012,672.49
			<b>225,964,178.46</b>	<b>208,229,672.49</b>
<b>2</b>	<b>Current Liabilities</b>			
	(a) Other Current Liabilities	4	10,000.00	44,350.00
			10,000.00	44,350.00
	<b>Total :</b>		<b>225,974,178.46</b>	<b>208,274,022.49</b>
<b>B</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-Current Assets</b>			
	(a) Fixed Assets			
	(i) Tangible Assets	5	2,155.24	5,389.24
			2,155.24	5,389.24
	(a) Non-Current Investment		55,703,300.00	76,203,300.00
			55,703,300.00	76,203,300.00
<b>2</b>	<b>Current assets</b>			
	(a) Inventories	6	145,885,906.12	71,463,801.50
	(b) Trade Receivables	7	440,000.00	5,453,000.00
	(c) Cash and Cash Equivalents	8	13,787,672.10	491,688.75
	(d) Short-Term Loans and Advances	9	10,155,145.00	54,656,843.00
			170,268,723.22	132,065,333.25
	<b>Total :</b>		<b>225,974,178.46</b>	<b>208,274,022.49</b>
	See accompanying notes forming part of the financial statements	1		

In terms of our report attached.

**For and on behalf of the Board**

**For Shantimoy Majumder & Co.**

Firm Regn. No.: 317116E

(Chartered Accountants)

**Sd/-  
Director**

Saantimoy Majumder

(Proprietor)

Membership No: 053264

**Sd/-  
Director**

Place : Kolkata

Date : 29th August' 2018

**LAFFAN SOFTWARE LIMITED**

**Statement of Profit and Loss for the year ended 31 March, 2018**

Particulars	Note No.	For the year ended	For the year ended
		31 March, 2018	31 March, 2017
		Rs	Rs
Revenue from Operations	10	2,750,000.00	30,954,250.00
Other Income	11	21,726,440.00	6,936,509.00
<b>Total Revenue (A)</b>		<b>24,476,440.00</b>	<b>37,890,759.00</b>
<b>Expenses</b>			
(a) Purchase		78,350,000.00	54,330,851.25
(b) Changes in Inventories of Finished Goods	12	(74,422,104.62)	(21,332,766.25)
(c) Depreciation and Amortisation Expense		3,234.00	8,085.00
(d) Employee Benefits Expense	13	980,168.00	994,780.00
(e) Other Expenses	14	749,585.65	709,156.00
<b>Total Expenses (B)</b>		<b>5,660,883.03</b>	<b>34,710,106.00</b>
<b>Profit / (Loss) before Tax (A - B)</b>		<b>18,815,556.97</b>	<b>3,180,653.00</b>
<b>Tax expense:</b>			
(a) Tax Expense for Current Year		305,560.00	-
(b) Tax Expense for Earlier Year		775,491.00	586,282.00
		1,081,051.00	586,282.00
<b>Profit / (Loss) for the year</b>		<b>17,734,505.97</b>	<b>2,594,371.00</b>
<b>Earnings per share (of Rs 10/- each):</b>			
(a) Basic		1.24	0.21
(b) Diluted		1.24	0.21
See accompanying notes forming part of the financial statements	1		

In Terms of our report attached

**For and on behalf of the Board**

**For Shantimay Majumder & Co.**

Firm Regn. No.: 317116E

(Chartered Accountants)

Sd/-  
**Director**

Saantimoy Majumder

(Proprietor)

Membership No: 053264

Sd/-  
**Director**

Place : Kolkata

Date : 29th August' 2018

**LAFFAN SOFTWARE LIMITED**

**Notes on Accounts and Significant Accounting Policies**

Note	Particulars
<b>1</b>	<b>Significant Accounting Policies</b>
<b>1.1</b>	<b>Basis of Accounting and Preparation of Financial Statements</b>
	The financial statements have been prepared on the accrual basis of accounting, under the historical cost convention, in accordance with the accounting principles generally accepted in India and comply with the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 1956.
<b>1.2</b>	<b>Use of Estimates</b>
	The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities as at the date of financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates. Any revision to accounting estimates is recognized in the period in which the results are known/materialized.
<b>1.3</b>	<b>Cash and Cash Equivalents</b>
	Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.
<b>1.4</b>	<b>Fixed Assets</b>
	Fixed Assets are stated at cost of acquisition less accumulated depreciation. Cost includes all expenses, direct and indirect, specifically attributable to its acquisition and bringing it to its current location and working condition for its intended use.
<b>1.5</b>	<b>Depreciation and Amortisation</b>
	Depreciation on Fixed Assets has been provided on Written Down Value Method at the rates and in the manner specified in the Schedule XIV of the Companies Act, 1956.
<b>1.6</b>	<b>Revenue Recognition</b>
	Both income and expenditure items are recognized on accrual and prudent basis.
<b>1.7</b>	<b>Income Tax</b>
	Income Tax expense comprises of current tax and deferred charge or credit. Current tax is determined as the amount of tax payable in respect of taxable income for the year.
<b>1.8</b>	<b>Earnings per Share</b>
	Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.

