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**DANLAW TECHNOLOGIES INDIA LIMITED**

**ANNUAL REPORT - FY 2022-23**

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**BOARD OF DIRECTORS**

Raju S Dandu  
(DIN : 00073484)  
Chairman & Whole-time  
Director

N S Sappata  
(DIN : 02423978)  
Independent Director

T Ravi Kumar Director  
(DIN : 05306747)  
Independent Director

P Sridevi  
(DIN : 02446610)  
Woman Director

M A Ashok Kumar  
(DIN : 00045549)  
Addition Independent  
Director

Timothy Matthew Morris  
(DIN : 09825506)  
Additional Director

**MANAGEMENT TEAM**

B V Ramana  
Chief Operating Officer

A V R K Varma  
Chief Financial Officer

Gaurav Padmawar  
Company Secretary

**REGISTERED OFFICE**

Unit No. 201,202 & 203, Gowra  
Fountainhead, Huda Techno  
Enclave, Patrikanagar, Madhapur,  
Hyderabad, Telangana – 500081

**AUDITORS**

CSV & Associates  
Chartered Accountants  
F-2, Trendset Ville, Road No.3, Banjara Hills, Hyderabad -  
500034  
Ph. : 040 - 23551980  
Email : csvassociates@gmail.com

**BANKERS**

HDFC Bank Ltd ,  
Banjara Hills Branch,  
Hyderabad.

**REGISTRAR & SHARE TRANSFER AGENT**

M/s. NSDL Database Management Limited  
4th Floor, Tower 3, One International Center,  
Senapati Bapat Marg, Prabhadevi,  
Mumbai – 400 013  
Phone : 022 4914 2578 /2636  
Fax : 022-49142503  
Email : investor.ndmlrta@nsdl.com  
Website : www.ndml.in



## NOTICE

**NOTICE** is hereby given that the Thirtieth Annual General Meeting of the Company will be held on Monday, the 25<sup>th</sup> day of September 2023 at 10.00 A.M.(IST) at Deccan Serai Hotel, Adjacent to Westin Hotel, Sy no. 82, 84, Raheja Mindspace, Hitech City, Hyderabad - 500081 to transact the following business:

### **ORDINARY BUSINESS :**

- 1.To receive, consider and adopt the Audited Financial Statements for the financial year ended 31st March, 2023 together with the Reports of Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Sridevi Madati (DIN: 02446610),who retires by rotation and being eligible, offers herself for reappointment

### **SPECIAL BUSINESS:**

**3. To regularise the appointment of Mr Muppanna Ankaiah Ashok kumar [DIN: 00045549], as an Independent Director who was appointed as an Additional Independent Director and in this regard to consider and if thought fit, to pass with orwithout modification(s), the following resolution as an Special Resolution:-**

**“RESOLVED THAT** the appointment of Mr Muppanna Ankaiah Ashok kumar [DIN: 00045549] an Additional Independent Director of the company with effect from 23<sup>rd</sup> December 2022 in terms of Section 161 of the Companies Act, 2013 and Article of Association of the Company, who holds office up to the date of this Annual General Meeting, be and is hereby appointed as an Independent Director of the Company for five (5) consecutive years.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, any Director or Company Secretary of the Company be and are hereby authorized, on behalf of the Company, to do all acts, deeds, matters and things as deem necessary, proper or desirable and to sign and execute all necessary documents, applications and returns for the purpose of giving effect to the aforesaid resolution along with filing of necessary E-form with the office of the Registrar of Companies.”

**4. To regularise the appointment of Mr Timothy Matthew Morris [DIN: 09825506], as Director who was appointed as an Additional Director(Non -Exective and Non-Independent) and in this regard to consider and if thought fit, to pass with orwithout modification(s), the following resolution as an Ordinary Resolution:-**

**“RESOLVED THAT** the appointment of Mr Timothy Matthew Morris [DIN: 09825506] an Additional Director (Non -Exective and Non-Independent) of the company with effect from 23<sup>rd</sup> December 2022 in terms of Section 161 of the Companies Act, 2013 and Article of Association of the Company, who holds office up to the date of this Annual General Meeting, be and is hereby appointed as Director (non-executive and non-independent category) of the Company.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, any Director or Company Secretary of the Company be and are hereby authorized, on behalf of the Company, to do all acts, deeds, matters and things as deem necessary, proper or desirable and to sign and execute all necessary documents, applications and returns for the purpose of giving effect to the aforesaid resolution along with filing of necessary E-form with the office of the Registrar of Companies.”

## 5. Re-Appointment of Mr. Raju S Dandu (DIN:00073484) as a Whole-time Director and Executive Chairman of the Company

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

**"RESOLVED THAT** the pursuant to Sections 196, 197,198 and 203 read with Schedule V of Companies Act 2013 and other applicable provisions, if any of the Companies Act, 2013 and rules made thereunder, SEBI (Listing Obligations And Disclosure Requirements) Regulation 2015 and subject to the approval of shareholders and further subject to the requisite approval of Central Government, the consent of the Board be and is hereby accorded for the re -appointment of Mr. Raju S Dandu,(DIN: 00073484 ) as the Whole-time Director and Executive Chairman of the Company for a period of Three years with effect from February 25th 2023 upon payment of a remuneration of gross pay of Rs.18 lakhs per annum plus all other benefits, perquisites and other allowances.

The Chairman and Whole-Director shall also be eligible for the following perquisites:

Category I: Included in the Remuneration

- a) Housing: The expenditure incurred by the Company on hiring furnished accommodation.
- b) House Maintenance: The expenditure incurred by the Company on gas, electricity, water and furnishings.
- c) Medical Reimbursement: Expenses incurred for self and family subject to a ceiling of one-month salary.
- d) Club fee subject to a maximum of two clubs.
- e) Premium on Medical / Personal Accident Insurance Policy, which does not exceed Rs.5,000/- per month.
- f) The Company will reimburse the wages of one servant at residence

Category II: Not included in the remuneration

- a) Contribution to Provident Fund and Annuity Fund are as per the rules of the Company and to the extent these either singly or put together are not taxable under the Income Tax Act.
- b) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
- c) Encashment of Leave at the end of his tenure
- d) Leave: As per the rules of the Company
- e) Leave Travel Concession for self and family incurred in accordance with the service rules of the Company.
- f) Provision of car with driver for use on Company's business.
- g) Telephone at residence and mobile phone for self

**RESOLVED FURTHER THAT** the Whole-time Director and Executive Chairman shall be paid a commission upto a maximum of 2% of the current relevant profit, the actual amount of which will be determined by the Board of Directors from time to time, subject to overall ceiling of Managerial Remuneration as prescribed in the Companies Act, 2013.

**RESOLVED FURTHER THAT** notwithstanding anything specified above, where in any financial year, during the currency of the tenure of the Whole-time director and Executive Chairman, the Company has no profits or profits are inadequate, the Company shall pay remuneration to Mr Raju S Dandu by way of salary, perquisites and allowances as mentioned above.

**RESOLVED FURTHER THAT** that the Board be and is hereby authorized to revise the gross salary of the Chairman and Whole-time director by a maximum of 50% per annum.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, any of the Director and Company Secretary of the Company severally be and are hereby authorized to file such forms as may be necessary with Registrar of Companies, Central and other concerned authorities may be required and do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary or desirable for and on behalf of the Company.”

**6..Ratification of Remuneration payable to Cost Auditors of the Company for the Financial Years ending 31 March 2023 and 31 March 2024**

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

“RESOLVED THAT pursuant to Section 148 and other applicable provisions of the Companies Act, 2013 read with The Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof) and based on the recommendation of the Audit Committee and approval of the Board of Directors at their respective Meetings held on 8 August 2023, the remuneration payable to M/s. Sagar & Associates, Cost and Management Accountants (Firm Registration No.: 000118) appointed as Cost Auditors of the Company to conduct the audit of the cost records of the Company for the financial years ending 31 March 2023 and 31 March 2024, amounting to Rs. 1.5 lacs per year + applicable taxes

Place: Hyderabad  
Date: 08.08.2023

By Order of the Board  
For Danlaw Technologies India Limited

Raju S. Dandu  
Chairman  
DIN:00073484

**Notes:**

1. A Member entitled to attend and vote on a poll is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. Proxies in order to be effective must be received by the Company not less than 48 hours before the meeting.
2. As per Regulation 40 of Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019 except in case of request received for transmission or transposition and relodged transfers of securities. Further, SEBI vide its circular no. SEBI/ HO/MIRSD/ RTAMB/CIR/P/2020/236 dated December 2, 2020 had fixed March 31, 2021 as the cut-off date for relodgement of transfer deeds and the shares that are relodged for transfer shall be issued only in demat mode. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, mobile/ phone numbers, PAN, mandates, nominations and bank details etc., to their Depository Participants (“DPs”) in case shares are held by them in electronic form and to the M/s. NSDL Database Management Limited in Form ISR-1, in case shares are held by them in physical form. Members can contact the Company or Company’s Registrars and Transfer Agents, M/s. NSDL Database Management Limited for assistance in this regard.

3. The Company is concerned about the environment. We request you to update your email address with your Depository Participants to enable us to send you communications via email. The Members who have not registered their e-mail addresses, so far, are requested to register their email addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members, who hold shares in physical form are requested to provide their email addresses to the M/s. NSDL Database Management Limited an e-mail at [investor.ndmlrta@nsdl.com](mailto:investor.ndmlrta@nsdl.com)
4. As per the provisions of Section 72 of the Act, the facility for making nominations is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members are requested to submit the said details to their DP in case the shares are held by them in electronic form and to M/s. NSDL Database Management Limited, in case the shares are held in physical form. Further, if Members desire to opt out/ cancel the nomination and to record a fresh nomination, are requested to submit Form ISR-3 (in case of shares held in physical form) or SH-14 (in case of shares held in electronic mode).
5. SEBI has mandated listed companies to issue securities in dematerialized form only, while processing service requests for issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/exchange of securities certificate; endorsement; subdivision/splitting of securities certificate; consolidation of securities certificates / folios; and transmission and transposition. In this regard, members are requested to make requests in Form ISR – 4. It may be noted that the service request can be processed only, if the respective folio is KYC Compliant
6. 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 during the AGM
7. In compliance with the MCA Circulars and SEBI Circular, Notice of the AGM along with the Annual Report 2022-23 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories.
8. A statement pursuant to Section 102 of the Companies Act, 2013 in respect of ordinary and special business under item nos 3, 4, 5, and 6 set out above to be transacted at the meeting is annexed hereto and form part of this Notice
9. Members may note that the Notice and Annual Report 2022-23 will also be available on the Company's website [www.danlawtechnologies.com](http://www.danlawtechnologies.com), websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com)
10. Members seeking any information with regards to Financial Statements or any matters to be placed at the AGM, are requested to write to the Company on or before 18<sup>th</sup> September , 2023 through email at [info@danlawtechnologies.com](mailto:info@danlawtechnologies.com). The same will be replied by the Company suitably
11. Members/Proxies are requested to bring the Attendance Slip sent with this Notice duly filled-in for attending the meeting
12. The Register of Members and Share Transfer Books of the Company will remain closed from 22<sup>nd</sup> September 2023 to 25<sup>th</sup> September 2023 (both days inclusive).
13. Mr saravana, Practicing Company Secretaries, Hyderabad has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process (including the Ballot Form received at the Annual General Meeting) in a fair and transparent manner.
14. Body Corporates whose Authorized Representatives are intending to attend the meeting are requested to send a duly certified copy of the Board Resolution authorizing their representative(s) to attend and vote on their behalf at the Annual General Meeting, pursuant to Section 113 of the Companies Act, 201 to the to the Scrutinizer by e-mail to [saravana1015@gmail.com](mailto:saravana1015@gmail.com) with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com) and [info@danlawtechnologies.com](mailto:info@danlawtechnologies.com)
15. The business set out in the Notice will be transacted through electronic voting system and the Companyis providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in the Notice under Note no. 21
16. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is sent through e-mail and holding shares as of the cut-off date i.e. **25<sup>th</sup> August, 2023**, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or Issuer/RTA. However, if you are already registered

with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” or “Physical User Reset Password” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no. 022 - 4886 7000 and 022 - 2499 7000 . In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. **18th September, 2023** may follow steps mentioned in the Notice of the AGM under “Access to NSDL e-Voting system”

17. Members are requested to send all communications relating to shares to the Company’s Share Transfer Agents (Physical and Electronic) to M/s. NSDL Database Management Limited, 4th Floor, Tower 3, One International Center, Senapati Bapat Marg, Prabhadevi, Mumbai 400 013, Phone : 022 4914 2578 /2636, Fax : 022-49142503, Email : investor.ndmlrta@nsdl.com, Website ; www.ndml.in
18. Members are requested to quote their Folio No. or DP ID / Client ID, in case shares are in physical /dematerialized form, as the case may be, in all correspondence with the Company / Registrar and ShareTransfer Agent
19. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies(Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respectof the business to be transacted at the AGM.For this purpose, the Company has entered into an agreement with NSDL for facilitating voting through electronic means, as the authorized e-Voting’s agency.
20. the Route Map of the Annual General Meeting Venue is annexed.
21. **THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-**

**The remote e-voting period begins on 22<sup>nd</sup> September 2023 at 09:00 A.M. and ends on 24<sup>th</sup> September, 2023 at 05:00 P.M. During this period, shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 18th September, 2023 may cast their vote electronically. The remote e-voting module shall be disabled by NSDL for voting thereafter.**

### **How do I vote electronically using NSDL e-Voting system?**

*The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:*





#### **Step 1: Access to NSDL e-Voting system**

##### **A) Login method for e-Voting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular 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.

Login method for Individual shareholders holding securities in demat mode is given below:

<b>Type of shareholders</b>	<b>Login Method</b>
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “ <b>Beneficial Owner</b> ” icon under “ <b>Login</b> ” which is available under ‘ <b>IDeAS</b> ’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “ <b>Access to e-Voting</b> ” under e-Voting services

	<p>and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select <b>“Register Online for IDeAS Portal”</b> or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <ol style="list-style-type: none"> <li>2. 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 <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</li> <li>3. Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <div data-bbox="716 1310 1187 1583" style="text-align: center;"> <p><b>NSDL Mobile App is available on</b></p> <p>  App Store          Google Play       </p> <div style="display: flex; justify-content: space-around;">   </div> </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>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 Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</li> <li>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where</li> </ol>



	<p>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. 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 CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi 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>
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p>

**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. NSDL and CDSL.**

<b>Login type</b>	<b>Helpdesk details</b>
Individual Shareholders holding securities in demat mode with NSDL	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
Individual Shareholders holding securities in demat mode with CDSL	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 22 55 33

**B) Login Method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

4. Your User ID details are given below :

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
  - c) How to retrieve your ‘initial password’?
    - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
    - (ii) If your email ID is not registered, please follow steps mentioned below

**in process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:
  - a) Click on “**Forgot User Details/Password?**”(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

## **Step 2: Cast your vote electronically on NSDL e-Voting system.**

### **How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to saravana1015@gmail.com with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "**Upload Board Resolution / Authority Letter**" displayed under "**e-Voting**" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on : 022 - 4886 7000 and 022 - 2499 7000 or send a request to Mr Swapneel at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

### **Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide 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 [info@danlawtechnologies.com](mailto:info@danlawtechnologies.com)
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [info@danlawtechnologies.com](mailto:info@danlawtechnologies.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular 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 required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.
5. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/Folio Number, PAN, Mobile Number at [info@danlawtechnologies.com](mailto:info@danlawtechnologies.com) before 18.09.2023 Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

Place: Hyderabad  
Date: 08-08-2023

By Order of the Board  
For Danlaw Technologies India Limited

Raju S. Dandu  
Chairman  
DIN: 00073484

**EXPLANATORY STATEMENT**  
**(Pursuant to section 102 of the Companies Act, 2013)**

As required by section 102 of the Companies Act, 2013, the following explanatory statement sets out all material facts relating to the business mentioned under item No. 3, 4, 5 and 6 of the accompanying Notice:

**Item No. 3**

The Board of Directors of the Company in its meeting held on 23<sup>rd</sup> December 2022 approved the appointment of Mr Muppanna Ankaiah Ashokkumar [DIN: 00045549] as an Additional Independent Director of the company with effect from 23<sup>rd</sup> December 2022, who shall hold office up to the date of ensuing Annual General Meeting or last date on which the Annual General Meeting should have been held, whichever is earlier.

In terms of Regulation 17(1A) of SEBI Listing Regulations, effective from 1st April, 2019 consent of members by way of special resolution is required for appointment of Independent Non-Executive Director, beyond the age of 75 years. Further, Mr. Muppanna Ankaiah Ashokkumar [DIN: 00045549] attained the age of 75 years on 10th March, 2023 and approval of members is required for appointment of Mr Muppanna Ankaiah Ashokkumar [DIN: 00045549] as an Independent Director for the period of 5 years.

Brief profile of Mr Muppanna Ankaiah Ashokkumar [DIN: 00045549] information as required pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and Secretarial Standards on General Meetings in respect of appointment of Mr Muppanna Ankaiah Ashokkumar in the annexure which forms part of this notice.

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors recommends the resolution as set out in item no. 3 of the Notice for the approval of members.

**Item No. 4**

The Board of Directors of the Company in its meeting held on 23<sup>rd</sup> December 2022 approved the appointment of Mr Timothy Matthew Morris [DIN: 09825506] as an Additional Director of the company with effect from 23<sup>rd</sup> December 2022, who shall hold office up to the date of ensuing Annual General Meeting or last date on which the Annual General Meeting should have been held, whichever is earlier.

Brief profile of Mr Timothy Matthew Morris [DIN: 09825506] information as required pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and Secretarial Standards on General Meetings in respect of appointment of Mr Timothy Matthew Morris is mentioned in the annexure which forms part of this notice.

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors recommends the resolution as set out in item no. 4 of the Notice for the approval of members.

**Item No. 5**

The Board of Directors at its Meeting held on February 14, 2023 on the recommendation of the Nomination and Remuneration Committee, appointed Mr. Raju S Dandu Whole-time Director and Executive for a period of Three years with effect from February 25<sup>th</sup> 2023 subject to the approval of the Shareholders and requisite Central Government

Mr. Raju S Dandu age is above 70 years. Hence in accordance with proviso to Section 196 3(a), the Company seeks consent of the members by way of special resolution for continuation of his holding the office of Executive Chairman and Whole-director even after attaining the age of 70 years during his proposed tenure. He is a non-resident Indian, as per PART I of Schedule V of the Act his appoint is subject to approval Central Government.

The Company has incurred loss, therefore, pursuant to the provisions of Section 197 of the Companies Act, 2013, the remuneration payable to Director should be in accordance with the provisions of Schedule V of the Act.

Brief profile of Mr. Raju S Dandu information as required pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and Secretarial Standards on General Meetings in respect of re-appointment of Mr. Raju S Dandu is mentioned in the annexure which forms part of this notice.

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors recommends the resolution as set out in item no. 5 of the Notice for the approval of members

**Item No. 6**

Pursuant to Section 148 of the Companies Act, 2013 read with Rules of The Companies (Cost Records and Audit) Rules, 2014, the Cost records of your Company are required to be audited by a qualified Cost Accountant. Accordingly, the Board of Directors, based on the recommendation of the Audit Committee, at their Meeting held on 8th August 2023, appointed M/s.Sagar & Associates (Firm Registration No. . 000118), as the Cost Auditors of the Company to conduct the audit of the cost records of the Company for the financial years ending 31 March 2023 and 31 March 2024, amounting to Rs. 1.5 lacs per year + applicable taxes.

Pursuant to Section 148(3) of the Act read with Rule 14 of The Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is required to be ratified by the Members of the Company. Accordingly, approval of the Members is being sought for the remuneration payable to the Cost Auditors.

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 proposed Resolution, set out at Item No. 6 of this Notice.

The Board recommends the Ordinary Resolution set out at Item No. 6 of the Notice for approval of the Members.

**ANNEXURE TO THE NOTICE:**

Disclosure pursuant Regulation 36 (3) of SEBI Listing Regulations with regard to the Directors seeking Appointment / Re – appointment at the forthcoming Annual General Meeting

**1. Sridevi Madati (DIN: 02446610 )**

Brief Resume :

Name of the Director	Sridevi Madati
Father Name	Balakrishna Madati
Date of Birth	10/01/1977
Qualifications	Company Secretary
Date of Appointment	24.12.2020
Experience	17 years

**Nature of Expertise in Specific functional areas :**

Mrs. Sridevi Madati is a Qualified as Company Secretary and fellow member of Institute of Company Secretaries of India. Has over 19 years of rich experience in corporate, secretarial affairs, legal, regulatory matters, compliance and liaison assignments. Had been associated with listed and non-listed Companies, NGO's in various capacities spanning from Company Secretary, Head of legal and secretarial Department, Independent Director, Consultant, advisor etc.,

**Disclosure of inter-se relationship between Directors and Key Managerial Personnel:**

Mrs.Sridevi Madati is not related to any of the other Directors of the Company or Key Managerial Personnel or their relatives.

**Listed entity(other than Danlaw Technologies India Ltd) in which Mrs. Sridevi Madati holds the directorship and Committees Membership :**

**Directorship : 2**

**Committee Membership : 3**

**Shareholding in the Company: Nil**

**2. Muppanna Ankaiah Ashokkumar [DIN: 00045549]**

Brief Resume :

Name of the Director	Muppanna Ankaiah Ashok kumar
Father Name	Muppanna Somaraju
Date of Birth	10/03/1948
Qualifications	Masters in Electrical Engineering Degree
Date of Appointment	23.12.2022
Experience	25 Years of experience in utility companies.

**Nature of Expertise in Specific functional areas :**

Mr M A Ashok Kumar holds Masters in Electrical Engineering Degree with Specialization in Control Systems. He has nearly 25 years of experience in Utility Companies. His Expertise is in project consultancy for the power sector and industrial shop floor automation. He has dealt with power projects, finance proposals with the World Bank, Asian Development Bank and Power Finance Corporation.

**Disclosure of inter-se relationship between Directors and Key Managerial Personnel:**

Mr M A Ashok Kumar is not related to any of the other Directors of the Company or Key Managerial Personnel or their relatives.

**Listed entity (other than Danlaw Technologies India Ltd) in which Mr. M A Ashok Kumar holds the directorship and Committees Membership :**

**Directorship :** Nil

**Committee Membership :** Nil

**Shareholding in the Company:** Nil

### **3. Timothy Matthew Morris [DIN: 09825506]**

Brief Resume :

Name of the Director	Timothy Matthew Morris
Father Name	Stephen Morris
Date of Birth	28.01.1967
Qualifications	B.S. and M.S. in Electrical Engineering, as well as an M.S. in Nuclear Engineering, from the University of Michigan, Ann Arbor.
Date of Appointment	23.12.2022
Experience	34 years in Automotive Electronics

#### **Nature of Expertise in Specific functional areas :**

Mr Timothy Matthew Morris has been successful at bringing technology to market for over 34 years. He began his professional career managing technology which expanded into developing products and solutions for robot guidance, machine-vision and connected vehicle technology. Tim received his B.S. and M.S. in Electrical Engineering, as well as an M.S. in Nuclear Engineering, from the University of Michigan, Ann Arbor.

#### **Disclosure of inter-se relationship between Directors and Key Managerial Personnel:**

Mr Timothy Matthew Morris is not related to any of the other Directors of the Company or Key Managerial Personnel or their relatives.

**Listed entity (other than Danlaw Technologies India Ltd) in which Mr. Timothy Matthew Morris holds the directorship and Committees Membership :**

**Directorship :** Nil

**Committee Membership :** Nil

**Shareholding in the Company:** Nil



**4.Mr. Raju S Dandu (DIN:00073484)**

Brief Resume :

Name of the Director	Raju S Dandu
Father Name	Raju Venkata Dandu
Date of Birth	01/01/1951
Qualifications	MS in Electrical and Computer Engineering from University of IOWA and MBA from University of Detroit, USA
Date of Re -Appointment	14-02-2023
Experience	45 years

**Nature of Expertise in Specific functional areas :**

Mr. Raju S Dandu has rich experience in technical, strategy and administration in the field of IT & ITES in automotive domain.

**Disclosure of inter-se relationship between Directors and Key Managerial Personnel:**

Mr. Raju S Dandu is not related to any of the other Directors of the Company or Key Managerial Personnel or their relatives.

**Listed entity (other than Danlaw Technologies India Ltd) in which Mr. Raju S Dandu holds the directorship and Committees Membership :**

**Directorship :** Nil

**Committee Membership :** Nil

**Shareholding in the Company:** Nil

By Order of the Board  
For Danlaw Technologies India Limited

Place: Hyderabad  
Date: 08.08.2023

Raju S. Dandu  
Chairman  
DIN: 00073484

## DIRECTORS' REPORT

To,  
The Members,

The Directors submit annual report of Danlaw Technologies India Limited (DTIL) along with the audited financial statements for the financial year ended March 31, 2023.

### Financial Results

Particulars	(Rs. In Lakhs)	
	2022-23	2021-22
Net Sales/Income from operations	16713.76	12158.17
Other Income	76.11	473.34
<b>Total Income</b>	<b>16789.87</b>	<b>12631.51</b>
Cost of materials	10892.68	8027.57
Changes in Inventories	56.11	(39.45)
Employee's Cost	2558.33	2522.29
Finance Cost	327.73	162.56
Depreciation	710.08	414.40
Other Expenses	1197.41	1046.02
<b>Total Expenses</b>	<b>15742.34</b>	<b>12133.39</b>
<b>Profit / (Loss) before tax</b>	<b>1047.53</b>	<b>498.12</b>
Current Tax	80.43	0.00
Prior-period Tax	0.00	(69.09)
Deferred Tax	241.71	139.62
<b>Profit / (Loss) after tax</b>	<b>725.39</b>	<b>427.59</b>
Profit / (Loss) attributable to:		
- Owners of the Company	<b>725.39</b>	<b>427.59</b>
- Non controlling interests	<b>0.00</b>	<b>0.00</b>
Paid up equity share capital	487.07	487.07
Reserves and Surplus (Excl. revaluation reserve)	3102.48	2345.80
Earnings per share - basic	14.89	8.78
Earnings per share - diluted	14.89	8.78

### **Dividend**

In view of the growth potential and need for more working capital requirement as well capital expenditure, your directors do not recommend any dividend for the Financial Year 2022-2023

### **Share Capital**

During the year under review, the Company has issued 11,63,177 shares to Danlaw Inc pursuant to the NCLT order dated 18<sup>th</sup> Oct, 2022 on amalgamation of subsidiary Danlaw Electronics Assembly Limited with Danlaw Technologies India Limited..Share Capital of the Company as on March 31, 2023 is as follows:

Authorized Capital - Rs. 12,00,00,000/- (Rupees Twelve Crores only) divided into 1,20,00,000 (One Crore twenty lakhs) Equity Shares of Rs. 10 each. Issued, Subscribed and Paid Up Capital – Rs. 4,87,06,670/- (Rupees Four crores eighty seven lakhs six thousand six hundred and seventy only) divided into 48,70,667 (Forty eight lakhs seventy thousand six hundred and sixty seven only) Equity Shares of Rs. 10 each.

### **Company's Performance**

Revenue from operations for the fiscal year has increased by 32.91% to Rs.16,790 lacs as compared to Rs.12,632 lacs in the previous year. The net Profit for the fiscal year increased by 73.62% to Rs.757 lacs as compared to Rs.436 lacs in the previous year.

The other income for the fiscal year of Rs.76.11 lacs includes Rs.61.94 lacs of lease rental income, Rs.13.37 lacs of interest income. In the previous year the other income includes Rs.355.62 lacs of profit on sale of investment in subsidiary (Danlaw Technologies Inc), Rs.104.68 lacs of Lease Rental income, Rs.13.04 lacs interest income.

### **Change in the nature of business, if any**

During the year under review, there has been no change in the nature of business of the Company.

### **Material Changes and Commitments Affecting the Financial Position of the Company**

During the year the company's subsidiary Danlaw Electronics Assembly Limited has been amalgamated with Danlaw Technologies India Limited pursuant to NCLT order dated 18<sup>th</sup> October 2022 with appointed date as 1<sup>st</sup> April 2022. The amalgamation brings in synergy of design/development capability with that of manufacturing capability on one platform for optimal utilization of resources and installed capacities.

Except for the above there have been no material changes and commitments, affecting the financial position of the company which occurred during and between the end of the financial year to which the financial statements relate and the date of this report.

**Events subsequent to the date of financial statement**

There are not major events subsequent to the date of financial statement

**Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future**

There are no significant and material orders were passed by regulators or courts or tribunals impacting the going concern status and Company's operations in future.

**Internal financial control systems and their adequacy**

The Company's internal financial control systems are commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, executing transactions with proper authorization and ensuring compliance of corporate governance.

**Subsidiary Companies**

There are no subsidiary companies since the subsidiary Danlaw Electronics Assembly Limited has got merged with our company.

**Deposits from public**

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the data of the balance sheet.

**Auditors**

In terms of the provisions of Section 139(1) of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 the Company appointed the Statutory Auditors for a period of five years from the conclusion of the 29th Annual General Meeting till the Annual General Meeting to be held in the calendar year 2027 Your Company has received confirmation from the said Auditor that their appointment is within the limits prescribed under Section 139(1) of the Companies Act, 2013 and Rule 4(1)(a) of Companies (Audit and Auditors) Rules, 2014.

The requirement for the annual ratification of auditors' appointment at the AGM has been omitted pursuant to Companies (Amendment) Act, 2017 notified on May 7, 2018.

**Auditors' report**

There are no qualifications, reservations or adverse remarks made by M/s. CSVR & Associates, Chartered Accountants, and Statutory Auditors in their report for the Financial Year ended 31st March, 2023.

The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company under sub-section (12) of section 143 of the Companies Act, 2013, during the year under review.

**Secretarial Auditors :**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Rules made thereunder, the Company has appointed .Mr B V Saravana Kumar, Company Secretary in Practice (CP No 11727) to conduct the Secretarial Audit of the Company and related records for the year ended 31st March 2023. The Secretarial Audit Report of the Company is annexed herewith as Annexure and forms an integral part of this report.

**Secretarial Auditors' Report**

There are no qualifications, reservations or adverse remarks made by Mr B V Saravana Kuma, Practicing Company Secretary in their report for the financial year ended 31st March, 2023.

**Internal Auditor**

The Board on the recommendations of the Audit Committee has appointed M/s. Ramana Reddy & Associates, Chartered Accountants as internal auditors of the Company. The Internal Auditors are submitting the reports regularly.

**Maintenance of cost records**

Pursuant to Section 148(1) of the Companies Act, 2013 read with Rules of The Companies (Cost Records and Audit) Rules, 2014, your Company is required to maintain cost records from the financial year 2023-24

Further, pursuant to Section 148(2) of the Companies Act, 2013 read with Rules of The Companies (Cost Records and Audit) Rules, 2014, the Cost records of your Company are required to be audited by a qualified Cost Accountant. Accordingly, the Board of Directors at their Meeting held on 8 August 2023, based on the recommendation of the Audit Committee, have appointed M/s. Sagar & Associates (Firm Registration No: 000118) as Cost Auditors of the Company, to carry out the Cost Audit for the financial years ending 31 March 2023 and 31 March 2024.

The Cost Auditors have confirmed that they are not disqualified to be appointed as the Cost Auditors.

Pursuant to Section 148(3) of the Companies Act, 2013 read with Rules of The Companies (Audit and Auditors) Rules, 2014, the Board of Directors at their meeting held on 8 August 2023, based on the recommendation of Audit Committee, approved the remuneration of Cost Auditors. The resolution for ratification of remuneration of the Cost Auditors is proposed for approval of the Members at the ensuing AGM of the Company

**Extract of the Annual Return**

Pursuant to Section 92(3) read with section 134(3)(a) of the Companies Act, 2013, copies of the Annual Return of the Company prepared in accordance with Section 92(1) of the Act read with Rule 11 of the Companies (Management and Administration) Rules, 2014 are placed on the website of the Company and is accessible at the [www.danlawtechnologies.com](http://www.danlawtechnologies.com)

## Conservation of energy and technology absorption

### a) Conservation of energy

Your Company is engaged in the business of software and information technology and has no specific activities relating to conservation of energy and technology absorption as required to be disclosed under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) the Companies (Accounts) Rules, 2014. The Company has taken necessary measures wherever possible for the conservation of energy. However, your Company uses information technology extensively in its operations and also continues its endeavor to improve energy conservation and utilization, safety and environment.

### b) Research & Development and Technology Absorption:

- (i) *R & D:* Your Company has a team of people working on R & D in the areas of emerging technologies.
- (ii) *Technology Absorption:* Your Company continues to use state of the art technology for improving 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 of foreign exchange earnings and outgo are given below. **Rs. In Lacs**

Particulars	2022-2023	2021-2022
Earnings	422.47	891.35
Outgo	5580.10	5208.89

### Corporate social responsibility policy

The Company was not required to constitute Corporate Social Responsibility (CSR) Committee as the company has not met any of the thresholds mentioned in section 135 of the Companies Act, 2013 during the financial year under review. Hence reporting about the policy on Corporate Social Responsibility and initiative taken are not applicable to the company.

### Directors and Key Managerial Personnel

1. Mr Raju S Dandu – Whole-time Director and Executive Chairman
2. Mr Naga Satyanarayana Sappata – Independent Director
3. Mr T Ravikumar – Independent Director
4. Mrs M Sridevi – Non Executive Non Independent Director
5. Mr Timothy Matthew Morris - Additional Director
6. Mr Muppanna Ankaiah Ashokkumar - Additional and Independent Director
7. Mr A V RK Varma – CFO
8. Mr Gaurav Padmawar - Company Secretary

All the Independent Directors of your Company have given declarations under Section 149(7) of the Companies Act, 2013 that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and the Rules made there under and also as per applicable regulations of the SEBI (LODR) Regulations, 2015.

None of the Directors are disqualified from being appointed or holding office as Directors, as stipulated under Section 164 of the Companies Act, 2013.

#### **Familiarization Programme For Independent Directors:**

On appointment of an individual as Independent Director, the Company issues a formal Letter of Appointment to the concerned director, setting out in detail, the terms of appointment, duties and responsibilities. Each newly appointed Independent Director is taken through a formal familiarization program. The programme also provides awareness of the Independent Directors on their roles, rights, responsibilities towards the Company. Further, the Familiarization Programme also provides information relating to the financial performance of the Company and budget and control process of the Company.

#### **Meeting of the Board of Directors**

Six meetings of the board were held during the year. The Meetings were held on 30th May, 2022, 13th August 2022, 01<sup>ST</sup> September 2022, 14<sup>th</sup> November, 2022, 23rd December 2022, 14th February and 2023 The maximum interval between any two meetings did not exceed 120 days. The meeting of Independent Directors held on 14<sup>th</sup> February 2023.

#### **Audit Committee**

As on 31st March, 2023, the Audit Committee consists of three directors as its members, out of whom two are independent non-executive directors and one is Whole-time Director.

There were 4 (four) meetings held on 30th May 2022, 13th August 2022, 14th November 2022 and 14th February 2023 during the Financial Year 2022-23

Names of the members and the Chairman of the Committee as on 31st March, 2023:

<b>Name</b>	<b>Category</b>
Mr. Raju S Dandu	Executive Director
Mr. Naga Satyanarayana Sappata	Non-Executive - Independent Director
Mr. T Ravikumar	Non-Executive - Independent Director- Chairman

Necessary quorum was present in all meetings .Mr.T Ravikumar Chairman of the Audit Committee attended the last Annual General Meeting (AGM) of the Company.

The terms of reference to the Audit Committee cover the matter specified for Audit Committee under Regulation 18 of SEBI Listing Regulations and Section 177 (1) of the Companies Act, 2013 and SEBI Listing Regulations.

### **Nominations and Remuneration Committee**

The Nomination and Remuneration Committee of the Board of Directors meets the criteria laid down under section 178 of the Companies Act, 2013 read with the Regulation 19 of the SEBI Listing Regulations.

Two meetings of the Nomination and Remuneration Committee were held during the year. The dates on which the said meetings were held on 23.12.2022 and 14.02.2023

Names of the members and the Chairman of the Committee as on 31st March, 2023 are given below

<b>Name</b>	<b>Category</b>
Mr. Naga Satyanarayana Sappata	Independent Non-executive - Chairman
Mr. M Sridevi	Non Independent Non-executive
Mr.Ravi Kumar Tamma	Independent Non-executive

### **Stakeholder Relationship Committee**

The Stakeholder Relationship Committee (SRC) of the Board of Directors meets the Criteria laid down under Section 178 of the Companies Act, 2013, read with the Regulation 20 of the SEBI Listing Regulations.

One meeting of the Stakeholders Relationship committee was held during the year. The dates on which the said meetings was held on 23.12.2022

M/s. NDML Database Management Ltd, the Registrars and Share Transfer Agents, maintains the share accounting package and upgrades the data on weekly basis, as per the information received from NSDL / CDSL

Names of the members and the Chairman of the Committee as on 31st March, 2023 are given below

<b>Name</b>	<b>Category</b>
Mr Raju S Dandu	Executive Director
Mr. Naga Satyanarayana Sappata -	Independent Non-executive
Mr.Ravi Kumar Tamma -	Independent Non-executive- Chairperson

### **Particulars of loans, guarantees or investments under section 186**

In the Financial Year 2022-23, the Company has not given any loan, guarantees or made any investments exceeding sixty per cent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is higher, as prescribed in Section 186 of the Companies Act, 2013.



**Particulars of contracts or arrangement with related parties:**

None of the transactions with related parties falls under the scope of Section 188(1) of the Act. Information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 are given in Annexure II in Form AOC-2 and the same forms part of this report.

**Managerial Remuneration**

- a. The ratio of remuneration of Whole Time Director to the median remuneration of the employees of the Company for the financial year: 4.11
- b. No other directors are paid remuneration except sitting fees
- c. The number of permanent employees on the rolls of the Company: 108

**Particulars of Employees**

None of the employees of your Company is in receipt of remuneration requiring disclosure pursuant to the provisions of Section 134(3) (q) of the Companies Act, 2013 read with Rule 5(2) the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Hence, no such particulars in this regard are annexed.

**Vigil Mechanism/ Whistle Blower Policy**

The Company has formulated and published a Whistle Blower Policy to provide Vigil Mechanism for employees including directors of the Company to report genuine concerns. The provisions of this policy are in line with the provisions of the Section 177(9) of the Act and in terms of regulation 22 of the SEBI Listing Regulation (URL: [www.danlawtechnologies.com](http://www.danlawtechnologies.com)).

**Obligation of Company under the Sexual Harassment of Women Workplace (Prevention, Prohibition and Redressal) Act, 2013**

During the financial year 2022-2023, the Company has not received any complaint of sexual harassment against women employees of the Company.

**Industry based disclosures as mandated by the respective laws governing the company**

The Secretarial audit report for the financial year 2022-23 has briefed on compliance of industry-based disclosures and concerned laws governing the company.

**CEO and CFO Certification**

A Certificate from Chairman & Managing Director and Chief Financial Officer on the financial statements of the Company and on the matters which were required to be certified according to the Regulation 17(8) of the Listing Regulations, was placed before the Board and accordingly confirmed to the Board that to the best of their knowledge and belief, the financial statements and cash flow statements present a true and fair view of the Company's affairs. CEO and CFO certification forms part of this report as

### **Managements Discussion and Analysis:**

In terms of the provisions of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management's discussion and analysis is set out in this Annual Report & marked as Annexure.

### **Directors Responsibility Statement**

Pursuant to Section 134(5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, confirm that:

- i) In the preparation of the annual accounts for the financial year ended 31st March, 2023, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) Appropriate accounting policies had been selected and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 31st March, 2023 and of the Profit and Loss of the Company for that period;
- (iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) The annual accounts have been prepared on a going concern basis;
- (v) Internal financial controls have been laid down to be followed by the company and that such internal financial controls are adequate and were operating effectively, and
- (vi) That proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively

### **Adequacy of Internal Financial Controls with Reference to the Financial Statements**

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and external consultants 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 the financial year 2022-23.

### **Secretarial Standards**

Your Company complies with all applicable mandatory Secretarial Standards issued by the Institute of Company Secretaries of India.

### **Listing of Equity Shares**

Your company shares are listed with the BSE Limited. The listing fee has been paid for the financial year 2023-2024.

### **Corporate Governance Report**

As per the provisions of 15(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations"), the compliances with 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 para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 are applicable to the Company only if it's paid up Capital exceeds Rs. 10 Crores and if Networth is above Rs. 25 Crores.

The following are the Paid up Capital and Networth details as on 31st March 2022 of the Company

		<b>In Lacs</b>
S No.	Particulars	Amount as on 31.03.2022
1	Paid up Capital	370.75
2	Networth	2,257.31

In light of the above, Corporate Governance Report is not applicable to the Company during the period under review. Hence corporate governance report has not been enclosed to directors report.

#### **Acknowledgement**

Your Directors place on record their gratitude and appreciation for the continued cooperation and excellent support received from all the quarters.

Your Directors also wish to place on record their appreciation for the sincere contributions received from the employees of the Company in enabling it to achieve the performance during the year under review and the valuable co-operation and continuous support extended by the Bankers, Consultants, Stakeholders, Strategic Investor, various Government and Statutory authorities and other business associates.

**By order of the Board  
For Danlaw Technologies India Ltd**

**Place : Hyderabad  
Date : 08-08-2023**

**Raju S Dandu  
Chairman  
(DIN : 00073484)**

**Annexure II****Form No. AOC-2**

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

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

1. **Details of contracts or arrangements or transactions not at arm's length basis:** Danlaw Technologies India Limited (DTIL) has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during financial year 2022-23.

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

a. Name(s) of the related party and nature of relationship:  
RRG Properties LLP, Mr Raju S Dandu  
Danlaw Inc (DI), Associate Company

b. Nature of contracts / arrangements / transactions:  
Electronic hardware sales, IT/ITES Services with DI  
Lease rent agreement for office premises with RRG Properties LLP

c. Duration of the contracts / arrangements / transactions: On going

d. Salient terms of the contracts or arrangements or transactions including the Value, if any:

DTIL shall(i) provide IT/ITES services and Electronic hardware to the existing and new clients of DI,(ii) diligently perform the contract in timely manner and provide services in accordance with the work order issued by DI, (iii) submit invoices on monthly basis for the services provided for each project as per the terms of contract and DI shall promptly pay the same,(iv) be responsible for all the expenses incurred in connection with providing its services and(v) comply with the local, state and federal laws and regulations applicable while providing services.

Lease rental agreement for office premises with RRG Properties on rate not detrimental to the interest of the company.

e. Date(s) of approval by the Board, if any: May 30, 2022. All the contracts were entered into in the ordinary course of business and on arm's length basis.

f. Amount paid as advances, if any: Nil

**By order of the Board  
For Danlaw Technologies India Ltd**

**Place : Hyderabad  
Date : 08-08-2023**

**Raju S Dandu  
Chairman  
(DIN : 00073484)**

Form No. MR-3

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023**

*(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,  
**Danlaw Technologies India Limited**  
 Unit No. 201,202 & 203, Gowra Fountainhead,  
 Huda Techno Enclave, Patrikanagar,  
 Madhapur Hyderabad, Telangana – 500081

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2023 (herein after called as 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 2018 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of
  - a) Foreign Direct Investment
  - b) Overseas Direct Investment and
  - c) External Commercial Borrowings
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

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- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **Not Applicable for the Audit Period**
  - d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **Not Applicable for the Audit Period**
  - e. The Securities and Exchange Board of India (Issue and listing of Non-Convertible Securities) Regulations, 2021; **Not Applicable for the Audit Period**
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 and **Not Applicable for the Audit Period**
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable for the Audit Period**
- vi. We further report that having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test- check basis, the Company has complied with the following laws applicable specifically to the Company:
- a) Information Technology Act 2000; Information (Amendment) Act 2008 and Rules and Regulations thereon
  - b) Software Technology Parks of India and Rules and Regulations thereon
  - c) The Indian Copyright Act, 1957
  - d) The Patents Act, 1970
  - e) The Trademarks Act, 1999

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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 -*

- (i) 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.

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**B V Saravana Kumar.,**  
**Company Secretary**

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- (ii) Adequate notice is given to all directors to schedule the Board Meetings agenda and detailed notes on 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.

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.

Place : **Hyderabad**  
Date : **08.08.2023**

Sd/-  
**B V Saravana Kumar**  
**ACS NO. 26944**  
**C. P. No. 11727**  
**UDIN:**  
**Peer Review Certificate: 1159/2021**

**B V Saravana Kumar.,**  
**Company Secretary**

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**Enclosure - A**

To  
The Members  
**Danlaw Technologies India Limited**  
Unit No. 201,202 & 203, Gowra Fountainhead,  
Huda Techno Enclave, Patrikanagar,  
Madhapur Hyderabad, Telangana – 500081

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the 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. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on 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.

Place : **Hyderabad**  
Date : **08.08.2023**

Sd/-  
**B V Saravana Kumar**  
**ACS NO. 26944**  
**C. P. No. 11727**  
**UDIN:**  
**Peer Review Certificate: 1159/2021**



**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)*

To  
The Members  
**Danlaw Technologies India Limited**  
Unit No. 201,202 & 203, Gowra Fountainhead,  
Huda Techno Enclave, Patrikanagar,  
Madhapur Hyderabad, Telangana – 500081

I B V Saravana Kumar, Company Secretary in Practice have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Danlaw Technologies India Limited** having CIN **L72200TG1992PLC015099** and having registered office at Unit No. 201,202 & 203, Gowra Fountainhead, Huda Techno Enclave, Patrikanagar, Madhapur Hyderabad, Telangana – 500081 (hereinafter referred to as ‘the Company’), produced before me 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 Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

In my opinion and to the best of my 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 me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 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 the Company
1	Raju Satyanarayana Dandu	00073484	19/11/1999
2	Nagasatyanarayana Sappata	02423978	31/10/2008 (Designated as Independent Director on 30/09/2014)
3	Ravi Kumar Thamma	05306747	25/06/2012 (Designated as Independent Director on 30/09/2014)
4	Sridevi Madati	02446610	24/12/2020
5	Muppanna Ankaiah Ashok Kumar	00045549	23/12/2022
6	Timothy Matthew Morris	09825506	23/12/2022

Ensuring the eligibility of 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.

Place : **Hyderabad**  
Date : **8<sup>th</sup> August, 2023**

Sd/-  
**B V Saravana Kumar**  
ACS No. 26944  
C. P. No. 11727  
Peer Review Cert. No.: 1159/2021

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### Overview

The financial statements have been prepared in compliance with accounting standards IND AS. Our Management accepts full responsibility for the integrity of these financial statements.

### Market Scenario and Trends

Demand for expanded mobility in India is driving rapid growth in domestic vehicle production. According to recent research published by the Ministry of Heavy Industries, India is on track to double the size of its automobile industry to Rs. 15 lakh crores by the end of 2024.<sup>1</sup> Furthermore, the Ministry estimates that India's automobile sector will contribute 7%-7.5% to India's GDP, while expanding its manufacturing and production of high-quality automotive electronics and vehicles for the global passenger and commercial sectors.

The global automotive market continues to experience significant technological advancements in vehicle electrification, connectivity, safety and autonomous driving, with an increased focus on transforming transportation for both urban and rural mobility. Demand for more efficient urban transportation, coupled with India's transition to green energy, is expected to propel India's automotive market growth and economic development prospects for the next decade. To this end, India's government has significantly expanded its strategic policy support for EVs and transportation safety at both the state and central government levels. As India's government continues its commitment to a clean-energy-based future, these policies take aim at promoting India's rapid transition from Internal Combustion Engine (ICE) vehicles to EVs.

According to a recent 2023 Global Data study<sup>5</sup>, the global market for GDP growth continues to outperform expectations, despite the myriad of global economic challenges. This study indicates that global light-duty and passenger vehicle sales are improving in 2023, as supply chain constraints continue to ease. Global vehicle production has increased nearly 6% between 2022 and 2023, due in part to the increase in demand for electric vehicles, as well as pent-up demand for vehicles during the pandemic. These are encouraging signs in light of the wide range of economic challenges that many of the global regions are facing.

According to an industry report titled "Electrifying Indian Mobility" issued by Ernst & Young and The Indian Private Equity & Venture Capital Association (IVCA), EV growth in India is expected to grow at a CAGR of 68% over the next 5 years. In addition to the expanding electrification of the passenger vehicle market, the report indicates that electric 3-wheelers and 2-wheelers for last mile transportation and delivery will comprise the majority of this growth and demand. Furthermore, the report indicates that EV charging infrastructure expansion will be necessary to accommodate the increasing demand for charging the estimated 1.4 million electric vehicles on the road by 2027. The demand for EV charging is expected to further contribute to India's growth, as advancements in technology and infrastructure development will lead to expanded opportunities for India's high-tech companies.

In addition to India's commitment to transitioning to green energy, urban and rural road safety has become a major focal point of India's state and central governments. According to the Environmental

<sup>1</sup> Source: Ministry of Heavy Industries Automotive Industry Outlook (<https://heavyindustries.gov.in/UserView/index?mid=1319>)

<sup>2</sup> Source: Environmental and Social System Assessment (ESSA) – The World Bank-MoRTH ([India State Program For Road Safety \(P177668\)](#))

<sup>3</sup> Source: Grand View Research – Automotive Telematics Market Size 2023-2030 ([GVR-4-68040-074-3](#))

Source: 360 Research Reports – Telematics Control Unit (TCU) Market 2023-2030 ([21804443](#))

Source: GlobalData. – Global Automotive Outlook Navigating Chaos – August 2023

and Social System Assessment (ESSA) analysis performed by the Ministry of Road Transportation and Highways (MoRTH), and The World Bank Group,<sup>2</sup> road crash fatalities in India are among the highest in the world, with a loss of life of nearly 150,000 and injuries in excess of 450,000 people annually. According to the report, more than half of the victims are pedestrians, cyclists and motorcyclists, which are categorized as Vulnerable Road Users (VRUs). In an attempt to improve the safety of VRUs on India's roads, India's government pledged its commitment to the Stockholm Declaration on Road Safety, and began expanding its governance of road safety by establishing India's National Road Safety State Support Program (RSSSP). This program is envisioned to reduce road fatalities by 30% by 2027.

The need for passenger and commercial vehicle telematics continues to accelerate to meet increasing demand for vehicle connected safety and Over-The-Air updates. According to a recent 2023 market study, the global market for automotive telematics was valued at USD 49.85 billion in 2022, and is projected to grow at a CAGR of 16.6% from 2023 to 2030.<sup>3</sup> This growth is attributed to a wide range of government and private sector IoT initiatives, aimed at improving road safety for the transport and fleet sector, as well as supporting commercial and personal line connected vehicle insurance applications. Automotive OEMs have been expanding their use of vehicle telematics for service solutions, and for enhancing the passenger vehicle ownership experience through connected vehicle technology.

Vehicle connectivity is generally managed via what is commonly referred to as a Telematics Control Unit (TCU). Based on a recent 2023 market analysis report<sup>4</sup>, the global market for Telematics Control Units (TCU) was estimated at US\$ 3.1 billion in 2022, and is projected to reach US\$ 6.9 billion by 2028, growing at a CAGR of 14.3% during the forecast period 2023-2028.

Currently, India based commercial vehicle OEMs continue to accelerate their development and deployment of telematics across their vehicle platforms. India's commercial telematics market was estimated to be US\$1.32 billion in 2023, and is expected to grow at a CAGR of roughly 16% during the forecasted period 2023-2028. This growth is being driven by increasing Indian government regulatory demands, as well as the expanding insurance market for commercial vehicles.

In line with India's "Make in India" initiatives, our company has made huge investment in its manufacturing unit for capacity expansion to meet the ever growing demand.

## **Opportunities**

Your company continues to focus its efforts on identifying opportunities to engage in critical market opportunities that are driven by market and government driven initiatives for vehicle electrification and safety critical infrastructure and applications. Our team remains committed to proactive planning and investment in meeting the ever-increasing demand for mobility and road user safety, to maximize your company's growth and competitiveness both domestically and globally.

## **Electric Vehicles (EVs):**

In the rapidly advancing Electric Vehicle (EV) market of India, your company continues to identify significant opportunities to not only contribute to the country's sustainable transportation goals but also to achieve substantial growth. To engage effectively in this market, we are adopting a multifaceted approach. Firstly, focusing on product innovation and technological advancements is crucial. By investing in research and development of EV technology, we hope to be able to cater to the specific needs of domestic and global OEMs, with a focus on affordability, performance, and

<sup>1</sup> Source: Ministry of Heavy Industries Automotive Industry Outlook (<https://heavyindustries.gov.in/UserView/index?mid=1319>)

<sup>2</sup> Source: Environmental and Social System Assessment (ESSA) – The World Bank-MoRTH ([India State Program For Road Safety \(P177668\)](#))

<sup>3</sup> Source: Grand View Research – Automotive Telematics Market Size 2023-2030 ([GVR-4-68040-074-3](#))

Source: 360 Research Reports – Telematics Control Unit (TCU) Market 2023-2030 ([21804443](#))

Source: GlobalData. – Global Automotive Outlook Navigating Chaos – August 2023

adaptability to diverse market demands. Offering a range of EV electronic control unit (ECU) options, to support the needs of two-wheelers to buses, can help capture a larger market share and cater to a wide demographic in the mobility sector.

Secondly, establishing a robust charging infrastructure is vital for addressing a major concern among potential EV buyers - range anxiety. Through the ongoing efforts of our global development teams, your company is looking to build unique offering to enable home charging stations in support of urban and semi-urban areas. This would not only enhance the convenience of owning an EV but also alleviate concerns related to the limited availability of charging points. By taking the initiative to create a comprehensive charging ecosystem, we feel we can attract more consumers who are hesitant to switch to EVs due to these concerns.

The Indian government's role in driving the growth in the EV market cannot be understated. Government regulations, incentives, and policies play a pivotal role in shaping the trajectory of the industry. Your company is looking to leverage supportive policies such as subsidies on EV purchases, lower taxation on EV components, and incentives for domestic manufacturing. Additionally, aligning with the government's push for localized production through the "Make in India" initiative will not only reduce costs but also enhance the company's competitive edge. Collaborating with the government in campaigns to raise awareness about the environmental benefits of EVs and encouraging public transportation authorities to adopt electrification technology can further enhance your company's market penetration. Overall, by strategically aligning its efforts with government initiatives and tailoring its approach to the unique needs of the Indian market, your company can position itself as a frontrunner in the rapidly evolving EV landscape.

### **Mobility Safety:**

In the swiftly evolving landscape of automotive technology in India, has created a unique opportunity to harness the power of telematics to enhance the safety of vulnerable road users like pedestrians, bicyclists, and motorcyclists. Your company is focused on seizing this opportunity by leveraging its unique position in the telematics market, to develop sophisticated Vehicle-to-Everything (V2X) communication systems. By integrating V2X technology into vehicles, the company can enable real-time exchange of information between vehicles, infrastructure, and vulnerable road users. This can significantly mitigate collision risks and enhance road safety, reduce congestion and improve mobility for all commuters.

To effectively engage in this market and ensure the widespread adoption of V2X technology, your company is working to strategically collaborate with both private and public sector stakeholders. Partnering with automobile manufacturers to integrate V2X solutions into new vehicles, as well as existing vehicles, can expedite the deployment of this technology across the automotive landscape. Additionally, forming alliances with municipal bodies and transportation authorities can facilitate the installation of V2X-enabled infrastructure, such as smart traffic signals and pedestrian crosswalks. By actively participating in government initiatives aimed at improving road safety and reducing accidents, your company can align its efforts with broader regulatory frameworks, thereby driving the acceptance and integration of V2X technology.

Government regulations and policies play a pivotal role in shaping the growth trajectory of automotive technology companies. In India, the government's focus on road safety presents a strategic opportunity for our team to align its goals with these regulatory initiatives. By adhering to safety standards, certifications, and compliance requirements set by the government, we can establish its credibility and trustworthiness in the market. Moreover, by actively engaging with regulatory bodies

<sup>1</sup> Source: Ministry of Heavy Industries Automotive Industry Outlook (<https://heavyindustries.gov.in/UserView/index?mid=1319>)

<sup>2</sup> Source: Environmental and Social System Assessment (ESSA) – The World Bank-MoRTH ([India State Program For Road Safety \(P177668\)](#))

<sup>3</sup> Source: Grand View Research – Automotive Telematics Market Size 2023-2030 ([GVR-4-68040-074-3](#))

Source: 360 Research Reports – Telematics Control Unit (TCU) Market 2023-2030 ([21804443](#))

Source: GlobalData. – Global Automotive Outlook Navigating Chaos – August 2023

to provide input on the development of safety standards and policies related to V2X technology, we can position the company as a thought leader and a key contributor to shaping the industry's future. By demonstrating a commitment to improving road safety through V2X technology, we will not only drive growth but also make a meaningful impact on the lives of vulnerable road users throughout India.

### **Telematics:**

In India's dynamic automotive sector, your company strives to strategically engage Indian Automotive Original Equipment Manufacturers (OEMs) to implement vehicle connectivity and Telematics Control Unit (TCU) technology across a wide range of vehicles, from 2-wheelers to heavy-duty vehicles. By showcasing the myriad benefits of vehicle connectivity technology, the company can create a compelling case for its adoption. Firstly, we emphasize the potential for improved vehicle safety. TCU technology enables real-time data transmission, allowing vehicles to communicate with our client's infrastructure, and central systems. This can enhance safety by providing alerts for critical driving conditions, monitoring driver behaviour, and offering emergency assistance in critical situations, ensuring the safety of the driver and others VRUs.

Moreover, highlighting the benefits of predictive maintenance through TCU technology can be a game-changer. By continuously monitoring vehicle diagnostics, performance metrics, and wear-and-tear patterns, our TCUs can facilitate proactive maintenance scheduling. This not only reduces the likelihood of unexpected breakdowns but also minimizes downtime, thereby increasing vehicle operational efficiency and reducing maintenance costs. This predictive maintenance approach resonates across the spectrum of vehicles, from 2-wheelers, passenger vehicles and heavy-duty trucks, offering long-term cost savings and improved reliability.

Furthermore, our technology can underline the potential for enhanced vehicle performance and optimization. TCUs can collect data on driving patterns, road conditions, and fuel efficiency, allowing for the customization of vehicle settings and engine performance to suit different terrains and usage scenarios. By fine-tuning these aspects, TCUs can contribute to better fuel economy, reduced emissions, and optimized engine performance. This not only aligns with many of India's environmental goals but also enhances the overall driving experience, a selling point that can attract both consumers and fleet operators.

To achieve successful integration of vehicle connectivity technology, your company is focused on establishing strong partnerships with a wide range of Indian OEMs. Collaborating closely with OEMs during the product development and integration phases can help tailor our vehicle connectivity solutions to the unique requirements of various vehicle categories. Demonstrating the potential return on investment through reduced maintenance costs, enhanced safety, and improved operational efficiency can be a persuasive argument to OEMs. Furthermore, emphasizing the scalability of TCU technology across different vehicle segments can showcase its adaptability and attractiveness to a wide range of consumers.

By offering a comprehensive package that addresses safety, maintenance, and performance enhancement, your company can position itself as a crucial partner for Indian OEMs seeking to stay competitive and deliver value-added features to their customers. This collaborative approach not only benefits your company through increased market share but also contributes to elevating vehicle safety, reliability, and efficiency across India's diverse automotive landscape.

<sup>1</sup> Source: Ministry of Heavy Industries Automotive Industry Outlook (<https://heavyindustries.gov.in/UserView/index?mid=1319>)

<sup>2</sup> Source: Environmental and Social System Assessment (ESSA) – The World Bank-MoRTH ([India State Program For Road Safety \(P177668\)](#))

<sup>3</sup> Source: Grand View Research – Automotive Telematics Market Size 2023-2030 ([GVR-4-68040-074-3](#))

Source: 360 Research Reports – Telematics Control Unit (TCU) Market 2023-2030 ([21804443](#))

Source: GlobalData. – Global Automotive Outlook Navigating Chaos – August 2023

## Threats, Risks and Concerns

A critical shortage of this important electronic components continues to be significant drag on our company's growth.

Moreover, the Indian automotive electronics industry is becoming increasingly competitive.

Having recognized this, we have embarked upon innovative products and solutions to remain competitive at the same time combat the semiconductor parts shortage. We keep abreast of global developments as well as emerging technologies and develop innovative solutions of our own.

The exchange rate between USD and Rupee has impacted us significantly in recent years and may continue to affect us in the future.

The global economic and geo-political uncertainties may lead to economic slowdown and may negatively affect our revenues and profitability.

These risks are broadly industry wide risks. Your company has taken steps to address these unforeseen events and minimize the impact on the company.

## Performance and Business Outlook

Your company's Engineering Division continues to create Intellectual Property by developing various hardware and software solutions to address the automotive electronics opportunities. Some of the products are going into production phase as well as new products are being piloted at existing and potential new customers.

While we continue to serve our existing automotive OEMs and Tier-1s with embedded software and testing services, we also place heavy emphasis on emerging technologies and opportunities. Our continued relationship with Danlaw Inc. enables us to stay in the forefront of the "connected vehicle" space.

## Internal Control System and its Adequacy

Your Company has a policy of maintaining effective internal control system and focuses on strict implementation of these policies and procedures to safeguard the assets and interests of the Company.

Your Company has an Audit Committee comprising of two-thirds of Independent Directors of the Company. The findings of internal audit are periodically placed before the Audit Committee and the Board of Directors of the Company. The Audit Committee also reviews periodically the performance of statutory and internal auditors, and adequacy of the internal control systems.

To ensure that the financial transactions comply with current legislative requirements and accounting standards, your Company has developed a Financial Accounting Procedure Manual (FAM). The FAM contains procedures, which cover the effective and efficient financial administration of the Company.

<sup>1</sup> Source: Ministry of Heavy Industries Automotive Industry Outlook (<https://heavyindustries.gov.in/UserView/index?mid=1319>)

<sup>2</sup> Source: Environmental and Social System Assessment (ESSA) – The World Bank-MoRTH ([India State Program For Road Safety \(P177668\)](#))

<sup>3</sup> Source: Grand View Research – Automotive Telematics Market Size 2023-2030 ([GVR-4-68040-074-3](#))

Source: 360 Research Reports – Telematics Control Unit (TCU) Market 2023-2030 ([21804443](#))

Source: GlobalData. – Global Automotive Outlook Navigating Chaos – August 2023

## Financial Performance

During the year under review the Paid Up Share Capital of the Company as on date is Rs. 4,87,06,670/ comprising of 48,70,667 Equity Share of Rs. 10/each.

The net Revenue for current year is Rs.16,790 Lakhs as compared to Rs.12,632 Lakhs in the last fiscal year, thus achieving a growth of 32.91%. The net profit after tax is Rs.757 Lakhs as compared to Profit of Rs.436 Lakhs in the previous FY, thus achieving a growth of 73.62%.

## Material Development in Human Resources

We are employee centric and believe that our employees are the heart of the organization. The management's responsibility is to care and support our employees. We continue to provide them with opportunities for career enhancement and growth. We continually strive to provide our employees with competitive compensation and benefit packages.

We are committed to providing the necessary training opportunities to enable them to adapt to the latest technological advancements. Additionally, we are taking steps to ensure the resources we have are utilized optimally.

As on date the Company has a total strength of 108 Employees.

## Cautionary Statement

Statements in the Management Discussion and Analysis describing the Companies objectives, projections, estimated and expectations may be forward-looking statement. Actual results may vary materially from those expressed or implied.

<sup>1</sup> Source: Ministry of Heavy Industries Automotive Industry Outlook (<https://heavyindustries.gov.in/UserView/index?mid=1319>)

<sup>2</sup> Source: Environmental and Social System Assessment (ESSA) – The World Bank-MoRTH ([India State Program For Road Safety \(P177668\)](#))

<sup>3</sup> Source: Grand View Research – Automotive Telematics Market Size 2023-2030 ([GVR-4-68040-074-3](#))

Source: 360 Research Reports – Telematics Control Unit (TCU) Market 2023-2030 ([21804443](#))

Source: GlobalData. – Global Automotive Outlook Navigating Chaos – August 2023

**CERTIFICATION BY CEO & CFO OF THE COMPANY**

We, Raju S Dandu, Whole-time Director and Executive Chairman and A V R K Varma, Chief Financial Officer of DanlawTechnologies India Limited, to the best of our knowledge and belief certify that:

1. We have reviewed the Balance Sheet, Profit and Loss Account, its schedules & notes to the accounts and cash flow statement for the year ended 31<sup>st</sup> March 2023 and that to the best of our knowledge and belief:
  - a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b) these statements together present a true and fair view of the Company's and are in compliance with existing accounting standards, applicable laws and regulations.
2. We also certify, that based on our knowledge and the information provided to us, there are no transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's code of conduct.
3. We accept the responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps taken or propose to take to rectify these deficiencies.
4. We have indicated to the Auditors and the Audit Committee:
  - a) significant changes in internal control during the year;
  - b) significant changes in accounting policies during the year and the same have been disclosed in notes to the financial statements; and
  - c) Instances of significant fraud of which we 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.

**PLACE : Hyderabad**  
**DATE : 27.05.2023**

**(Raju S Dandu)**  
**Whole-time Director**  
**DIN: 00073484**

**(AVRK VARMA)**  
**CFO**





## INDEPENDENT AUDITOR'S REPORT

To  
The Members of  
DANLAW TECHNOLOGIES INDIA LIMITED

### Report on the Audit of the IND AS Financial Statements

#### Opinion

We have audited the accompanying Ind AS financial statements of **DANLAW TECHNOLOGIES INDIA LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date, and a summary of the 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 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date

#### Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS 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 Ind AS financial statements under the provisions of the Companies Act, 2013 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 Ind AS financial statements.

#### Information other than the Financial Statements and the Auditor's Report thereon

The 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 Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS 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 Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the 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 Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, Management and Board of Directors are 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 the Board of Directors 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 Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS 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 Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 Ind AS financial statements for the financial year ended March 31, 2023 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 in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act based on our audit, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed 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 as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" 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 and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of 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, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.

- iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - c) Based on such audit procedures performed 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 (a) and (b) contain any material misstatement.
- v. No dividend has been declared or paid during the year by the Company
  - vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

Place: Hyderabad  
Date : 27.05.2023

for CSVR & ASSOCIATES  
CHARTERED ACCOUNTANTS  
Firm Regn. No. 012121S

(CA.VENKATESH.G.)  
PARTNER  
Membership No.239608

UDIN: 23239608BGRMPA4447

**ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT**  
(Referred to in paragraph 1 of Report on Other Legal and Regulatory Requirements, of our report of even date)

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) (A) The company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment.
  - (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The fixed assets of the company have been physically verified by the management during the year as per a programme of verification, which in our opinion is reasonable having regard to the size of the company and the nature of its fixed assets. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no immovable property is held by the Company except building which is constructed on leased land and lease agreements are duly executed in favour of the company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year ended March 31,2023.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not holding any benami property and accordingly there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) Physical verification of inventory has been conducted at reasonable intervals by the management during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.
  - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company and we have not found any material deviation.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLP) or any other parties during the year. Accordingly, reporting under Clause 3(iii)(a) is not applicable to this company.

- (iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans or guarantees / made any investments within the meaning of sections 185 and 186 of the Companies Act, 2013. Accordingly, clause 3(iv) of the Order is not applicable.
- (v) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits with in the meaning of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there. Accordingly, the requirement to report on clause 3(v) of the order is not applicable to the company.
- (vi) The Maintenance of cost records has been specified by the Central Government under sub section (1) of section 148 of the Companies Act. We have broadly reviewed the records maintained by the Company during the year and are of the opinion that prima facie, the cost records prescribed by the Central Government have been maintained. However, we have not made a detailed examination of the same.
- (vii) (a) The company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, Goods and Services Tax (GST), custom duty, cess and other material statutory dues as applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, Goods and Services Tax (GST), customs duty, cess and other material statutory dues wherever applicable were in outstanding as at 31<sup>st</sup> March, 2023 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of income tax, Goods and Services Tax (GST), customs duty, cess or other statutory dues which have not been deposited on account of any dispute.
- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the order is nor applicable to the company.
- (ix) (a) The Company has not defaulted in repayment of loans or borrowing or in the payment of interest to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us by the management, the company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the order is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds have been raised on short-term basis by the company. Accordingly, clause 3(ix)(d) of the order is not applicable.

- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(e) of the Order is not applicable.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.
- (x) (a) The company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3 (x)(a) of the Order is not applicable.  
  
(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the year.  
  
(b) Since no fraud has been noticed, there is no requirement to report under sub-section (12) of Section 143 of the Companies Act, 2013 in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.  
  
(c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.
- (xii) The company is not a nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii) of the order is not applicable to the company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the company, transactions with related parties are in compliance with sections 177 and 188 of the Companies Act and details of such transactions have been disclosed in the notes to the financial statements as required by the applicable accounting standards.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.  
  
(b) We have considered the internal audit reports of the Company issued till the date of the audit report for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence, requirement to report on clause 3(xv) of the order is not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable to the company.



- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable to the company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable to the company.
- (d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable to the company.
- (xvii) The Company has not incurred any cash losses in the current year and also in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, requirement to report on clause 3(xviii) of the Order is not applicable to the company.
- (xix) According to the information and explanations given to us and 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, 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 that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. 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) The provisions of Corporate Social Responsibility (CSR) as referred u/s 135 of the Act are not applicable to the Company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

Place: Hyderabad  
Date : 27.05.2023

for CSVR & ASSOCIATES  
CHARTERED ACCOUNTANTS  
Firm Regn. No. 012121S

(CA.VENKATESH.G.)  
PARTNER  
Membership No.239608

UDIN: 23239608BGRMPA4447

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

### 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 **DANLAW TECHNOLOGIES INDIA LIMITED** ("the Company") as of 31 March 2023 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

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

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

#### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the 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 with reference to these 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 with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to these financial statements included obtaining an understanding of internal financial controls with reference to these 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 Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to these financial statements of the company.

## Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

## Inherent Limitations of Internal Financial Controls with reference to financial statements

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

## Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to these financial statements were operating effectively as at 31 March 2023, 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.

Place: Hyderabad  
Date : 27.05.2023

for CSVR & ASSOCIATES  
CHARTERED ACCOUNTANTS  
Firm Regn. No. 012121S

(CA.VENKATESH.G.)  
PARTNER  
Membership No.239608

UDIN: 23239608BGRMPA4447

Particulars	Note	March 31, 2023	March 31, 2022
<b>Assets</b>			
<b>Non - Current Assets</b>			
(a) Property, Plant and Equipment	3	2,550.88	2,422.37
(b) Other Intangible Assets	4	30.14	420.39
(c) Financial Assets			
i. Loans	5	3.37	5.65
(d) Right of use assets (for lease)	6	785.20	112.32
(e) Deferred Tax Assets (Net)	7	-	223.71
(f) Other Non - Current Assets	8	18.51	104.81
<b>Total Non - Current Assets</b>		<b>3,388.09</b>	<b>3,289.24</b>
<b>Current Assets</b>			
(a) Inventories	9	3,482.62	2,846.61
(b) Financial Assets			
i. Trade Receivables	10	3,008.97	1,830.66
ii. Cash and Cash Equivalents	11	726.26	419.01
iii. Loans	5	2.95	6.28
iv. Other Financial Assets	6	27.51	19.23
(c) Tax Assets	12	54.27	48.39
(d) Other Current Assets	8	557.47	562.05
<b>Total Current Assets</b>		<b>7,860.05</b>	<b>5,732.22</b>
<b>Total Assets</b>		<b>11,248.14</b>	<b>9,021.47</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
(a) Equity Share Capital	13	487.07	487.07
(b) Other Equity	14	3,102.48	2,345.80
<b>Equity Attributable to Owners</b>		<b>3,589.54</b>	<b>2,832.87</b>
<b>Liabilities</b>			
<b>Non - Current Liabilities</b>			
(a) Financial Liabilities			
i. Borrowings	16	2,432.00	2,309.62
ii. Other Financial Liabilities	18	-	55.06
(b) Provisions	15	511.75	491.74
(c) Deferred Tax Liabilities (Net)		28.52	-
(d) Lease Liability	16	703.94	85.86
<b>Total Non - Current Liabilities</b>		<b>3,676.21</b>	<b>2,942.27</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
i. Trade Payables	17	1,626.20	1,481.85
ii. Borrowings	16	559.57	680.29
iii. Other Financial Liabilities	18	856.85	386.01
(b) Provisions	15	35.78	34.35
(c) Lease Liability	16	100.97	2.58
(d) Current Tax Liabilities (Net)	19	43.43	-
(e) Other Current Liabilities	20	759.58	661.24
<b>Total Current Liabilities</b>		<b>3,982.39</b>	<b>3,246.32</b>
<b>Total liabilities</b>		<b>7,658.60</b>	<b>6,188.60</b>
<b>Total Equity and Liabilities</b>		<b>11,248.14</b>	<b>9,021.47</b>
Summary of significant accounting policies	1&2		
The accompanying notes are an integral part of the financial statements			
<b>As per our report of even date attached</b>		for and on behalf of the Board of Directors of	
<b>for CSVR &amp; ASSOCIATES</b>		<b>Danlaw Technologies India Limited</b>	
Chartered Accountants			
Firm Registration No: 012121S			
		<b>Raju S. Dandu</b>	<b>A V R K Varma</b>
		Chairman & Wholetime	Chief Financial
		Director	Officer
		DIN: 00073484	
<b>(CA.VENKATESH G.)</b>			
Partner			
Membership No: 239608			
		<b>Ravikumar Tamma</b>	<b>Gaurav Padmawar</b>
		Director	Company Secretary
		DIN: 05306747	Membership No:
			ACS 44421
Place: Hyderabad			
Date : 27-05-2023			

(All amounts are in ₹ lakhs, except share data and where otherwise stated)

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023

Particulars	Note	For the Year ended March 31, 2023	For the Year ended March 31, 2022
<b>I. Income</b>			
(a) Revenue from Operations	21	16,713.76	12,158.17
(b) Other Income (net)	22	76.11	473.34
<b>Total Income</b>		<b>16,789.87</b>	<b>12,631.51</b>
<b>II. Expenses</b>			
(a) Cost of Materials Consumed	23	10,892.68	8,027.57
(b) Changes in Inventories of Finished Goods and Work-in-Progress	24	56.11	(39.45)
(c) Employee Benefits Expense	25	2,558.33	2,522.29
(d) Finance cost	26	327.73	162.56
(e) Depreciation and Amortisation Expense	3	710.08	414.40
(f) Other Expenses	27	1,197.40	1,046.00
<b>Total Expenses</b>		<b>15,742.33</b>	<b>12,133.39</b>
<b>III. Profit/(Loss) Before Tax (I-II)</b>		<b>1,047.53</b>	<b>498.12</b>
<b>IV. Income Tax Expense</b>			
Current Tax	19	80.43	-
Prior Period Tax		-	(69.09)
Deferred Tax	7	241.71	139.62
<b>Total Tax Expense</b>		<b>322.14</b>	<b>70.53</b>
<b>V. Profit/(Loss) for the Year (III-IV)</b>		<b>725.39</b>	<b>427.59</b>
<b>VI. Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss			
Remeasurement of the defined benefit obligations		41.80	16.68
Income tax on items that will not be reclassified to profit or loss		(10.52)	(7.85)
<b>Other Comprehensive Income, Net of Tax</b>		<b>31.28</b>	<b>8.83</b>
<b>VII. Total Comprehensive Income/(Loss) for the Year (V+VI)</b>		<b>756.67</b>	<b>436.42</b>
<b>VIII. Earnings Per Share (of ₹ 10/- each)</b>	27a		
(a) Basic (₹)		14.89	8.78
(b) Diluted (₹)		14.89	8.78

Summary of significant accounting policies

1&amp;2

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

for and on behalf of the Board of Directors of  
Danlaw Technologies India Limited

For CSVR &amp; ASSOCIATES

Chartered Accountants

FRN: 012121S

Raju S. Dandu

Chairman &amp; Wholetime

Director

DIN: 00073484

A V R K Varma

Chief Financial Officer

(CA.VENKATESH G.)

Partner

Membership No: 239608

Ravikumar Tamma

Director

DIN: 05306747

Gaurav Padmawar

Company Secretary

Membership No: ACS 44421

Place: Hyderabad

Date : 27-05-2023

**DANLAW TECHNOLOGIES INDIA LIMITED***(All amounts are in ₹ lakhs, except share data and where otherwise stated)***Statement of Changes in Equity for the Financial Year Ended****(A) Equity**

Particulars	No. of Shares	Amount
<b>Balance at March 31, 2021</b>	<b>37,07,490</b>	<b>371</b>
Changes in Equity Share Capital During the Year - Share Suspence	11,63,177	116.32
<b>Balance at March 31, 2022</b>	<b>48,70,667</b>	<b>487.07</b>
Changes in Equity Share Capital During the Year	-	-
<b>Balance at March 31, 2023</b>	<b>48,70,667</b>	<b>487.07</b>

**(B) Other Equity**

Particulars	Reserves and Surplus					Items of OCI	Total
	Securites Premium Reserve	Capital Redemption Reserve	General Reserve	Amalgantion Reserve	Retained Earnings	Gratuity OCI	
<b>Balance at March 31, 2021</b>	<b>3,449.06</b>	<b>10.00</b>	<b>4.27</b>	<b>(894.35)</b>	<b>(628.98)</b>	<b>(30.62)</b>	<b>1,909.38</b>
Profit for the Year					427.59	-	427.59
Other Comprehensive Income for the year (Net of Taxes)					-	8.83	8.83
<b>Balance at March 31, 2022</b>	<b>3,449.06</b>	<b>10.00</b>	<b>4.27</b>	<b>(894.35)</b>	<b>(201.38)</b>	<b>(21.79)</b>	<b>2,345.80</b>
Profit for the Year					741.00	(15.61)	725.39
Other Comprehensive Income for the year (Net of Taxes)					-	31.28	31.28
<b>Balance at March 31, 2023</b>	<b>3,449.06</b>	<b>10.00</b>	<b>4.27</b>	<b>(894.35)</b>	<b>539.62</b>	<b>(6.12)</b>	<b>3,102.48</b>

**As per our report of even date attached****For CSVR & ASSOCIATES**

Chartered Accountants

FRN: 012121S

**(CA.VENKATESH G.)**

Partner

Membership No: 239608

Place: Hyderabad

Date : 27-05-2023

for and on behalf of the Board of Directors of

**Danlaw Technologies India Limited**

**Raju S. Dandu**  
Chairman & Wholetime  
Director  
DIN: 00073484

**Ravikumar Tamma**  
Director  
DIN: 05306747

**A V R K Varma**  
Chief Financial Officer

**Gaurav Padmawar**  
Company Secretary  
Membership No: ACS 44421

**DANLAW TECHNOLOGIES INDIA LIMITED***(All amounts are in ₹ lakhs, except share data and where otherwise stated)***STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2023**

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
<b>Cash Flow from Operating Activities</b>		
Profit Before Tax from Operations	1,089.33	514.80
<b>Adjustments for</b>		
Depreciation and amortisation expense	625.35	323.89
Other non cash adjustment	28.85	(10.79)
<b>Change in Operating Assets and Liabilities</b>		
(Increase) / decrease in trade receivables	(1,178.31)	(187.24)
(Increase) / decrease in other financial assets	(2.67)	(43.73)
(Increase) / decrease in inventories	(636.01)	(1,389.67)
(Increase) / decrease in other assets	(587.88)	298.09
Increase / (decrease) in trade payables	144.35	499.14
Increase / (decrease) in other financial liabilities	415.79	892.25
Increase / (decrease) in other liabilities	858.24	(1,760.22)
Increase / (decrease) in provisions	21.44	19.37
<b>Cash Generated from / (Used in) Operating Activities</b>	<b>778.48</b>	<b>(844.11)</b>
Income Taxes (Paid)/ Refund	(80.43)	69.09
<b>Net Cash Inflow / (Outflow) from Operating Activities</b>	<b>698.05</b>	<b>(775.02)</b>
<b>Cash Flows from Investing Activities</b>		
Purchase of Property, Plant and Equipment	(393.94)	(486.17)
Proceeds from Sale of Property, Plant and Equipment	1.48	4.80
Investment in Research & Development		(55.08)
Proceeds for sale of Investments in Subsidiary	-	295.66
<b>Net Cash (Used in) / Generated from Investing Activities</b>	<b>(392.46)</b>	<b>(240.79)</b>
<b>Cash Flows from Financing Activities</b>		
Proceeds from Borrowings	1.67	1,135.66
<b>Net Cash (Used in) / Generated from Financing Activities</b>	<b>1.67</b>	<b>1,135.66</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>307.25</b>	<b>119.85</b>
Cash and Cash Equivalents at the Beginning of the Financial Year	419.01	299.16
Effect of exchange differences on translation		
<b>Cash and Cash Equivalents at End of the Financial Year</b>	<b>726.26</b>	<b>419.01</b>

**As per our report of even date attached  
for CSVR & ASSOCIATES**  
Chartered Accountants  
Firm Registration No: 0121215

**(CA.VENKATESH.G.)**  
Partner  
Membership No: 239608  
Place: HYDERABAD  
Date : 27-05-2023

for and on behalf of the Board of Directors of  
**Danlaw Technologies India Limited**

**Raju S. Dandu**                      **A V R K Varma**  
Chairman &                      Chief Financial  
Wholetime                      Officer  
Director  
DIN: 00073484

**Ravikumar Tamma**                      **Gaurav Padmawar**  
Director                      Company Secretary  
DIN: 05306747                      Membership No.:  
ACS 44421

**DANLAW TECHNOLOGIES INDIA LIMITED**

Notes to the financial statements for the year ended 31 March 2023

(All amounts are in ₹ lakhs, except share data and where otherwise stated)

**3. Property, plant and equipment and capital work -in-progress**

Description of Assets	Buildings	Leasehold improvements	Computers	Plant and Machinery	Office equipment	Furniture and fixtures	Electrical installations	Vehicles	Total
<b>I. Cost or deemed cost</b>									
<b>Balance as at March 31, 2021</b>	<b>550.02</b>	<b>14.85</b>	<b>120.55</b>	<b>2,972.51</b>	<b>90.45</b>	<b>194.79</b>	<b>54.24</b>	<b>82.31</b>	<b>4,079.72</b>
Additions	32.78	-	3.10	431.22	2.42	1.16	-	18.78	489.46
Disposals				(2.60)		(0.69)			(3.29)
<b>Balance as at March 31, 2022</b>	<b>582.80</b>	<b>14.85</b>	<b>123.65</b>	<b>3,401.13</b>	<b>92.87</b>	<b>195.27</b>	<b>54.24</b>	<b>101.09</b>	<b>4,565.90</b>
Additions			16.14	20.97	7.52	318.38		30.93	393.94
Disposals / Transfers	(0.00)		98.74	(126.78)	(6.58)	0.15		(9.02)	(43.50)
<b>Balance as at March 31, 2023</b>	<b>582.80</b>	<b>14.85</b>	<b>238.53</b>	<b>3,295.31</b>	<b>93.81</b>	<b>513.79</b>	<b>54.24</b>	<b>123.00</b>	<b>4,916.34</b>
<b>II. Accumulated depreciation</b>									
<b>Balance as at March 31, 2021</b>	<b>242.15</b>	<b>6.96</b>	<b>94.86</b>	<b>1,262.47</b>	<b>65.55</b>	<b>125.13</b>	<b>29.39</b>	<b>68.72</b>	<b>1,895.25</b>
Depreciation expense for the year	16.07	0.49	15.50	195.74	2.89	8.52	3.53	5.78	248.52
Eliminated on disposal of assets						(0.24)			(0.24)
<b>Balance as at March 31, 2022</b>	<b>258.22</b>	<b>7.45</b>	<b>110.36</b>	<b>1,458.22</b>	<b>68.44</b>	<b>133.41</b>	<b>32.93</b>	<b>74.50</b>	<b>2,143.53</b>
Depreciation expense for the year	15.96	0.49	16.85	189.78	4.35	23.20	3.55	6.70	260.89
Eliminated on disposal of assets / Tran	0.18		80.99	(118.69)	7.31	0.25		(9.01)	(38.96)
<b>Balance as at March 31, 2023</b>	<b>274.36</b>	<b>7.95</b>	<b>208.20</b>	<b>1,529.31</b>	<b>80.11</b>	<b>156.86</b>	<b>36.48</b>	<b>72.20</b>	<b>2,365.46</b>
<b>III. Carrying Amount</b>									
<b>Balance as at March 31, 2021</b>	<b>307.87</b>	<b>7.89</b>	<b>25.69</b>	<b>1,710.04</b>	<b>24.90</b>	<b>69.66</b>	<b>24.85</b>	<b>13.59</b>	<b>2,184.48</b>
Additions	32.78	-	3.10	431.22	2.42	1.16	-	18.78	489.46
Disposals	-	-	-	(2.60)	-	(0.45)	-	-	(3.05)
Depreciation expense	(16.07)	(0.49)	(15.50)	(195.74)	(2.89)	(8.52)	(3.53)	(5.78)	(248.52)
<b>Balance as at March 31, 2022</b>	<b>324.58</b>	<b>7.39</b>	<b>13.29</b>	<b>1,942.91</b>	<b>24.43</b>	<b>61.86</b>	<b>21.32</b>	<b>26.58</b>	<b>2,422.37</b>
Additions	-	-	16.14	20.97	7.52	318.38	-	30.93	393.94
Disposals / Transfers	(0.00)	-	98.74	(126.78)	(6.58)	0.15	-	(9.02)	(43.50)
Depreciation expense	(16.14)	(0.49)	(97.84)	(71.09)	(11.67)	(23.45)	(3.55)	2.31	(221.92)
<b>Balance as at March 31, 2023</b>	<b>308.44</b>	<b>6.90</b>	<b>30.33</b>	<b>1,766.00</b>	<b>13.70</b>	<b>356.93</b>	<b>17.77</b>	<b>50.80</b>	<b>2,550.88</b>



**DANLAW TECHNOLOGIES INDIA LIMITED****Notes to the financial statements for the year ended 31 March 2023**

(All amounts are in ₹ lakhs, except share data and where otherwise stated)

**4. Other intangible assets**

Description of Assets	Computer Software	R & D Expenses	Total
<b>I. Cost or deemed cost</b>			
Disposals			
<b>Balance as at March 31, 2021</b>	<b>59.55</b>	<b>464.29</b>	<b>523.84</b>
Additions	-	55.08	55.08
Deletions			
<b>Balance as at March 31, 2022</b>	<b>59.55</b>	<b>519.37</b>	<b>578.92</b>
Additions	-	-	-
Deletions	-	(489.29)	(489.29)
<b>Balance as at March 31, 2023</b>	<b>59.55</b>	<b>30.09</b>	<b>89.64</b>
<b>II. Accumulated depreciation and impairment</b>			
<b>Balance as at March 31, 2021</b>	<b>51.46</b>	<b>34.84</b>	<b>86.30</b>
Amortisation expense for the year	7.82	64.42	72.24
Eliminated on disposal of assets			
<b>Balance as at March 31, 2022</b>	<b>59.27</b>	<b>99.26</b>	<b>158.54</b>
Amortisation expense for the year	0.23	363.80	364.03
Deletions	-	463.07	463.07
<b>Balance as at March 31, 2023</b>	<b>59.50</b>	<b>-</b>	<b>59.50</b>
<b>III. Carrying Amount</b>			
<b>Balance as at March 31, 2021</b>	<b>8.09</b>	<b>429.45</b>	<b>437.54</b>
Additions	-	55.08	55.08
Disposals			
Depreciation expense	7.82	64.42	72.24
<b>Balance as at March 31, 2022</b>	<b>0.28</b>	<b>420.11</b>	<b>420.39</b>
Additions	-	-	-
Depreciation expense	0.23	363.80	364.03
Deletions	-	26.22	26.22
<b>Balance as at March 31, 2023</b>	<b>0.05</b>	<b>30.09</b>	<b>30.14</b>

**Research and Development :**

Direct expenses incurred on R&D during the year for the development of products are treated as deferred revenue expenditure. The amount shall be amortized against the revenues to be earned over a period of time, to be determined at the time of product launch. Products under development capitalized as deferred revenue expenses to the extent of Rs.249.01 lacs has been written off as impairment loss per the decision of management and Board, due to the market conditions, technology changes, cost escalations due to electronic components shortage, could not convert into commercial orders.

**DANLAW TECHNOLOGIES INDIA LIMITED****Notes to the financial statements for the year ended 31 March 2023**

(All amounts are in ₹ lakhs, except share data and where otherwise stated)

**5. Financial Assets - Loans**

Particulars	As at Mar 31,2023	As at Mar 31,2022
<b>Non - Current</b>		
Unsecured, Considered Good	-	-
Loans to Staff	3.37	5.65
<b>Total Non - Current Financial Assets - Loans</b>	<b>3.37</b>	<b>5.65</b>
<b>Current</b>		
Unsecured, Considered Good	-	-
Loans to Staff	2.95	6.28
<b>Total Current Financial Assets - Loans</b>	<b>2.95</b>	<b>6.28</b>
<b>Total Financial Assets - Loans</b>	<b>6.32</b>	<b>11.93</b>

**6. Financial Assets - Others**

Particulars	As at Mar 31,2023	As at Mar 31,2022
<b>Non - Current</b>		
Right of Use of Asset	785.20	112.32
<b>Total Non - Current Financial Assets - Others</b>	<b>785.20</b>	<b>112.32</b>
<b>Current</b>		
Interest Accrued	27.51	19.23
<b>Total Current Financial Assets - Others</b>	<b>27.51</b>	<b>19.23</b>
<b>Total Financial Assets - Others</b>	<b>812.71</b>	<b>131.55</b>

**7. Deferred Tax Assets (Net)**

Particulars	As at Mar 31,2023	As at Mar 31,2022
Deferred Tax Assets (Net)	0	223.71
Deferred Tax Liability (Net)	(28.52)	-
<b>Total Deferred Tax Assets/(Liability) (Net)</b>	<b>(28.52)</b>	<b>223.71</b>

**7.1. Movement of Deferred Tax**

Particulars	Opening balance	Recognised in profit and Loss	Recognised in OCI	Closing balance
<b>Tax effect of items constituting deferred tax liabilities</b>				
Property, Plant and Equipment	158.66	11.85		170.51
	<b>158.66</b>	<b>11.85</b>	-	<b>170.51</b>
<b>Tax effect of items constituting deferred tax assets</b>				
Provision for gratuity & Leave encashment	132.41	10.70		143.10
Loss during the Previous Year	261.60	(261.60)		-
Gratuity - OCI	(11.63)		10.52	(1.11)
	<b>382.38</b>	<b>(250.90)</b>	<b>10.52</b>	<b>142.00</b>
<b>Net Tax Asset/(Liabilities)</b>	<b>223.71</b>	<b>(241.71)</b>	<b>10.52</b>	<b>(28.52)</b>

**8. Other Assets**

Particulars	As at Mar 31,2023	As at Mar 31,2022
<b>Non - Current</b>		
Deferred Employee Cost	0.34	0.34
Security Deposits	11.72	104.33
Prepaid Rentals - Ind AS	6.44	0.13
<b>Total Non - Current Other Assets</b>	<b>18.51</b>	<b>104.81</b>
<b>Current</b>		
Advance to Suppliers	76.40	94.32
Deferred Employee Cost	0.34	0.34
Prepaid Expenses	64.76	64.27
Balance with Government Authorities	415.97	403.12
<b>Total Current Other Assets</b>	<b>557.47</b>	<b>562.05</b>
<b>Total Other Assets</b>	<b>575.97</b>	<b>666.85</b>

**DANLAW TECHNOLOGIES INDIA LIMITED****Notes to the financial statements for the year ended 31 March 2023**

(All amounts are in ₹ lakhs, except share data and where otherwise stated)

**9. Inventories**

Particulars	As at Mar 31,2023	As at Mar 31,2022
<b>Current Inventories (Lower of Cost and Net Realisable Value)</b>		
Raw Materials	3,338.48	2,646.36
Finished goods	135.44	171.94
Work in Progress	8.70	28.31
<b>Total Inventories</b>	<b>3,482.62</b>	<b>2,846.61</b>

**10. Financial Assets - Trade Receivables**

Particulars	As at Mar 31,2023	As at Mar 31,2022
<b>Current</b>		
Trade Receivables	3,009.04	1,832.15
Less: Allowance for Doubtful Debts	(0.06)	(1.48)
<b>Total Financial Assets - Trade Receivables</b>	<b>3,008.97</b>	<b>1,830.66</b>

**Trade Receivable ageing schedule:****As on 31 March 2023:**

Particulars	Outstanding for following periods from due date of payment				
	Less than 6 months	6 months - 1 year	1 year - 2 years	2 years- 3 years	More than 3 years
(i) undisputed trade receivables - considered good	3,000.18	8.73	-	-	-
(ii) undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-
(iii) undisputed trade receivables - credit impaired	-	0.06	-	-	-
(iv) disputed trade receivables - considered good	-	-	-	-	-
(v) disputed trade receivables - which have significant increase in credit risk.	-	-	-	-	-
(vi) disputed trade receivables- credit impaired.	-	-	-	-	-
<b>Total Financial Assets - Trade Receivables</b>	<b>3,000.18</b>	<b>8.79</b>	<b>-</b>	<b>-</b>	<b>-</b>

**As on 31 March 2022:**

Particulars	Outstanding for following periods from due date of payment				
	Less than 6 months	6 months - 1 year	1 year - 2 years	2 years- 3 years	More than 3 years
(i) undisputed trade receivables - considered good	1,823.35	1.81	-	4.03	-
(ii) undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-
(iii) undisputed trade receivables - credit impaired	-	1.48	-	-	-
(iv) disputed trade receivables - considered good	-	-	-	-	-
(v) disputed trade receivables - which have significant increase in credit risk.	-	-	-	-	-
(vi) disputed trade receivables- credit impaired.	-	-	-	-	-
<b>Total Financial Assets - Trade Receivables</b>	<b>1,823.35</b>	<b>3.29</b>	<b>-</b>	<b>4.03</b>	<b>-</b>

**11. Cash and Cash Equivalents**

Particulars	As at Mar 31,2023	As at Mar 31,2022
<b>Balance with Banks</b>		
In Current Accounts	574.61	314.95
in Deposit Accounts	151.21	103.75
<b>Cash on Hand</b>	<b>0.44</b>	<b>0.32</b>
<b>Total Cash and Cash Equivalents</b>	<b>726.26</b>	<b>419.01</b>

**12. Current Tax Assets (Net)**

Particulars	As at Mar 31,2023	As at Mar 31,2022
Tax deducted at source	54.27	48.39
<b>Total Current Tax Assets (Net)</b>	<b>54.27</b>	<b>48.39</b>

**DANLAW TECHNOLOGIES INDIA LIMITED****Notes to the financial statements for the year ended 31 March 2023**

(All amounts are in ₹ lakhs, except share data and where otherwise stated)

**13. Equity share capital**

Particulars	As at Mar 31,2023	As at Mar 31,2022
<b>Authorised</b>		
1,20,00,000 Equity Shares of Rs.10 each	1,200.00	1,200.00
<b>Total Authorised Share Capital</b>	<b>1,200.00</b>	<b>1,200.00</b>
<b>Issued and Subscribed Capital:</b>		
Issued Equity Share Capital	487.07	370.75
Share suspense *	-	116.32
<b>Total</b>	<b>487.07</b>	<b>487.07</b>

\* Pursuant to the NCLT order dated 18th October,2022, subsidiary of Danlaw Technologies India Limited (DTIL) "M/s. Danlaw Electronics Assembly Limited" has been amalgamated with DTIL and 11,63,177 shares were allotted to the shareholders of transferor company for consideration other than cash subsequent to the NCLT order

**Notes:****(A) Reconciliation of the Number of Shares Outstanding:**

Particulars	Number of Shares	Amount
<b>Balance at March 31, 2020</b>	<b>37,07,490</b>	370.75
Changes in equity share capital during the year	-	-
<b>Balance at March 31, 2021</b>	<b>37,07,490</b>	<b>370.75</b>
Changes in equity share capital during the year	-	-
<b>Balance at March 31, 2022</b>	<b>37,07,490</b>	<b>370.75</b>
Issued pursuant to amalgamation	11,63,177	116.32
<b>Balance at March 31, 2023</b>	<b>48,70,667</b>	<b>487.07</b>

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

Name of the shareholder	As at March 31, 2023		As at March 31, 2022	
	Number of shares held	% of holding of equity shares	Number of shares held	% of holding of equity shares
<b>Fully paid equity shares</b>				
Danlaw Systems India Limited	14,61,592	30.01%	14,61,592	39.42%
Danlaw Inc (issued pursuant to amalgamation)	11,63,177	23.88%	-	0.00%

**(C) Disclosure of Shareholding of Promoters As at March 31, 2023**

Class of Shares - Equity	As at March 31, 2023		As at March 31, 2022		% Change during the year
	Number of shares held	% of holding of equity shares	Number of shares held	% of holding of equity shares	
<b>Name of the Promoter</b>					
Dandu Lakshmi	60,100	1.23%	60,100	1.62%	-
B V Ramana	8,000	0.16%	8,000	0.22%	-
Pallamma Dandu	46,300	0.95%	46,300	1.25%	-
D Venkat Raju	52,800	1.08%	52,800	1.42%	-
D Praveen Varma	3,913	0.08%	3,913	0.11%	-
Lakshmi Dandu	59,000	1.21%	59,000	1.59%	-
Srinivas Dandu	63,200	1.30%	63,200	1.70%	-
Pallavi Dandu	60,100	1.23%	60,100	1.62%	-
Danlaw Inc	11,63,477	23.89%	-	0.00%	100%
Danlaw Systems India Ltd	14,61,592	30.01%	14,61,592	39.42%	-

**DANLAW TECHNOLOGIES INDIA LIMITED****Notes to the financial statements for the year ended 31 March 2023**

(All amounts are in ₹ lakhs, except share data and where otherwise stated)

**(D) Disclosure of Shareholding of Promoters As at March 31, 2022**

Class of Shares - Equity Name of the Promoter	As at March 31, 2022		As at March 31, 2021		% Change during the year
	Number of shares held	% of holding of equity shares	Number of shares held	% of holding of equity shares	
Dandu Lakshmi	60,100	1.62%	60,100	1.62%	-
B V Ramana	8,000	0.22%	8,000	0.22%	-
Pallamma Dandu	46,300	1.25%	46,300	1.25%	-
D Venkat Raju	52,800	1.42%	52,800	1.42%	-
D Praveen Varma	3,913	0.11%	3,913	0.11%	-
Lakshmi Dandu	59,000	1.59%	59,000	1.59%	-
Srinivas Dandu	63,200	1.70%	63,200	1.70%	-
Pallavi Dandu	60,100	1.62%	60,100	1.62%	-
Danlaw Systems India Ltd	14,61,592	39.42%	14,61,592	39.42%	-

**(E) Information Regarding Issue of Shares in Past 5 Years**

The Company has not issued any shares without payment being received in cash except shares allotted on account of amalgamation  
There has been no issue of bonus shares

**(F) Information Regarding Issue of Shares in Past 5 Years****14. Other Equity Excluding Non - Controlling Interests**

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Securities Premium Reserve <i>(Represents amounts received on issue of shares in excess of the par value)</i>	3,449.06	3,449.06
Capital Redemption Reserve <i>(Represents paid up value of equity shares bought back)</i>	10.00	10.00
General Reserve <i>(Represents appropriation of profit by the Company)</i>	4.27	4.27
Amalgamation Reserve <i>(Represents amalgamation adjustment deficit account)</i>	(894.35)	(894.35)
Gratuity OCI <i>(Represents actuarial gain or loss on remeasurement of defined benefit obligation)</i>	20.00	(21.79)
Retained Earnings <i>(Retained earnings comprise of the Company's prior years' undistributed earnings after taxes)</i>	513.49	(201.38)
<b>Total Reserves and Surplus</b>	<b>3,102.48</b>	<b>2,345.80</b>

**14.1 Securities Premium Reserve**

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Balance at the Beginning of the Year	3,449.06	3,449.06
Current Year	-	-
<b>Balance at End of Year</b>	<b>3,449.06</b>	<b>3,449.06</b>

**14.2 Capital Redemption Reserve**

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Balance at the Beginning of the Year	10.00	10.00
Changes during the period	-	-
<b>Balance at End of Year</b>	<b>10.00</b>	<b>10.00</b>

**14.3 General Reserve**

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Balance at the Beginning of the Year	4.27	4.27
Changes during the period	-	-
<b>Balance at End of Year</b>	<b>4.27</b>	<b>4.27</b>

**DANLAW TECHNOLOGIES INDIA LIMITED****Notes to the financial statements for the year ended 31 March 2023**

(All amounts are in ₹ lakhs, except share data and where otherwise stated)

**14.4 Gratuity OCI**

Particulars	As at Mar 31,2023	As at Mar 31,2022
Balance at the Beginning of the Year	(21.79)	(30.62)
Current Year	41.80	8.83
<b>Balance at End of Year</b>	<b>20.00</b>	<b>(21.79)</b>

**14.5 Retained Earnings**

Particulars	As at Mar 31,2023	As at Mar 31,2022
Balance at the Beginning of the Year	(201.38)	(628.98)
Net Profit for the Period	714.87	427.59
<b>Balance at End of Year</b>	<b>513.49</b>	<b>(201.38)</b>

**15. Provisions**

Particulars	As at Mar 31,2023	As at Mar 31,2022
<b>Non - Current</b>		
Provision for Gratuity	375.26	361.87
Provision for Leave Encashment	136.49	129.87
<b>Total Non - Current Provisions</b>	<b>511.75</b>	<b>491.74</b>
<b>Current</b>		
Provision for Gratuity	22.09	21.79
Provision for Leave Encashment	13.70	12.56
<b>Total Current Provisions</b>	<b>35.78</b>	<b>34.35</b>
<b>Total Provisions</b>	<b>547.54</b>	<b>526.09</b>

**16. Financial Liabilities - Borrowings & Leases**

Particulars	As at Mar 31,2023	As at Mar 31,2022
<b>Non-Current</b>		
-From Banks		
Long term borrowings-Term Loan (refer note (a) below)	376.58	414.44
-From Related Party		
ECB Loan	2,055.42	1,895.18
<b>Total Non Current Financial Liabilities - Loans</b>	<b>2,432.00</b>	<b>2,309.62</b>
<b>Current</b>		
-From Banks		
Short term borrowings-Cash Credit loan (refer note (b) below)	523.57	644.29
Current Maturity of Long term borrowing	36.00	36.00
<b>Total Current Financial Liabilities - Loans</b>	<b>559.57</b>	<b>680.29</b>
<b>Lease Liabilities</b>		
- Short Term	100.97	2.58
- Long Term	703.94	85.86
<b>Lease liabilities</b>	<b>804.91</b>	<b>88.44</b>

**Note**

**(a): Term Loan carry** carry an interest rate of 8.00% to 10.40% p.a. This is primarily secured by way of hypothecation of plant & machinery and other fixed assets created out of bank finance. Personal gurantee of Mr.Raju dandu and corporate gurantee of M/S. Danlaw Systems India ltd. is given.Loan is

**GECL** carry an interest rate of 7.40% to 9.25% p.a. This is primarily secured by way of hypothecation of plant & machinery and other fixed assets created out of bank finance. Personal gurantee of Mr.Raju dandu and corporate gurantee of M/S. Danlaw Systems India ltd. is given.Loan is taken.

**(b): Working capital demand loan/cash credit** facilities carry an interest rate of 8.45% to 10.40% p.a.. They are primarily secured by exisiting as well as future inventories, goods in transit, outstanding moneys, book debts,receivables,etc. Personal gurantee of Mr.Raju dandu and corporate gurantee of M/S. Danlaw Systems India ltd. is given.Loan is taken for business purpose and is repayable on demand.

**(c).** The company, has taken external commercial borrowing from Danlaw Inc, amounting to USD 2,500,000 \$. The borrowing rate for the loans is 4.5% +6m LIBOR. The term of the loan is 5 years. The repayment of the Principal amount is scheduled at the end of Year 5 i.e. the end of the loan period and interest amount is to be paid quarterly.

**DANLAW TECHNOLOGIES INDIA LIMITED****Notes to the financial statements for the year ended 31 March 2023**

(All amounts are in ₹ lakhs, except share data and where otherwise stated)

**17. Financial Liabilities - Trade Payables**

<b>Current</b>	<b>As at Mar 31,2023</b>	<b>As at Mar 31,2022</b>
Trade Payables		
<sup>1</sup> - Dues of Micro Enterprises and Small Enterprises	88.10	42.82
<sup>1</sup> - Dues to Creditors other than Micro Enterprises and Small Enterprises	1,538.10	1,439.03
<b>Total Financial Liabilities - Trade Payables</b>	<b>1,626.20</b>	<b>1,481.85</b>

**Trade Payables - ageing schedule:****As on 31 March 2023:**

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2 years- 3 years	More than 3 years	Total
(i) MSME	88.10	-	-	-	88.10
(ii) Others	1,438.06	100.04	-	-	1,538.10
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - others	-	-	-	-	-
<b>Total Financial Liabilities - Trade Payables</b>	<b>1,526.16</b>	<b>100.04</b>	<b>-</b>	<b>-</b>	<b>1,626.20</b>

**As on 31 March 2022:**

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2 years- 3 years	More than 3 years	Total
(i) MSME	42.82	-	-	-	42.82
(ii) Others	1,439.03	-	-	-	1,439.03
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - others	-	-	-	-	-
<b>Total Financial Liabilities - Trade Payables</b>	<b>1,481.85</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,481.85</b>

**18. Financial Liabilities - Others**

Particulars	<b>As at Mar 31,2023</b>	<b>As at Mar 31,2022</b>
<b>Non-Current</b>		
Security Deposit	-	55.06
<b>Total Financial liabilities - Others</b>	<b>-</b>	<b>55.06</b>
<b>Current</b>		
Payroll Liabilities	128.64	(0.01)
Leasehold Payable	-	5.65
Accrued Interest on ECB Loan	289.94	109.27
Expenses Payable	438.28	271.09
<b>Total Financial liabilities - Others</b>	<b>856.85</b>	<b>386.01</b>

**19. Current Tax Liabilities**

Particulars	<b>As at Mar 31,2023</b>	<b>As at Mar 31,2022</b>
Current Income Tax	80.43	-
Less: Advance Tax	37.00	-
<b>Total Current Tax Liabilities</b>	<b>43.43</b>	<b>-</b>

**20. Other Current Liabilities**

Particulars	<b>As at Mar 31,2023</b>	<b>As at Mar 31,2022</b>
<b>Current</b>		
Advance from Customers	403.42	442.76
Statutory Dues	356.16	218.48
<b>Total Other Current Liabilities</b>	<b>759.58</b>	<b>661.24</b>

**DANLAW TECHNOLOGIES INDIA LIMITED****Notes to the financial statements for the year ended 31 March 2023**

(All amounts are in ₹ lakhs, except share data and where otherwise stated)

**21. Revenue from Operations**

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Sale of Products	15,615.83	10,927.14
Sale of Services	1,092.19	1,205.57
Sale of Scrap	5.74	25.46
<b>Total Revenue from operations</b>	<b>16,713.76</b>	<b>12,158.17</b>

**22. Other Income**

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Interest income - Bank Deposits	9.58	5.56
Interest income - Others	3.79	3.22
Interest income - Ind AS	0.49	4.26
Lease Rental Income	61.94	104.68
Bad debts recovered	0.31	-
Profit on Sale of Investments	-	355.62
<b>Total Other Income</b>	<b>76.11</b>	<b>473.34</b>

**23. Cost of Materials Consumed**

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Opening Stock	2,646.36	1,191.38
Add: Purchases	11,584.80	9,482.55
Less: Closing stock	3,338.48	2,646.36
<b>Total Cost of Materials Consumed</b>	<b>10,892.68</b>	<b>8,027.57</b>

**24. Changes in Inventories of finished goods and work in progress**

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
<b>Opening Stock:</b>		
(i) Finished goods	171.94	160.80
(ii) Work in Progress	28.31	-
	<b>200.25</b>	<b>160.80</b>
<b>Closing Stock:</b>		
(i) Finished goods	135.44	171.94
(ii) Work in Progress	8.70	28.31
	<b>144.14</b>	<b>200.25</b>
<b>Net (Increase)/ decrease</b>	<b>56.11</b>	<b>(39.45)</b>

**25. Employee Benefits Expense**

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Salaries and Wages, Including Bonus	1,939.97	1,984.09
Contract workmen expenses	279.64	242.30
Contribution to Provident and Other Funds	110.95	113.90
Staff Welfare Expense	165.69	132.27
Gratuity	62.09	50.13
Vehicle lease recovery	-	(0.40)
<b>Total Employee Benefit Expenses</b>	<b>2,558.33</b>	<b>2,522.29</b>



**DANLAW TECHNOLOGIES INDIA LIMITED****Notes to the financial statements for the year ended 31 March 2023**

(All amounts are in ₹ lakhs, except share data and where otherwise stated)

**26. Finance cost**

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Interest on bank loans	93.42	67.81
Interest on ECB	175.12	80.90
Interest on income tax	-	0.01
Interest - Ind AS	59.19	13.85
<b>Total Finance Cost</b>	<b>327.73</b>	<b>162.56</b>

**27. Other Expenses**

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Auditor's Remuneration	9.00	7.89
Consumption of Stores and Spare Parts-Other	78.09	97.46
Insurance	13.41	11.53
Legal and Professional	61.96	74.21
Power and Fuel	156.71	119.13
Rates and Taxes	5.63	7.48
Rent	107.25	151.84
Repairs & Maintenance - Buildings	32.69	16.85
Repairs & Maintenance - Plant & Machinery	48.23	66.36
Repairs & Maintenance - Office Equipment	39.10	27.79
Repairs & Maintenance - House Keeping	41.77	46.31
Security Charges	47.18	49.74
Selling and Distribution Expenses	54.54	39.40
Bank Charges	31.80	22.02
Software Expense	50.66	51.70
Travelling and Conveyance	71.96	58.46
Communication Expense	16.30	13.30
Printing and Stationery	7.13	6.23
Recruitment Expenses	4.01	2.37
Scrip servicing charges - RTA Charges	2.72	2.51
Listing Fees	3.00	3.00
Directors Sitting Fees	2.70	3.80
Registration, Licences and Filing Fees	5.12	2.29
Testing and Certification Expenses	51.52	16.70
Sub-contract works	6.23	1.75
Advertisement Expenses	1.03	1.08
Miscellaneous Expenses-Other	15.29	14.91
Loss / (Gain) on Sale of Assets	2.63	2.48
Bad Debts	-	6.06
Net Foreign Exchange Loss / (Gain)	229.72	121.38
<b>Total Other Expenses</b>	<b>1,197.40</b>	<b>1,046.00</b>

**Notes:**

i) Auditor's Remuneration (Net of Taxes) Comprises of:

For Statutory Audit	9.00	7.66
For Other Services	-	0.18
Reimbursement of Expenses	-	0.04
<b>Total Auditor's Remuneration</b>	<b>9.00</b>	<b>7.89</b>

**DANLAW TECHNOLOGIES INDIA LIMITED****Notes to the financial statements for the year ended 31 March 2023**

(All amounts are in ₹ lakhs, except share data and where otherwise stated)

**27a. Earning Per Share**

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Profit after tax	725.39	427.59
<b>Basic:</b>		
Number of shares outstanding at the year end	48,70,667	48,70,667
Earnings per share	<b>14.89</b>	<b>8.78</b>
Weighted average number of equity shares outstanding	48,70,667	48,70,667
Earnings per share	<b>14.89</b>	<b>8.78</b>

**28. Earnings in Foreign Exchange**

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
<b>Earnings in Foreign Exchange</b>		
Exports	422.48	881.97
<b>Total Earnings in Foreign Exchange</b>	422.48	881.97

**29. Contingent Liabilities**

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Bank Guarantees	169.62	119.62
<b>Total Contingent Liabilities</b>	169.62	119.62

**30. Related Party Disclosures****a) Names of Related Parties and Related Party Relationship**

Nature of Relationship	Name
Associate Company	Danlaw Inc.
Associate Company	Darby Telematics India Pvt Ltd
Associate Company	RRG Properties LLP
Key Managerial Personnel	Raju Satyanarayana Dandu
	AVRK Varma
	Gaurav Padmawar

**DANLAW TECHNOLOGIES INDIA LIMITED****Notes to the financial statements for the year ended 31 March 2023**

(All amounts are in ₹ lakhs, except share data and where otherwise stated)

**b) Transactions Carried out with Related Parties in Ordinary Course of Business****1) Associate Company - