



**MEGRI SOFT LIMITED**  
SCO 80 Sector 47-D Chandigarh 160047  
Ph. : +91-172- 2631550  
Cell : +91-9501168822, 9501168855  
Email: legal@megrisoft.com  
Website: www.megrisoft.com  
CIN: L72200CH1992PLC011996

To

BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai-400 001 Email Id: corp.compliance@bseindia.com Scrip Code: 539012	Head- Listing & Compliance Metropolitan Stock Exchange of India Ltd. 205(A), 2nd floor, Piramal Agastya Corporate Park, Kamani junction, LBS Road, Kurla(West), Mumbai – 400070 Email Id: listingcompliance@msei.in Symbol: MEGRISOFT
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**Subject: 34th Annual Report of the Company for the Financial Year 2024-25**

Dear Sir,

With reference to the captioned subject, we wish to inform you that **34th** Annual General Meeting of the Company will be held on **Tuesday, 30th September, 2025, at 02:30 P.M. IST.** through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM"), in accordance with the applicable circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India.

In compliance with the provisions of Regulation 34(1)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), please find enclosed the Annual Report of the Company together with the Notice of the 34th Annual General Meeting for the Financial Year 2024-25.

In compliance with Regulation 34(1)(a) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, as amended, read with applicable Circulars of the MCA and SEBI, the Annual Report for the Financial Year (FY) 2024-25, is being sent in electronic mode to the Members whose email IDs are registered with the Company / Registrar and Transfer Agent / Depository Participants

Further, in compliance with Regulation 36(1)(b) of the SEBI Listing Regulations, a letter is being sent to Members whose e-mail id are not registered with the Company/the Registrar & Share Transfer Agent/the Depository Participant(s) providing the weblink where the Annual Report for the Financial Year 2024-25 and the Notice of the 34th Annual General Meeting can be accessed on the Company's website.

The same is also been made available on the website of the Company at the link [www.megrisoft.com](http://www.megrisoft.com)

This is for your information and record.

**Thanking You,**

**Yours Faithfully,  
For Megri Soft Limited**

**(Saloni Garg)**  
**Company Secretary & Compliance Officer**  
**M.No: A33867**

**Date: August 28, 2025**  
**Place: Chandigarh**

# ***34th Annual Report 2024-25***

Megrisoft

**Megri Soft Limited**

## COMPANY INFORMATION:

### BOARD OF DIRECTORS

<b>Mr. Mohnesh Kohli</b>	<b>Director</b>
<b>Mr. Rajnesh Sharma</b>	<b>Whole-time Director</b>
<b>Ms. Aprajita Kohli</b>	<b>Non-Executive Director and Women Director</b>
<b>Mr. Sahil Malhotra</b>	<b>Independent Director</b>
<b>Mr. Raman Seth</b>	<b>Independent Director</b>
<b>Ms. Diksha</b>	<b>Independent Director</b>

### STATUTORY AUDITOR

**M/s Narinder Kumar And Company**  
Chartered Accountants  
Sco-65B (1st Floor) City Heart  
Chandigarh Kharar Road Kharar  
Sas Nagar Mohali, Punjab  
Mohali 140301

### COMPANY SECRETARY & COMPLIANCE OFFICER

**Ms. Saloni Garg**

### CHIEF FINANCIAL OFFICER (CFO)

**Mr. Rajnesh Sharma**

### CONSULTING COMPANY SECRETARY & SECRETARIAL AUDITOR

**Mr. Karan Vir Bindra**  
M/s K V Bindra & Associates  
Kothi No. 9577, Sector - 125, Sunny Enclave  
Kharar, Mohali, Punjab

### BANKERS

**Karnataka Bank Limited**

### REGISTERED OFFICE OF COMPANY, CIN, EMAIL ID & WEBSITE

**Megri Soft Limited**  
S.C.O. 80, Sector 47-D,  
Chandigarh-160047  
Ph. No.: +91-172-2631550  
E-mail: [legal@megrisoft.com](mailto:legal@megrisoft.com)  
Website: [www.megrisoft.com](http://www.megrisoft.com)  
CIN: L72200CH1992PLC011996

### REGISTRAR & SHARE TRANSFER AGENT

**Beetal Financial & Computer Services Pvt. Ltd.**  
Beetal House, 3rd Floor, 99 Madangir, Behind Local Shopping  
Centre, New Delhi.

### LISTING

- 1. BSE LIMITED**  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort, Mumbai-400 001
- 2. Metropolitan Stock Exchange of India Ltd(MSEI)**  
205(A), 2nd floor, Piramal Agastya Corporate Park,  
Kamani Junction, LBS Road, Kurla (West), Mumbai –  
400 070

**MEGRI SOFT LIMITED**  
**CIN: L72200CH1992PLC011996**  
**Regd. Office. SCO 80, Sector 47-D, Chandigarh-160047**  
**Tel No.: 0172-2631550, Fax No.: 0172-2631561**  
**Website: www.megrisoft.com, E-mail: legal@megrisoft.com**

## NOTICE

NOTICE is hereby given that the **34th (Thirty-Fourth) Annual General Meeting ('AGM')** of the members of Megri Soft Limited. (the 'Company') will be held on Tuesday, September 30, 2025, at 02:30 P.M. IST through Video Conferencing (VC)/Other Audio Visual Means ('OAVM'), organized by the Company to transact the following businesses. The venue of the Meeting shall be deemed to be the Registered Office of the Company situated at SCO 80, Sector 47-D, Chandigarh 160047, and the proceedings of the AGM shall be deemed to be made thereat, to transact the following businesses.

### ORDINARY BUSINESS(ES):

1. To consider and adopt (a) the audited financial statement of the Company for the financial year ended March 31, 2025, and the reports of the Board of Directors and Auditors thereon; and (b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2025, and the report of Auditors thereon and in this regard, to consider and if thought fit, to pass the following resolutions as **Ordinary Resolutions**:
  - a. **"RESOLVED THAT** the audited financial statement of the Company for the financial year ended March 31, 2025, and the reports of the Board of Directors and Auditors thereon, as circulated to the members, be and are hereby considered and adopted."
  - b. **"RESOLVED THAT** the audited consolidated financial statement of the Company for the financial year ended March 31, 2025 and the report of Auditors thereon, as circulated to the members, be and are hereby considered and adopted."
2. To appoint a Director in place of Mr Mohnesh Kohli (DIN: 01784617), who retires by rotation, and, being eligible, offers himself for re-appointment by passing the following Resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), Mr Mohnesh Kohli (DIN: 01784617), Director of the Company, who retires by rotation at this Annual General Meeting and being eligible, offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company liable to retire by rotation."

### SPECIAL BUSINESS(ES):

3. To appoint Secretarial Auditor and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** in accordance with the provisions of Section 204 and other applicable provisions of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and basis the recommendation of the Board of Directors of the Company, M/S K V Bindra & Associates., Practicing Company Secretaries, (COP 12962) (Membership No.: FCS 10074), be and are hereby appointed as Secretarial Auditor of the Company, for a term of four (4) consecutive financial years, commencing from the financial year 2025-26 to the financial year 2028-29, at such remuneration plus applicable taxes and on such terms and conditions as may be determined by the Board of Directors (including its Committees thereof) and the Secretarial Auditor and to avail any other services, certificates, or reports as may be permissible under applicable laws.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to alter the terms and conditions of appointment, including the remuneration of the Secretarial Auditor in such manner and to such extent as may be mutually agreed between the Board of Directors and the Secretarial Auditor, based on the recommendation of the Audit Committee and to do all such acts, deeds, matters and things as may be necessary, desirable or expedient to give effect to the aforesaid resolution and for the matters connected therewith or incidental thereto "

4. **To Approve Related Party Transaction(s) Between Megrisoft Limited, a Wholly-Owned Material Subsidiary of the Company Incorporated in the United Kingdom, and Maison Neena Limited**

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

"RESOLVED THAT pursuant to the Regulations 2(1)(zb), 23(4) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, the applicable provisions of the Companies Act, 2013 ("Act") read with Rules made thereunder; other applicable laws/statutory provisions, if any [including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force], the Company's Policy on Related Party Transactions and subject to such approval(s), consent(s), permission(s) as may be necessary from time to time and based on the approval and recommendation of the Audit Committee and the Board of Directors of Megri Soft Limited the approval of the Members of Megri Soft Limited be and is hereby accorded for Megrisoft Limited, a wholly-owned material subsidiary incorporated in the United Kingdom, to enter into related party transaction(s)/contract(s)/arrangement(s)/agreement(s) (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise) with Maison Neena Limited, a company incorporated in the United Kingdom in which Ms. Aprajita Kohli, a director of both Megri Soft Limited and Megrisoft Limited, is a promoter and director; and a related party pursuant to Regulation 2(1)(zb) of the SEBI Listing Regulations, for the provision of IT services during the financial year 2025-26, for an aggregate value not exceeding 20000 GBP (approximately 23.45 lacs), on such terms and conditions as detailed in the explanatory statement to this Resolution and as may be mutually agreed between Megrisoft Limited and Maison Neena Limited, for the financial year 2025-26, commencing from the conclusion of the Thirty-Fourth Annual General Meeting and continuing up to the date of the Thirty-Fifth Annual General Meeting of the Company to be held in 2026, provided that the said transaction(s)/contract(s)/arrangement(s)/agreement(s) shall be carried out in the ordinary course of business and on an arm's length basis.

"RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as 'Board' which term shall be deemed to include the Audit Committee of the Company and any duly constituted/to be constituted Committee of Directors thereof to exercise its powers including powers conferred under this resolution) be and is hereby authorized to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion and to take all such steps as may be required in this connection including finalizing and executing necessary contract(s), scheme(s), agreement(s) and such other documents as may be required, seeking all necessary approvals to give effect to this resolution, for and on behalf of the Company and settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred to, without being required to seek further consent or approval of the Members and that the Members shall be deemed to have given their approval thereto expressly by the authority of this Resolution."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any Director(s) or Chief Financial Officer or Company Secretary or any other Officer(s)/Authorised Representative(s) of the Company, to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to this Resolution."

"RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this Resolution, be and are hereby approved, ratified and confirmed in all respects."

Place: Chandigarh  
Date: August 28, 2025

**By order of the Board of Directors**

**Registered Office:**  
S.C.O. 80, Sector 47- D  
Chandigarh(UT) 160047  
CIN: L72200CH1992PLC011996  
Website: [www.megrisoft.com](http://www.megrisoft.com)  
Email: [legal@megrisoft.com](mailto:legal@megrisoft.com)  
Tel.: 91-172-2631550

**(Saloni Garg)**  
Membership No. ACS **A33867**  
Company Secretary and Compliance Officer

## Notes:

1. An explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 and its rules framed thereunder (hereinafter referred to as the 'Act') relating to businesses to be transacted at the AGM, as set out in item nos. 3 to 4 and relevant details as required under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, (hereinafter referred to as the 'Listing Regulations') and Secretarial Standard -2 of General Meeting issued by the Institute of Company Secretaries of India ('ICSI'), is annexed thereto.
2. Pursuant to the general circular no. 9/2024 dated 19 September 2024, issued by the Ministry of Corporate Affairs ('MCA') and circular no. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated 3 October 2024, issued by SEBI (hereinafter collectively referred to as "the Circulars"), companies are allowed to hold AGM through VC/OAVM. In compliance with the aforesaid circulars, members can attend and participate in the ensuing AGM through VC/OAVM. The Notice is being sent to all the members to their email ids as registered with the company/ Registrar & Share Transfer Agent ('RTA')/ depositories. The deemed venue for the AGM shall be the Registered Office of the company.
3. The Company has enabled its members to participate in the AGM through the VC/OAVM facility provided by Central Depository Services (India) Limited ('CDSL'). The detailed instructions for participation are provided in the subsequent paragraphs. The facility for joining the AGM through VC/OAVM will open 30 minutes before the scheduled time of the AGM and shall remain available on a first-come, first-served basis.
4. Pursuant to the provisions of the Act, members are entitled to attend and vote at the AGM, are entitled to appoint a proxy to attend and vote on his/her behalf. Since the AGM is being held through VC/ OAVM, therefore physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be made available for the AGM and hence the proxy form and attendance slip, and route map are not annexed to this Notice.
5. Corporate members are required to send a certified copy of the board resolution authorizing their representative to attend the AGM through VC/ OAVM and vote on their behalf at e-mail i.d. of the company at 'investors@megrisoft.com' and email id of scrutinizer at 'cavikaswasson@gmail.com' with a copy marked to 'helpdesk.evoting@cdslindia.com' and institutional investors are encouraged to attend and vote at the meeting through VC/ OAVM.
6. The company has provided the facility to members to exercise their right to vote by electronic means both through remote e-Voting and e-Voting during the AGM. The process of e-Voting with necessary user i.d. and password is given in the subsequent paragraphs
7. Members joining the meeting through VC/ OAVM, who have not already cast their vote by means of remote eVoting, shall be able to exercise their right to vote through e-Voting during/ at the AGM. The members who have cast their vote by remote e-Voting prior to the AGM may also join the AGM through VC/ OAVM but shall not be entitled to cast their vote again.
8. In case of joint holders, 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 at the e-AGM
9. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members. The Members seeking to inspect such documents can send an email to [legal@megrisoft.com](mailto:legal@megrisoft.com)
10. Members intending to require information about financial statements to be explained at the AGM are requested to write to the Company at least ten days in advance of the AGM at [investors@megrisoft.com](mailto:investors@megrisoft.com).
11. SEBI has mandated that securities of listed companies can be transferred only in dematerialized form w.e.f. April 1, 2019. Accordingly, the Company/RTA has stopped accepting any fresh lodgement of transfer of shares in physical form. Members holding shares in physical form are advised to avail the facility of dematerialization.
12. Members holding shares in dematerialized mode are requested to intimate all changes, if any, with respect to their bank details, mandate, nomination, power of attorney, change of address, e-mail address, change in name, etc. to their depository participant. These changes will be automatically reflected in the Company's records which will help the Company to provide efficient and better services to the members.
13. Effective April 1, 2024, SEBI has mandated that the shareholders who hold shares in physical mode and whose folios are not updated with any of the KYC details [viz., (i) PAN (ii) Choice of Nomination (iii) Contact Details (iv) Mobile Number (v) Bank Account Details and (vi) Signature], shall not be eligible to get dividend in electronic mode. Accordingly, payment of dividends, subject to approval at the AGM, shall be paid to physical holders only after the above details are updated in their folios. Pursuant to the above, the Company

has sent individual letters to all the members holding shares in physical form for furnishing their PAN, KYC details, nomination, etc. Members are requested to submit these details to the Company's RTA by using any one of the following modes for submission:

a) through 'In Person Verification' (IPV): by producing the originals to the authorized person of the RTA at M/s Beetal Financial & Computer Services Pvt. Ltd., Beetal House, 3rd Floor, 99, Madangir, Behind Local Shopping Centre, Near Dada Harsukh Dass Mandir, New Delhi – 110062, Phone No. : 011-29961281-83, Fax No. : 011 – 29961284, E-mail : beetalrta@gmail.com, who will retain copy(ies) of the document(s).

b) in hard copy: by furnishing self-attested photocopy(ies) of the relevant document with date at aforesaid address.

c) through electronic mode with e-sign:

i) in case your e-mail is already registered with the company, you may send the scanned copies of your KYC documents with e-sign at the dedicated e-mail-id: beetalrta@gmail.com

Kindly mention the e-mail subject line as 'KYC Updation - (Company Name) - Folio No :

Relevant formats for submitting the above-mentioned details are available on the website of the Company as detailed below:

Form for availing investor services to register PAN, e-mail address, bank details and other KYC details or changes/update thereof for securities held in physical mode	Form ISR-1
Update of signature of securities holder	Form ISR-2
For nomination as provided in the Rule 19(1) of the Companies (Share capital and debenture) Rules, 2014	Form SH-13
Declaration to opt out	Form ISR-3
Cancellation of nomination by the holder(s) (along with Form ISR-3)/Change of Nominee	Form SH-14
Form for requesting issue of duplicate share certificate and other service requests for shares held in physical form	Form ISR-4
The forms for updating the above details are available at: <a href="https://www.megrisoft.com/information-for-shareholders">https://www.megrisoft.com/information-for-shareholders</a>	

As per the erstwhile requirement, in case a holder of physical securities failed to furnish PAN, nomination, contact details, bank account details and specimen signature by October 01, 2023, Beetal Financial & Computer Services Pvt. Ltd. was obliged to freeze such folios. To mitigate unintended challenges on account of freezing of folios, SEBI vide its circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 dated November 17, 2023, has done away with the provision regarding freezing of folios not having PAN, KYC and nomination details.

14. Members may note that SEBI has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. issue of duplicate securities certificate; claim from unclaimed dividend account; exchange of securities certificate; subdivision of securities certificate; consolidation of securities certificates/folios; transmission and transposition etc. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4 to the company's Registrar and Transfer Agent ('RTA'), Beetal Financial & Computer Services Pvt. Ltd. It may be noted that any service request can be processed only after the folio is KYC compliant

Members please be noted that pursuant to SEBI circular SEBI/ HO/ MIRSD/ MIRSD - PoD/ P/ CIR/ 2025/ 97 dated nd 2 July 2025, the SEBI gives a last chance to clear out pending physical transfers form before April 2019. In this th th regard, 6 months' time window i.e., from 7 July 2025 to 6 January 2026 has granted in which any person can st re-submit (re-lodge) physical transfer deeds that were originally lodged before 1 April 2019 but were rejected, returned, or left unprocessed due to deficiencies and shares transferred during aforesaid window will be issued exclusively in dematerialised form, under the transfer-cum-demat process.

15. The SEBI has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, members are advised to dematerialise the shares held by them in physical form. Members may contact the company or RTA, for assistance in this regard.
16. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN) mandates, Nominations, power of attorney, to their DPs in case shares are held in electronic form or to the company's RTA i.e Beetal Financial & Computer Services Private Limited. in case shares are held in physical form.
17. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or of staying abroad or demise of any member as soon as possible. Members are also advised not to leave their de-mat account(s)

dormant for long. Periodic statement of holdings should be obtained from the concerned depository participants and holdings should be verified.

18. Pursuant to provisions of Section 72 of the Act and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, as amended, Members holding shares in physical form may file nomination in the prescribed Form SH-13 with the company's RTA. In respect of shares held in dematerialized form, the nomination form may be filed with the respective Depository Participant.
19. Non-resident Indian shareholders are requested to inform about the following to the Company or its RTA or the concerned depository participant, as the case may be, immediately of:
  - a. the change in the residential status on return to India for permanent settlement.
  - b. the particulars of the NRE Account with a Bank in India, if not furnished earlier
20. Process for dispatch of Annual Report and registration of e-mail address for obtaining a copy of the Annual Report:

In compliance with the aforementioned MCA and SEBI Circulars, Notice of the AGM along with the Annual Report 2024-25 is being sent only through electronic mode to those members whose e-mail addresses are registered with the Company/Depository Participant. Members may note that the Notice and Annual Report 2024-25 will also be available on the Company's website [www.megrisoft.com](http://www.megrisoft.com), websites of the Stock Exchanges i.e. BSE Limited and Metropolitan Stock Exchange of India Ltd. at [www.bseindia.com](http://www.bseindia.com) and [www.msei.in](http://www.msei.in) respectively, and on the website of Central Depository Services (India) Limited (CDSL) at the website address [www.evotingindia.com](http://www.evotingindia.com). The members of the Company are requested to send their request for registration of e-mail address by following the procedure given below for the purpose of receiving the AGM Notice along-with Annual Report 2024-25. A letter is also being sent to the members whose email addresses are not registered, stating the web-link where the Annual Report is uploaded on the website of the company.

- **Registration of e-mail address for shareholders holding shares in physical form:**

The Members of the Company holding Equity Shares of the Company in physical form and who have not registered their e-mail addresses may get their e-mail addresses registered with Beetal Financial & Computer Services Private Limited.

- **For Permanent Registration of e-mail addresses for shareholders holding shares in demat form:**

It is clarified that for permanent registration of e-mail address, the Members are requested to register their e-mail address, in respect of demat holdings with the respective Depository Participant by following the procedure prescribed by the Depository Participant.

- **For Temporary Registration of e-mail addresses for shareholders holding shares in demat form:**

The Members of the Company holding Equity Shares of the Company in dematerialized form and who have not registered their e-mail addresses may temporarily get their e-mail addresses registered with Beetal Financial & Computer Services Private Limited. The Members are requested to provide details such as Name, DPID, Client ID/ PAN, mobile number and e-mail address.

Those shareholders who have already registered their e-mail addresses are requested to keep their e-mail addresses validated with their Depository Participants/the Company's RTA to enable servicing of communication and documents electronically.

In case of any queries, shareholders may write either to the Company at [investors@megrisoft.com](mailto:investors@megrisoft.com) or to the RTA at aforesaid e-mail id.

Registering e-mail address will help in better communication between the Company and you as an esteemed stakeholder and importantly will reduce use of paper, thereby contributing towards green environment.

However, a member is also entitled for getting the hard copy of the Notice along-with Annual Report upon making a request via e-mail to [investors@megrisoft.com](mailto:investors@megrisoft.com) or to the RTA at aforesaid e-mail id [beetalrta@gmail.com](mailto:beetalrta@gmail.com)

## **21. Procedure for joining the AGM through VC/OAVM:**

CDSL will be providing facility for voting through Remote E-Voting, for participation in the 34th AGM through VC/OAVM facility and E-Voting during the 34th AGM.

The members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the AGM by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the respective Chairpersons of the Audit Committee, Nomination & Remuneration Committee and Stakeholders' Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

### **Procedure to raise questions/seek clarifications with respect to Annual Report at the 34th AGM:**

Members can submit their questions in advance from their registered e-mail address, mentioning their Name, DP ID and Client ID number/folio number and mobile number, in order to reach the Company's e-mail address i.e. [investors@megrisoft.com](mailto:investors@megrisoft.com) at least 48



hours in advance before the start of the AGM i.e by September 28, 2025, 05:30 P.M. IST. Such questions by the Members shall be taken up during the AGM and replied by the Company suitably.

Members, who would like to ask questions during the AGM, need to register themselves as a speaker by sending their request from their registered e-mail address mentioning their name, DP ID and Client ID number/ folio number and mobile number. The request shall reach the Company's email address i.e. investors@megrisoft.com at least 48 hours in advance before the start of the AGM i.e. by September 28, 2025, 05:30 P.M. IST. Those members who have registered themselves as a speaker shall be allowed to express their views or ask questions during the AGM.

The Company reserves the right to restrict the number of questions and number of speakers, depending on the availability of time for the AGM.

## **22. Voting through electronic means:**

All the shareholders of the Company, including retail individual investors, institutional investors, etc. are encouraged to attend and vote in the AGM to be held through VC/OAVM.

- I. In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force) and the Circulars, members are provided with the facility to cast their votes by electronic means through the Remote E-Voting platform provided by the CDSL. The Remote E-Voting period will commence on Saturday, September 27, 2025, at 09:00 A.M. IST and will end on Monday, September 29, 2025, at 05:00 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 of Tuesday, September 23, 2025 may cast their vote through Remote E-Voting. The Remote E-Voting module will be disabled by CDSL for voting thereafter. The voting shall not be allowed beyond the said date and time. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently. The manner of Remote E-Voting by members is provided in the 'Instructions for Remote E-Voting' section which forms part of this Notice.
- II. You can also update your mobile number and e-mail address in the user profile details of the folio, which may be used for sending future communication(s).
- III. The voting rights of shareholders shall be in proportion to their share of the paid up equity share capital of the Company as on the cut-off date of Tuesday, September 23, 2025. Any person who is not a member as on the cut-off date should treat the Notice for information purpose only.
- IV. Members who have cast their votes by Remote E-Voting prior to the AGM may also attend/participate in the AGM through VC/OAVM, but they shall not be entitled to cast their vote again in the AGM.
- V. The Scrutinizer shall, immediately after the conclusion of the E-Voting at the 34th AGM unblock the votes cast through Remote E-Voting and E-Voting at AGM and make a consolidated Scrutinizer's Report of the votes cast in favour or against, if any, not later than 2 working days in terms of the Listing Regulation or 3 days in terms of the Act, whichever is earlier, from the conclusion of the 34th AGM, to the Chairman of the Company or any other director/person duly authorized by him in writing, who shall countersign the same & declare the results of the voting forthwith.

23. Any person who becomes a member of the Company after dispatch of the Notice of the AGM and holding shares as on the cut-off date i.e. September 23, 2025 have the option to obtain user-ID & password by sending a request at legal@megrisoft.com and may follow the same instructions as mentioned above for e-voting.

24. A copy of this notice has been placed on the website of the Company at [www.megrisoft.com](http://www.megrisoft.com) and the website of CDSL at [www.cdslindia.com](http://www.cdslindia.com). Members holding shares in electronic mode are therefore requested to ensure to keep their email addresses updated with the depository participants. Members holding shares in physical mode are also requested to update their email addresses by writing to the RTA of the Company quoting their folio number(s).

25. The Company has appointed Mr. Vikas Wasson (Membership No.530011), Proprietor of M/s Vikas Wasson & Associates Chartered Accountants (FRN 026171N), H.No. 1945/8 Street No. 8, Preet Colony Opp. Civil Hospital Road, Ropar, Punjab 140001, as the Scrutinizer to scrutinize remote e-voting process and e-voting at the Meeting in a fair and transparent manner.

26. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of electronic voting for all those members who are present at the AGM but have not casted their votes by availing the Remote E-Voting facility.

27. The results shall be declared after the AGM of the Company within above stipulated time. The results declared along with the consolidated Scrutinizer's Report shall be placed on the Company's website [www.megrisoft.com](http://www.megrisoft.com) and on the website of CDSL and communicated to the Stock Exchanges.
28. The Register of members & Share Transfer books will remain closed from Wednesday, September 24, 2025 to Tuesday, September 30, 2025 (both days inclusive).
29. In support of the Green Initiative, the Notice of AGM and the copies of audited standalone & consolidated financial statements, directors' report, auditors' report etc. will also be displayed on the website at [www.megrisoft.com](http://www.megrisoft.com) of the Company. Members holding shares in electronic mode are therefore requested to ensure to keep their email addresses updated with the depository participants. Those members who have not registered their e-mail addresses and mobile nos. and in consequence could not be served the Annual Report and Notice of e-AGM, may temporarily get themselves registered by writing to the Company or RTA quoting their folio number(s).

**STATEMENT / EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 AND ADDITIONAL INFORMATION AS REQUIRED UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND CIRCULARS ISSUED THEREUNDER**

The following explanatory statement sets out all material facts relating to the business mentioned under Items No. 3 and 4 of the accompanying Notice:

**Item No. 3 -Appointment of Secretarial Auditors**

Pursuant to Section 204 of the Companies Act, 2013 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), every listed entity shall undertake a secretarial audit and annexe such report with the annual report of the listed entity.

Further, pursuant to Regulation 24A of the Listing Regulations, a listed entity is required to appoint a Peer Reviewed Company Secretary or a firm of Company Secretaries as a Secretarial Auditor with the approval of shareholders in its Annual General Meeting.

The Board of Directors, at its meeting held on 19th May, 2025 has, considering the expertise and experience and on the recommendation of the Audit Committee, recommended to the members of the Company, the appointment of K V Bindra & Associates., Practising Company Secretaries as the Secretarial Auditor of the Company for a term of four (4) consecutive financial years commencing from the financial year 2025-26 to the financial year 2028-29.

K V Bindra & Associates, the firm has vast experience in secretarial audits, certifications, consulting, advisory and related services and has conducted secretarial audits for some of the largest companies across various sectors.

K V Bindra & Associates have consented to their appointment as Secretarial Auditor, if appointed and have confirmed that they are eligible for appointment as a Secretarial Auditor and are free from any disqualifications as specified by SEBI.

K V Bindra & Associates have also provided confirmation that the firm holds a valid certificate of 'Peer Review' issued by the Institute of Company Secretaries of India.

Given the experience, expertise and considerable time and effort involved, the proposed fee for the Secretarial Auditor for the financial year 2025-26 is Rs 0.40 lakh, excluding applicable taxes and out-of-pocket expenses. The remuneration for the subsequent years of their term shall be fixed by the Board of Directors based on the recommendation of the Audit Committee of the Company.

The Board of Directors is authorised to alter the terms and conditions of appointment, including any revision in the remuneration, etc. in such manner and to such extent as may be mutually agreed between the Board of Directors and Secretarial Auditor, based on the recommendation of the Audit Committee.

None of the Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution.

The Board commends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the members.

**Item No. 4 - To Approve Related Party Transaction(s) Between Megrisoft Limited, a Wholly-Owned Material Subsidiary of the Company Incorporated in the United Kingdom, and Maison Neena Limited**

The Members of the Company are informed that Megrisoft Limited, United Kingdom (“Megrisoft UK”) incorporated in the United Kingdom under the Registrar of Companies for England and Wales, is a wholly-owned material subsidiary of Megri Soft Limited (“the Company”).

Ms. Aprajita Kohli, who is a Director on the Board of both Megri Soft Limited and Megrisoft Limited in United Kingdom, is also a promoter and director of Maison Neena Limited, a company incorporated in the United Kingdom. Mr. Mohnesh Kohli, father of Ms. Aprajita Kohli, is also a Director on the Board of Megri Soft Limited and Megrisoft Limited in United Kingdom. Accordingly, both Ms. Aprajita Kohli and Mr. Mohnesh Kohli are deemed to be interested in the proposed related party transaction.

In the ordinary course of business, Megrisoft Limited in United Kingdom proposes to avail certain IT/ITES services from Maison Neena Limited in United Kingdom during the financial year 2025-26. Since Maison Neena Limited is an entity in which a Director of the Company (and her relative, who is also a Director) are interested, it qualifies as a related party in terms of Regulation 2(1)(zb) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and Section 2(76) of the Companies Act, 2013. Accordingly, the proposed transaction(s) between Megrisoft Limited in United Kingdom and Maison Neena Limited in United Kingdom fall within the scope of “Related Party Transactions.”

As per the provisions of Regulation 23(4) of the SEBI Listing Regulations, all material related party transactions require the prior approval of the shareholders of the listed company, even if the transaction is being undertaken through its subsidiary. The Audit Committee and the Board of Directors of the Company (excluding the interested Directors) have reviewed and approved the proposed transaction(s) and recommend the same for the approval of the Members by way of an ordinary resolution.

Pursuant to Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014 and SEBI Circular SEBI/HO/CFD/CMD1/ CIR/P/2021/662, dated November 22, 2021, the Particulars of transactions to be entered into by the Company with related parties are as under:

Name of Related Party	Maison Neena Limited
Nature of Relationship, including nature of interest, financial or otherwise)	Ms. Aprajita Kohli – Director of Megri Soft Limited & Megrisoft Limited in UK, and Promoter & Director of Maison Neena Limited. Mr. Mohnesh Kohli Father of Ms. Aprajita Kohli and Director of Megri Soft Limited & Megrisoft Limited in UK
Aggregate maximum value of the contract/ arrangement/ transaction (from time to time) (Rs. in Crores)	Availing of IT/ITES services by Megrisoft Limited in UK from Maison Neena Limited during FY 2025-26 Up to GBP 20,000
Nature and material terms of contract/ arrangement/ transaction	Buying of IT/ITES Services

Details of the proposed transactions with Maison Neena Limited in UK being a related party of the Company, including the information pursuant to the SEBI master circular no. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 (inter-alia consolidating the requirements of the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021), are as follows:

S.N.	Description	Details
1.	Details of the Summary of information provided by the Management to the Audit Committee	
a.	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise);	Maison Neena Limited, UK – Related party by virtue of Ms. Aprajita Kohli (Director of Megri Soft Ltd & Megrisoft UK, Promoter & Director of Maison Neena Ltd) and Mr. Mohnesh Kohli (Director of Megri Soft Ltd & Megrisoft UK, father of Ms. Aprajita Kohli).
b.	Name of the director or key managerial personnel who is related, if any	Ms. Aprajita Kohli and Mr. Mohnesh Kohli.
c.	Nature, material terms, monetary value and particulars of contracts or arrangements	Availing IT/ITES services by Megrisoft UK from Maison Neena Ltd; ordinary course of business; at arm’s length; value not exceeding GBP 20,000 (~INR equivalent); no advance payment.
d.	Tenure of the transaction	FY 2025–26 (from conclusion of 34th AGM till 35th AGM)
e.	Value of transaction	Up to GBP 20,000 (approx. INR 23.45 lakhs).

f.	Percentage of annual consolidated turnover of FY 2024- 25 as the immediately preceding financial year	Transaction value will be 6.60% of Consolidated Turnover of 2024-25
2.	Justification for the transaction	The transaction is necessary for business operations, enabling Megrisoft UK to avail specialized IT/ITES services at arm's length, supporting efficiency and growth.
3.	Details of transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:	
a.	Details of the source of funds in connection with the proposed transaction	Not Applicable
b.	where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments - nature of indebtedness; - cost of funds; and - tenure	
c.	applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	
d.	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	
e.	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered e-mail address of the shareholder	
4.	Any other information that may be relevant	All important information forms part of the Statement setting out Material Facts pursuant to Section 102(1) of the Companies Act 2013 which have been mentioned in the foregoing paragraph.

**None of the Directors, Key Managerial Personnel or their relatives of the Company, except Ms. Aprajita Kohli and Mr. Mohnesh Kohli (being directors interested as stated above), are concerned or interested, financially or otherwise, in the resolution set out at Item No. 4.**

The Members may note that in terms of the provisions of the SEBI Listing Regulations, the related parties as defined thereunder (whether such related party(ies) is a party to the aforesaid transactions or not), shall not vote to approve Resolution under Item No.4.

**The Board of Directors recommends the resolution as set out at Item No. 4 of the Notice for the approval of the Members as an Ordinary Resolution.**

Place: Chandigarh  
Date: August 28, 2025

**Registered Office:**  
S.C.O. 80, Sector 47- D  
Chandigarh(UT) 160047  
CIN:L72200CH1992PLC011996  
Website: [www.megrisoft.com](http://www.megrisoft.com)  
Email: legal@megrisoft.com  
Tel.: 91-172-2631550

**By order of the Board of Directors**

-  
**(Saloni Garg)**  
Membership No. ACS A33867  
Company Secretary and Compliance Officer

**THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM/EGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:**

**Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.**

**Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.**

(i) The voting period begins on Saturday, September 27, 2025, at 09:00 A.M. IST and will end on Monday, September 29, 2025, at 05:00 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 of Tuesday, September 23, 2025 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

**Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.**

(iv) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<p>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsi website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; My Easi New (Token) Tab.</p> <p>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at cdsi website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; My Easi New (Token) Tab and then click on registration option.</p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>

Individual Shareholders holding securities in demat mode with NSDL Depository	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS “Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</p> <p>4) For OTP based login you can click on <a href="https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp">https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp</a>. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 21 09911
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at : 022 - 4886 7000 and 022 - 2499 7000

**Step 2 :** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

**(v) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on “Shareholders” module.
- 3) Now enter your User ID

- a. For CDSL: 16 digits beneficiary ID,
- b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

4) Next enter the Image Verification as displayed and Click on Login.

5) 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 e-voting of any company, then your existing password is to be used.

6) If you are a first-time user follow the steps given below:

	<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	<p>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.</p> <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.</li> </ul>

(vi) After entering these details appropriately, click on “SUBMIT” tab.

(vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.

(viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(ix) Click on the **EVSN 250823023** for the relevant <Megri Soft Limited> on which you choose to vote.

(x) 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.

(xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

(xii) 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.

(xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

(xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.

(xv) 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.

(xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

(xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.

- 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 will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, 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.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [legal@megrisoft.com](mailto:legal@megrisoft.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

#### **INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **07 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **07 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [legal@megrisoft.com](mailto:legal@megrisoft.com). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

#### **PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective **Depository Participant (DP)**.
3. **For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.**

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 21 09911

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 1800 21 09911.





## Board's Report

Dear Members,

The Board of Directors of your Company take pleasure in presenting the 34th Annual Report on the business and operations of the Company together with the audited Standalone and consolidated Financial Statements and the Auditor's Report thereon for the financial year ended March 31, 2025.

The results of operations for the year under review are given below:

### ➤ Results of operations

Particulars	Standalone		Consolidated	
	FY 2024-25	FY 2023-24	FY 2024-25	FY 2023-24
1. Revenue	299.80	276.12	355.64	338.30
2. Other Income	5.55	6.00	5.55	6.00
<b>3. Total Income (1+2)</b>	<b>305.35</b>	<b>282.12</b>	<b>361.19</b>	<b>344.30</b>
Expenditure:				
a) Employees Benefits Expenses	111.95	53.12	138.13	80.78
b) Depreciation and Amortization expenses	10.37	8.91	11.40	9.79
c) Finance Cost	0	0	0	0
d) Other Expenses	118.39	137.37	137.92	162.32
<b>4. Total Expenditure</b>	<b>240.71</b>	<b>199.40</b>	<b>287.45</b>	<b>252.89</b>
<b>5. Earnings Before Interest and Tax (EBIT) (3-4)</b>	<b>64.64</b>	<b>82.72</b>	<b>73.74</b>	<b>91.41</b>
<b>6. Exceptional Item</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>7. Net Profit before tax (5-6)</b>	<b>64.64</b>	<b>82.72</b>	<b>73.74</b>	<b>91.41</b>
8. Tax Expenses	16.67	21.47	18.23	23.14
<b>9. Net Profit After Tax (7-8)</b>	<b>47.97</b>	<b>61.25</b>	<b>55.51</b>	<b>68.27</b>
<b>10. Other Comprehensive Income (Net of Tax)</b>	<b>0.20</b>	<b>1.03</b>	<b>0.20</b>	<b>1.03</b>
<b>11. Total Comprehensive Income (9+10)</b>	<b>48.17</b>	<b>62.28</b>	<b>55.71</b>	<b>69.30</b>

### ➤ Financial Review

#### Standalone Financial Statements

The annual audited Standalone Financial Statements for the year have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind-AS) prescribed under Section 133 of the Companies Act, 2013, and other recognised accounting practices and policies to the extent applicable. Necessary disclosures as regards the key impact areas & other adjustments upon transition to Ind-AS reporting have been made under the Notes to Financial Statements. Your Company's revenue from operations is ₹ 299.80 Lakh during the year under review as against ₹276.12 Lakh during the previous financial year. Operating EBIT for the year is ₹ 64.64 Lakh compared to ₹ 82.72 Lakh in FY 2023-24. Profit before tax (PBT) from ordinary activities (before exceptional items) is ₹ 64.64 Lakh in FY2024-25 as against ₹ 82.72 Lakh in FY 2023-24

#### Consolidated Financial Statements

The Consolidated Financial Statements have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS), prescribed under Section 133 of the Companies Act, 2013, and other recognised accounting practices and policies to the extent applicable. The Consolidated Financial Statements have been prepared on the basis of the audited financial statements of the wholly owned subsidiary (Megrisoft Limited) incorporated in the United Kingdom, as approved by their respective Board of Directors. On a consolidated basis, your Company achieved net revenue of ₹355.64 Lakh during the year under review as against ₹ 338.30 Lakh during the previous financial year. The total consolidated income for the year is ₹ 361.19 Lakh compared to ₹ 344.30 Lakh in FY 2023-24.

### ➤ Dividend

In order to strengthen the financial position of the Company, your directors proposed to retain the profits for future growth & expansions; therefore do not recommend any dividend for the year.

### ➤ Transfer to Reserves

During the year under review, the balance in Other Equity stands at ₹ 1880.72 Lakhs. The Board of Directors of your company has decided not to transfer any amount to the Reserves for the year under review.

### ➤ Share Capital

There have been no changes in the authorized share capital, issued, subscribed and paid-up share capital during the year under review. The authorized share capital was ₹ 3,30,00,000/- divided into 33,00,000 equity shares of ₹10/- each, and the issued, subscribed, and paid-up share capital remained ₹ 3,14,07,000/- divided into 31,40,700 equity shares of ₹ 10/- each, fully paid.

## ➤ Listing of Shares

The Company's shares are listed on Bombay Stock Exchange Ltd. (BSE) & Metropolitan Stock Exchange of India Limited (MSEI). The annual listing fees of BSE and MSEI have been paid.

**BSE Limited,**  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai-400 001  
Email Id: corp.compliance@bseindia.com  
Script Code: 539012

**Metropolitan Stock Exchange of India Ltd.**  
205(A), 2nd floor, Piramal Agastya Corporate Park,  
Kamani junction, LBS Road,  
Kurla(West), Mumbai – 400070  
Email ID: listingcompliance@msei.in  
Symbol: MEGRISOFT

## ISIN Code Of The Company

The ISIN of the Company on both the depositories, i.e. NSDL and CDSL, is **INE756R01013** and **BSE Code: 539012** **MSEI Symbol: MEGRISOFT**

## ➤ Fixed Deposits

During the year under review, your Company has not invited or accepted any Deposits from the public/members pursuant to the provisions of Sections 73 and 76 of the Companies Act, 2013, read together with the Companies (Acceptance of Deposits) Rules, 2014.

## ➤ Operations Review

The Company has primarily one business segment of IT/ITES services and therefore has only one reportable segment with IND AS 108 "Operating Segment".

## ➤ Annual Return

The Annual Return of the Company as on March 31, 2025, in Form MGT - 7 in accordance with Section 92(3) of the Act read with the Companies (Management and Administration) Rules, 2014, is available on the website of the Company at [www.megrisoft.com/investors](http://www.megrisoft.com/investors)

## ➤ Details of Subsidiaries

The Company incorporated a wholly owned subsidiary, "Megrisoft Limited", in London, United Kingdom, under the Registrar of Companies for England and Wales on October 18, 2016. During the year, the Board of Directors reviewed the affairs of the subsidiaries. In accordance with Section 129(3) of the Act, we have prepared the Consolidated financial statements of the Company, which form part of this Integrated Annual Report. Further, a statement containing the salient features of the financial statements of our subsidiary in the prescribed format AOC-1 is appended as Annexure 1 to the Board's report. The statement also details the performance and financial positions of the wholly owned subsidiary and their contribution to the company's overall performance.

The requirements with respect to the subsidiary companies in terms of Regulation 24 of the Listing Regulations have been complied with. In terms of Regulation 16(1)(c) of the Listing Regulations, the Company has adopted a 'Policy on Material Subsidiary'. The Policy on Material Subsidiary is available on the Company's weblink a <https://www.megrisoft.com/investors>

## ➤ Particulars of Loans, Guarantees or Investments in Securities

The particulars of investments made are given in the notes to the standalone financial statements. (Please refer to Note No. 4 to the standalone financial statements). The company has not given any loans nor provided any securities or guarantees.

## ➤ Particulars of Contracts & Arrangements made with Related Parties.

In compliance with the requirements of the Listing Regulations, the Board of Directors has adopted a policy on materiality of Related Party Transactions and also on dealing with all Related Party Transactions ('RPT' Policy) to ensure the proper approval and reporting of such transactions. Transactions are considered to be appropriate only if they are in the best interest of the Company and its shareholders. As per the provisions of the Act and the Listing Regulations, your Company has formulated a Policy on Related Party Transactions, also available on the Company's website at <http://www.megrisoft.com/pdfs/rptp.pdf>.

The Policy intends to ensure proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties. This Policy specifically deals with the review and approval of Material Related Party transactions, keeping in mind the potential or actual conflicts of interest that may arise because of entering into these transactions. All Related Party Transactions are placed before the Audit Committee for review and approval. Form AOC-2 pursuant to Section 134(3)(h) of the Act, read with Rule 8(2) of the Companies (Accounts) Rules, 2014, is set out in the "Annexure II" to this report.

There were no materially significant related party transactions that may have a potential conflict with the interests of the Company at large. Details of all related party transactions, i.e. transactions of the Company, with its Promoters, the Directors or the management, their subsidiaries or relatives etc., are present under Note No.30 to the Standalone Financial Statements of the Annual Report.

## ➤ Disclosure of Accounting Treatment in Preparation of Financial Statements.

The financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, along with the presentation requirements of Schedule III (Division II) of the Act. All assets and liabilities have been classified as current or non-current in line with the Company's operating cycle and the criteria specified in Schedule III (Division II). Considering the nature of services and the time between rendering of services and their realization in cash or cash equivalents, the Company has determined its operating cycle to be twelve months for the purpose of such classification.

## ➤ Certificate For Non-Disqualification Of Directors

M/s K V Bindra & Associates, Practising Company Secretaries, have issued a certificate confirming that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as Directors by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any other statutory authority. The said certificate is annexed to this Report.

## ➤ Material changes and commitments, if any, affecting the financial position of the Company occurred between the end of the Financial Year to which this financial statement relates and the date of the report:

There have been no material changes affecting the financial position of the Company which have occurred between the end of the financial year of the Company and the date of the Report.

As required under section 134(3) of the Act, the Board of Directors informs the members that during the financial year, there have been no material changes, except as disclosed elsewhere in the report:

- In the nature of the Company's business
- In the nature of subsidiary business carried out by them and
- In the classes of business in which the Company has an interest

## ➤ Future Outlook

In recent years, the Company has made substantial strides in expanding its portfolio of services, including SEO, web design and development, AI solutions, app development, digital marketing, and IT services, across the United Kingdom (UK), the USA, and European countries. To bolster its market presence and capitalize on growth opportunities, the Company has established a wholly-owned subsidiary in London, UK, strategically positioning itself further to expand its business operations in the UK and Europe. Building on this strong foundation, the Company is set to enhance and diversify its service offerings, with a focus on digital marketing, web and app development, and IT-enabled services (ITES). This strategic expansion aims to solidify the Company's reputation as a leading provider of comprehensive digital solutions in these key global markets, driving sustained growth and innovation in the years to come.

## ➤ IT Unit at I.T. City, SAS Nagar, Punjab

Last year, we had informed our stakeholders about the commissioning of our new 57,000 sq. ft. IT/ITES facility at I-46, Sector-83 Alpha, I.T. City, SAS Nagar (Mohali), Punjab. The unit commenced commercial operations on October 1, 2023, and continues to play a pivotal role in strengthening our technology-led service offerings.

During the year under review, the Company achieved an important milestone in relation to this facility. We have complied with all the conditions of allotment and related requirements stipulated by the Greater Mohali Area Development Authority (GMADA). After obtaining GMADA's approval for the conversion of the plot from leasehold to freehold, the conveyance deed for the plot was duly executed on November 13, 2024, in favour of the Company.

With this, the SAS Nagar unit now stands on a freehold property owned by the Company, further consolidating our asset base and providing long-term security of tenure. This development reinforces our commitment to strengthening infrastructure, ensuring compliance with all regulatory frameworks, and creating a sustainable foundation for our future growth.

Currently, one floor of the facility is operational for IT/ITES activities, while the interior works for the remaining floors are progressing in phases. Once fully functional, this state-of-the-art facility will serve as a critical hub for our operations, enabling us to enhance our business capabilities significantly. The expanded space and advanced infrastructure will allow us to integrate and deploy new technologies, including AI-driven solutions, cloud computing, and advanced application development. This investment positions us to meet better the growing demands of our global clients, foster innovation, and drive the next phase of our growth—ensuring we remain at the forefront of the industry.

## ➤ Corporate Governance

Pursuant to provisions of SEBI (LODR) Regulations, 2015, the provision of Regulation 27(2) of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 regarding Corporate Governance Report is not applicable on our Company due to the applicability of the exemption provided under Regulation 15(2) of SEBI(LODR) Regulations, 2015.

As per Regulation 15(2) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the compliance with the Corporate Governance provisions as specified in regulations 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and paras C, D and E of Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 shall not apply.

Brief Details of Company's Paid-Up Equity Share Capital and Net Worth as on the Financial Year March 31, 2025,

Relevant Particulars of Balance Sheet	Standalone Balance Sheet	Consolidate Balance Sheet
	As on 31.03.2025 (In Crores)	As on 31.03.2025 (In Crores)
<b>Paid Up Equity Share Capital</b>	3.14	3.14
<b>Net Worth</b>	21.95	22.37

Accordingly, it may be noted that our company's paid-up Share Capital is below Rs. 10 Crores, and its Net Worth does not exceed Rs. 25 Crores and hence, compliance or disclosure in relation to the Compliance Report on Corporate Governance is not applicable to the Company.

## ➤ Management Discussion And Analysis

The Management Discussion and Analysis Report for the year under review, as stipulated by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is presented in a separate section forming part of this Annual Report.

## ➤ Risk Management

Risks are inherent to our business as our operating environment is complex, highly regulated, and dynamic. To attain our strategic growth objectives, protect the interests of all our stakeholders, and meet legal requirements, we have an established process for identifying, analyzing, and responding appropriately to all business risks.

We have a well-embedded Risk Management Framework to ensure we are well-placed to manage any adverse effects posed by financial, operational, strategic, or regulatory risks. Our framework adopts appropriate risk mitigation measures for identified risks across all functions. The process ensures that new risks that might arise, or the impact of existing risks that might have increased, are identified, and a strategy is put in place to mitigate them.

The major risks identified by the management are regulatory, competition, supply chain disruption, cyber and data security, and economic and political risks.

A review of the risk management policy is carried out annually by the Board of Directors, which oversees the company's risk management function. Our performance in the year is a testament to the strength of our risk management system.

## ➤ Internal Controls and Adequacy

Your Company has a robust and reliable system of internal controls commensurate with the business's nature and the operations' scale and complexity. The Company has adopted policies and procedures covering all financial, operating and compliance functions. These controls have been designed to provide reasonable assurance over:

1. Effectiveness and efficiency of operations
2. Safeguarding of assets from unauthorised use or losses
3. Compliance with applicable laws and regulations
4. Prevention and detection of fraud and errors
5. Accuracy and completeness of the accounting records
6. Timely preparation of reliable financial information

The current system of Internal Financial Controls (IFC) is aligned with the requirements of the Companies Act 2013 and is in line with the globally accepted risk-based framework. The Internal Audit (IA) function of the Company functionally reports to the Chairperson of the Audit Committee, thereby maintaining its objectivity. The IA function is supported by a dedicated internal audit team and resources from external audit firms across the locations. The annual internal audit plan is carved out from a comprehensively defined Audit Universe that encompasses all businesses, functions, risks, compliance requirements and maturity of controls. The Audit Committee approves the internal audit plan at the beginning of every year. Each quarter, the Audit Committee of the Board is presented with key control issues and the actions taken on issues highlighted in the previous reports. The Audit Committee deliberates with the management, considers the systems as laid down and meets the internal auditors and statutory auditors to ascertain their views on the internal control framework. The Company recognises that any internal control framework would have some inherent limitations. It has taught a process of periodic audits and reviews to ensure that such systems and controls are updated at regular intervals.

## ➤ Board of Directors

The Board of Directors ("Board") determines the purpose and values of the Company. The primary role of the Board is that of trusteeship to protect and enhance stakeholders' value through the strategic supervision of the Company and its subsidiaries. The Company is headed by a Board that exercises leadership integrity and judgment in directing to achieve continuing prosperity and to act in the best interest of the Company. The Board plays a critical role in overseeing how the management serves the short-term and long-term interests of shareholders and other stakeholders. This is reflected in the Company's governance practices, through which it strives to maintain an active, informed and independent Board. The Board ensures that the Company complies with all relevant laws, regulations, governance practices, secretarial, accounting and auditing standards. It identifies key risk areas and key performance indicators of the Company's business and constantly monitors these factors. The Board is entrusted with the ultimate responsibility of the management, general affairs direction and performance of the Company and has been vested with the requisite powers, authorities and duties.

## ➤ Board Size And Composition

The Board is at the core of the Company's corporate governance practices and oversees how the management serves and protects the stakeholders' long-term interests. The Company believes that an active, well-informed and independent Board is necessary to achieve the highest standards of corporate governance. The Board of the Company has an optimum combination of Executive Director, Non-Executive Non-Independent Directors and Independent Directors who have an in-depth knowledge of business and expertise in their areas of specialisation.

## ➤ Meetings of the Board

### ❑ Scheduling and selection of agenda items for Board meetings

- The meetings of the Board are convened by giving appropriate advance notice to the members of the Board. The Company Secretary circulates internal notice to all the Board members asking for suggestions/details of any matter which requires discussion or approval of the Board so that the same can be incorporated into the agenda of the Board meeting. The Board meeting date is fixed, considering the convenience and availability of the Board members.
- The agenda papers are circulated to the Directors in advance, along with suitable explanatory notes. At each meeting, detailed presentations and important documents are placed at the meeting table to discuss individual agenda items. The minutes of the Committees of the Board are taken as read at the meeting of the Board for information of the members. The follow-up actions of important agenda items of previous Board meetings are placed at the Board meeting for review by the Board.
- The Company Secretary conducts the Board meetings and prepares all documents, including meeting minutes, in compliance with the provisions of the Companies Act and other statutory enactments. The Company Secretary records minutes of proceedings of each Board and Committee meeting. Draft minutes are circulated to Board/Board Committee members for their comments. The minutes are entered in the Minutes Book within 30 days from the conclusion of the meeting.
- Pursuant to Schedule IV to the Companies Act, 2013 and Listing Regulations, one meeting of Independent Directors was held during the year i.e. on January 31, 2025, without the attendance of Executive directors and members of Management. In addition, the Company encourages regular separate meetings of its independent directors to update them on all business-related issues and new initiatives.
- During the Financial Year 2024-25, the Board met 7 (Seven) times. The maximum time gap between any two meetings did not exceed prescribed period of one hundred twenty days. The particulars of directors present at various Board and Committee meetings are given in the said Report.

### ◆ No. of Meetings Attended by the Board of Directors

S.No	Name of the Directors	Number of meetings attended
1.	Mohnesh Kohli	7
2.	Aprajita Kohli	1

3.	<b>Rajnesh Sharma</b>	<b>7</b>
4.	<b>Sahil Malhotra</b>	<b>7</b>
5.	<b>Raman Seth</b>	<b>6</b>
6.	<b>Diksha</b>	<b>3</b>

### General Meetings

During the Financial Year 2024-25, 1 (one) Meeting was held by the Company's Shareholders. The details of the Meetings are as follows:

S.No.	Meeting	Date of Meeting
1.	Annual General Meeting	30.09.2024

### ➤ COMMITTEES OF THE BOARD

During the year, the Board had the following Committees –

- 1) Audit Committee
- 2) Nomination & Remuneration Committee
- 3) Stakeholders Relationship Committee
- 4) Committee of Independent Directors

During the year, the Board had the Audit Committee, the Stakeholders' Relationship Committee, the Nomination & Remuneration Committee, and the Committee of Independent Directors. Each Committee has its defined terms of reference/charter. It has been assigned a scope of responsibilities, duties and authorities, which is reviewed by the Board, from time to time, to determine the appropriateness of the purpose for which the Committee was formed and further to keep abreast with the changing business environment and the statutes.

The composition of the Committees is in line with the requirements prescribed under applicable laws and regulations. The proceedings of each Committee meeting are placed before the Board at the following meeting for its information and noting. During the year under review, all mandatory recommendations made by the Committees were duly considered and accepted by the Board.

The Board of Directors determines the constitution of various Committees, their scope of work, and the terms of service of their members.

A summary of the roles, composition, number of meetings held during the financial year, and attendance of members at these meetings is presented below.

### ❑ Audit Committee

The company has an Audit Committee, as per the requirements of Regulation 18 of the Listing Regulations and Section 177 of the Act. The terms of reference of the Audit Committee include the matters specified under Regulation 18 and Part C of Schedule II of the Listing Regulations and Section 177 of the Act, as amended from time to time and other matters referred by the Board.

### Composition of the Committee

As of 31 March 2025, the Company's Audit Committee comprises the following members of the Board of Directors.

S. No	Name of the Committee member	Category
1.	Mr. Mohnesh Kohli	Non-Executive Director
2.	Mr. Sahil Malhotra	Non-Executive & Independent Director
3.	Mr. Raman Seth	Non-Executive & Independent Director
4.	Ms. Diksha	Non-Executive & Independent Director

All members of the Audit Committee are financially and secretarially literate, with the ability to read and interpret financial statements. A majority of the Committee members have expertise in accounting or financial management. The Company Secretary of the Company serves as the Secretary to the Committee. Ms. Diksha (DIN: 07072776) had been appointed on September 30, 2024, as an Independent and Non-Executive Director of the Company.

### Meetings and attendance during the year

During the period under review, seven (7) meetings were held. The attendance of members is as follows:

S. No	Name of the Committee member	No. of meetings held during the tenure	No. of meetings attended	% of attendance
1.	Mr. Mohnesh Kohli	7	7	100%

2.	Mr. Sahil Malhotra	7	7	100%
3.	Mr. Raman Seth	7	7	100%
4.	Ms. Diksha	3	3	100%

#### Brief Description Of Terms Of Reference

The Audit Committee's functions and responsibilities cover a wide range of areas, including the review of the Company's financial reporting processes, internal controls and related party transactions. The Committee also oversees matters relating to insider trading, disclosures in financial statements, the Management Discussion and Analysis Report, and the appointment of statutory, secretarial, and internal auditors. In addition, the Committee discharges such other responsibilities as are prescribed under Section 177 of the Companies Act, 2013, and Regulation 18 read with Part C of Schedule II of the SEBI Listing Regulations.

The Audit Committee is empowered to discharge the specific duties and responsibilities outlined in its Charter.

The highlights of the terms of reference of the Audit Committee are enumerated below:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. To discuss and review with the management and auditors the annual and quarterly financial statements prior to submission to the Board for approval, with specific focus on: items required to be included in the Directors' Responsibility Statement; disclosures under the Management Discussion and Analysis on financial condition and results of operations; major accounting entries and significant audit adjustments; compliance with listing and other legal requirements; disclosure of related party transactions; matters arising from the audit report; inter-corporate loans and investments; and the appointment of the Chief Financial Officer.
3. Reviewing and monitoring the auditor's independence and performance, and the effectiveness of the audit process;
4. To recommend appointment/re-appointment, removal, and audit fee of Statutory/ Secretarial/ Internal Auditors;
5. Review the financial statements, in particular, the investments made in unlisted companies;
6. Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
7. Review the functioning of the Whistle-Blower Mechanism.
8. To oversee compliance with regulatory requirements and policies;
9. To review and approve all related party transactions or any subsequent modification thereof;
10. Review management letters/ letters of internal control weaknesses issued by statutory/ internal auditors and evaluation of internal financial controls;
11. Consider and comment on the rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation, etc. on the company and its shareholders.
12. Formulating policies and supervising the implementation of the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, along with the Company's Code of Conduct for Prevention of Insider Trading and the Code of Corporate Disclosure Practices
13. The Audit Committee may also review such matters as are considered appropriate by it or referred to it by the Board.

In line with its terms of reference, the Audit Committee is empowered to:

- (i) investigate any matter falling within its scope and obtain such information as it may require from any employee; and
- (ii) seek legal or other independent professional advice and, where necessary, invite external experts with relevant experience to participate in its deliberations.

During the year, all recommendations made by the Audit Committee were accepted by the Board.

#### ☐ Nomination & Remuneration Committee

The composition and terms of reference of the Nomination and Remuneration Committee (NRC) are in accordance with Section 178(1) of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II of the SEBI Listing Regulations.

#### Composition of the Committee

As of 31 March 2025, the Company's Nomination & Remuneration Committee (the 'NRC') comprises the following members of the Board of Directors.

S. No	Name of the Committee member	Category
1.	Mr. Mohnesh Kohli	Non-Executive Director
2.	Mr. Sahil Malhotra	Non-Executive & Independent Director
3.	Mr. Raman Seth	Non-Executive & Independent Director
4.	Ms. Diksha	Non-Executive & Independent Director

Pursuant to provisions of Regulation 19 of the Listing Regulations, all the members of the Nomination and Remuneration Committee of the company are non-executive independent directors of the company. The Company Secretary of the company acts as the Secretary to the Committee.

#### Meetings and attendance during the year

During the period under review, three (3) meetings were held. The attendance of members is as follows:

S. No	Name of the Committee member	No. of meetings held during the tenure	No. of meetings attended	% of attendance
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1.	Mr. Mohnesh Kohli	3	3	100%
2.	Mr. Sahil Malhotra	3	3	100%
3.	Mr. Raman Seth	3	3	100%
4.	Ms. Diksha	1	1	100%

#### Brief Description Of Terms Of Reference

As per its Charter approved by the Board, the NRC is responsible for framing criteria for determining the qualifications, positive attributes, and independence of directors, as well as identifying, screening, and reviewing candidates for directorships and senior management positions.

#### The Terms Of Reference Of The NRC, Primarily Include The Following:

1. Assisting the Board with respect to its composition to ensure that the Board is of a size and composition conducive to making appropriate decisions;
  2. Reviewing the structure of Board Committees and recommending the appointment of their members and chairpersons.
  3. Ensuring that effective induction and education procedures exist for new Board appointees and Senior Management;
  4. Ensuring the establishment of proper procedures for assessing, reviewing, and evaluating the performance of Directors, Senior Management, Board Committees, and the Board as a whole.
  5. To formulate and recommend to the Board a remuneration policy for the Directors, Key Managerial Personnel and other employees;
  6. To recommend to the Board on all remuneration in whatsoever form, payable to Senior Management;
  7. Ensuring that the remuneration of Directors, Key Managerial Personnel, and Senior Management maintains an appropriate balance between fixed and variable components, aligning short-term and long-term performance objectives with the Company's overall goals.;
  8. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
  9. Devising a policy on diversity of the Board of Directors;
  10. Identifying individuals qualified for appointment as Directors or Senior Management, in line with the prescribed criteria, and recommending their appointment or removal to the Board.
  11. Whether to extend or continue the term of appointment of the Independent Director, based on the report of performance evaluation of the Independent Directors; and
  12. To assess the balance of skills, knowledge, and experience on the Board for each appointment of an Independent Director and, based on this assessment, define the role and capabilities required. Any person recommended for appointment as an Independent Director must possess the identified capabilities.
- For selecting suitable candidates, the Committee may:
- a) engage external agencies, if necessary;
  - b) consider individuals from diverse backgrounds to ensure broad representation; and
  - c) evaluate the time commitments of prospective candidates.

#### ❑ Stakeholders' Relationship Committee

In accordance with Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations, the Board has constituted a Stakeholders' Relationship Committee (SRC) to address matters concerning the interests of shareholders and other security holders. The Committee reviews and resolves investor grievances, including issues relating to share transfers, non-receipt of annual reports, and non-receipt of declared dividends.

#### Composition of the Committee:

As of 31 March 2025, the Company's Stakeholders' Relationship Committee (SRC) comprises the following members of the Board of Directors.

S. No	Name of the Committee member	Category
1.	Mr. Mohnesh Kohli	Non-Executive Director
2.	Mr. Sahil Malhotra	Non-Executive & Independent Director
3.	Mr. Raman Seth	Non-Executive & Independent Director
4.	Ms. Diksha	Non-Executive & Independent Director

#### Meetings and attendance during the year

During the period under review, four (4) meetings were held. The attendance of members is as follows:

S. No	Name of the Committee member	No. of meetings held during the tenure	No. of meetings attended	% of attendance
1.	Mr. Mohnesh Kohli	4	4	100%
2.	Mr. Sahil Malhotra	4	4	100%
3.	Mr. Raman Seth	4	4	100%
4.	Ms. Diksha	2	2	100%

## Brief Description Of Terms Of Reference

The role and terms of reference of Stakeholders' Relationship Committee are as follows:

1. Redressal of grievances of the members, including complaints related to the transfer/ transmission/transposition of names on the share certificates, issue of duplicate certificates/ letter of confirmation and new certificates on split/ consolidation/ renewal;
2. Collection and analysis of reports received periodically from the Registrar and Share Transfer Agent;
3. Matters related to non-receipt of balance sheets, annual report or any other documents or information sent by the company to the members.
4. Review of measures taken for the effective exercise of voting rights by the members.
5. It reviews compliance with the service standards adopted by the Company for services provided by the Registrar and Share Transfer Agent (RTA).

Details of grievances received and attended to by the Company during FY25 are given below.

## Status Of Complaints Received And Attended To During FY25

Complaints pending as on April 1, 2024	NIL
Complaints received during the year	NIL
Complaints resolved during the year	NIL
Complaints pending as on March 31, 2025	NIL

The company and its Registrar & Share Transfer Agent attend to all grievances received from the shareholders. Efforts are made to ensure that all the grievances of the shareholders are redressed expeditiously and satisfactorily. A separate e-mail, i.e., investors@megrisoft.com, has been designated by the company for the shareholders to lodge their complaints/ queries.

Shareholders holding shares in physical mode may address such correspondence either to the Company Secretary of the company or Beetal Financial & Computer Services (P) Limited (Registrar and Share Transfer Agent of the company). However, queries relating to non-receipt of annual reports and other related matters should be addressed to the company. Members are requested to indicate their DP ID & Client ID/ Ledger folio number in their correspondence with the company and to provide their email addresses and telephone numbers to facilitate prompt response from the company.

## SEBI Complaints Redressal System (SCORES):

The Company is registered on SCORES, SEBI's web-based platform for investor grievance redressal. SCORES enables centralized handling of complaints with features such as an integrated database, online submission of Action Taken Reports (ATRs) by the Company, and real-time access for investors to track the status of their complaints. During the year, the Company received zero (0) shareholder/investor complaints, all of which were resolved to the satisfaction of the shareholders. No complaint remained unattended or pending beyond the statutory timelines.

## ❑ Board Evaluation Process

Pursuant to the provisions of the Companies Act, 2013 and Rules made thereunder, Schedule IV of the Act and SEBI (LODR) Regulations, 2015, the Board of Directors has carried out an annual evaluation of its performance, Board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India (SEBI). The Board evaluated the performance of the Board after seeking inputs from all the directors on the basis of criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc. The board evaluates the performance of the committees after seeking input from the committee members on the basis of criteria such as the composition of committees, the effectiveness of committee meetings, etc. The Board and the Nomination and Remuneration Committee (NRC) reviewed the performance of the individual directors on the basis of criteria such as the contribution of the individual director to the Board and committee meetings, like preparedness on the issues to be discussed, meaningful and constructive contributions and inputs in meetings, etc. The Board of Directors had expressed their satisfaction with the overall evaluation process.

## ❑ Committee of Independent Directors

The company's Independent directors shall hold at least one meeting in a financial year without the attendance of non-independent directors and members of management. The meeting of Independent Directors of the Company for the Financial Year 2024-25 was held on **January 31, 2025**, to discuss:

- 1) Review and evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole.
- 2) Review of the performance of the Executive and Non-Executive Directors.
- 3) Assessment of the quality, quantity and timeliness of the flow of information between the Management and the Board.

## ➤ Familiarisation Programme for Independent Directors.

The Independent Directors are provided with necessary documents, reports and internal policies to enable them to familiarise themselves with the Company's procedures and practices. Further, periodic presentations are made at the Board and Committee meetings on business and performance updates of the Company, global business environment, business strategy and risks involved. Quarterly updates on relevant statutory changes are provided to the Directors in the Board meetings. Upon appointment, the Independent Directors are issued a letter of appointment describing the terms of employment, including their roles, functions, responsibilities and fiduciary duties as a Director of the Company.

## ➤ Declaration by Independent Directors

The Company has received a necessary declaration from each independent director that he/she meets the criteria of independence laid down in Section 149(6), Code for independent directors of the Act, and Regulation 16(1)(b) of the Listing Regulations. Further, in the opinion of the Board, the Independent Directors of the Company possess the requisite qualifications, expertise and experience (including the proficiency). They are persons of high integrity and repute.

## ➤ Disclosure Under Section 164(2) of the Companies Act, 2013

The Company has received the disclosure in Form DIR-8 from its Directors being appointed or reappointed and has noted that none of the Directors are disqualified under Section 164(2) of the Companies Act, 2013, read with Rule 14(1) of Companies (Appointment and Qualification of Directors) Rules, 2014.



➤ **Details Of Significant And Material Orders Passed By The Regulators/Courts/Tribunals**

During the year under review, the Company received a favourable order from the Hon'ble Commissioner of Income Tax (Appeals) for the Assessment Year 2020-21. The order disallows the addition of contingent tax liabilities as income. Consequently, the Company's contingent tax liability has been reduced by Rs. 55.39 lakhs. Expect this no significant and material orders have been passed by the regulators, courts or tribunals impacting the ongoing concern status and the Company's operations in the future.

➤ **Details Of Non-Compliance By The Company**

The Company has complied with the requirements of regulatory authorities. During FY25, there was no instance of non-compliance by the Company and hence no penalty or strictures were imposed on the Company by the Stock Exchanges, SEBI or any other statutory authority, on any matter related to capital markets.

➤ **Vigil Mechanism/Whistle Blower Policy**

Pursuant to Section 177(9-10) of the Companies Act, 2013 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has established a robust Whistle Blower Mechanism and policy to provide a structured process for reporting concerns related to unethical conduct, suspected fraud, or violations of the Company's Code of Conduct or Ethics Policy ("Protected Disclosure"). The objective of this policy is to create a safe and transparent channel for individuals to raise such concerns, ensure that they are addressed promptly and appropriately, and safeguard whistle-blowers from victimisation, harassment, or disciplinary action.

The said policy has been uploaded on the website of the Company at <https://www.megrisoft.com/pdfs/wbp.pdf>.

➤ **Risk Management Policy**

The Company has an effective risk management procedure governed at the highest level by the Board of Directors, covering the process of identifying, assessing, mitigating, reporting and reviewing critical risks impacting the achievement of the Company's objectives or threatening its existence.

To further strengthen & streamline the procedures about risk assessment and minimisation procedures, the Board of Directors has formulated a Risk Management Policy, which is available for viewing on the Company's website at the following link: <http://www.megrisoft.com/pdfs/rmp.pdf>

➤ **Internal Financial Control**

Your Company has established adequate internal financial controls concerning the financial statements. Such controls were tested during the year, and no reportable material weaknesses in the design or operation were observed. The Company has also put in place adequate systems of Internal Control to ensure compliance with policies and procedures commensurate with the size, scale and complexity of its operations.

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

➤ **Directors and Key Managerial Personnel (KMPs)**

At Megrisoft, it is our belief that a strong Board is imperative to create a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance.

The composition of the Board of Directors is in accordance with the provisions of Section 149 of the Act and Regulation 17 of the Listing Regulations, with an optimum combination of Executive Directors, Non-Executive Non-Independent Directors and Independent Directors. Details of the composition of the Board of Directors, appointments / re-appointments during the financial year under review, re-appointments after the close of the financial year, director(s) retiring by rotation and details of a declaration by Independent Directors, which forms part of this Annual Report

□ **Appointment**

- Ms. Diksha (DIN: 07072776) had been appointed on September 30, 2024, as an Independent and Non-Executive Director of the Company.
- The members in their 33rd Annual General Meeting th (AGM) held on 30 September 2024, approved the appointment of Ms. Aprajita Kohli (DIN: 02489600), who retired by rotation at said annual general meeting and being eligible, offered himself for re-appointment and re-appointment of Mr. Rajnesh Sharma (DIN:02528435) Whole Time Director (designated as "Chief Financial Officer") of the Company for a period of five years with effect from October 1, 2024, to September 30, 2029.
- The Board of Directors of the Company, on the basis of the recommendation of the Nomination and Remuneration Committee of the Company, had appointed Ms. Khushboo Goyal as the Company Secretary & Compliance Officer w.e.f. August 12, 2024, and resigned due to personal reasons on November 30, 2024.
- Board of Directors of the Company, on the basis of the recommendation of the Nomination and Remuneration Committee of the Company, had appointed Ms. Saloni Garg as the Company Secretary & Compliance Officer w.e.f January 31, 2025.

□ **Change in Designation**

During the year under review, there was no change in the designation of any director of the Company.

□ **Cessation**

- Ms. Manju Bala has resigned as Company Secretary and Compliance Officer w.e.f. 08th July 2024
- Ms. Khushboo Goyal has resigned as Company Secretary and Compliance Officer w.e.f. 30th November 2024

□ **Retirement by Rotation**

- The members in their 33rd Annual General Meeting (AGM) held on 30 September 2024, approved the appointment of Ms. Aprajita Kohli (DIN: 02489600), who retired by rotation at said annual general meeting and, being eligible, offered herself for re-appointment

## ❑ Key Managerial Personnel

The following persons have been designated as Key Managerial Personnel of the Company pursuant to Section 2(51) of the Act, read with the Rules framed thereunder:

S.No.	Name	Designation
1.	Mr. Rajnesh Sharma	Whole Time Director
2.	Mr. Rajnesh Sharma	Chief Financial Officer
3.	Ms. Saloni Garg	Company Secretary & Compliance Officer

\*Ms. Manju Bala has been appointed Company Secretary and Compliance Officer of the Company w.e.f. July 04, 2023, who has resigned from the said designation w.e.f. 08th July 2024. Further, Ms. Khushboo Goyal has been appointed Company Secretary and Compliance Officer of the Company w.e.f. August 12, 2024, who has resigned from the said designation w.e.f. 30th November 2024.

## ❑ Performance Evaluation of the Board

Listing Regulations laying down the key functions of the Board mandate that the Board shall monitor and review the Board Evaluation Process and stipulate that the Company's Nomination and Remuneration Committee shall lay down the evaluation criteria for the performance evaluation of Independent Directors. Section 134 of the Companies Act 2013 states that the Board needs a formal evaluation of its own performance and that of its committees and individual directors. Further, Schedule IV to the Companies Act 2013 states that the performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the director being evaluated. In accordance with the aforesaid provisions, the Board has carried out the annual performance evaluation of its performance, the Directors individually, as well as the evaluation of the working of its Committees.

## ❑ Annual Evaluation of the Board Performance:

Pursuant to Schedule IV of the Companies Act, 2013 and Listing Regulations, one meeting of Independent Directors was held during the year, i.e. on January 31, 2025, without the attendance of Executive directors and members of Management to evaluate the performance of Non-Independent Directors, Chairperson of the Company and the Board as a whole. In addition, the Company encourages regular separate meetings of its independent directors to update them on all business-related issues and new initiatives.

## ❑ Familiarization Program for Independent Directors

Pursuant to provisions of Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and Schedule IV of the Companies Act, 2013, the company has formulated 'Familiarisation Programmes' for the Independent Directors, and it may be accessed on the Company's website at <http://www.megrisoft.com/pdfs/fp-id.pdf>. Further, at the time of the appointment of an Independent Director, the company issued a formal letter of appointment outlining his/her role, function, duties & responsibilities.

## ❑ Company's Policy relating to Directors' appointment, payment of remuneration and discharge of their duties:

Pursuant to the provisions of Section 178 (1) of the Companies Act, 2013, the Board has, on the recommendation of the Nomination & Remuneration Committee, framed a policy for the selection, nomination, appointment and remuneration of Directors suitably containing the criteria determining qualifications, positive attributes and independence of a Director. The Nomination & Remuneration Policy is annexed hereto and forms part of this report as **Annexure III**, and it may also be accessed on the Company's website <https://www.megrisoft.com/pdfs/NMR-Poily.pdf>

## ➤ Auditors & Auditor's Report

### ❑ Statutory Auditor

M/s. Narinder Kumar and Company, Chartered Accountants (Firm Registration No. 030737N) were appointed as Statutory Auditors of the Company in the 33rd Annual General Meeting to hold office for a term of five consecutive years from the conclusion of the 33rd Annual General Meeting (AGM) till the conclusion of the 38th Annual General Meeting (AGM) of the Company.

The Statutory Auditors of the Company have submitted the Auditor's Report on the Financial Statements of the Company for the Financial Year ended March 31, 2025.

The Notes on financial statement referred to in the Statutory Auditors' Report, enclosed with the financial statements, are self-explanatory and do not call for any further comments. The Statutory Auditor's report does not contain any qualifications, reservations, adverse remarks, or disclaimers, which would be required to be dealt with in the Board's Report.

### ❑ Secretarial Auditor

Pursuant to provisions of Section 204 and other applicable provisions of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and basis the recommendation of the Board of Directors of the Company, K V Bindra & Associates., Practicing Company Secretaries, (COP 12962) (Membership No.: FCS 10074), be and are hereby appointed as Secretarial Auditor of the Company, for a term of four (4) consecutive financial years, commencing from the financial year 2025-26 to the financial year 2028-29, at such remuneration plus applicable taxes and on such terms and conditions as may be determined by the Governing Board (including its Committees thereof) and the Secretarial Auditor and to avail any other services, certificates, or reports as may be permissible under applicable laws

Further pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company has been appointed M/s K V Bindra & Associates, Company Secretaries in Practice (COP

12962) to undertake the Secretarial Audit of the Company for the financial year 2024-2025. M/s K V Bindra & Associates, Practicing Company Secretaries, have carried out the Secretarial Audit for the financial year ended March 31, 2025. The Secretarial Audit Report in Form No. MR-3 for the financial year ended 31st March, 2025, under the Act, read with rules made thereunder, is annexed herewith as Annexure IV and forms an integral part of this report.

There has been no qualification, reservation, adverse remark or disclaimer given by the Secretarial Auditor in his Report for the year under review and therefore, it does not call for any further comments.

## ❑ Internal Auditors

Pursuant to the provisions of Section 138 of the Companies Act, 2013, the Board of Directors of the Company has appointed M/s Vikas Wasson & Associates, Chartered Accountants (Firm Reg. No. 026171N) to conduct the internal audit of the Company for the financial year 2024-2025. M/s Vikas Wasson & Associates, Chartered Accountants, performs the duties of internal auditors of the Company for the financial year 2024-2025 and their report is reviewed by the audit committee.

The company has further appointed of M/s. Vikas Wasson & Associates Chartered Accountant (FRN: 026171N) as Internal Auditor of the Company for a period of five consecutive financial years from FY 2025–26 to FY 2029–30.

## ❑ Secretarial Standards

The company has established robust systems to ensure adherence to all applicable Secretarial Standards issued by the Institute of Company Secretaries of India ('ICSI') and approved by the Central Government. These systems are designed to facilitate compliance with the provisions of the Act, specifically Section 118(10), which mandates the observance of Secretarial Standards concerning General and Board Meetings.

To maintain effective implementation, the company regularly reviews and updates its internal processes to align with the evolving standards and best practices. This proactive approach ensures that the systems remain adequate and operate effectively, thereby upholding the highest standards of corporate governance.

## ❑ Reporting Of Frauds By Auditors

During the year under review, none of the auditors, viz. Statutory Auditors and Secretarial Auditors have reported to the Audit Committee, under Section 143(12) of the Act, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's Report.

## ❑ Maintenance of Cost Records

The provisions of maintenance of Cost Records as specified by the Central Government under subsection (1) of Section 148 of the Act are not applicable to the Company.

## ❑ Audit Reports

- The Auditors' Report for the financial year ended March 31, 2025, does not contain any qualification, reservation or adverse remark. The Auditor's Report is enclosed with the financial statements in this Annual Report.
- The Secretarial Auditor's Report for the financial year ended March 31, 2025, does not contain any qualification, reservation or adverse remark. The Secretarial Auditor's Report is enclosed as **Annexure IV** to the Board's report in this Annual report.

### ❖ REPORTING OF FRAUD BY AUDITORS

During the year under review, neither the statutory auditor nor the secretarial auditor has reported to the Audit Committee any instances of fraud committed against the Company by its officers or employees under Section 143 (12) of the Act, the details of which would need to be reported in the Board's Report.

### ❖ SECRETARIAL STANDARDS

The Company complies with all the mandatory secretarial standards issued by the Institute of Company Secretaries of India as applicable.

### ❖ LISTING ON STOCK EXCHANGES

The Company's equity shares are listed on BSE Limited (BSE) and Metropolitan Stock Exchange of India Limited (MSEI).

## ➤ Conservation of Energy, Research and Development, Technology Absorption, Foreign Exchange Earnings & Outgo

### ❑ Conservation of Energy and Technology Absorption

The particulars, as required under the provisions of Section 134(3) (m) of the Companies Act, 2013, concerning the conservation of energy and technology absorption, have not been furnished, considering the nature of activities undertaken by the company during the year under review. The Company is a Service Sector Company and does not own any manufacturing facility; hence, the clause is not applicable. Your Company continues to use state-of-the-art technology to improve the productivity and quality of its products and services. To create adequate infrastructure, your Company continues to invest in the latest hardware and software.

### ❑ Foreign Exchange Earnings and Outgo

The particulars regarding foreign exchange earnings during the year 201.26 Lakhs only (Previous Year 187.45 Lakhs) and expenditure in foreign currency is 6.00 Lakhs only (Previous year 5.89 Lakhs)

## ➤ Corporate Social Responsibility (CSR) Policy

The provisions regarding the formation/constitution of the CSR Committee prescribed under Section 135 of the Companies Act, 2013, are presently not applicable to the Company's Human Resources Management.

➤ **Human Resource Management**

Human resources management at Megri Soft Ltd. goes beyond the set boundaries of compensation, performance reviews and development. Your Company considers people its biggest assets, and 'Believing in People' is at the heart of its human resource strategy. Your Company has put concerted efforts in talent management and succession planning, practices, strong performance management and learning and training initiatives to ensure that your Company consistently develops inspiring, strong and credible leadership.

During the year, the focus of your Company was to ensure that young talent is nurtured and mentored consistently, that rewards and recognition are commensurate with performance and that employees have the opportunity to develop and grow. Your Company has established an organisational structure that is agile and focused on delivering business results.

Regular communication and sustained efforts ensure employees are aligned on common objectives and have the right information on business evolution. Your Company strongly believes in fostering a culture of trust and mutual respect in all its employees. It seeks to ensure that everyone understands the company's values and principles and is the reference point in all people's matters.

➤ **The Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Company has zero tolerance for sexual harassment for women at the workplace and has adopted a policy against sexual harassment in line with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, and rules framed thereunder. The Company has complied with provisions relating to the constitution of the Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the financial year 2024-2025, the Company has not received any complaint on sexual harassment and hence no complaint remains pending as of March 31, 2025.

➤ **Managerial Remuneration And Other Disclosures**

Disclosure pursuant to Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- (a) Ratio of the remuneration of each Director to the median remuneration of the employee's (MRE) and other details pursuant to Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed and forms part of this report as **Annexure V**.
- (b) The disclosure required under Section 197(12) of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable, as there were no employees of the Company drawing remuneration beyond the limits prescribed under the said Rules during the year under review.
- (c) In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered and Corporate office of the company during the working hours. Any member interested in obtaining a copy of the same may write to the company and obtain the copy within the statutory prescribed timeline.
- (d) No Director of the company, including its Managing Director or Whole-Time Director, is in receipt of any commission from the company or its subsidiary company.

➤ **Directors Responsibility Statement**

As required under Section 134(3)(c) of the Act, your Directors, to the best of their knowledge and belief and according to the information and explanations obtained by them, confirm that:

- A. In the preparation of annual accounts, the applicable accounting standards have been followed, along with proper explanation relating to material departures, wherever applicable, within the statutory prescribed timeline.;
- B. The Directors have selected such accounting policies and applied them consistently, and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2025, and of the profit of the Company for that year;
- C. 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.
- D. The Directors have prepared the Annual Accounts on a going concern basis.
- E. The Directors have laid down internal financial controls to be followed by the Company, and that such financial controls are adequate and are operating effectively;
- F. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors, including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by 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 FY 2024-2025.

➤ **General Disclosures**

Your Directors state that no disclosure or reporting is required in respect of the following items, as there were no transactions on these items during the year under review:

- 1) Details relating to deposits covered under Chapter V of the Act.
- 2) Issue of equity shares with differential rights as to dividend, voting or otherwise.
- 3) No material changes and commitments affecting the Company's financial position occurred between the end of the Financial Year to which these financial statements relate and the date of this report.
- 4) No change in the nature of the Business of the Company.

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

➤ **Code of Conduct**

The Board of Directors has approved a Code of Conduct that applies to the Members of the Board and all Senior Manager Personnel in the course of day-to-day business operations of the company. The Company believes in "Zero Tolerance" against bribery, corruption and unethical dealings/behaviours of any form, and the Board has laid down the directives to counter such acts. The Code has been posted on the Company's website. The Code lays down the standard procedure of business conduct which is expected to be followed by the directors and all Senior Manager Personnel in their business dealings and, in particular, on matters relating to integrity in the workplace, in business practices and in dealing with stakeholders.

➤ **Other disclosures**

1. Disclosures pertaining to compliance with Secretarial Standards: During the year under review, the Company has complied with the applicable Secretarial Standards
2. Details of deposits in terms of Rule 8(5) of the Companies (Accounts) Rules, 2014: During the year under review, the Company has not accepted any deposits falling within the purview of Section 73 of the Companies Act, 2013.
3. Details of equity shares with differential voting rights in terms of Rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014: During the year under review, the Company has not issued any equity shares with differential voting rights as to dividend, voting or otherwise
4. Details of sweat equity shares in terms of Rule 8(13) of the Companies (Share Capital and Debentures) Rules, 2014: During the year under review, the Company has not issued any sweat equity shares.
5. The Company has not reduced or bought back its share capital, has not changed the share capital structure from any restructuring.
6. The company's securities were not suspended for trading during the year.
7. Details of shares held in trust for the benefit of employees where the voting rights are not exercised directly by the employees in terms of Section 67 of the Companies Act, 2013: Not applicable.
8. The disclosure pertaining to explanation for any variations or deviation in connection with certain terms of a public issue, right issue, preferential issue etc is not applicable to the company.
9. The company has adopted a policy with regard to the determination of Material Subsidiaries in accordance with the Regulation 16 of the Listing Regulations. The requirements with respect to the subsidiary companies in terms of Regulation 24 of the Listing Regulations have been complied with.
10. Details pertaining to application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016): During the year under review, there are no proceedings admitted or pending against the Company under the Insolvency and Bankruptcy Code, 2016 before National Company Law Tribunal or other courts.
11. None of the Auditors of the Company have reported any fraud as specified under the second proviso of Section 143(12) of the Companies Act 2013.
12. Detailed reasons for revision of financial statements and report of the Board in terms of Section 131(1) of the Companies Act, 2013: The Company has not revised its financial statements or the Directors' Report during the year under review in terms of Section 131 of the Companies Act, 2013
13. The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking a loan from the Banks or Financial Institutions, along with the reasons thereof, is not applicable.

➤ **Appreciation**

We extend our deepest gratitude to our clients, vendors, investors, bankers, and employee volunteers for their unwavering support throughout the year. We proudly acknowledge and appreciate the invaluable contributions made by our employees at every level. It is their relentless dedication, unity, and collaboration that have been the driving forces behind our consistent growth and success. We also express our sincere thanks to the governments of the countries where we operate, whose support has been instrumental in our progress. Our continued achievements are a testament to the strength and commitment of all those who stand with us, and we remain profoundly grateful for their trust and partnership.

We extend our sincere gratitude to the governments of the various countries where we operate, whose support has been vital to our success. In particular, we thank the Government of India, with special acknowledgment to the Ministry of Communication and Information Technology, the Customs and Excise Departments, the Income Tax Department, the Ministry of Commerce and Industry, the Ministry of Corporate Affairs, the Ministry of Finance, the Reserve Bank of India, as well as the state governments, the Greater Mohali Area Development Authority (GMADA), the Software Technology Parks (STPs) in Mohali, Special Economic Zones (SEZs), and other government agencies. Their unwavering support has been instrumental in our achievements, and we look forward to their continued collaboration as we move forward.

**For and on behalf of the Board**

**Place: Chandigarh**  
**Date: 19.05.2025**

**Mohnesh Kohli**  
**Director**  
**DIN:01784617**

**Rajnesh Sharma**  
**Whole-Time Director**  
**DIN:02528435**





## **Management Discussion and Analysis**

Management Discussion and Analysis Report, as stipulated under Regulation 34 (2) (e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, forms part of this Annual Report.

### **➤ Overview**

Megri Soft Limited (“the Company”) is a listed multinational IT/ITES services and consulting company, recognized for delivering a wide range of digital solutions and web-based products that address the rapidly evolving needs of the global digital economy. Headquartered in Chandigarh and also IT Industry in Mohali, the Company has established itself as a trusted partner for businesses seeking innovation, scalability, and measurable results in the digital space.

Our service portfolio spans across web design and development, e-commerce solutions, SaaS platforms, mobile app development for iOS and Android, web hosting, domain registration, and advanced web programming. With a strong focus on digital transformation, we also specialize in artificial intelligence (AI) models and applications, accounting outsourcing, and the development of proprietary web tools and software solutions tailored to diverse industry requirements.

In the field of digital marketing, Megri Soft Limited continues to build on its expertise in search engine optimization (SEO), pay-per-click (PPC) advertising, social media management, link building, and comprehensive online reputation management. These services have enabled our clients to expand their digital footprint, attract targeted audiences, and enhance business outcomes.

During the year under review, the Company has actively expanded its IT/ITES service offerings, supported by the rising demand for digital adoption across industries in India and globally. The proliferation of smartphones, tablets, and high-speed connectivity, along with growing reliance on technology-enabled business solutions, has provided significant growth opportunities for our services.

In addition to client services, the Company continues to invest in and operate a portfolio of Indian and international web portals and vortals on varied subjects, strengthening its presence as a digital content and service provider.

Megri Soft Limited’s success is rooted in its ability to anticipate customer requirements, innovate continuously, and deliver value-driven solutions that combine technology with creativity. As we move forward, the Company remains committed to enhancing its service portfolio, adopting emerging technologies, and consolidating its leadership in the IT/ITES and digital services sector.

### **➤ Industry Structure and Development**

The global IT and IT-enabled Services (IT/ITES) industry continues to be a cornerstone of digital transformation, driving innovation across economies and businesses. The sector is characterized by rapid technological advancements, growing enterprise adoption of cloud, mobile, and AI solutions, and increasing reliance on digital platforms for both operational efficiency and customer engagement.

India remains one of the world’s leading destinations for IT/ITES services, backed by a strong talent pool, competitive costs, and a proven track record in delivering quality technology solutions. The Government of India’s continued focus on the Digital India initiative, expansion of broadband infrastructure, data protection frameworks, and policies promoting innovation and startups are further propelling the growth of the industry. Rising internet penetration, the increasing use of smartphones, and the adoption of 5G technology are creating new opportunities for businesses to connect with customers more effectively and scale operations seamlessly.

The digital services segment—covering web development, e-commerce platforms, SaaS projects, digital marketing, and AI-powered solutions—has emerged as one of the fastest-growing verticals. Enterprises, both in India and globally, are increasingly investing in robust online presence, data-driven marketing strategies, and intelligent automation to remain competitive. This has significantly expanded demand for services such as SEO, social media management, e-commerce enablement, and cloud-based solutions, areas where companies like Megri Soft Limited play a pivotal role.

At the same time, the industry is experiencing structural shifts with heightened focus on cybersecurity, compliance with global data privacy regulations (such as GDPR), and sustainable business practices. Outsourcing models are also evolving, with clients seeking not just cost advantages but also strategic partnerships that bring innovation, scalability, and measurable business outcomes.

Overall, the IT/ITES industry is well positioned for sustained growth, supported by strong domestic demand, global outsourcing opportunities, government initiatives, and the continued digitalization of businesses. For companies like Megri Soft Limited, this dynamic environment provides both opportunities and challenges, requiring continuous innovation, agility, and a deep understanding of client needs across diverse geographies.

### **➤ Opportunities and Threats**

#### **Opportunities**

Megri Soft Limited is well positioned to capitalize on the expanding global IT/ITES and digital services market. With its strong technological expertise and service portfolio spanning web development, digital marketing, SaaS, e-commerce, and AI solutions, the Company is prepared to address both domestic and international demand for next-generation digital transformation.

- 1. Expanding IT Export Market**  
India’s position as a global IT outsourcing hub provides significant opportunities. Megri Soft Limited, with its track record of delivering quality solutions, is well placed to expand its footprint in international markets.
- 2. Skilled and Committed Workforce**  
The Company’s pool of highly qualified, English-speaking professionals remains a cornerstone of growth. Their technical competence, adaptability, and commitment to work ethics ensure high standards of delivery, innovation, and client satisfaction.
- 3. 24x7 Service Advantage**  
Leveraging its strategic location and time zone advantage, the Company offers round-the-clock services, enabling faster turnaround times and providing



added value to global clients. This delivery model strengthens client trust and long-term partnerships.

4. **Digital Marketing and Online Visibility**

With businesses increasingly focusing on online branding and performance-driven marketing, demand for SEO, PPC, and social media services continues to grow. Megri Soft Limited's expertise in digital marketing positions it strongly in this high-growth area.

5. **E-commerce and Mobile Application Growth**

The surge in online shopping, mobile-first customer engagement, and digital payments creates opportunities for customized e-commerce solutions and mobile app development.

6. **Artificial Intelligence and SaaS Adoption**

The increasing reliance on AI-driven tools, automation, and SaaS platforms provides new avenues for service expansion. Megri Soft Limited's early adoption of AI and SaaS offerings allows it to serve clients seeking intelligent and scalable solutions.

7. **Government and Industry Support**

Initiatives such as Digital India, 5G rollout, and policies promoting startups and innovation provide a favorable environment for growth. These reforms further enhance opportunities for IT/ITES providers like Megri Soft Limited.

By combining its technological expertise, strong workforce, global delivery capability, and ability to adapt to emerging technologies, the Company is well placed to sustain growth and deliver long-term value to its stakeholders.

## Threats

While the IT/ITES and digital services industry offers vast potential, it also presents certain risks and challenges that may impact growth and operations of Megri Soft Limited. The key threats are as follows:

1. **Intense Competition**

The IT/ITES sector is highly competitive, with both domestic and international players offering similar services. Price pressures and the constant need to differentiate through innovation could affect profitability and market share.

2. **Rapid Technological Changes**

The industry is evolving at an unprecedented pace with emerging technologies such as AI, blockchain, and cloud automation. Inability to keep pace with these developments or invest in continuous innovation may pose a risk to sustaining leadership.

3. **Cybersecurity and Data Privacy Risks**

Increasing reliance on digital platforms brings heightened risks of cyberattacks, data breaches, and compliance requirements with global regulations (such as GDPR and data protection laws in multiple jurisdictions). Failure to safeguard client data could impact reputation and client trust.

4. **Talent Retention and Rising Costs**

The Company's growth depends significantly on its skilled workforce. Rising demand for qualified IT professionals has led to increased attrition and higher employee costs, which may impact margins and resource continuity.

5. **Regulatory and Policy Changes**

Changes in domestic and international tax laws, export regulations, visa restrictions, or compliance frameworks can affect business operations, particularly in the IT export segment.

6. **Global Economic Uncertainty**

Slowdowns in key international markets, currency fluctuations, inflationary pressures, and geopolitical risks may reduce client spending on IT projects and outsourcing, impacting revenues.

7. **Client Concentration and Dependency**

Over-reliance on a limited number of large clients or geographies could expose the Company to revenue volatility if there are project delays, budget cuts, or changes in client priorities.

## Mitigation Measures

Megri Soft Limited actively monitors industry developments, regulatory changes, and emerging technologies to remain agile and adaptive. The Company invests in continuous upskilling of its workforce, adoption of new technologies such as AI and SaaS, and enhancement of cybersecurity frameworks to address evolving risks. By diversifying its client base across geographies and industry sectors, the Company reduces dependency on a limited set of markets. Further, robust governance practices, compliance systems, and a strong focus on innovation help mitigate risks arising from competition, regulatory changes, and global uncertainties.

## ➤ Outlook

Megri Soft Limited is poised for sustained growth, supported by its strategic focus on expanding international operations and strengthening its digital services portfolio. The Company has already established a presence in key markets and is now accelerating efforts to deepen engagement across Europe, the United Kingdom (UK), the United States (USA), Canada, Australia, and New Zealand.

To support its long-term expansion, the Company has incorporated a wholly-owned subsidiary in London, UK, which will serve as the hub for European operations. This subsidiary will enable Megri Soft Limited to deliver localized and AI-driven digital solutions—including SEO, IT consulting, and performance marketing—tailored to the needs of European businesses. By establishing an on-ground presence, the Company aims to improve client engagement, enhance responsiveness, and strengthen long-term partnerships in this high-potential region.

In the UK, where the Company has already built a strong base in SEO and IT services, efforts are underway to broaden service offerings and consolidate its position in a mature digital economy that demands continuous innovation. Similarly, in North America, the USA and Canada remain priority markets due to their advanced technological adoption, vast talent pool, and high demand for digital transformation. Megri Soft Limited intends to leverage its expertise in digital marketing, SaaS, and IT-enabled services to address the evolving requirements of clients in these regions.



Beyond Europe and North America, the Company is also targeting growth in Australia and New Zealand. These markets, characterized by increasing digital adoption and a vibrant business ecosystem, present opportunities for delivering customized e-commerce, SaaS, and digital marketing solutions.

Looking ahead, Megri Soft Limited will continue to focus on innovation, scalability, and client-centric service delivery. By diversifying geographically and expanding its technology-driven offerings, the Company remains committed to building a resilient global presence, strengthening shareholder value, and positioning itself as a leading provider of IT/ITES and digital solutions.

## ➤ Risks and Concerns

Megri Soft Limited operates in a fast-changing IT/ITES environment that is subject to both external and internal risks. Key concerns include dependence on global markets, talent retention challenges, and exposure to regulatory and compliance requirements across multiple jurisdictions. Currency fluctuations, cybersecurity threats, and shifts in client budgets may also affect business performance.

The Company monitors these risks on an ongoing basis and has adopted measures such as diversifying its client base, investing in employee development, strengthening data security, and ensuring regulatory compliance. While risks cannot be fully eliminated, management believes they are being effectively managed to safeguard business continuity and stakeholder interests.

## ➤ Discussion on Financial Performance

The financial statements of the Company have been prepared in compliance with the requirements of the Companies Act, 2013, the rules and guidelines issued by the Securities and Exchange Board of India (SEBI), and the Indian Accounting Standards (Ind-AS). The Management of the Company accepts responsibility for the integrity, accuracy, and objectivity of these statements, as well as for the various estimates and judgments applied in their preparation. All estimates and assumptions have been made on a prudent and reasonable basis, ensuring that the financial statements present a true and fair view of the Company's affairs, profitability, and cash flows for the year.

The Company's financial performance during the year reaffirms its strong operational base and its ability to support long-term growth ambitions. Through disciplined financial management and efficient operations, the Company has consistently generated sufficient internal resources to fund its growth strategies without reliance on external borrowings, reflecting its sound financial health and resilience.

Megri Soft Limited continues to build on its market strengths as a trusted provider of IT/ITES services, SEO, digital marketing, AI solutions, SaaS platforms, and web development. The strategic focus on expanding service offerings, enhancing digital capabilities, and driving operational efficiencies has enabled the Company to maintain steady performance in a competitive environment.

Looking ahead, the Company remains committed to strengthening its financial and operational position by investing in innovation, diversifying its market reach, and leveraging its skilled workforce. This forward-looking approach, combined with prudent financial practices, positions Megri Soft Limited to deliver sustained growth and long-term value creation for its shareholders and stakeholders.

## ➤ Internal Control Systems and Their Adequacy

Megri Soft Limited has established a robust internal control framework designed to safeguard its assets, ensure accuracy and reliability of financial reporting, and promote operational efficiency across all business functions. The internal control systems are aligned with the Company's size, complexity, and nature of operations, and are regularly reviewed to ensure their continued adequacy and effectiveness.

The system of internal controls encompasses well-documented policies, clearly defined authority levels, and standard operating procedures that guide decision-making and accountability. Periodic reviews and audits are conducted to identify potential risks, strengthen processes, and ensure compliance with applicable laws and regulations, including those prescribed under the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015.

The Audit Committee of the Board, in consultation with the statutory and internal auditors, provides oversight of the internal control framework. Independent internal audits are carried out at regular intervals to assess the design and operational effectiveness of controls. The findings and recommendations from these audits are reported to management, and corrective actions are promptly implemented.

The Board believes that the Company's internal control systems are adequate and commensurate with its operations, ensuring the reliability of financial information, safeguarding of assets, compliance with regulations, and effective risk management.

## ➤ Material Development in Human Resources and Environment

Human Resources remain at the core of Megri Soft Limited's growth strategy. The Company recognizes that its success is driven by the talent, skills, and dedication of its workforce. Accordingly, it continues to invest in creating a work environment that fosters innovation, learning, and professional growth.

During the year under review, the Company undertook several initiatives to strengthen its human capital, including structured training programs in emerging technologies such as artificial intelligence, digital marketing, SaaS, and cloud solutions. Regular workshops and skill enhancement sessions were conducted to build employee capabilities and align them with evolving client needs. Performance management systems and transparent evaluation processes were further reinforced to encourage meritocracy and accountability.

Employee engagement and well-being have remained a priority, with initiatives aimed at promoting work-life balance, inclusivity, and collaboration. The Company's open communication culture and leadership accessibility continue to support an environment of trust and motivation.

On the environmental front, Megri Soft Limited is conscious of its responsibility to operate sustainably. The Company has adopted measures to minimize resource consumption, reduce carbon footprint, and encourage digital-first practices to reduce paper use. Awareness initiatives have also been carried out to promote responsible behavior among employees towards energy conservation and waste reduction.





The Board acknowledges the significant role of its people and its responsibility towards the environment, and remains committed to strengthening both in alignment with the Company's long-term vision and stakeholder expectations.

## Cautionary / Forward-Looking Statement

This Management Discussion and Analysis contains certain forward-looking statements, including those relating to the Company's business strategies, growth prospects, future performance, and industry outlook. Such statements are based on current expectations, estimates, and projections of the management, and are subject to known and unknown risks, uncertainties, and assumptions. Actual results, performance, or achievements may differ materially from those expressed or implied in these statements.

Key factors that may influence outcomes include, among others, changes in economic conditions, fluctuations in demand for IT/ITES and digital services, technological disruptions, competitive pressures, regulatory and policy developments, cybersecurity risks, talent availability, currency exchange volatility, and other external factors beyond the Company's control.

The Company undertakes no obligation to publicly update or revise these forward-looking statements, whether as a result of new information, future events, or otherwise. Stakeholders are advised to exercise due caution in interpreting these statements, as they are not guarantees of future performance. These forward-looking statements should be read in conjunction with the Company's audited financial results and notes thereto.

## Annexure I

### Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)  
Statement containing salient features of the financial statements of subsidiaries/associate companies/joint ventures

### Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

S. No.	Particulars	Details
1.	Name of the subsidiary	MEGRISOFT LIMITED
2.	Date since when subsidiary was acquired	18 October, 2016
3.	The reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as Holding Company
4.	Reporting currency and Exchange rate as of the last date of the relevant Financial year in the case of foreign subsidiaries	British Pound Sterling (₹. 110.74 as on March 31, 2025)
5.	Share capital	₹ (100 pounds)
6.	Reserves & surplus	₹ 42.25 Lakhs
7.	Total assets	₹ 82.26 Lakhs
8.	Total Liabilities	₹ 82.26 Lakhs
9.	Investments	N.A.
10.	Turnover	₹ 55.84 Lakhs
11.	Profit before taxation	₹ 9.10 Lakhs
12.	Provision for taxation	₹ 1.56 Lakhs
13.	Profit after taxation	₹ 7.54 Lakhs
14.	Proposed Dividend	N.A.
15.	% of shareholding	100%

**Notes:** The following information shall be furnished at the end of the statement:

1. Number of subsidiaries which are yet to commence operations: Nil
2. Names of subsidiaries which have been liquidated or sold during the year: Nil

**Part "B": Associates and Joint Ventures**

**Statement pursuant to Section 129 (3) of the Companies Act, 2013, related to Associate Companies and Joint Ventures**

1. Name of Associates/Joint Ventures	<b>N.A.</b>
2. Latest audited Balance Sheet Date	<b>N.A</b>
3. Date on which the Associate or Joint Venture was associated or acquired	<b>N.A</b>
4. Shares of Associate/Joint Ventures held by the company on the year-end	<b>N.A</b>
A. Number	<b>N.A</b>
B. Amount of Investment in Associates/Joint Venture	<b>N.A</b>
C. Extend of Holding%	<b>N.A</b>
5. Description of how there is significant influence	<b>N.A</b>
6. Reason why the associate/joint venture is not consolidated	<b>N.A</b>
7. Net worth attributable to shareholding as per latest audited Balance Sheet	<b>N.A</b>
8. Profit/Loss for the year	<b>N.A</b>
i. Considered in Consolidation	<b>N.A</b>
ii. Not Considered in Consolidation	<b>N.A</b>

**Note:**

- Names of associates or joint ventures which are yet to commence operations - **NA**
- Names of associates or joint ventures which have been liquidated or sold during the year. - **NA**

**For and on behalf of the Board**

**Place: Chandigarh**  
**Date: 19.05.2025**

**Rajnish Sharma**  
**Whole-Time Director**  
**DIN:02528435**

**Form No. AOC-2**

**(Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)**

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

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

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2025, which were not at arm's length basis.

Name(s) of the related party and nature of relationship	Not Applicable
Nature of contracts/ arrangements/ transactions	
Duration of the contracts / arrangements/ transactions	
Salient terms of the contracts or arrangements or transactions including actual / expected contractual amount	
Justification for entering into such contracts or arrangements or transactions	
Date of approval by the Board (DD/MM/YYYY)	
Amount paid as advances, if any	
Date on which the resolution was passed in general meeting as required under first proviso to section 188 (DD/MM/YYYY)	

**B Details of material contracts or arrangements or transactions at arm's length basis**
**1.**

Sl. No.	Particulars	Details
1.	Name(s) of the related party and nature of relationship	Basel Investments Limited and Mohnesh Kohli, Director and promoter of the company, is also a non-executive director of Basel Investments Limited
2.	Nature of contracts/arrangements/transactions	Investment in the equity shares of the company from time to time
3.	Duration of the contracts/arrangements/transactions	Three Years
4.	Date(s) of approval by the Board	28 August 2024
5.	Amount paid as advances, if any:	Nil

**2.**

Sl. No.	Particulars	Details
1.	Name(s) of the related party and nature of relationship	Ms Aprajita Kohli, Director of Megrisoft Limited, United Kingdom (a Subsidiary) and daughter of Mohnesh Kohl, a promoter and director of Megri Soft Limited, India
2.	Nature of contracts/arrangements/transactions	Remuneration contract between Ms Aprajita Kohli, Director and Megrisoft Limited, United Kingdom (Subsidiary)
3.	Duration of the contracts/arrangements/transactions	Five Years
4.	Date(s) of approval by the Board	28 August 2024
5.	Amount paid as advances, if any:	Nil

**3.**

Sl. No.	Particulars	Details
1.	Name(s) of the related party and nature of relationship	Mr. Mahesh Kohli, a relative of a person having a significant influence, Mr Mohnesh Kohl, a promoter and director
2.	Nature of contracts/arrangements/transactions	Contract given/signed for the Construction of premises on Companies land
3.	Duration of the contracts/arrangements/transactions	Five Years
4.	Date(s) of approval by the Board	18 February 2020
5.	Amount paid as advances, if any:	Fifty Thousand only

**For and on behalf of the Board**

**Place: Chandigarh**  
**Date: 19.05.2025**

**Rajnesh Sharma**  
**Whole-Time Director**  
**DIN:02528435**

### **Annexure III**

## **NOMINATION AND REMUNERATION POLICY OF MEGRI SOFT LIMITED (U/s 178 of the Companies Act, 2013 and Clause 49 (IV) of the Amended Listing Agreement)**

### **1. PREFACE:**

In terms of the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, this policy on Nomination and Remuneration of Directors and Senior Management has been formulated by the Committee and approved by the Board of Directors in their meeting held on 1st November 2014. The policy is as under:-

### **2. ROLE OF THE COMMITTEE:**

- a) To identify persons who are qualified to become Directors and who may be app Senior Management in accordance with the criteria laid down and recommend to the Board their appointment and removal
- b) To formulate criteria for determining qualifications, positive attributes and independence of a Director.
- c) To recommend to the Board remuneration policy related to remuneration of Directors (whole time Directors, Executive Directors etc.), Key Managerial Personnel and other employees while ensuring the following:-
  1. That the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully.
  2. The relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
  3. That remuneration to directors, key managerial personnel and senior management, involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.
- d) To formulate criteria for evaluation of Directors and the Board.
- e) To devise a policy on Board diversity.

### **3. MEMBERSHIP:**

- a) The Committee shall consist of a minimum of 3 non-executive directors, the majority of them being independent.
- b) A minimum of two (2) members shall constitute a quorum for the Committee meeting.
- c) Membership of the Committee shall be disclosed in the Annual Report.
- d) Terms of the Committee shall be continued unless terminated by the Board of Directors.

### **4. CHAIRMAN:**

- a) The chairman of the Committee shall be an Independent Director.
- b) The chairman of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- c) In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
- d) The chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

### **5. FREQUENCY OF MEETINGS:**

The meeting of the Committee shall be held at such regular intervals as may be required.

### **6. COMMITTEE MEMBERS' INTERESTS:**

- a) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- b) The Committee may invite such executives as it considers appropriate to be present at the meetings of the Committee.



**7. SECRETARY:**

The Company Secretary of the Company shall act as Secretary of the Committee.

**8. VOTING:**

- a) Decisions of the Committee shall be decided by a majority of votes of Members present and voting, and any such decision shall, for all purposes, be deemed a decision of the Committee.
- b) In the case of equality of votes, the Chairman of the meeting will have a casting vote.

**9. MINUTES OF COMMITTEE MEETING:**

The minutes of all the proceedings of all meetings must be signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board meetings.

**10. EFFECTIVE DATE & AMENDMENTS:**

This policy will be effective from 1st November 2014 and may be amended subject to the approval of the Board of Directors.

**Annexure IV**

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

**For the Financial Year Ended March 31, 2025**

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

To,  
The Members,  
Megri Soft Limited  
(CIN: L72200CH1992PLC011996)  
S.C.O.80, Sector 47-D,  
Chandigarh-160047

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

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2025 ('Audit Period') 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Megri Soft Limited ("The Company") for the period ended on March 31, 2025, to the extent applicable and according to the provisions of:

- a. The Companies Act, 2013 (the Act) and the Rules made thereunder;
- b. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- c. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- d. 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 (Not applicable to the extent of Overseas Direct Investment and External Commercial Borrowings as there was no reportable event during the Financial Year under review.);
- e. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') as amended from time to time;
  - i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (including amendments thereto);
  - iii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not applicable to the Company during the Audit Period);
  - iv. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. (Not applicable to the Company during the Audit Period);
  - v. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit Period);
  - vi. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with clients;
  - vii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit Period);
  - viii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the Audit Period);
  - ix. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (Not applicable to the Company during the Audit Period);
  - x. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

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

- I. Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India; and
- II. The Listing Agreements entered into by the Company with BSE Limited & Metropolitan Stock Exchange of India Limited (MSEI)/SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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



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 directors to schedule the Board Meetings, agenda and detailed notes on the agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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. As informed, the Company has responded appropriately to communication received from various statutory/regulatory authorities, including initiating actions for corrective measures, wherever found necessary.

We further report that during the audit period, the Company has no specific events/actions having a major bearing on the Company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines, standards etc.

For K V Bindra & Associates  
Company Secretaries

CS Karan Vir Bindra  
Proprietor  
Membership No.: FCS 10074)  
(Certificate of Practice No: 12962)  
Peer Review Certificate No. 2522/2022  
UDIN: F010074G000369884  
Place: Mohali  
Dated: May 19, 2025

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

#### **Annexure-A**

To,

The Members,  
Megri Soft Limited  
S.C.O.80, Sector 47-D,  
Chandigarh-160047  
(CIN: L72200CH1992PLC011996)

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

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

For K V Bindra & Associates  
Company Secretaries

CS Karan Vir Bindra  
Proprietor  
Membership No.: FCS 10074)  
(Certificate of Practice No.. 12962)  
Peer Review Certificate No. 2522/2022  
UDIN: F010074G000369884  
Place: Mohali  
Dated: May 19, 2025

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197 (12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the Financial Year is given below:

Sr. No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for Financial Year 2024-25 ( In Lakhs)	% Decrease in remuneration In Financial Year 2024-25	Ratio of remuneration of each Director to median remuneration of employees
1.	Rajnesh Sharma, Whole Time Director & CFO	3.97	15.51%	2.67
2.	Manju Bala Company Secretary	0.66	N.A.	N.A
3.	Ms. Khushboo Goyal	0.60	N.A.	N.A.
4.	Ms. Saloni Garg	0.35	N.A.	N.A.

1. The percentage Increase in the median remuneration of the employees of the Company during the financial year is 52.13.%
2. The number of permanent employees on the rolls of the company as on 31 March 2025, ware 23.
3. The average increase in salaries of employees other than managerial personnel in FY 2024-25 was around 151.05% in comparison with a percentile increase in salaries of managerial personnel of around 81.99%.
4. It is hereby affirmed that the remuneration paid is per the Remuneration Policy for Directors, Key Managerial Personnel, and other Employees.





ANNEXURE VI

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**  
**(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

The Members,  
Megri Soft Limited  
SCO 80 First Floor  
Back Side, Sector - 47 D  
Chandigarh  
Pin code-160047,

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Megri Soft Limited, having CIN:L72200CH1992PLC011996 and having registered office at SCO 80 back side Sector-47D Chandigarh 160047 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2025, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

S. No	Name of Director	DIN	Date of appointment in Company
1.	Mr. Mohnesh Kohli	01784617	09/09/1994
2.	Ms. Aprajita Kohli	02489600	30/09/2009
3.	Mr. Rajnesh Sharma	02528435	18/08/1998
4.	Mr. Sahil Malhotra	10167054	04/07/2023
5.	Mr. Raman Seth	07986684	29/09/2023
6.	Ms. Diksha	07072776	30/09/2024

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For KV Bindra & Associates**

**CS Karan Vir Bindra**  
**Proprietor**  
**M. No. F10074**  
**C.P No. 12962**  
**UDIN: F010074G000127721**  
**Peer Review No. 2522/2022**

**Date: 16-04-2025**  
**Place: Mohali**

**CFO CERTIFICATE PURSUANT TO PART B OF SCHEDULE II OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS)  
REGULATIONS, 2015**

**The Board of Directors  
Megri Soft Limited  
S.C.O. 80, Sector 47-D,  
Chandigarh-160047**

Dear members of the Board,

I, Rajnesh Sharma, Chief Financial Officer of Megri Soft Limited, to the best of my knowledge and belief, certify that:-

- a) I have reviewed financial statements and cash flow statements for the year ended on March 31, 2025, and that to the best of my knowledge and belief:
  - I. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - II. 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.
- b) There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c) I accept responsibility for establishing and maintaining internal controls for financial reporting, and that I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and also disclosed to the auditors and the Audit Committee deficiencies in the design or operation of such internal controls if any, of which I am aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) I have indicated to the auditors and the Audit Committee:-
  - I. Significant changes in internal control over financial reporting during the year;
  - II. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - III. Instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**Rajnesh Sharma  
DIN 02528435  
Whole Time Director and Chief Financial Officer**

**Date: 19.05.2025  
Place: Chandigarh**

**CFO's DECLARATION TO COMPLIANCE OF CODE OF CONDUCT**

This is to confirm that the Company has adopted a Code of Conduct for its Board Members and Senior Management and the same is available on our corporate website.

I confirm that the Company has in respect of financial year ended March 31, 2025, received from Members of the Board & Senior Management team of the Company a declaration of the compliance with the Code of Conduct as applicable to them

**Rajnesh Sharma**  
**Whole Time Director and Chief Financial Officer**  
**DIN 02528435**  
**Date: 19.05.2025**  
**Place: Chandigarh**

## **Independent Auditors' Report**

**To**  
**The Members of Megri Soft Limited**

### **Report on the Audit of the Standalone Financial Statements**

#### **Opinion**

We have audited the accompanying standalone financial statements of Megri Soft Limited ("the Company"), which comprise the Balance sheet as at March 31, 2025, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2025. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S.No.	Key Audit Matter	Auditor's Response
01.	Evaluation of uncertain tax positions	The Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes. Refer Note 25 to the Standalone Financial Statements

## Response to key audit matters & conclusion

### Principal Audit Procedures

We performed the following substantive procedures: Obtained details of completed tax assessments and demands upto the year ended March 31, 2025 from management. We involved our internal experts to challenge the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes. Our internal experts also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions. Additionally, we considered the effect of new information in respect of uncertain tax positions as at April 1, 2024 to evaluate whether any change was required to management's position on these uncertainties. Relying on relevant external evidence available including legal opinion relevant judicial precedents and industry practices getting management confirmation wherever necessary. We agree with management's evaluation.

## Information other than the Standalone Financial Statements and Auditors' Report Thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the standalone financial statements and our auditors' report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact to those charged with governance. We have nothing to report in this regard.

## Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

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

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

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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2025 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

1. As required by the Companies (Auditor's Report) Order, 2020 ("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 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - e. On the basis of written representations received from the directors as on March 31, 2025, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025, 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 with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in “Annexure 2” to this report;
- g. With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion, the managerial remuneration for the year ended March 31, 2025 has been paid/provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

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

- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – **Refer Note 25 & 33** to the standalone financial statements;
- 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. During the year, the company was not liable to transfer any amount to the Investor Education Protection Fund
- iv. a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement

- v. The company has not declared or paid any dividend during the year. Hence compliance with Section 123 of the Act is not applicable on the company.
- vi. Based on our examination , which included test checks, the Company has used accounting software for maintaining its books of accounts for the financial year ended March 31,2025 which has a features of recording Audit Trail (edit log) facility and the same has operated throughout the year for all relevant transactions records in the software . Further, during the course of our audit we did not come across any instance of the audit trail features being tampered with.

**For Narinder Kumar And Company**

Chartered Accountants

ICAI Firm Registration Number: 030737N

Narinder Kumar Garg

Partner

Membership Number: 080287

Place of Signature: Chandigarh

Date: 19th May, 2025

ICAI UDIN: 25080287BMLISV8727

## **ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF MEGRI SOFT LIMITED**

**(Referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" section of our report of even date)**

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

**I. In respect of the Company's Property, Plant and Equipment and Intangible Assets::**

a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.

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

b) The Company has a program of physical verification of Property, Plant and Equipment and right-of-use assets so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification

c) According to the information and explanations given by the management, the title deeds all the immovable properties of land which are freehold, are held in the name of the company except one plot refer to Note no 32

d) The Company has not revalued any of its Property, Plant and Equipment including right of-use assets) and intangible assets during the year.

e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2025, for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made there under.

**II.**

a) The Company is in the business of rendering software services, and consequently, does not hold any inventory. Therefore, the provisions of Clause (ii) of paragraph 3 of the said Order are not applicable to the Company.

b) The Company has not been sanctioned working capital limits in excess of 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable

**III.** According to the information and explanations are given to us and on the basis of our examination of the records of the Company, the Company has not provided a guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. The Company has not granted any loans, secured or unsecured, to firms, limited liability partnerships or any other parties during the year. In our opinion, the investments made and the terms and conditions of

the investment during the year are, prima facie, not prejudicial to the Company's interest. Accordingly, the provisions of clause 3 (iii) (a) (c) to (f) 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, provisions of section 186 of the Companies Act 2013 in respect of investments made have been complied with by the company. There are no loans, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- V. The Company has not accepted any deposits from the public during the year and hence the provisions of clause 3 (v) of the Order are not applicable to the company.
- VI. The maintenance of cost records has not been specified by the Central Government under Section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under Clause 3(vi) of the order is not applicable to the Company.
- VII. According to the information and explanations given to us and based on the records of the company examined by us:
- The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, service tax, value added tax, goods and service tax, cess and other statutory dues applicable to it.
  - There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other materials Statutory dues in arrears as at March 31, 2025 for a period of more than six months from the date they became payable.
  - However, according to information and explanations given to us, the following dues of income tax have not been deposited / disputed by the Company:

Nature of Statute	Nature of Dues	Amount (in Rs.)	Period to which amount relates	Forum where dispute is pending
Income tax Act, 1961	Tax and interest	73,47,744/-	A.Y 2013-14	CIT(Appeals)
Income tax Act, 1961	Tax and interest	65,15,710/-	A.Y 2014-15	CIT(Appeals)
Income tax Act, 1961	Tax and interest	18,67,998/-	A.Y 2016-17	CIT(Appeals)

- VIII. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- IX. a. The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.
- b. In our opinion and according to the information and explanation given to us, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority
- c. The Company has not taken any term loan during the year and there are no outstanding

term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

- d. In our opinion and according to the information and explanation given to us, there are no funds raised on short term basis which have been utilised for long term basis.
- e. In our opinion and according to the information and explanation given to us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- f. In our opinion and according to the information and explanation given to us, The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, associates or joint ventures.

X.

- a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

XI.

- a) On the basis of books and records of the company examined by us and according to the information and explanations given to us, we report no fraud by the Company and no material fraud on the Company has been noticed or reported during the year in the course of audit
- b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report
- c) As represented to us by the Management, the company has not received any whistle blower complaints received by the Company during the year (and upto the date of this report), and hence reporting under clause 3(xi)(b) of the Order is not applicable.

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

XIII. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

XIV.

- a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

XV. According to the information and explanations given to us and on the basis of books and records examined by us, the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company. Accordingly, reporting under clause 3(xv) of the order is not applicable.

XVI.

- a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

- b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable
- XVII. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year
- XVIII. There has been no resignation of the statutory auditors of the Company during the year.
- XIX. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of the balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- XX. In our opinion and according to the information and explanations are given to us, Corporate Social Responsibility (CSR) is not applicable to the company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

**For Narinder Kumar And Company**

Chartered Accountants

ICAI Firm Registration Number: 030737N

Narinder Kumar Garg

Partner

Membership Number: 080287

Place of Signature: Chandigarh

Date: 19th May, 2025

ICAI UDIN: 25080287BMLISV8727

**ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF MEGRI SOFT LIMITED**

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

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

We have audited the internal financial controls over financial reporting of Megri Soft Limited ("the Company") as of March 31, 2025, in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

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

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone financial statements 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 as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. 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 with reference to these standalone Financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting with reference to these standalone Financial statements.



## **Meaning of Internal Financial Controls over Financial Reporting**

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

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorized 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 with reference to these standalone Financial statements**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these standalone financial statements and such internal financial controls over financial reporting with reference to these standalone Financial statements were operating effectively as at March 31, 2025, 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 Narinder Kumar And Company**

Chartered Accountants

ICAI Firm Registration Number: 030737N

Narinder Kumar Garg

Partner

Membership Number: 080287

Place of Signature: Chandigarh

Date: 19th May, 2025

ICAI UDIN: 25080287BMLISV8727

(Amount in '000)

The accompanying notes 1 to 35 are in integral part of the Financial Statements.

**Place: Chandigarh**  
**Date: 19th May, 2025**

**MEGRI SOFT LIMITED**

**CIN : L72200CH1992PLC011996**

**Regd. Office : SCO 80, Sector 47D, Chandigarh -160047**

**STATEMENT OF AUDITED STANDALONE PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2025**

**(Amount in '000) except EPS**

<b>S. No.</b>	<b>Particulars</b>	<b>Note</b>	<b>As At March 31,2025</b>	<b>As At March 31,2024</b>
	Revenue From Operations	14	29980	27612
	Other Income	15	555	600
<b>I</b>	<b>Total Revenue</b>		<b>30535</b>	<b>28212</b>
	<b>EXPENSES</b>			
	a) Employees Benefit Expenses	16	11195	5312
	b) Finance Cost	17	0	0
	c) Depreciation & Amortization Expenses	18	1037	891
	d) Other Operating Expenses	19	11839	13737
<b>II</b>	<b>Total Expenses</b>		<b>24071</b>	<b>19940</b>
<b>III</b>	<b>Profit Before Tax (I-II)</b>		<b>6464</b>	<b>8272</b>
	<b>Tax Expenses</b>			
	a) Current Tax		1636	2148
	b) Deffered Tax (Assets)/Liabilities		31	(1)
<b>IV</b>	<b>Total Tax Expenses</b>		<b>1667</b>	<b>2147</b>
<b>V</b>	<b>Profit for the period (after Tax) (III-IV)</b>		<b>4797</b>	<b>6125</b>
	<b>Other Comprehensive Income</b>			
	<b>a) Items that will not be reclassified subsequently to profit or loss</b>			
	Equity Investment through other comprehensive income		27	139
	Income tax relating to above		(7)	(36)
<b>VI</b>	<b>Total other comprehensive income</b>		<b>20</b>	<b>103</b>
<b>VII</b>	<b>Total Comprehensive income (V+VI)</b>		<b>4817</b>	<b>6228</b>
	Paid-up Equity Share Capital (face value of Rs. 10 per equity share)		31407	31407
	<b>Earning per Equity share of Rs. 10/- each:</b>			
	1) Basic	20	1.53	1.95
	2) Diluted		1.53	1.95

The accompanying notes 1 to 35 are in integral part of the Financial Statements.

As per our report of even date

**For Narinder Kumar And Company**

**Chartered Accountants**

**Firm Registration No. 030737N**

**For and on behalf of Board of Directors**

**(Narinder Kumar Garg)**

**Partner**

**Membership No. 080287**

**Mohnesh Kohli**

**(Director)**

**DIN: 01784617**

**Rajnesh Sharma**

**(Whole Time  
Director & CFO)**

**DIN: 02528435**

**Place: Chandigarh**

**Date: 19th May, 2025**

**Saloni Garg  
Company Secretary &  
Compliance Officer  
M.No: A33867**

**MEGRI SOFT LIMITED**  
**CIN : L72200CH1992PLC011996**  
**Regd. Office : SCO 80, Sector 47D, Chandigarh -160047**  
**STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2025**

(Amount in '000)

Particulars	Year ended March 31, 2025		Year ended March 31, 2024	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
<b>Net Profit Before Tax</b>		<b>6464</b>		<b>8272</b>
Adjustments for:				
Interest Expenses	0		0	
Depreciation and Amortization	1037		891	
Profit on Sale of Assets	0		0	
Profit on Sale of Investments	4		66	
Discount Received	-		-	
Interest Income on FDR's	(544)		(632)	
Dividend Income	(1)	496	0	325
<b>Operating Profit before Working Capital Changes</b>		<b>6960</b>		<b>8597</b>
<b>Adjustments for:</b>				
Short Term Borrowings	-		-	
Trade Payables	-		-	
Other Current Liabilities	(746)		(351)	
Provisions	(170)		861	
Trade Receivables	999		(1821)	
Short Term Loans & Advances	-		-	
Other Current Assets	(1986)		(1312)	
Other Non Current Assets	910	(993)	14089	11466
<b>Cash Generated From Operations</b>		<b>5967</b>		<b>20063</b>
Income Tax		(1636)		(2148)
<b>Net Cash Flow From Operating Activities</b>		<b>4331</b>		<b>17915</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
Loang Term Loans & Advances				
Expenditure on property, plant and equipment and intangibles	(3687)		(23902)	
Sale/Transfer of Fixed Assets	0		0	
Bank deposits	2998		7078	
Investment	(6195)		289	
Interest Income on FDR's	544		632	
Dividend Income	1		0	
Profit On Sale of Assets	0		0	
Income From Sale of Investment	(4)		(66)	
<b>Net Cash Used In Investing Activities</b>		<b>(6343)</b>		<b>(15969)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Interest on overdraft facility	0		0	
<b>Net Cash Used In Financing Activities</b>		<b>0</b>		<b>0</b>
Net increase in cash & Cash Equivalents		(2012)		1946
Cash and Cash equivalents (Opening Balance)		2552		606
Cash and Cash equivalents (Closing Balance)		540		2552
<b>Net Decrease/(Increase) in Cash and Cash Equivalents</b>		<b>2012</b>		<b>(1946)</b>

Notes:

- Figures in brackets indicate cash outflow.
- The above Statement of Cash Flows has been prepared under the Indirect method as set out in IND AS - 7 on Statement of Cash Flows notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015], as amended.
- The accompanying notes 1 to 35 are in integral part of the Financial Statements.

As per our report of even date

**For Narinder Kumar And Company**

**Chartered Accountants**

**Firm Registration No. 030737N**

**For and on behalf of Board of Directors**

(Narinder Kumar Garg)

**Partner**

**Membership No. 080287**

**Mohnesh Kohli** **Rajnesh Sharma**

**Director**

**DIN: 01784617**

**(Whole Time**

**Director & CFO)**

**DIN: 02528435**

**Place: Chandigarh**

**Date: 19th May, 2025**

**Saloni Garg**  
**Company Secretary & Compliance**  
**Officer**

**M.No: A33867**

MEGRI SOFT LIMITED  
CIN : L72200CH1992PLC011996  
Regd. Office : SCO 80, Sector 47D, Chandigarh -160047  
STATEMENT OF CHANGE IN EQUITY ( F.Y.2024-25)

**A. Equity Share Capital ( F.Y.2024-25)**

(Amount in '000)

Balance as at April 1, 2024	Changes in equity share capital due to prior period errors	Restated balance as at April 1, 2024	Changes in equity share capital during the year	Balance as at March 31, 2025
31407	-	31407	-	31407

**Equity Share Capital ( F.Y.2023-24)**

(Amount in '000)

Balance as at April 1, 2023	Changes in equity share capital due to prior period errors	Restated balance as at April 1, 2023	Changes in equity share capital during the year	Balance as at March 31, 2024
31407	-	31407	-	31407

**Other Equity ( F.Y.2024-25)**

(Amount in '000)

Particulars	Reserves and surplus						Other comprehensive income				Total equity attributable to equity holders of the Company
	Capital equity reserve	Capital redemption reserve	Securities Premium	Retained earnings	General reserve	Statutory reserve	Equity Instruments through other comprehensive income	Effective portion of Cash Flow Hedges	Other items of other comprehensive income / (loss)	Foreign currency translation reserve	
Balance as at April 1, 2024	-	-	-	177839	5295	-	121	-	-	-	183255
Profit for the year	-	-	-	4797	-	-	-	-	-	-	4797
Total comprehensive income	-	-	-	-	-	-	20	-	-	-	20
Dividend	-	-	-	-	-	-	-	-	-	-	-
Transfer to reserves	-	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2025	0	0	0	182636	5295	0	141	0	0	0	188072

**Other Equity ( F.Y.2023-24)**

(Amount in '000)

Particulars	Reserves and surplus						Other comprehensive income				Total equity attributable to equity holders of the Company
	Capital equity reserve	Capital redemption reserve	Securities Premium	Retained earnings	General reserve	Statutory reserve	Equity Instruments through other comprehensive income	Effective portion of Cash Flow Hedges	Other items of other comprehensive income / (loss)	Foreign currency translation reserve	
Balance as at April 1, 2023	-	-	-	171714	5295	-	18	-	-	-	177027
Profit for the year	-	-	-	6125	-	-	-	-	-	-	6125
Total Comprehensive Income	-	-	-	-	-	-	103	-	-	-	103
Dividend	-	-	-	-	-	-	-	-	-	-	-
Transfer to reserves	-	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2024	0	0	0	177839	5295	0	121	0	0	0	183255

The accompanying notes 1 to 35 are in integral part of the Financial Statements.

As per our report of even date  
For Narinder Kumar And Company  
Chartered Accountants  
Firm Registration No. 030737N

For and on behalf of Board of Directors

(Narinder Kumar Garg)  
Partner  
Membership No. 080287

Mohnesh Kohli  
(Director)  
DIN: 01784617

Rajnesh Sharma  
(Whole Time Director & CFO)  
DIN: 02528435

Place: Chandigarh  
Date: 19th May, 2025

Saloni Garg  
Company Secretary & Compliance Officer  
M.No: A33867

## Notes to the Standalone Financial Statements for the year ended March 31, 2025

1. **Corporate Information** - Megri Soft Limited (the company) is a public limited company incorporated under the Companies Act, 2013, in India, with its registered office at SCO 80, Sector 47-D, Chandigarh, India 160047. Its shares are listed on two stock exchanges in India: the Bombay Stock Exchange (BSE Ltd) and the Metropolitan Stock Exchange of India (MSE). The company is registered with the Software Technology Parks of India (STPI) as a 100% Software Export-Oriented Unit and operates as an IT/ITES provider. The company specializes in web design and development, digital marketing, SEO, e-strategy consulting, eCommerce solutions, web hosting, AI consulting and development, SaaS projects, outsourcing, and next-generation digital services.

The standalone financial statements are approved for issue by the Company's Board of Directors on 19 May 2025.

## 2. Significant Accounting Policies

- 2.1. **Basis of Preparation of Financial Statements**— This note provides a list of the significant accounting policies adopted in preparing these financial statements. These policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in accounting policy hitherto in use.

- 2.1.1. **Compliance with Ind AS** - These standalone financial statements are prepared in accordance with the provisions of the Companies Act, 2013 ("the Act"), guidelines issued by the Securities and Exchange Board of India (SEBI) and Indian Accounting Standard (Ind AS) under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair values, defined benefit liability/(asset) which is recognized at the present value of defined benefit obligation less fair value of plan assets. The Ind AS are prescribed under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The material accounting policy information used in preparation of the audited standalone interim financial statements have been discussed in the respective notes.

The financial statements are presented in Indian Rupees, and all amounts disclosed in the financial statements and notes are expressed in thousands, rounded to the nearest thousand, in accordance with the requirements of Schedule III of the Companies Act, 2013.

- 2.1.2. **Presentation of financial statements**

The financial statements (including balance sheet, statement of profit and loss and the statement of changes in equity) are prepared and presented in accordance with the format prescribed in Division II of Schedule III to the Companies Act, 2013, as amended from time to time. The statement of cash flows has been prepared using the indirect method. The disclosure requirements with respect to items in the balance sheet and statement of profit and loss, as prescribed in Schedule III to the Act, are presented by way of notes forming part of the financial

statements along with the other notes required to be disclosed under the notified Accounting Standards.

**2.1.3. Operating cycle for current and non-current classification**

The Company identifies assets/liabilities as current if the same are receivable/payable within twelve months, else the same are considered as non-current

**2.1.4. Use of Estimates and Judgments**

Preparation of financial statements in conformity with Indian Accounting Standards (Ind AS) requires the management of the Company to make estimates and assumptions that affect the income and expense reported for the period and assets, liabilities and disclosures reported as of the date of the financial statements. Examples of such estimates include useful lives of tangible and intangible assets, allowance for expected credit loss, future obligations in respect of retirement benefit plans, considering the extension period for the determination of lease term, etc. Actual results could vary from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised, and by giving prospective impact in the standalone financial statements.

**2.1.5. Recent accounting pronouncements**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statement.

- 2.2. Property, plant and equipment** - Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are recognized in profit or loss during the reporting period in which they are incurred. Depreciation is provided pro-rata on the straight line method over the estimated useful lives of assets, based on internal assessment and independent technical evaluation done by the Management.

Assets Estimated useful life (Years)

Assets	Estimated useful life (Years)
Building	60
Computers	3
Plant and Machinery	10
Furniture and Fixtures	10
Office Equipment	5
Vehicles	6



Gains and losses on disposals are determined by comparing net disposal proceeds with the carrying amount of the asset. These are included in profit or loss within other income.

- 2.3. Intangible Assets** - Intangible assets are stated at cost less accumulated amortization and impairment, wherever applicable. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis from the date they are available for use. The estimated useful life of an identifiable asset is based on a number of factors, including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flow from the asset. The research costs are expensed as incurred. The development costs, which can be capitalized, include the cost of material, direct labour and overhead costs that are directly attributable to preparing the asset for its intended use. Amortization methods and useful lives are reviewed periodically including at each financial year's end.

**Assets Estimated useful life (Years)**

Assets	Estimated useful life (Years)
Softwares	6
Web Properties	10

Useful lives and residual values are reviewed at each reporting date.

**2.4. Impairment of non-financial assets** -

Assessment is done at each balance sheet date as to whether there is any indication that an asset may be impaired. If any such indication exists or when annual impairment testing for an asset is required, an estimate of the recoverable amount of the asset/cash-generating unit is made. The recoverable amount is higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For the purpose of assessing impairment, the recoverable amount is determined for an individual asset unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. The smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets is considered as a cash generating unit (CGU). An asset or CGU whose carrying value exceeds its recoverable amount is considered impaired and is written down to its recoverable amount. Assessment is also done at each balance sheet for possible reversal of an impairment loss recognized for an asset in prior accounting periods.

**2.5. Foreign currency translations**

- 2.5.1. Functional and presentation currency** -Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency') i.e., Indian Rupee (INR) which is its presentation currency as well.
- 2.5.2. Initial recognition** - On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

**2.5.3. Subsequent recognition** - As at the reporting date, foreign currency monetary items are translated using the closing rate and non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the initial transaction. Exchange gains and losses arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the year or in previous financial statements are recognised in profit or loss in the year in which they arise.

**2.5.4. Translation of foreign operations-** The financial statements of foreign operations are translated using the principles and procedures mentioned above since these businesses are carried on as if it is an extension of the Company's operations.

## **2.6. Revenue Recognition**

**2.6.1.** Revenue is recognised upon transfer of control of promised services to customers in an amount that reflects the consideration we expect to receive in exchange for those services.

**2.6.2.** Dividend income is recognized as and when the right to receive is established. Interest on Bank fixed deposits is recognized on an accrual basis on certificates of interest issued by banks.

**2.6.3.** Export benefits and other benefits are accounted for on an accrual basis. Export entitlements are recognized as a reduction from material consumption when the right to receive credit is established in respect of the exports made and when there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

## **2.7. Income tax**

**2.7.1.** The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

**2.7.2.** The current income tax is calculated on the basis of the tax rates and the tax laws enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation. It establishes provisions or makes reversals of provisions made in earlier years, where appropriate, on the basis of amounts expected to be paid to / received from the tax authorities.

**2.7.3.** Deferred tax is recognized for all the temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognized and carried forward only if it is probable that sufficient future taxable amounts will be available against which such deferred tax assets can be realised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized, or the deferred income tax liability is settled. The carrying amount of deferred tax assets are reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are

recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

- 2.7.4. Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interest in joint arrangements where the company is able to control the timing of the reversal of the temporary differences, and it is probable that the differences will not reverse in the foreseeable future.
- 2.7.5. Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.
- 2.7.6. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.
- 2.7.7. Deferred tax assets and liabilities are offset if a legally enforceable right exists to set off current tax assets and liabilities and the deferred tax balances relate to the same taxable authority. Current tax assets and liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

## **2.8. Provisions**

- 2.8.1. Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.
- 2.8.2. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.
- 2.8.3. If the effect of the time value of money is material, provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects the risks specific to the liability. The increase in the provision due to the passage of time is recognized as a financial cost
- 2.8.4. The company has adopted the following accounting policy for making provisions in respect of income-tax cases under appeal: "In respect of disputed income-tax demand, where the company is in appeal, provision for tax is made when the matter is finally decided."

## **2.9. Trade and other payables**

These amounts represent liabilities for goods and services provided prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are

recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

## **2.10. Earnings Per Share (EPS)**

### **2.10.1. Basic earnings per share are calculated by dividing.**

2.10.1.1. The profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year

### **2.10.2. Diluted earnings per share**

2.10.2.1. Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account - the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential instruments into equity shares.

## **2.11. Employee Retirement Benefits**

**2.11.1. Short term employee benefits** - All employee benefits payable/available within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages and bonuses etc., are recognised in the statement of profit and loss in the period in which the employee renders the related service.

### **2.11.2. Post-employment benefits**

**Defined contribution plans** – Retirement benefits in the form of a provident fund is a defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund. Payments to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions.

#### **Defined benefit plans – Gratuity**

The company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity payment plan provides for a lump sum payment to the vested employees at retirement, death, incapacitation while in employment or on termination of employment of an amount based on the respective employee's salary and tenure of employment. Vesting occurs upon the completion of five years of service.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the projected unit credit method. Re-measurements comprising of actuarial gains and losses are recognised in other comprehensive income which are not reclassified to profit or loss in the subsequent periods

**2.11.3. Bonus Plans** - The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

**2.11.4. Long – term employee benefits** -Leave Encashment The liability of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date Using the projected unit credit method.

## **2.12. Segment Reporting**

The Company has primarily one business segment: IT/ITES service, and accordingly, there is no separate reportable segment as per Ind AS-108 ' Operating Segments' specified under section 133 of the Companies Act, 2013.

## **2.13. Cash and Cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash on hand, the amount at banks and other short-term deposits with an original maturity of three months or less that are readily convertible to a known amount of cash and, which are subject to an insignificant risk of changes in value.

## **2.14. Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

**2.14.1. Initial Recognition and measurement** - On initial recognition, all the financial assets and liabilities are recognized at its fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability except financial asset or financial liability measured at fair value through profit or loss ("FVTPL"). Transaction costs of financial assets and liabilities carried at fair value through the Profit and Loss are immediately recognized in the Statement of Profit and Loss.

### **2.14.2. Subsequent measurement**

**2.14.2.1. Financial assets carried at amortised cost** - A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**2.14.2.2. Financial assets at fair value through other comprehensive income (FVTOCI)** - A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**2.14.2.3. Financial assets at fair value through profit or loss (FVTPL)** - A financial asset is measured at fair value through profit and loss unless it is measured at amortized cost or at fair value through other comprehensive income.

**2.14.2.4. Investments in subsidiaries** - The Company has adopted to measure investments in subsidiaries at a cost in accordance with Ind AS 27 and the carrying amount as per previous GAAP at the date of transition has been considered as deemed cost in accordance with Ind AS 101.

**2.14.2.5. Financial Liabilities** - Financial liabilities are classified, at initial recognition, as loans and borrowings, payables, as appropriate. The Company's financial liabilities include trade and other payables. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to short term maturity of these instruments.

**2.14.3. Derecognition of financial instruments** - A financial asset is derecognized when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability is derecognized when the obligation specified in the contract is discharged or cancelled or expired.

**2.14.4. Fair value measurement of financial instruments** - The fair value of financial instruments is determined using the valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. Based on the three level fair value hierarchy, the methods used to determine the fair value of financial assets and liabilities include quoted market price, discounted cash flow analysis and valuation certified by the external valuer. In case of financial instruments where the carrying amount approximates fair value due to the short maturity of those instruments, carrying amount is considered as fair value.

**2.15. Provisions, contingent liabilities and contingent assets**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources can be reliably estimated, will be required to settle such an obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate. A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

**Note 3**

**Changes in the carrying value of Property, Plant & Equipment For the Financial Year 2024-25**

(Amount in '000)

Particulars	Gross Block			Depreciation					Net Block		
	Carrying Value As On April 01,2024	Additions	Deductions	Carrying Value As On March 31,2025	As On March 31, 2024	Current Year	Written Off	Transfer	As On March 31, 2025	Carrying Value As On March 31, 2025	Carrying Value As On March 31, 2024
(a)Land & Building											
Land	32406	1748	0	34154	0	0	-	0	0	34154	32406
Building	38174	0	0	38174	50	101	0	0	151	38023	38124
Total	70580	1748	0	72328	50	101	0	0	151	72177	70530
(b)Tangible Assets											
Furniture & Fixtures	3435	58		3493	2225	112	0	0	2337	1156	1210
Computer	3652	67		3719	2985	255	0	0	3240	479	667
Air Conditioner	715	55	0	770	622	29	0	0	651	119	93
Office Equipment	4380	4		4384	1330	49	0	0	1379	3005	3050
Vehicles	8908	0	0	8908	7044	486	0	0	7530	1378	1864
Total	21090	184	0	21274	14206	931	0	0	15137	6137	6884
(I) Property, Plant and Equipment (a+b)	91670	1932	0	93602	14256	1032	0	0	15288	78314	77414
Note 3 -											
(II) Other Intangible Assets											
Computer Software	902	64	0	966	802	5	0	0	807	159	100
Web Properties	8909	0	0	8909	8464	0	0	0	8464	445	445
Total	9811	64	0	9875	9266	5	0	0	9271	604	545
(II) Intangible Assets under Development											
Capital work in progress	20007	0	0	20007	0	0	0	0	0	20007	20007
GRAND TOTAL	128184	3687	0	131871	23522	1037	0	0	24559	107312	104662

Note: The Company has reclassified certain land plots, previously presented under 'Property, Plant and Equipment' under the head 'Land', to 'Investment Property', as these plots are held for long-term investment purposes and are not intended for use in IT/ITES services. Accordingly, the opening balances for the financial year 2023-24 have been restated.



**Capital Work -In-Progress**

The capital work-in-progress ageing schedule for the year ended March 31, 2025 and March 31, 2024 is as follows:

Particulars	Amount in CWIP for a period of			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress	1691		6696	0
<b>Total Capital work-in-progress 31st March 2025</b>				<b>8387</b>
Projects in progress	6696		0	0
<b>Total Capital work-in-progress 31st March 2024</b>				<b>6696</b>

As of March 31, 2025, and March 31, 2024, there are no capital work-in-progress projects that are overdue for completion, have exceeded their original planned costs, or have been suspended.

**Intangible assets under development:**

The Intangible assets under development ageing schedule for the year ended March 31, 2025 and March 31, 2024 is as follows:

Particulars	Amount in CWIP for a period of			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress	0		528	1095
Projects temporarily suspended				18384
<b>Total Intangible assets under development 31st March 2025</b>				<b>20007</b>
Projects in progress	528		1095	316
Projects temporarily suspended				18068
<b>Total Intangible assets under development 31st March 2024</b>				<b>20007</b>

As of March 31, 2025, and March 31, 2024, there are no intangible assets under development that are overdue for completion, have exceeded their original planned costs, or have been suspended.

**Note 3 (a)****Investment Property For the Financial Year 2024-25****(Amount in '000)**

Particulars	Carrying Value As On April 01,2024	Additions	Deductions	Carrying Value As On March 31,2025
<b>(a) Land (At Cost)</b>				
Plots at DLF Mullanpur and Panchkula	44701	0	0	44701
<b>Total</b>	<b>44701</b>	<b>0</b>	<b>0</b>	<b>44701</b>
<b>Investments carried at cost</b>	<b>44701</b>			<b>44701</b>

The investment properties (freehold land) are measured using the cost model. The Company owns two properties located in DLF Mullanpur (New Chandigarh), Mohali, Punjab, and one property in DLF Valley, Panchkula, Haryana. No impairment losses were recognized, as there were no indicators of impairment. No changes in fair value have been recognized in the Statement of Profit and Loss or Other Comprehensive Income, as the cost model is applied. Based on management's internal assessment, the fair value of these properties is estimated at ₹4.95 crore.

**Note 4****(a) Non-Current Investments**

Particulars	As At March 31,2025			As At March 31,2024		
	Number of Unit	Face value (₹)	('000)	Number of Unit	Face value (₹)	('000)
<b>Investment in Equity shares (fully paid up)</b>						
<b>(Quoted)</b>	0	0	0	0	0	0
<b>Investments at fair value through other comprehensive income (FVOCI) - A</b>			0			0
<b>Aggregate amount of quoted investments at cost</b>						0
<b>Investment in Equity shares - fully paid up (Unquoted)</b>						
Dynamic Petro Products Limited	262000	10	2620	262000	10	2620
Basel Investments Limited	998800	10	9988	380000	10	3800
Himalyan Financial Services Ltd.	281600	10	2816	281600	10	2816
<b>Aggregate amount of unquoted investments at cost - B</b>			15424			9236
<b>Investment in Subsidiary Companies - fully paid up (Unquoted)</b>						
Megrisoft Limited (UK)	0		10			10
<b>Aggregate amount of unquoted investments at cost - C</b>			10			10
<b>Total Non current investments (A+B+C)</b>			15434			9246
<b>Investments carried at cost</b>			15434			9246
<b>Investments carried at fair value</b>			15434			9246

\* Mr. Mohnesh Kohli, Director of the Company, has been appointed as Director of Basel Investments Limited, effective March 15, 2024. The company had invested 3800 thousand in previous years. The current year's investment stands at 6188 thousand, bringing the total investment to 9988 thousand.

**(b) Current investments**

Particulars	As At March 31,2025			As At March 31,2024		
	Number of Unit	Amount per unit Rs	('000)	Number of Unit	Amount per unit Rs	('000)
<b>Investment in Mutual Funds (unquoted) (Liquid/ Liquid Plus) (At Cost)</b>						
Mirae Asset Large cap fund growth plan	3,324.00	48	348	3,324.00	48	321
<b>Investments at fair value through other comprehensive income (FVOCI)</b>			348			321
<b>Investments carried at cost</b>			159			159
<b>Investments carried at fair value through other comprehensive income (FVOCI)</b>			348			321

**(c) Trade Receivables**

Particulars	As At March 31,2025	As At March 31,2024
<b>Trade receivable outstanding for a period exceeding six months</b>	<b>('000)</b>	<b>('000)</b>
Unsecured		
Considered good - Against Sale of Investments	-	-
Considered doubtful	-	-
<b>Trade receivable outstanding for a period less than six months</b>		
Unsecured		
Considered good	2491	3490
Considered doubtful	-	-
<b>Total</b>	<b>2491</b>	<b>3490</b>

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person.

The trade receivable for current year 2491 (Thousands) (Previous Year 3490 Thousands).

**Trade receivables ageing schedule for the year ended as on March 31, 2025 and March 31, 2024:**

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables – considered good	-	2491	-	-	-	-	2491
Undisputed Trade receivables – credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables – considered good	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
	0	2491	0	0	0	0	2491
Less: Allowance for credit loss	-	-	-	-	-	-	0
<b>Total Trade Receivables 31st March 2025</b>							<b>2491</b>
Undisputed Trade receivables – considered good	-	3490	-	-	-	-	3490
Undisputed Trade receivables – credit impaired	-	-	-	-	-	-	0
Disputed Trade receivables – considered good	-	-	-	-	-	-	0
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	0
	0	3490	0	0	0	0	3490
Less: Allowance for credit loss	-	-	-	-	-	-	0
<b>Total Trade Receivables 31st March 2024</b>							<b>3490</b>

**Note 5**

**Deferred Tax Assets (Net)**

Particulars	As At March 31, 2025	As At March 31, 2024
	('000)	('000)
Opening Balance	314	313
Less: Deferred Tax Liabilities on Depreciation	(31)	1
<b>Total</b>	<b>283</b>	<b>314</b>

**Note 6**

**Other Non-Current Assets**

Particulars	As At March 31, 2025	As At March 31, 2024
<b>(Unsecured, considered good, unless otherwise stated)</b>	<b>('000)</b>	<b>('000)</b>
Capital Advances (Against Land & Building)	22025	22020
Other Loans and Advances	10676	11537
Securities	402	402
Deferred revenue Expenditure	0	54
<b>Total</b>	<b>33103</b>	<b>34013</b>

**Note 7**

**Cash & Cash Equivalents**

Particulars	As At March 31, 2025	As At March 31, 2024
<b>Balances with banks</b>	<b>('000)</b>	<b>('000)</b>
In Current Account & Deposit Accounts	484	2470
Cash in hand	56	82
<b>Total</b>	<b>540</b>	<b>2552</b>

**Note 8**

**Bank balance other than (7) above**

Particulars	As At March 31, 2025	As At March 31, 2024
	('000)	('000)
<u>Balances with bank:-</u>		
In Fixed Deposit	4618	7616
<b>Total</b>	<b>4618</b>	<b>7616</b>

**Note 9**

**Other Current Assets**

Particulars	As At March 31, 2025	As At March 31, 2024
<b>(Unsecured, considered good, unless otherwise stated)</b>	<b>('000)</b>	<b>('000)</b>
Advances with suppliers & others	8897	9389
Other Advances	3180	180
Advance Tax	300	755
TDS/TCS Recoverable	811	754
Other Current Assets	394	518
<b>Total</b>	<b>13582</b>	<b>11596</b>

**Note 10 (a)**  
**Share Capital**

Particulars	As At March 31, 2025	As At March 31, 2024
	('000)	('000)
<b>Authorised</b>		
3300000 Equity Shares of Rs. 10/- each	33000	33000
	33000	33000
<b>Issued &amp; subscribed</b>		
3140700 equity shares of Rs. 10/- each fully paid	31407	31407
	31407	31407
<b>Issued, Subscribed &amp; Paid up</b>		
3140700 equity shares of Rs. 10/- each fully paid	31407	31407
<b>Total</b>	<b>31407</b>	<b>31407</b>

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

Particulars	As At March 31, 2025	As At March 31, 2024
	('000)	('000)
<b>EQUITY SHARES</b>		
At the beginning of the year	31407	31407
Add: Issued during the year	-	-
<b>Outstanding at the end of the year</b>	<b>31407</b>	<b>31407</b>

**b. Terms/Rights attached to equity shares**

The company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company in proportion to their shareholding.

c. During last 5 years immediately preceeding the balance sheet date, no Equity Share has been issued pursuant to any contract without payment being received in cash. Further the company has neither allotted any share by way of bonus shares, nor it had bought back any Equity during aforesaid period of 5 years. Unpaid Calls - NIL ( Previous Year NIL) No shares have been forfeited by the company during the year.

**d. The details of the shares held by promoters as at March 31, 2025 are as follows:**

Particulars	As at March 31, 2025		As At March 31, 2024	
	No. of Shares	% Holding	No. of Shares	% Holding
Mohnesh Kohli	1168100	37.19%	1168100	37.19%
Mohnesh Kohli HUF	715700	22.79%	715700	22.79%
Aprajita Kohli	193000	6.15%	193000	6.15%
Austin Kohli	254200	8.09%	254200	8.09%
Greenwich Fintech Private Limited	24200	0.77%	24200	0.77%
<b>Total</b>	<b>2355200</b>	<b>74.99%</b>	<b>2355200</b>	<b>74.99%</b>

**Note 10(b)**  
**Other Equity**

Particulars	As At March 31, 2025	As At March 31, 2024
	('000)	('000)
General reserve	5295	5295
Retained earnings	182777	177960
<b>Total</b>	<b>188072</b>	<b>183255</b>

**Note 11**

**Trade Payables**

Particulars	As At March 31, 2025	As At March 31, 2024
	('000)	('000)
Trade Payables	-	-
<b>Total</b>	<b>0</b>	<b>0</b>

Based on information available with the Company, there are no dues to micro, small and medium enterprises, as defined in Micro, Small and Medium Enterprises Development Act, 2006 as on March 31, 2024.

**Trade payables ageing schedule for the year ended as on March 31, 2025 and March 31, 2024:**

Particulars	Not Due	Less than 1 year months	1-2 years year	2-3 years	More than 3 year	Total
Outstanding dues to MSME	-	-	-	-	-	-
Others	-	-	-	-	-	-
Disputed dues – MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
<b>Total trade payables 31st March 2025</b>						<b>0</b>
Outstanding dues to MSME	-	-	-	-	-	-
Others	-	-	-	-	-	-
Disputed dues – MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
<b>Total trade payables 31st March 2024</b>						<b>0</b>

**Note 12**

**Other Current Liabilities**

Particulars	As At March 31, 2025	As At March 31, 2024
	('000)	('000)
Audit Fees Payable	85	65
Contribution to Provident & Other Funds	9	8
Other Payables	257	1024
<b>Total</b>	<b>351</b>	<b>1097</b>

**Note 13****Provisions**

Particulars	As At March 31, 2025	As At March 31, 2024
	('000)	('000)
Provision for Income Tax	1685	2190
Provision for Employee Benefits	897	562
<b>Total</b>	<b>2582</b>	<b>2752</b>

**Note 14****Revenue From Operations**

Particulars	As At March 31,2025	As At March 31,2024
	('000)	('000)
<b><u>Information Technology Services</u></b>		
Income From IT Exports Of Services	20126	18743
Income From Domestic IT Services	9854	8869
<b>Total</b>	<b>29980</b>	<b>27612</b>

**Note 15****Other Income**

Particulars	As At March 31,2025	As At March 31,2024
	('000)	('000)
Interest on Fixed Deposits with Bank	544	632
Income from Investment (Dividend and Profits on Investments etc.)	(3)	(66)
Other Income	14	34
<b>Total</b>	<b>555</b>	<b>600</b>

**Note 16****Employee Benefit Expenses**

Particulars	As At March 31,2025	As At March 31,2024
	('000)	('000)
Salary & Wages (Including Director Remuneration see note no. 31)	10926	4918
Contribution to Provident & Other Funds	99	38
Staff Welfare Expenses	170	356
<b>Total</b>	<b>11195</b>	<b>5312</b>

**Note 17****Finance Cost**

Particulars	As At March 31,2025	As At March 31,2024
	('000)	('000)
Borrowings Cost	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

**Note 18****Depreciation & Amortisation**

Particulars	As At March 31,2025	As At March 31,2024
	('000)	('000)
Depreciation & Amortization Expenses	1037	891
<b>Total</b>	<b>1037</b>	<b>891</b>

**Note 19****Other Operating Expenses**

Particulars	As At March 31,2025	As At March 31,2024
	('000)	('000)
Advertisement & Marketing expenses	434	545
Bank Charges	63	141
Communication & Internet Expenses	384	295
Insurance Expenses	65	35
IT Operating Expenses	8471	9439
Legal & Professional Expenses	729	949
Miscellaneous Expenses	259	453
Payment to auditors (refer Note 19.1 below)	60	60
Power Fuel & Water Charges	284	267
Printing & stationery	26	32
Rent Rates & Taxes	180	360
Repair & Maintenance Expenses	389	323
Travelling & conveyence expenses (Including Director Foreign travelling Expenses)	495	838
<b>Total</b>	<b>11839</b>	<b>13737</b>

**Note 19.1****Payment to Auditors**

Particulars	As At March 31,2025	As At March 31,2024
<b>Payment to auditor</b>	<b>(‘000)</b>	<b>(‘000)</b>
As Auditor Statutory Audit	60	60
<b>Total</b>	<b>60</b>	<b>60</b>

**Note 20****Earning Per Share**

Particulars	As At March 31,2025	As At March 31,2024
<b>Earnings per share</b>	<b>(‘000)</b>	<b>(‘000)</b>
Basic		
Net profit / (loss) for the year from continuing operations attributable to the equity shareholders	4797	6125
Weighted average number of equity shares	3140700	3140700
Par value per share	10	10
Earnings per share from continuing operations - Basic	1.53	1.95
Diluted	1.53	1.95

**20.1 Ratios**

The ratios for the years ended March 31, 2025 and March 31, 2024 are as follows:

Particulars	Numerator	Denominator	31st March 2025	31st March 2024	Variance	Reason for Variance
Current Ratio	Current assets	Current liabilities	7.36	6.64	10.84%	Refer Note 1
Debt – Equity Ratio	Total Debt (represents lease liabilities)	Shareholder's Equity	-	-	-	-
Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	-	-	-	-
Return on Equity (ROE)	Net Profits after taxes	Shareholder's Equity	15.27%	19.50%	-4.23%	-
Trade receivables turnover ratio	Revenue	Average Trade Receivable	10.03	10.70	(6.26%)	Refer Note 2
Trade payables turnover ratio	Purchases of services and other expenses	Average Current Liabilities	16.35	10.80	51.39%	Refer Note 3
Net capital turnover ratio	Revenue	Working Capital	1.61	1.27	26.77%	Refer Note 4
Net profit ratio	Net Profit	Revenue	16.07%	22.55%	-6.48%	Refer Note 5
Return on capital employed (ROCE)	Earning before interest and taxes	Capital Employed	2.95%	3.85%	-0.90%	-
Return on Investment(ROI)	Income generated from investments	Average investments	-0.02%	-0.68%	0.66%	-

**Notes:-**

1. The current Ratio is increased due to a higher proportion of current assets relative to current liabilities during the year.
2. The trade receivables turnover ratio decreased due to relative increase in average trade receivables during the year in 2025.
3. The Trade payables turnover ratio increase is mainly due to higher expense volumes and more efficient settlement of outstanding payables during the year.
4. The net capital turnover ratio increased primarily due to improved revenue generation and better utilization of working capital during the year.
5. The net profit ratio decreased due to an increase in employees benefit expenses, which impacted overall profitability despite stable revenue levels

## **Note 21**

### **Current Assets, Loans & Advances:**

In the opinion of the Board, current assets, loans and advances have a value at least equal to the amount shown in the balance sheet, if realized in the ordinary course of the business. The provisions for all known liabilities are made and not in excess of the amount considered reasonably necessary.

## **Note 22**

### **Impairment**

In the view of management, no impairment conditions existed on 31st March 2025. Hence, no provision is required in the accounts for the year under review.

## **Note 23**

### **Auditor's Remuneration**

Statutory Auditors' remuneration for the financial year 2024-25 is Rs 60 thousand, excluding GST (Previous Year Rs. 60 thousand)

## **Note 24**

### **Foreign Exchange Earnings**

The particulars regarding foreign exchange earnings during the year are Rs. 20126 Thousand only (Previous year Rs. 18743 Thousand) and expenditure in foreign currency is Rs. 600 Thousand only (Previous year 589 Thousand).

## **Note 25**

### **Contingent Liabilities and Litigations**

In view of accounting policies, Contingent Liability is not provided for a Disputed Income Tax Demand against which the company has gone into appeal, in view of the facts of the cases/opinions obtained, Rs. 15732 Thousand.

Nature of Statute	Nature of Dues	Amount (in '000)	Period to which the amount relates	Forum where the dispute is pending
Income tax Act, 1961	Tax and interest	7348	A.Y 2013-14	CIT(Appeals)
Income tax Act, 1961	Tax and interest	6516	A.Y 2014-15	CIT(Appeals)
Income tax Act, 1961	Tax and interest	1868	A.Y 2016-17	CIT(Appeals)

## Note 26

### Employee Benefits

- A. Defined Contribution Plans - The Company has a defined contribution plan in respect of provident fund. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to a registered provident fund administered by the Government. The obligation of the company is limited to the amount contributed, and it has no further contractual nor any constructive obligation.

During the year, the Company has recognised the following amounts towards the defined contribution plan in the Statement of Profit and Loss –

Amount (000)		
Particulars	As At March 31, 2025,	As At March 31, 2024
Employers' Contribution to Provident Fund	16	8
Employer's Contribution to Employees State Insurance	83	30

- B. Other long-term benefits—The leave obligations cover the Company's liability for earned leave. However, based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next twelve months.
- C. Defined Benefit Plans - Contribution to Gratuity Funds – The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The company does not have any employees who are in continuous service for a period of 5 years Hence, The Company doesn't operate a defined benefit gratuity plan, which requires contributions to be made to the recognised fund.

## Note 27

**Regulation 34(3) read with para A of Schedule V to Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015:**

Amount (000)		
Particulars	As at March 31, 2025,	As At March 31, 2024
<b>Advance given to the subsidiary</b>		
<b>Megrisoft Limited ( UK Subsidiary)</b>		
Balance at the year-end	2019	2019
Maximum amount outstanding at any time during the year	2019	2019

## Note 28

### Foreign Travelling Expenses

Rs. 385 Thousand was incurred on foreign travelling during the financial year under review as compared to Rs. 400 Thousand during the preceding financial year. The entire amount was incurred on foreign travelling expenses of the director.



## Notes 29

The company has completed the main construction of its IT plot located at I-46, Sector-83 Alpha, I.T. City, SAS Nagar, Punjab – 160055. However, some miscellaneous construction activities are still ongoing. As of the reporting date, the capital work in progress amounts to 8,387 thousand (Previous year: 6,696 thousand). Since construction is not fully completed, this amount is reflected under 'Capital Work in Progress' in the Fixed Assets Schedule (Note 3).

## Note 30

### Related Party Disclosures:

In accordance with the requirements of IND AS 24, on related party disclosures, name of the related party, related party relationship, transactions and outstanding balances, including commitments where control exists and with whom transactions have taken place during the reporting period, are:

#### A) Disclosure of Related Parties and the relationship between the parties.

Name of Related Parties	Nature of Relationship
(i) Key Management Personnel (KMP)	
Mr. Mohnesh Kohli	Promoter, Non-Executive Chairman & Person having significant influence
Ms. Aprajita Kohli	Non-Executive Director
Mr. Rajnesh Sharma	Whole Time Director
Ms. Manju Bala	Company Secretary
Ms. Khushboo Goyal	Company Secretary
Ms. Saloni Garg	Company Secretary
(iii) Independent Directors - KMP	
Mr. Sahil Malhotra	Independent Director
Mr. Raman Seth	Independent Director
Ms. Diksha	Independent Director
(iv) Relatives of Key Management Personnel	
Mr. Austin Kohli	A relative of a person having a significant influence
Mr. Mahesh Kohli	
Mohnesh Kohli & Co.	Enterprise Over which the controlling person has significant influence
Mohnesh Kohli HUF	
(v) List of related parties over which control exists/exercised	
Megrisoft Limited (UK)	Wholly owned subsidiary

<b>(vi) Companies in which some of the Directors or other relatives are interested</b>	
Greenwich Fintech Private Limited	A company over which the promoter and its relatives are directors and promoters.
Ad Accounting & Bookkeeping Services Private Limited	A relative of Mohnesh Kohli is the director of the company.
Basel Investments Limited	Mr. Mohnesh Kohli is the Non-executive director of the company.
Megri Homes Private Limited	A company over which the promoter and its relatives are directors and promoters

**B) Details of transactions with related parties in the ordinary course of business:**

**(Amount in '000)**

<b>Particulars</b>	<b>Year ended 31 March 2025</b>	<b>Year ended 31 March 2024</b>
<b>(i) Remuneration to Key Management Personnel (KMP)</b>		
<b>(a) Short Term Employee Benefits (Monthly Remuneration)</b>		
Mr. Rajnesh Sharma	397	470
Mr. Vijay Kumar	-	16
Ms. Manju Bala	66	256
Ms. Khushboo Goyal	60	-
Ms. Saloni Garg	35	-
<b>(b) Short Term Reimbursement Benefits (Travelling)</b>		
Mr. Mohnesh Kohli	261	619
Ms. Aprajita Kohli	148	58
<b>(ii) Rent paid to Key Management Personnel (KMP)</b>		
Mr. Mohnesh Kohli	180	360
<b>(iii) Payment to relatives of Key Management Personnel (KMP)</b>		
<b>(a) Purchase of Assets</b>		
Mr. Mahesh Kohli	1900	1053
<b>(iv) Short Term Benefits (Sitting Fees) to KMP - Independent Directors</b>		
Mr. Mohnesh Kohli	35	20
Mr..Mahesh Kumar	-	19
Mr. Ishwar Partap Singh	-	10
Mr. Sahil Malhotra	35	15
Mr. Raman Seth	30	10

Ms. Diksha	15	-
<b>(v) Investment in a Company in which directors are interested</b>		
Basel Investments Limited - Investment in Equity Shares	6188	-

### C) Balances payable/receivable)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
<b>(i) Dues Payable/(Receivable) to KMPs and their relatives:</b>		
Mr. Rajnesh Sharma	85	40
Ms. Saloni Garg	18	25
Ms. Raman Seth	36	-
<b>(ii) Others Payable / (Receivable)</b>		
Mr. Mahesh Kohli	(50)	-
<b>(iii) Advances Receivable</b>		
Megrisoft Limited ( UK Subsidiary)	2019	2019
<b>(iv) Security Deposits ( Rental)</b>		
Mohnesh Kohli	100	100

**Investment in equity shares of** Basel Investments Limited as on 31.3.2024, Rs. 3800 thousand and as on 31.3.2025, Rs. 9988 thousand.

### Note 31

Salary and wages include director remuneration 397 thousand ( Previous Year 470 thousand) and sitting fee 115 thousand ( Previous Year 74 thousand)

### Note 32

The Company owns plot no. G1/34, measuring 400.06 sq meter, at DLF Velly Panchkula, Haryana, which is allotted in its name. The title deed of the plot in favour of the company has yet to be registered.

### Note 33

The company filed a case against Godrej Estate Developers Pvt Ltd on 31/07/2020 in State Consumer Dispute Redressal Commission, U.T. Chandigarh, regarding the refund of the full money of Rs 13842 thousand along with interest paid for the purchase of a commercial space Unit No. W-3D, 3rd Floor of Tower No. Plot No. 70, Industrial Area, Phase 1, Chandigarh on 18th April 2022. The court ordered Godrej Estate Developers Pvt Ltd to refund the entire amount to the company along with interest of @12% p.a. and the Cost of litigation of Rs. 50 thousand. The estimated interest will be approximately Rs 16600 thousand, and the final interest has yet to be determined by the court. Godrej Estate Developers Pvt Ltd filed an appeal against the order pending at the National Consumer Disputes Redressal Commission, New Delhi.

### Note 34

The company has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

## **Note 35**

### **Previous Year Figures Regrouping/Reclassification**

Previous year figures have been regrouped/reclassified to conform to the current year classification.

**As per the report of the event date attached.**

**For and on the behalf of Board of Directors**

**For Narinder Kumar And Company**

Chartered Accountants

ICAI Firm Registration Number: 030737N

**Mohnesh Kohli  
(Director)**

**DIN: 01784617**

**Rajnesh Sharma  
(Director & CFO)**

**DIN: 02528435**

Narinder Kumar Garg

Partner

Membership Number: 080287

Place of Signature: Chandigarh

Date: 19th May, 2025

ICAI UDIN:

**Saloni Garg  
Company Secretary &  
Compliance Officer  
M. No: ACS A33867**

# **Independent Auditors' Report**

**To the Members of Megri Soft Limited**

## **Report on the Consolidated Financial Statements**

### **Opinion**

We have audited the accompanying consolidated financial statements of Megri Soft Limited (hereinafter referred to as “the Holding Company”), its subsidiary (the Holding Company and its subsidiary together referred to as “the Group”) comprising of the Consolidated Balance sheet as at March 31 2025, the Consolidated Statement of Profit and Loss, including other comprehensive income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the Consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as “the consolidated financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2025, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

### **Basis for Opinion**

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the ‘Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements’ section of our report. We are independent of the Group in accordance with the ‘Code of Ethics’ issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### **Key Audit Matters**

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

S.No.	Key Audit Matter	Auditor's Response
01.	Evaluation of uncertain tax positions	The Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes. Refer Note 25 to the Standalone Financial Statements.

## Response to key audit matters & conclusion

### Principal Audit Procedures

We performed the following substantive procedures:

Obtained details of completed tax assessments and demands upto the year ended March 31, 2025 from management. We involved our internal experts to challenge the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes. Our internal experts also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions. Additionally, we considered the effect of new information in respect of uncertain tax positions as at April 1, 2024 to evaluate whether any change was required to management's position on these uncertainties. Relying on relevant external evidence available including legal opinion relevant judicial precedents and industry practices getting management confirmation wherever necessary. We agree with management's evaluation.

### Information other than the Consolidated Financial Statements and Auditors' Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with [the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 the 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

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

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

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

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group to express an opinion on the consolidated annual financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated annual financial results of which we are the independent auditors. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and its subsidiary included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2025 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiary, we report, to the extent applicable, 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 purpose of our audit;
  - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books;
  - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;



- d. In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2025 taken on record by the Board of Directors of the Holding Company that none of the directors of the companies incorporated in/outside India is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;
  - f. With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company and its subsidiary company, refer to our separate Report in "Annexure 1" to this report;
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:  
In our opinion, the managerial remuneration for the year ended March 31, 2025 has been paid / provided by the Holding Company incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;
  - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us as also the other financial information of the subsidiary:
    - i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, in its consolidated financial statements – Refer Note 25 & 33 to the consolidated financial statements;
    - ii. The Group 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. During the year, the company was not liable to transfer any amount to the Investor Education Protection Fund.
- iv.
- a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement
  - v. The company has not declared or paid any dividend during the year. Hence compliance with Section 123 of the Act is not applicable on the company.
- 2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order" / "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

**For Narinder Kumar And Company**

Chartered Accountants

ICAI Firm Registration Number: 030737N

Narinder Kumar Garg

Partner

Membership Number: 080287

Place of Signature: Chandigarh

Date: 19th May, 2025

ICAI UDIN: 25080287BMLISW2510

**ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED Ind AS FINANCIAL STATEMENTS OF MEGRI SOFT LIMITED**

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

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

In conjunction with our audit of the consolidated Ind AS financial statements of Megri Soft Limited as of and for the year ended March 31, 2025, we have audited the internal financial controls over financial reporting of Megri Soft Limited (hereinafter referred to as the "Holding Company") and its subsidiary company (the Holding Company and its subsidiary together referred to as "the Group"), which is the company incorporated outside India, as of that date

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

The respective Board of Directors of the Holding Company, and its subsidiary company which is company incorporated outside India, is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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**

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting with reference to these consolidated financial statements 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, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The

procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these consolidated financial statements.

### **Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Financial Statements**

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

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorized 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 With Reference to these Consolidated Financial Statements**

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

### **Opinion**

In our opinion, the Holding Company, and its subsidiary company, which is the company incorporated outside India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Holding 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 **Narinder Kumar And Company**

Chartered Accountants

ICAI Firm Registration Number: 030737N

Narinder Kumar Garg

Partner

Membership Number: 080287

Place of Signature: Chandigarh

Date: 19th May, 2025

ICAI UDIN: 25080287BMLISW2510

**MEGRI SOFT LIMITED**  
**CIN : L72200CH1992PLC011996**  
**Regd. Office : SCO 80, Sector 47D, Chandigarh -160047**  
**AUDITED CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2025**

(Amount in '000)

S. No.	Particulars	Note	As At March 31,2025	As At March 31,2024
<b>A</b>	<b>ASSETS</b>			
<b>1</b>	<b>NON-CURRENT ASSETS</b>			
	Property, Plant and Equipment	3	78780	77779
	Other Intangible Assets	3	604	545
	Intangible Assets Under Development	3	21162	21154
	Capital Work In Progress	3	8387	6696
	Investment Property	3(a)	44701	44701
	Financial Assets			
	Investments	4(a)	15424	9236
	Deferred Tax Assets (Net)	5	282	313
	Other Non-Current Assets	6	30497	31632
	<b>Total Non-Current Assets</b>		<b>199837</b>	<b>192056</b>
<b>2</b>	<b>CURRENT ASSETS</b>			
	Financial Assets			
	a) Investments	4(b)	348	321
	b) Trade Receivables	4(c)	3153	3599
	c) Cash and Cash Equivalents	7	5915	6797
	d) Bank Balance Other Than (c) Above	8	4618	7616
	e) Other Current Assets	9	14150	11936
	<b>Total Current Assets</b>		<b>28184</b>	<b>30269</b>
	<b>Total Assets</b>		<b>228021</b>	<b>222325</b>
<b>B</b>	<b>EQUITY &amp; LIABILITIES</b>			
<b>1</b>	<b>SHAREHOLDERS' FUNDS</b>			
	(a) Equity Share Capital	10(a)	31407	31407
	(b) Other Equity	10(b)	192297	186726
	<b>Total Equity</b>		<b>223704</b>	<b>218133</b>
<b>2</b>	<b>NON CURRENT LIABILITIES</b>			
	Financial Liabilities			
	(a) Long-Term Borrowings		-	-
	(b) Deferred Tax Liabilities (Net)		-	-
	Total Non-Current Liabilities		-	-
<b>3</b>	<b>CURRENT LIABILITIES</b>			
	Financial Liabilities			
	(a) Trade Payables	11	-	-
	(b) Other Current Liabilities	12	1298	1256
	(c) Provisions	13	3019	2936
	Total Current Liabilities		4317	4192
	<b>Total Equity and Liabilities</b>		<b>228021</b>	<b>222325</b>

The accompanying notes 1 to 35 are in integral part of the Financial Statements.

As per our report of even date

**For Narinder Kumar And Company**  
**Chartered Accountants**  
**Firm Registration No. 030737N**

**For and on behalf of Board of Directors**

**(Narinder Kumar Garg)**  
**Partner**  
**Membership No. 080287**

**Mohnesh Kohli**      **Rajnesh Sharma**  
**(Director)**      **(Whole Time Director & CFO)**  
**DIN: 01784617**      **DIN: 02528435**

**Place: Chandigarh**  
**Date: 19th May, 2025**

**Saloni Garg**  
**Company Secretary &**  
**Compliance Officer**  
**M.No: A33867**

**MEGRI SOFT LIMITED**

**CIN : L72200CH1992PLC011996**

**Regd. Office : SCO 80, Sector 47D, Chandigarh -160047**

**STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2025**

**(Amount in '000) except EPS**

<b>S. No.</b>	<b>Particulars</b>	<b>Note</b>	<b>As At March 31,2025</b>	<b>As At March 31,2024</b>
	Revenue From Operations	14	35564	33830
	Other Income	15	555	600
<b>I</b>	<b>Total Revenue</b>		<b>36119</b>	<b>34430</b>
	<b>EXPENSES</b>			
	a) Employees Benefit Expenses	16	13813	8078
	b) Finance Cost	17	0	0
	c) Depreciation & Amortization Expenses	18	1140	979
	d) Other Operating Expenses	19	13792	16232
<b>II</b>	<b>Total Expenses</b>		<b>28745</b>	<b>25289</b>
<b>III</b>	<b>Profit Before Tax (I-II)</b>		<b>7374</b>	<b>9141</b>
	<b>Tax Expenses</b>			
	a) Current Tax		1792	2315
	b) Deffered Tax (Assets)/Liabilities		31	(1)
<b>IV</b>	<b>Total Tax Expenses</b>		<b>1823</b>	<b>2314</b>
<b>V</b>	<b>Profit for the period (after Tax) (III-IV)</b>		<b>5551</b>	<b>6827</b>
	<b>Other Comprehensive Income</b>			
	<b>a) Items that will not be reclassified subsequently to profit or loss</b>			
	Equity Investment through other comprehensive income		27	139
	Income tax relating to above		(7)	(36)
<b>VI</b>	<b>Total other comprehensive income</b>		<b>20</b>	<b>103</b>
<b>VII</b>	<b>Total Comprehensive income (V+VI)</b>		<b>5571</b>	<b>6930</b>
	Paid-up Equity Share Capital (face value of Rs. 10 per equity share)		31407	31407
	<b>Earning per Equity share of Rs. 10/- each:</b>			
	1) Basic	20	1.77	2.17
	2) Diluted		1.77	2.17

The accompanying notes 1 to 35 are in integral part of the Financial Statements.

As per our report of even date

**For Narinder Kumar And Company**

**Chartered Accountants**

**Firm Registration No. 030737N**

**For and on behalf of Board of Directors**

**Mohnesh Kohli**

**(Director)**

**DIN: 01784617**

**Rajnesh Sharma**

**(Whole Time  
Director & CFO)**

**DIN: 02528435**

**(Narinder Kumar Garg)**

**Partner**

**Membership No. 080287**

**Saloni Garg  
Company Secretary & Compliance  
Officer**

**Place: Chandigarh**

**Date: 19th May, 2025**

**M.No: A33867**

**MEGRI SOFT LIMITED**  
**CIN : L72200CH1992PLC011996**  
**Regd. Office : SCO 80, Sector 47D, Chandigarh -160047**  
**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2025**

(Amount in '000)

Particulars	Year ended March 31, 2025		Year ended March 31, 2024	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
<b>Net Profit Before Tax</b>		<b>7374</b>		<b>9141</b>
Adjustments for:				
Interest Expenses	0		0	
Depreciation and Amortization	1140		979	
Profit on Sale of Assets	0		0	
Profit on Sale of Investments	4		66	
Discount Received	-		-	
Interest Income on FDR's	(544)		(632)	
Dividend Income	(1)	599	0	413
<b>Operating Profit before Working Capital Changes</b>		<b>7973</b>		<b>9554</b>
<b>Adjustments for:</b>				
Short Term Borrowings	-		-	
Trade Payables	-		-	
Other Current Liabilities	42		(882)	
Provisions	83		933	
Trade Receivables	446		(1497)	
Short Term Loans & Advances	-		-	
Other Current Assets	(2214)		(1413)	
Other Non Current Assets	1135	(508)	14209	11350
<b>Cash generated from operations</b>		<b>7465</b>		<b>20904</b>
Income Tax		(1792)		(2315)
<b>Net Cash flow from Operating activities</b>		<b>5673</b>		<b>18589</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
Loang Term Loans & Advances	0		0	
Expenditure on property, plant and equipment and intangibles	(3899)		(24028)	
Sale/Transfer of Fixed Assets	0		0	
Bank deposits	2998		7078	
Investment	(6195)		289	
Interest Income on FDR's	544		632	
Dividend Income	1		0	
Profit on Sale of Assets	0		0	
Income From Sale of Investment	(4)		(66)	
<b>Net Cash used in Investing activities</b>		<b>(6555)</b>		<b>(16095)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Interest on overdraft facility	0		0	
<b>Net Cash used in financing activities</b>		<b>0</b>		<b>0</b>
Net Increase in cash & Cash Equivalents		(882)		2494
Cash and Cash equivalents (Opening Balance)		6797		4303
Cash and Cash equivalents (Closing Balance)		5915		6797
<b>Net Decrease/(Increase) in Cash and Cash Equivalents</b>		<b>882</b>		<b>(2494)</b>

Notes:

- Figures in brackets indicate cash outflow.
- The above Statement of Cash Flows has been prepared under the Indirect method as set out in IND AS - 7 on Statement of Cash Flows notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015], as amended.
- The accompanying notes 1 to 35 are in integral part of the Financial Statements.

As per our report of even date

**For Narinder Kumar And Company**  
**Chartered Accountants**  
**Firm Registration No. 030737N**

**For and on behalf of Board of Directors**

(Narinder Kumar Garg)  
**Partner**  
**Membership No. 080287**

**Mohnesh Kohli**   **Rajnesh Sharma**  
**Director**   **(Whole Time**  
**Director & CFO)**  
**DIN: 01784617**   **DIN: 02528435**

**Place: Chandigarh**  
**Date: 19th May, 2025**

**Saloni Garg**  
**Company Secretary & Compliance**  
**Officer**  
**M.No: A33867**



MEGRI SOFT LIMITED  
CIN : L72200CH1992PLC011996  
Regd. Office : SCO 80, Sector 47D, Chandigarh -160047  
STATEMENT OF CHANGE IN EQUITY ( F.Y.2024-25)

**A. Equity Share Capital ( F.Y.2024-25)**

(Amount in '000)

Balance as at April 1, 2024	Changes in equity share capital due to prior period errors	Restated balance as at April 1, 2024	Changes in equity share capital during the year	Balance as at March 31, 2025
31407	-	31407	-	31407

**Equity Share Capital ( F.Y.2023-24)**

(Amount in '000)

Balance as at April 1, 2023	Changes in equity share capital due to prior period errors	Restated balance as at April 1, 2023	Changes in equity share capital during the year	Balance as at March 31, 2024
31407	-	31407	-	31407

**Other Equity ( F.Y.2024-25)**

(Amount in '000)

Particulars	Reserves and surplus						Other comprehensive income				Total equity attributable to equity holders of the Company
	Capital equity reserve	Capital redemption reserve	Securities Premium	Retained earnings	General reserve	Statutory reserve	Equity Instruments through other comprehensive income	Effective portion of Cash Flow Hedges	Other items of other comprehensive income / (loss)	Foreign currency translation reserve	
Balance as at April 1, 2024	-	-	-	181264	5341	-	121	-	-	-	186726
Profit for the year	-	-	-	5551	-	-	-	-	-	-	5551
Total comprehensive income	-	-	-	-	-	-	20	-	-	-	20
Dividend	-	-	-	-	-	-	-	-	-	-	-
Transfer to reserves	-	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2025	0	0	0	186815	5341	0	141	0	0	0	192297

**Other Equity ( F.Y.2023-24)**

(Amount in '000)

Particulars	Reserves and surplus						Other comprehensive income				Total equity attributable to equity holders of the Company
	Capital equity reserve	Capital redemption reserve	Securities Premium	Retained earnings	General reserve	Statutory reserve	Equity Instruments through other comprehensive income	Effective portion of Cash Flow Hedges	Other items of other comprehensive income / (loss)	Foreign currency translation reserve	
Balance as at April 1, 2023	-	-	-	174437	5341	-	18	-	-	-	179796
Profit for the year	-	-	-	6827	-	-	-	-	-	-	6827
Total Comprehensive Income	-	-	-	-	-	-	103	-	-	-	103
Dividend	-	-	-	-	-	-	-	-	-	-	-
Transfer to reserves	-	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2024	0	0	0	181264	5341	0	121	0	0	0	186726

The accompanying notes 1 to 35 are in integral part of the Financial Statements.

As per our report of even date  
For Narinder Kumar And Company  
Chartered Accountants  
Firm Registration No. 030737N

For and on behalf of Board of Directors

(Narinder Kumar Garg)  
Partner  
Membership No. 080287

Mohnesh Kohli  
(Director)  
DIN: 01784617

Rajnish Sharma  
(Whole Time Director & CFO)  
DIN: 02528435

Place: Chandigarh  
Date: 19th May, 2025

Saloni Garg  
Company Secretary & Compliance Officer  
M.No: A33867

## Notes to the Consolidated Financial Statements for the year ended March 31, 2025

1. **Corporate Information** - Megri Soft Limited (the company) is a public limited company incorporated under the Companies Act, 2013, in India, with its registered office at SCO 80, Sector 47-D, Chandigarh, India 160047. Its shares are listed on two stock exchanges in India: the Bombay Stock Exchange (BSE Ltd) and the Metropolitan Stock Exchange of India (MSE). The company is registered with the Software Technology Parks of India (STPI) as a 100% Software Export-Oriented Unit and operates as an IT/ITES provider. The company specializes in web design and development, digital marketing, SEO, e-strategy consulting, eCommerce solutions, web hosting, AI consulting and development, SaaS projects, outsourcing, and next-generation digital services. Megrisoft Limited, a company limited by shares, registered in England and Wales, is a 100% subsidiary of Megri Soft Limited India.

The consolidated financial statements are approved for issue by the Company's Board of Directors on 19 May 2025.

## 2. Significant Accounting Policies

- 2.1. **Basis of Preparation of Financial Statements** - This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in accounting policy hitherto in use.

- 2.1.1. **Compliance with Ind AS** - These consolidated financial statements are prepared in accordance with the provisions of the Companies Act, 2013 ("the Act"), guidelines issued by the Securities and Exchange Board of India (SEBI) and Indian Accounting Standard (Ind AS) under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair values, defined benefit liability/(asset) which is recognized at the present value of defined benefit obligation less fair value of plan assets. The Ind AS are prescribed under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The material accounting policy information used in preparation of the audited consolidated interim financial statements have been discussed in the respective notes.

The financial statements are presented in Indian Rupees, and all amounts disclosed in the financial statements and notes are expressed in thousands, rounded to the nearest thousand, in accordance with the requirements of Schedule III of the Companies Act, 2013.

The consolidated financial statements consist of the financial statements of Megri Soft Limited (parent company) and its 100% owned subsidiary, namely Megrisoft

Limited, registered in England and Wales. Financial statements of the foreign subsidiary have been recasted for the purpose of consolidation.

The Group combines the financial statements of the parent and its subsidiaries line by line, adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. The financial statements of all entities used for the purpose of consolidation are drawn up to the same reporting date as that of the parent company, i.e, year ended on March 31 2025.

**2.1.2. Presentation of financial statements**

The financial statements (including balance sheet, statement of profit and loss and the statement of changes in equity) are prepared and presented in accordance with the format prescribed in Division II of Schedule III to the Companies Act, 2013, as amended from time to time. The statement of cash flows has been prepared using the indirect method. The disclosure requirements with respect to items in the balance sheet and statement of profit and loss, as prescribed in Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards.

**2.1.3. Operating cycle for current and non-current classification**

The Company identifies assets/liabilities as current if the same are receivable/payable within twelve months, else the same are considered as non-current

**2.1.4. Use of Estimates and Judgments** Preparation of financial statements in conformity with Indian Accounting Standards (Ind AS) requires the management of the Company to make estimates and assumptions that affect the income and expense reported for the period and assets, liabilities and disclosures reported as of the date of the financial statements. Examples of such estimates include useful lives of tangible and intangible assets, allowance for expected credit loss, future obligations in respect of retirement benefit plans, considering the extension period for the determination of lease term, etc. Actual results could vary from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised, and by giving prospective impact in the consolidated financial statements.

**2.1.5. Recent accounting pronouncements**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statement

- 2.2. Property, plant and equipment - Property, plant and equipment** are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are recognized in profit or loss during the reporting period, in which they are incurred. Depreciation is provided on a pro-rata basis, using the straight line method, over the estimated useful lives of assets, based on internal assessment and independent technical evaluation done by the management.

Assets Estimated useful life (Years)

Assets	Estimated useful life (Years)
Building	60
Computers	3
Plant and Machinery	10
Furniture and Fixtures	10
Office Equipments	5
Vehicles	6

Gains and losses on disposals are determined by comparing net disposal proceeds with the carrying amount of the asset. These are included in profit or loss within other income.

- 2.3. Intangible Assets - Intangible assets** are stated at cost less accumulated amortization and impairment, wherever applicable. Intangible assets are amortized over their respective individual estimated useful lives on a straight line basis, from the date they are available for use. The estimated useful life of an identifiable asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. The research costs are expensed as incurred. The development costs, which can be capitalized, include the cost of material, direct labour and overhead costs that are directly attributable to preparing the asset for its intended use. Amortization methods and useful lives are reviewed periodically including at each financial year end.

Assets Estimated useful life (Years)

Assets	Estimated useful life (Years)
Softwares	6
Web Properties	10

## 2.4. Impairment of non-financial assets

Assessment is done at each balance sheet date as to whether there is any indication that an asset may be impaired. If any such indication exists or when annual impairment testing for an asset is required, an estimate of the recoverable amount of the asset/cash generating unit is made. Recoverable amount is higher of an asset's or cash generating unit's fair value less costs of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For the purpose of assessing impairment, the recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. The smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit (CGU). An asset or CGU whose carrying value exceeds its recoverable amount is considered impaired and is written down to its recoverable amount. Assessment is also done at each balance sheet for possible reversal of an impairment loss recognized for an asset, in prior accounting periods.

## 2.5. Foreign currency translations

- 2.5.1. **Functional and presentation currency** -Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the Company operates ('the functional currency') i.e., Indian Rupee (INR) which is its presentation currency as well.
- 2.5.2. **Initial recognition** - On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.
- 2.5.3. **Subsequent recognition** - As at the reporting date, foreign currency monetary items are translated using the closing rate and non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the initial transaction. Exchange gains and losses arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the year or in previous financial statements are recognised in profit or loss in the year in which they arise.
- 2.5.4. Translation of foreign operations- The financial statements of foreign operations are translated using the principles and procedures mentioned above, since these businesses are carried on as if it is an extension of the Group operations.

## 2.6. Revenue Recognition

- 2.6.1. Revenue is recognised upon transfer of control of promised services to customers in an amount that reflects the consideration we expect to receive in exchange for those services.
- 2.6.2. Dividend income is recognized as and when the right to receive is established. Interest on Bank fixed deposit is recognized on an accrual basis on certificates of interest issued by banks.
- 2.6.3. Export benefits and other benefits are accounted for on an accrual basis. Export entitlements are recognized as reduction from material consumption when the

right to receive credit is established in respect of the exports made and when there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

## **2.7. Income tax**

- 2.7.1. The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.
- 2.7.2. The current income tax is calculated on the basis of the tax rates and the tax laws enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation. It establishes provisions or make reversals of provisions made in earlier years, where appropriate, on the basis of amounts expected to be paid to / received from the tax authorities
- 2.7.3. Deferred tax is recognized for all the temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognized and carried forward only if it is probable that sufficient future taxable amounts will be available against which such deferred tax assets can be realised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled. The carrying amount of deferred tax assets are reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.
- 2.7.4. Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interest in joint arrangements where the group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.
- 2.7.5. Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.
- 2.7.6. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.
- 2.7.7. Deferred tax assets and liabilities are offset if a legally enforceable right exists to set off current tax assets and liabilities and the deferred tax balances relate to the same taxable authority. Current tax assets and liabilities are offset where the

entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

## **2.8. Provisions**

- 2.8.1. Provisions are recognised when the group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.
- 2.8.2. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.
- 2.8.3. If the effect of the time value of money is material, provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects the risks specific to the liability. The increase in the provision due to the passage of time is recognized as a finance cost
- 2.8.4. The company has adopted the following accounting policy for making provision in respect of income-tax cases under appeal: "In respect of disputed income-tax demand, where the company is in appeal, provision for tax is made when the matter is finally decided."

## **2.9. Trade and other payables**

These amounts represent liabilities for goods and services provided prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

## **2.10. Earnings Per Share (EPS)**

### **2.10.1. Basic earnings per share is calculated by dividing**

- 2.10.1.1. the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year

### **2.10.2. Diluted earnings per share**

- 2.10.2.1. Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account - the weighted average number of additional equity shares that would have been outstanding

assuming the conversion of all dilutive potential instruments into equity shares.

## **2.11. Employee Retirement Benefits**

2.11.1. **Short term employee benefits** - All employee benefits payable/available within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages and bonus etc., are recognised in the statement of profit and loss in the period in which the employee renders the related service.

### **2.11.2. Post – employment benefits**

**Defined contribution plans** – Retirement benefits in the form of provident fund is a defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund. Payments to defined contribution plans are recognised as an expense when employees have rendered service Entitling them to the contributions.

#### **Defined benefit plans – Gratuity**

The company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity payment plan provides for a lump sum payment to the vested employees at retirement, death, incapacitation while in employment or on termination of employment of an amount based on the respective employee's salary and tenure of employment. Vesting occurs upon completion of five years of service.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the projected unit credit method. Re-measurements comprising of actuarial gains and losses, are recognised in other comprehensive income which are not reclassified to profit or loss in the subsequent periods

2.11.3. **Bonus Plans** - The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

2.11.4. **Long – term employee benefits** -Leave Encashment The liability of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date Using projected unit credit method.

## **2.12. Segment Reporting**

The Company has primarily one business segment of IT/ITES service and accordingly there is no separate reportable segment as per Ind AS -108 ‘ Operating Segments’ specified under section 133 of the Companies Act, 2013.

## **2.13. Cash and Cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash on hand, amount at banks and other short-term deposits with an original maturity of three months or less that are readily convertible to known amount of cash and, which are subject to an insignificant risk of changes in value.



## 2.14. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

2.14.1. **Initial Recognition and measurement** - On initial recognition, all the financial assets and liabilities are recognized at its fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability except financial asset or financial liability measured at fair value through profit or loss ("FVTPL"). Transaction costs of financial assets and liabilities carried at fair value through the Profit and Loss are immediately recognized in the Statement of Profit and Loss.

### 2.14.2. Subsequent measurement

2.14.2.1. **Financial assets carried at amortised cost** - A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2.14.2.2. **Financial assets at fair value through other comprehensive income (FVTOCI)** - A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2.14.2.3. **Financial assets at fair value through profit or loss (FVTPL)** - A financial asset is measured at fair value through profit and loss unless it is measured at amortized cost or at fair value through other comprehensive income.

2.14.2.4. **Investments in subsidiaries** - The Company has adopted to measure investments in subsidiaries at cost in accordance with Ind AS 27 and carrying amount as per previous GAAP at the date of transition has been considered as deemed cost in accordance with Ind AS 101.

2.14.2.5. **Financial Liabilities** - Financial liabilities are classified, at initial recognition, as loans and borrowings, payables, as appropriate. The Company's financial liabilities include trade and other payables. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to short term maturity of these instruments.

- 2.14.3. **Derecognition of financial instruments** - A financial asset is derecognized when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability is derecognized when the obligation specified in the contract is discharged or cancelled or expired.
- 2.14.4. **Fair value measurement of financial instruments** - The fair value of financial instruments is determined using the valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. Based on the three level fair value hierarchy, the methods used to determine the fair value of financial assets and liabilities include quoted market price, discounted cash flow analysis and valuation certified by the external valuer. In case of financial instruments where the carrying amount approximates fair value due to the short maturity of those instruments, carrying amount is considered as fair value.

## **2.15. Provisions, contingent liabilities and contingent assets**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate. A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non -occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

## Changes in the carrying value of Property, Plant & Equipment For the Financial Year 2024-25

Note: The Company has reclassified certain land plots, previously presented under 'Property, Plant and Equipment' under the head 'Land', to 'Investment Property', as these plots are held for long-term investment purposes and are not intended for use in IT/ITES services. Accordingly, the opening balances for the financial year 2023-24 have been restated.

**Capital Work -In-Progress**

The capital work-in-progress ageing schedule for the year ended March 31, 2025 and March 31, 2024 is as follows:

Particulars	Amount in CWIP for a period of			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress	1691	6696	0	0
<b>Total Capital work-in-progress 31st March 2025</b>				<b>8387</b>
Projects in progress	6696	0	0	0
<b>Total Capital work-in-progress 31st March 2024</b>				<b>6696</b>

As of March 31, 2025, and March 31, 2024, there are no capital work-in-progress projects that are overdue for completion, have exceeded their original planned costs, or have been suspended.

**Intangible assets under development:**

The Intangible assets under development ageing schedule for the year ended March 31, 2025 and March 31, 2024 is as follows:

Particulars	Amount in CWIP for a period of			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress	8	528	1124	19502
Projects temporarily suspended				21162
<b>Total Intangible assets under development 31st March 2025</b>				<b>21162</b>
Projects in progress	528	1124	395	19107
Projects temporarily suspended				21154
<b>Total Intangible assets under development 31st March 2024</b>				<b>21154</b>

As of March 31, 2025, and March 31, 2024, there are no intangible assets under development that are overdue for completion, have exceeded their original planned costs, or have been suspended.

**Note 3 (a)**  
**Investment Property For the Financial Year 2024-25**

(Amount in '000)

Particulars	Carrying Value As On April 01,2024	Additions	Deductions	Carrying Value As On March 31,2025
<b>(a) Land (At Cost)</b>				
Plots at DLF Mullanpur and Panchkula	44701	0	0	44701
<b>Total</b>	<b>44701</b>	<b>0</b>	<b>0</b>	<b>44701</b>
<b>Investments carried at cost</b>	<b>44701</b>			<b>44701</b>

The investment properties (freehold land) are measured using the cost model. The Company owns two properties located in DLF Mullanpur (New Chandigarh), Mohali, Punjab, and one property in DLF Valley, Panchkula, Haryana. No impairment losses were recognized, as there were no indicators of impairment. No changes in fair value have been recognized in the Statement of Profit and Loss or Other Comprehensive Income, as the cost model is applied. Based on management's internal assessment, the fair value of these properties is estimated at ₹4.95 crore.

**Note 4**

**(a) Non-Current Investments**

Particulars	As At March 31,2025			As At March 31,2024		
	Number of Unit	Face value (₹)	('000)	Number of Unit	Face value (₹)	('000)
<b>Investment in Equity shares (fully paid up)</b>						
<b>(Quoted)</b>	0	0	0	0	0	0
<b>Investments at fair value through other comprehensive income (FVOCI) - A</b>			0			0
<b>Aggregate amount of quoted investments at cost</b>						0
<b>Investment in Equity shares - fully paid up (Unquoted)</b>						
Dynamic Petro Products Limited	262000	10	2620	262000	10	2620
Basel Investments Limited	998800	10	9988	380000	10	3800
Himalyan Financial Services Ltd.	281600	10	2816	281600	10	2816
<b>Aggregate amount of unquoted investments at cost - B</b>			15424			9236
<b>Total Non current investments (A+B)</b>			15424			9236
<b>Investments carried at cost</b>			15424			9236
<b>Investments carried at fair value</b>			15424			9236

\* Mr. Mohnesh Kohli, Director of the Company, has been appointed as Director of Basel Investments Limited, effective March 15, 2024. The company had invested 3800 thousand in previous years. The current year's investment stands at 6188 thousand, bringing the total investment to 9988 thousand.

**(b) Current investments**

Particulars	As At March 31,2025			As At March 31,2024		
	Number of Unit	Amount per unit Rs	('000)	Number of Unit	Amount per unit Rs	('000)
<b>Investment in Mutual Funds (unquoted) (Liquid/ Liquid Plus) (At Cost)</b>						
Mirae Asset Large cap fund growth plan	3,324.00	48	348	3,324.00	48	321
<b>Investments at fair value through other comprehensive income (FVOCI)</b>			348			321
<b>Investments carried at cost</b>			159			159
<b>Investments carried at fair value through other comprehensive income (FVOCI)</b>			348			321

**(c) Trade Receivables**

Particulars	As At March 31,2025	As At March 31,2024
<b>Trade receivable outstanding for a period exceeding six months</b>	<b>( '000)</b>	<b>( '000)</b>
Unsecured		
Considered good - Against Sale of Investments	0	0
Considered doubtful	-	-
<b>Trade receivable outstanding for a period less than six months</b>		
Unsecured		
Considered good	3153	3599
Considered doubtful	-	-
<b>Total</b>	<b>3153</b>	<b>3599</b>

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person.

The trade receivable for current year 3153 (Thousand) ( Previous Year 3599 Thousand).

**Trade receivables ageing schedule for the year ended as on March 31, 2025 and March 31, 2024:**

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables – considered good	-	3153	-	-	-	-	3153
Undisputed Trade receivables – credit impaired	-	-	-	-	-	-	0
Disputed Trade receivables – considered good	-	-	-	-	-	-	0
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	0
	-	3153	-	-	-	-	3153
Less: Allowance for credit loss	-	-	-	-	-	-	0
<b>Total Trade Receivables 31st March 2025</b>							<b>3153</b>
Undisputed Trade receivables – considered good	-	3599	-	-	-	-	3599
Undisputed Trade receivables – credit impaired	-	-	-	-	-	-	0
Disputed Trade receivables – considered good	-	-	-	-	-	-	0
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	0
	-	3599	-	-	-	-	3599
Less: Allowance for credit loss	-	-	-	-	-	-	0
<b>Total Trade Receivables 31st March 2024</b>							<b>3599</b>

**Note 5**

**Deferred Tax Assets (Net)**

Particulars	As At March 31, 2025	As At March 31, 2024
	('000)	('000)
Opening Balance	313	312
Less: Deferred Tax Liabilities on Depreciation	(31)	1
<b>Total</b>	<b>282</b>	<b>313</b>

**Note 6**

**Other Non-Current Assets**

Particulars	As At March 31, 2025	As At March 31, 2024
	('000)	('000)
<b>(Unsecured, considered good, unless otherwise stated)</b>		
Capital Advances (Against Land & Building)	22025	22020
Other Loans and Advances	8070	9156
Securities	402	402
Deferred revenue Expenditure	0	54
<b>Total</b>	<b>30497</b>	<b>31632</b>

**Note 7**

**Cash & Cash Equivalents**

Particulars	As At March 31, 2025	As At March 31, 2024
	('000)	('000)
<b>Balances with banks</b>		
In Current Account & Deposit Accounts	5824	6682
Cash in hand	91	115
<b>Total</b>	<b>5915</b>	<b>6797</b>

**Note 8**

**Bank balance other than (7) above**

Particulars	As At March 31, 2025	As At March 31, 2024
	('000)	('000)
<u>Balances with bank:-</u>		
In Fixed Deposit	4618	7616
<b>Total</b>	<b>4618</b>	<b>7616</b>

**Note 9**

**Other Current Assets**

Particulars	As At March 31, 2025	As At March 31, 2024
	('000)	('000)
<b>(Unsecured, considered good, unless otherwise stated)</b>		
Advances with suppliers & others	8897	9389
Other Advances	3180	180
Advance Tax	300	755
TDS/TCS Recoverable	811	754
Other Current Assets	962	858
<b>Total</b>	<b>14150</b>	<b>11936</b>

**Note 10 (a)****Share Capital**

Particulars	As At March 31, 2025	As At March 31, 2024
	('000)	('000)
<b>Authorised</b>		
3300000 Equity Shares of Rs. 10/- each	33000	33000
	33000	33000
<b>Issued &amp; subscribed</b>		
3140700 equity shares of Rs. 10/- each fully paid	31407	31407
	31407	31407
<b>Issued, Subscribed &amp; Paid up</b>		
3140700 equity shares of Rs. 10/- each fully paid	31407	31407
<b>Total</b>	<b>31407</b>	<b>31407</b>

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

Particulars	As At March 31, 2025	As At March 31, 2024
	('000)	('000)
<b>EQUITY SHARES</b>		
At the beginning of the year	31407	31407
Add: Issued during the year	-	-
<b>Outstanding at the end of the year</b>	<b>31407</b>	<b>31407</b>

**b. Terms/Rights attached to equity shares**

The company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company in proportion to their shareholding.

c. During last 5 years immediately preceeding the balance sheet date, no Equity Share has been issued pursuant to any contract without payment being received in cash. Further the company has neither allotted any share by way of bonus shares, nor it had bought back any Equity during aforesaid period of 5 years. Unpaid Calls - NIL ( Previous Year NIL) No shares have been forfeited by the company during the year.

**d. The details of the shares held by promoters as at March 31, 2024 are as follows:**

Particulars	As at March 31, 2025		As At March 31, 2024	
	No. of Shares	% Holding	No. of Shares	% Holding
Mohnesh Kohli	1168100	37.19%	1168100	37.19%
Mohnesh Kohli HUF	715700	22.79%	715700	22.79%
Aprajita Kohli	193000	6.15%	193000	6.15%
Austin Kohli	254200	8.09%	254200	8.09%
Greenwich Fintech Private Limited	24200	0.77%	24200	0.77%
<b>Total</b>	<b>2355200</b>	<b>74.99%</b>	<b>2355200</b>	<b>74.99%</b>

**Note 10(b)****Other Equity**

Particulars	As At March 31, 2025	As At March 31, 2024
	('000)	('000)
General reserve	5341	5341
Retained earnings	186956	181385
<b>Total</b>	<b>192297</b>	<b>186726</b>

**Note 11****Trade Payables**

Particulars	As At March 31, 2024	As At March 31, 2023
	('000)	('000)
Trade Payables	-	-
<b>Total</b>	<b>0</b>	<b>0</b>

Based on information available with the Company, there are no dues to micro, small and medium enterprises, as defined in Micro, Small and Medium Enterprises Development Act, 2006 as on March 31, 2024.

**Trade payables ageing schedule for the year ended as on March 31, 2025 and March 31, 2024:**

Particulars	Not Due	Less than 1 year months	1-2 years year	2-3 years	More than 3 year	Total
Outstanding dues to MSME	-	-	-	-	-	-
Others	-	-	-	-	-	-
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
<b>Total trade payables 31st March 2025</b>						<b>0</b>
Outstanding dues to MSME	-	-	-	-	-	-
Others	-	-	-	-	-	-
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
<b>Total trade payables 31st March 2024</b>						<b>0</b>

**Note 12****Other Current Liabilities**

Particulars	As At March 31, 2025	As At March 31, 2024
	('000)	('000)
Audit Fees Payable	85	65
Contribution to Provident & Other Funds	468	98
Other Payables	745	1093
<b>Total</b>	<b>1298</b>	<b>1256</b>

**Note 13****Provisions**

Particulars	As At March 31, 2025	As At March 31, 2024
	('000)	('000)
Provision for Income Tax	1859	2375
Provision for Employee Benefits	1160	561
<b>Total</b>	<b>3019</b>	<b>2936</b>

**Note 14****Revenue From Operations**

Particulars	As At March 31,2025	As At March 31,2024
	('000)	('000)
<b>Information Technology Services</b>		
Income From IT Exports Of Services	25710	24961
Income From Domestic IT Services	9854	8869
<b>Total</b>	<b>35564</b>	<b>33830</b>

**Note 15****Other Income**

Particulars	As At March 31,2025	As At March 31,2024
	('000)	('000)
Interest on Fixed Deposits with Bank	544	632
Income from Investment (Dividend and Profits on Investments etc.)	(3)	(66)
Other Income	14	34
<b>Total</b>	<b>555</b>	<b>600</b>

**Note 16****Employee Benefit Expenses**

Particulars	As At March 31,2025	As At March 31,2024
	('000)	('000)
Salary & Wages (Including Director Remuneration see note no. 31)	13251	7445
Contribution to Provident & Other Funds	339	255
Staff Welfare Expenses	223	378
<b>Total</b>	<b>13813</b>	<b>8078</b>

**Note 17****Finance Cost**

Particulars	As At March 31,2025	As At March 31,2024
	('000)	('000)
Borrowings Cost	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

**Note 18****Depreciation & Amortisation**

Particulars	As At March 31,2025	As At March 31,2024
	('000)	('000)
Depreciation & Amortization Expenses	1140	979
<b>Total</b>	<b>1140</b>	<b>979</b>

**Note 19****Other Operating Expenses**

Particulars	As At March 31,2025	As At March 31,2024
	('000)	('000)
Advertisement & Marketing expenses	434	552
Bank Charges	63	141
Communication & Internet Expenses	384	297
Insurance Expenses	65	35
IT Operating Expenses	9897	11309
Legal & Professional Expenses	787	977
Miscellaneous Expenses	450	704
Payment to auditors (refer Note 19.1 below)	60	60
Power Fuel & Water Charges	284	267
Printing & stationery	26	32
Rent Rates & Taxes	258	434
Repair & Maintenance Expenses	389	327
Travelling & conveyence expenses (Including Director Foreign travelling Expenses)	695	1097
<b>Total</b>	<b>13792</b>	<b>16232</b>



**Note 19.1****Payment to Auditors**

Particulars	As At March 31,2025	As At March 31,2024
<b>Payment to auditor</b>	<b>(‘000)</b>	<b>(‘000)</b>
As Auditor Statutory Audit	60	60
<b>Total</b>	<b>60</b>	<b>60</b>

**Note 20****Earning Per Share**

Particulars	As At March 31,2025	As At March 31,2024
<b>Earnings per share</b>	<b>(‘000)</b>	<b>(‘000)</b>
Basic		
Net profit / (loss) for the year from continuing operations attributable to the equity shareholders	5551	6827
Weighted average number of equity shares	3140700	3140700
Par value per share	10	10
Earnings per share from continuing operations - Basic	1.77	2.17
Diluted	1.77	2.17

**20.1 Ratios**

The ratios for the years ended March 31, 2025 and March 31, 2024 are as follows:

Particulars	Numerator	Denominator	31st March 2025	31st March 2024	Variance	Reason for Variance
Current Ratio	Current assets	Current liabilities	6.53	7.22	(9.56%)	Refer Note 1
Debt – Equity Ratio	Total Debt (represents lease liabilities)	Shareholder’s Equity	-	-	-	-
Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	-	-	-	-
Return on Equity (ROE)	Net Profits after taxes	Shareholder’s Equity	17.67%	21.74%	-4.07%	-
Trade receivables turnover ratio	Revenue	Average Trade Receivable	10.53	11.87	(11.29%)	Refer Note 2
Trade payables turnover ratio	Purchases of services and other expenses	Average Current Liabilities	10.80	9.57	12.85%	Refer Note 3
Net capital turnover ratio	Revenue	Working Capital	1.49	1.30	14.62%	Refer Note 4
Net profit ratio	Net Profit	Revenue	15.66%	20.49%	-4.83%	-
Return on capital employed (ROCE)	Earning before interest and taxes	Capital Employed	3.30%	4.19%	-0.89%	-
Return on Investment(ROI)	Income generated from investments	Average investments	-0.02%	-0.68%	0.66%	-

**Notes:-**

1. The current Ratio is reduced because a reduction in current assets.
2. The trade receivables turnover ratio decreased due to relative increase in average trade receivables during the year in 2025.
3. The Trade payables turnover ratio increase is mainly due to higher expense volumes and more efficient settlement of outstanding payables during the year.
4. The net capital turnover ratio increased primarily due to improved revenue generation and better utilization of working capital during the year.

## **Note 21**

### **Current Assets, Loans & Advances:**

In the opinion of the Board, current assets, loan and advances have a value at least equal to the amount shown in the balance sheet, if realized in the ordinary course of the business. The provisions for all known liabilities are made and not in excess of the amount considered reasonably necessary.

## **Note 22**

### **Impairment**

In the view of management, no impairment conditions existed on 31 March 2025. Hence, no provision is required in the accounts for the year under review.

## **Note 23**

### **Auditor's Remuneration**

Statutory Auditors' remuneration for the financial year 2024-25 is Rs 60 thousand, excluding GST (Previous Year Rs. 60 thousand)

## **Note 24**

### **Foreign Exchange Earnings**

The particulars regarding foreign exchange earnings of holding company during the year of Rs. 20126 thousand only (Previous Year Rs. 18743 thousand) and expenditure in foreign currency is Rs. 600 thousand only (Previous year 589 thousand).

## **Note 25**

### **Contingent Liabilities and Litigations**

In view of accounting policies, Contingent Liability not provided for Disputed Income Tax Demand against which the company has gone into appeal in view of facts of the cases/ opinion obtained Rs. 15732 thousand

Nature of Statute	Nature of Dues	Amount (in '000)	Period to which the amount relates	Forum where the dispute is pending
Income tax Act, 1961	Tax and interest	7348	A.Y 2013-14	CIT(Appeals)
Income tax Act, 1961	Tax and interest	6516	A.Y 2014-15	CIT(Appeals)
Income tax Act, 1961	Tax and interest	1868	A.Y 2016-17	CIT(Appeals)

## Note 26

### Employee Benefits

- A. Defined Contribution Plans** - The Company has a defined contribution plan in respect of provident fund. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to a registered provident fund administered by the Government. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

During the year, the Company has recognised the following amounts towards defined contribution plan in the Statement of Profit and Loss –

Amount (000)		
Particulars	As At March 31,2025	As At March 31,2024
Employers' Contribution to Provident Fund	16	8
Employer's Contribution to Employees State Insurance	323	247

- B. Other Long term benefits** - The leave obligations cover the Company's liability for earned leave.. However, based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next twelve months.
- C. Defined Benefit Plans - Contribution to Gratuity Funds** – The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The company does not have any employees who are in continuous service for a period of 5 years Hence The Company doesn't operate a defined benefit gratuity plan, which requires contributions to be made to the recognised fund.

## Note 27

**Regulation 34(3) read with para A of Schedule V to Securities And Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015:**

Amount (000)		
Particulars	As At March 31, 2025	As At March 31, 2024
<b>Advance given to the subsidiary</b>		
<b>Megrisoft Limited ( UK Subsidiary)</b>		
Balance at the year-end	2019	2019
Maximum amount outstanding at any time during the year	2019	2019

**Note 28****Foreign Travelling Expenses**

Rs. 385 Thousand was incurred on foreign travelling during the financial year under review as compared to Rs. 400 Thousand during the preceding financial year. The entire amount was incurred on foreign travelling expenses of the director.

**Notes 29**

The company has completed the main construction of its IT plot located at I-46, Sector-83 Alpha, I.T. City, SAS Nagar, Punjab – 160055. However, some miscellaneous construction activities are still ongoing. As of the reporting date, the capital work in progress amounts to 8,387 thousand (Previous year: 6,696 thousand). Since construction is not fully completed, this amount is reflected under 'Capital Work in Progress' in the Fixed Assets Schedule (Note 3).

**Note 30****Related Party Disclosures:**

In accordance with the requirements of IND AS 24, on related party disclosures, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reporting period, are:

**A) Disclosure of Related Parties and the relationship between the parties.**

Name of Related Parties	Nature of Relationship
<b>(i) Key Management Personnel (KMP)</b>	
Mr. Mohnesh Kohli	Promoter, Non-Executive Chairman & Person having significant influence
Ms. Aprajita Kohli	Non-Executive Director
Mr. Rajnesh Sharma	Whole Time Director
Ms. Manju Bala	Company Secretary
Ms. Khushboo Goyal	Company Secretary
Ms. Saloni Garg	Company Secretary
<b>(iii) Independent Directors - KMP</b>	
Mr. Sahil Malhotra	Independent Director
Mr. Raman Seth	Independent Director
Ms. Diksha	Independent Director
<b>(iv) Relatives of Key Management Personnel</b>	
Mr. Austin Kohli	A relative of a person having a significant influence
Mr. Mahesh Kohli	
Mohnesh Kohli & Co.	Enterprise Over which the controlling person has significant influence
Mohnesh Kohli HUF	

<b>(v) List of related parties over which control exists/exercised</b>	
Megrisoft Limited (UK)	Wholly owned subsidiary
<b>(vi) Companies in which some of the Directors or other relatives are interested</b>	
Greenwich Fintech Private Limited	A company over which the promoter and its relatives are directors and promoters.
Ad Accounting & Bookkeeping Services Private Limited	A relative of Mohnesh Kohli is the director of the company.
Basel Investments Limited	Mr. Mohnesh Kohli is the Non-executive director of the company.
Megri Homes Private Limited	A company over which the promoter and its relatives are directors and promoters

**B) Details of transactions with related parties in the ordinary course of business:**

**(Amount in '000)**

<b>Particulars</b>	<b>Year ended 31 March 2025</b>	<b>Year ended 31 March 2024</b>
<b>(i) Remuneration to Key Management Personnel (KMP)</b>		
<b>(a) Short Term Employee Benefits (Monthly Remuneration)</b>		
Mr. Rajnesh Sharma	397	470
Ms. Aprajita Kohli	2326	2527
Mr. Vijay Kumar	-	16
Ms. Manju Bala	66	256
Ms. Khushboo Goyal	60	-
Ms. Saloni Garg	35	-
<b>(b) Short Term Reimbursement Benefits (Travelling)</b>		
Mr. Mohnesh Kohli	261	619
Ms. Aprajita Kohli	348	317
<b>(ii) Rent paid to Key Management Personnel (KMP)</b>		
Mr. Mohnesh Kohli	180	360
<b>(iii) Payment to relatives of Key Management Personnel (KMP)</b>		
<b>(a) Purchase of Assets</b>		
Mr. Mahesh Kohli	1900	1053
<b>(iv) Short Term Benefits (Sitting Fees) to KMP - Independent Directors</b>		

Mr. Mohnesh Kohli	35	20
Mr..Mahesh Kumar	-	19
Mr. Ishwar Partap Singh	-	10
Mr. Sahil Malhotra	35	15
Mr. Raman Seth	30	10
Ms. Diksha	15	-
<b>(v) Investment in a Company in which directors are interested</b>		
Basel Investments Limited - Investment in Equity Shares	6188	-

### C) Balances payable/receivable)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
<b>(i) Dues Payable/(Receivable) to KMPs and their relatives:</b>		
Mr. Rajnesh Sharma	85	40
Ms. Aprajita Kohli	262	-
Ms. Saloni Garg	18	25
Ms. Raman Seth	36	-
<b>(ii) Others Payable / (Receivable)</b>		
Mr. Mahesh Kohli	(50)	-
<b>(iii) Advances Receivable</b>		
Megrisoft Limited ( UK Subsidiary)	2019	2019
<b>(iv) Security Deposits ( Rental)</b>		
Mohnesh Kohli	100	100

**Investment in equity shares of** Basel Investments Limited as on 31.3.2024, Rs. 3800 thousand and as on 31.3.2025, Rs. 9988 thousand.

#### Note 31

Salary and wages include director remuneration 2723 thousand (Previous Year 2997 thousand) and sitting fee 115 thousand ( Previous Year 74 thousand).

#### Note 32

The Company owns plot no. G1/34, measuring 400.06 sq meter, at DLF Velly Panchkula, Haryana, which is allotted in its name. The title deed of the plot in favour of the company has yet to be registered.

#### Note 33

The company filed a case against Godrej Estate Developers Pvt Ltd on 31/07/2020 in State Consumer Dispute Redressal Commission, U.T. Chandigarh, regarding the refund of the full money of Rs 13842

thousand along with interest paid for the purchase of a commercial space Unit No. W-3D, 3rd Floor of Tower No. Plot No. 70, Industrial Area, Phase 1, Chandigarh on 18th April 2022. The court ordered Godrej Estate Developers Pvt Ltd to refund the entire amount to the company along with interest of @12% p.a. and the Cost of litigation of Rs. 50 thousand. The estimated interest will be approximately Rs 16600 thousand, and the final interest has yet to be determined by the court. Godrej Estate Developers Pvt Ltd filed an appeal against the order pending at the National Consumer Disputes Redressal Commission, New Delhi.

**Note 34**

The company has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

**Note 35**

**Previous Year Figures Regrouping/Reclassification**

Previous year figures have been regrouped/reclassified to conform to the current year classification.

**As per the report of even date attached.**

**For and on the behalf of Board of Directors**

**For Narinder Kumar And Company**

Chartered Accountants

ICAI Firm Registration Number: 030737N

**Mohnesh Kohli**

**(Director)**

**DIN: 01784617**

**Rajnesh Sharma**

**(Director & CFO)**

**DIN: 02528435**

Narinder Kumar Garg

Partner

Membership Number: 080287

Place of Signature: Chandigarh

Date: 19th May, 2025

ICAI UDIN:

**Saloni Garg**

**Company Secretary &**

**Compliance Officer**

**M.No: ACS A33867**