**LAFFAN SOFTWARE LIMITED**

**Note 2 Share Capital**

Particulars	As at 31 March, 2018		As at 31 March, 2017	
	Number of Shares	Rs	Number of Shares	Rs
<b>(a) Authorised</b> Equity Shares of Rs. 10 each with voting rights	15,250,000	152,500,000.00	15,250,000	152,500,000.00
<b>(b) Issued, Subscribed and Paid - up</b> Equity Shares of Rs. 10 each with voting rights	15,221,700	152,217,000.00	15,221,700	152,217,000.00
<b>Total :</b>	<b>15,221,700</b>	<b>152,217,000.00</b>	<b>15,221,700</b>	<b>152,217,000.00</b>

**(A) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:**

Particulars	Number of shares	Rs	Number of shares	Rs
Opening Balance	15,221,700	152,217,000.00	15,221,700	152,217,000.00
Change during the year	-	-	-	-
Closing Balance	15,221,700	152,217,000.00	15,221,700	152,217,000.00

**(B) Rights, Preference and Restriction attached to shareholders**

Equity Shares : The Company has one class of equity shares having a par value of Rs. 10 per Share. Each Shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholder are eligible to receive the remain assets of the company after distribution of all preferential amounts in proportion to their shareholding.

**(C) Details of shares held by each shareholder holding more than 5% shares**

Class of shares/ Name of shareholder	As at 31 March, 2018		As at 31 March, 2017	
	Number of shares held	%holding in that class of shares	Number of shares held	%holding in that class of shares
Equity Shares with voting rights	-	0.00%	0	0.00%
	-	0.00%	0	0.00%

**LAFFAN SOFTWARE LIMITED**

**Note 3 Reserves and Surplus**

Particulars	As at 31 March, 2018	As at 31 March, 2017
	Rs	Rs
(a) Capital Reserves		
Balance at the beginning and end of the year	49,742,000.00	49,742,000.00
(b) Surplus / (Deficit) in Statement of Profit and Loss		
Opening Balance	6,270,672.49	3,676,301.49
Add : Profit / (Loss) for the Current Year	17,734,505.97	2,594,371.00
Closing Balance	24,005,178.46	6,270,672.49
<b>Total :</b>	<b>73,747,178.46</b>	<b>56,012,672.49</b>

**Note 4 Other Current Liabilities**

Particulars	As at 31 March, 2018	As at 31 March, 2017
	Rs	Rs
Others for Expenses	10,000.00	44,350.00
<b>Total :</b>	<b>10,000.00</b>	<b>44,350.00</b>

**Note 6 Inventories**

Particulars	As at 31 March, 2018	As at 31 March, 2017
	Rs	Rs
Finished Goods	145,885,906.12	71,463,801.50
<b>Total :</b>	<b>145,885,906.12</b>	<b>71,463,801.50</b>

**Note 7 Trade Receivable**

Particulars	As at 31 March, 2018	As at 31 March, 2017
	Rs	Rs
<b>Unsecured Considered Good</b>		
Outstanding for a Period exceeding 6 months from the date they are due for payment	440,000.00	5,453,000.00
<b>Total :</b>	<b>440,000.00</b>	<b>5,453,000.00</b>

**LAFFAN SOFTWARE LIMITED**

**Note 5 Tangible Assets**

Sl. No.	Particulars	Gross Block			Depreciation			Net Block	
		Balance on 1st April, 2017	Additions/ Disposal	Balance on 31st March, 2018	Balance on 1st April, 2017	For the Year	Balance on 31st March, 2018	Balance on 31st March, 2018	Balance on 31st March, 2017
1	Computer & Software	3,311,350.00	-	3,311,350.00	3,305,960.76	3,234.00	3,309,194.76	2,155.24	5,389.24
	<b>Total :</b>	<b>3,311,350.00</b>	<b>-</b>	<b>3,311,350.00</b>	<b>3,305,960.76</b>	<b>3,234.00</b>	<b>3,309,194.76</b>	<b>2,155.24</b>	<b>5,389.24</b>
	Previous Year	3,311,350.00	-	3,311,350.00	3,297,875.76	8,085.00	3,305,960.76	5,389.24	13,474.24

**LAFFAN SOFTWARE LIMITED**

**Note 8 Cash & Cash Equivalents**

Particulars	As at 31 March, 2018	As at 31 March, 2017
	Rs	Rs
Cash on hand	564,391.00	460,377.00
<b>Balances with banks</b>		
In Current Accounts	13,223,281.10	31,311.75
<b>Total :</b>	<b>13,787,672.10</b>	<b>491,688.75</b>

**Note 9 Short Term Loans and Advances**

Particulars	As at 31 March, 2018	As at 31 March, 2017
	Rs	Rs
Loans	-	40,000,000.00
Advance Against Property	3,290,000.00	3,290,000.00
Others	6,684,000.00	10,725,000.00
TDS Receivable	181,145.00	641,843.00
<b>Total :</b>	<b>10,155,145.00</b>	<b>54,656,843.00</b>

**Note 10 Revenue**

Particulars	As at 31 March, 2018	As at 31 March, 2017
	Rs	Rs
Sale of Products		
Finished Goods	2,750,000.00	30,954,250.00
<b>Total :</b>	<b>2,750,000.00</b>	<b>30,954,250.00</b>

**Note 11 Other Income**

Particulars	As at 31 March, 2018	As at 31 March, 2017
	Rs	Rs
Interest	4,096,440.00	5,696,509.00
Profit on Sale of Investment	-	1,240,000.00
Gain on Buyback of Shares	17,630,000.00	-
<b>Total :</b>	<b>21,726,440.00</b>	<b>6,936,509.00</b>

**LAFFAN SOFTWARE LIMITED**

**Note 12 Changes in Inventory of Finished Goods**

Particulars	As at 31 March, 2018	As at 31 March, 2017
	Rs	Rs
Opening Stock	71,463,801.50	50,131,035.25
Less: Closing Stock	145,885,906.12	71,463,801.50
<b>Increase / (Decrease) in Stocks</b>	<b>74,422,104.62</b>	<b>21,332,766.25</b>

**Note 13 Employee Benefits Expenses**

Particulars	As at 31 March, 2018	As at 31 March, 2017
	Rs	Rs
Salary	900,000.00	900,000.00
Staff Welfare Expenses	80,168.00	94,780.00
<b>Total :</b>	<b>980,168.00</b>	<b>994,780.00</b>

**Note 14 Other Expenses**

Particulars	As at 31 March, 2018	As at 31 March, 2017
	Rs	Rs
Annual Listing Fees	40,250.00	28,625.00
Auditors Remuneration	10,000.00	10,000.00
Bank Charges	465.65	4,087.25
CDSL Fees	51,750.00	51,525.00
Conveyance Expenses	85,848.00	91,294.00
Demat Charges	-	1,200.00
E- Voting Charges	39,140.00	38,450.00
Filing Fees	1,800.00	1,200.00
General Expenses	48,322.00	114,188.75
NSDL Fees	83,334.00	85,875.00
Postage	42,270.00	48,254.00
Printing & Stationery	22,046.00	27,420.00
Professional Charges	100,028.00	87,257.00
Registrar Fees	11,800.00	11,500.00
Rent & Electricity	18,000.00	18,000.00
Telephone Expenses	74,858.00	90,280.00
Travelling Expenses	119,674.00	-
<b>Total :</b>	<b>749,585.65</b>	<b>709,156.00</b>



# LAFFAN SOFTWARE LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

### PURSUANT TO CLAUSE 32 OF THE LISTING AGREEMENT

	Rupees in Lacs For the year ended March 31, 2018	Rupees in Lacs For the year ended March 31, 2017
<b>A. Cash Flow from Operating Activities</b>		
Net Profit before tax & depreciation	188.156	31.807
Depreciation	0.032	0.081
	<b>188.188</b>	<b>31.887</b>
Operating Profit before Working Capital Changes	188.188	31.887
Adjustments for :		
Short Term Loans & Advances	445.017	(40.128)
Stock of Shares	(744.221)	(213.328)
Sundry Debtors	50.130	-
Current Liabilities & Provision	(0.344)	0.344
	<b>(249.418)</b>	<b>(253.112)</b>
Cash generated from Operations	<b>(61.230)</b>	<b>(221.225)</b>
Adjustment for :-		
Income Tax Paid	(10.811)	(5.863)
Net Cash (used in)/from Operating Activities	<b>(72.040)</b>	<b>(227.087)</b>
<b>B. Cash Flow from Investing Activities</b>		
Adjustment :-		
Investment	205.000	227.967
Purchase of Fixed Assets	-	-
Net Cash (used in)/from Investing Activities	<b>205.000</b>	<b>227.967</b>
<b>C. Cash Flow from Financing Activities</b>		
Secured Loans	-	-
Net Cash used in financing activities	-	-
Net Increase in Cash & Cash equivalents (A+B+C)	<b>132.960</b>	0.880
Cash & Cash equivalents - Opening Balance	4.917	4.037
Cash & Cash equivalents - Closing Balance	<b>137.877</b>	4.917
	Sd/-	Sd/-
	Director	Director

### Auditors Certificate

We have examined the attached Cash Flow Statement of M/s Laffan Software Limited for the year ended on 31st March, 2018. The Statement has been prepared by the Company in accordance with the requirement of Listing Agreement Clause 32 with various Stock Exchange and is based on and in agreement with the corresponding Profit & Loss Account and Balance Sheet of the Company covered by our report to the Members of the Company.

Place : Kolkata

Date : 29th August' 2018

**LAFFAN SOFTWARE LIMITED**

CIN: L72200AS1985PLC002426  
REGD. OFFICE: 205, Haribol Roy Market, 2<sup>nd</sup> Floor,  
A.T. Road, Guwahati – 781 001  
Website: laffan.co.in  
Email Id: laffan@india.com, Phone: +91 7890587489

**Form No. MGT-12  
Polling Paper**

*[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies  
(Management and Administration) Rules, 2014]*

Name of the Company:	<b>LAFFAN SOFTWARE LIMITED</b>
Registered office:	205, Haribol Roy Market, 2 <sup>nd</sup> Floor, A.T. Road, Guwahati – 781 001

<b>BALLOT PAPER (33<sup>RD</sup> AGM, 2018)</b>				
S. No.	Particulars	Details		
1.	Name of the First Named Shareholder (In block letters)			
2.	Postal address			
3.	Registered folio No. / *Client ID No. (*Applicable to investors holding shares in dematerialized form)			
4.	Class of Share	<b>Equity Share</b>		
I hereby exercise my vote in respect of Ordinary/ Special resolution enumerated below by recording my assent or dissent to the said resolution in the following manner:				
S. No.	Resolutions	No. of shares held by me	I assent to the resolution	I dissent from the resolution
1.	Adoption of financial statements for the year 2017-2018			
2.	Re- Appointment of Swapan Sarkar having DIN 05149442 as director			
3.	Re- Appointment of M/s Shantimay Majumder & Co., Chartered Accountants, as Auditor and fixing their remuneration.			

Place:

Date :

(Signature of the shareholder)

## LAFFAN SOFTWARE LIMITED

Registered Office:  
205, Haribol Roy Market, 2<sup>nd</sup> Floor, A. T. Road, Guwahati – 781 001

### PROXY FORM

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

**CIN:** L72200AS1985PLC002426

**Name of the Company:** LAFFAN SOFTWARE LIMITED

**Registered office:** 205, Haribol Roy Market, 2nd Floor, A. T. Road, Guwahati – 781 001

Name of the Shareholder-----Address: -----  
-----

Email ID: -----Folio /No/DPID/ & Client ID-----

I/We, being the member (s) of ..... shares of the above-named company, hereby appoint

- 1)-----of-----having e-mail id-----or failing him
- 2)-----of-----having e-mail id-----or failing him
- 3)-----of-----having e-mail id-----or failing him

and whose and whose signatures are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the company, to be held on Friday the 28<sup>th</sup> day of September, 2018 at 9.30 A. M. at 205, Haribol Roy Market, 2nd Floor, A. T. Road Guwahati – 781 001, India and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr.No.	Description	For	Against
1.	<b>The audited Financial Statements of the Company together with the reports of Board of Directors and the Auditors thereon</b>		
2	<b>Re-appointment of Shri Swapan Sarkar</b>		
3	<b>Appointment of Statutory Auditors and authorizing Board to fix their Remuneration.</b>		

Signature  
Affix Re 1/- Revenue Stamp

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2018  
Registered Folio No. \_\_\_\_\_ Client ID No. \_\_\_\_\_ DP ID \_\_\_\_\_  
No. of Shares: \_\_\_\_\_

Note: This proxy form duly complied should be deposited at the Registered Office of the Company not later than 48 (Forty-Eight) hours before the time fixed for holding of the meeting.

**LAFFAN SOFTWARE LIMITED**

Registered Office  
205, Haribol Roy Market, 2<sup>nd</sup> Floor, A. T. Road, Guwahati – 781 001

**ATTENDANCE SLIP**

I, hereby record my attendance at the 33<sup>rd</sup> Annual General Meeting of the Company at 205, Haribol Roy Market, 2<sup>nd</sup> Floor, A. T. Road, Guwahati – 781 001, on Friday the 28<sup>th</sup> day of September, 2018 at 9.30 A. M.

Name of the Shareholder: \_\_\_\_\_  
(In Capital Letters)

Name of Proxy: \_\_\_\_\_  
(In Capital Letters)

Signature: \_\_\_\_\_

Registered Folio No. \_\_\_\_\_ Client ID No. \_\_\_\_\_ No. of Shares: \_\_\_\_\_

Note:

1. Shareholder/Proxy holder wishing to attend the meeting must bring this attendance slip duly signed to the meeting and hand it over at the entrance.
2. Shareholder/Proxy holder desiring to attend the meeting should bring his/her copy of Annual Report for reference at the meeting.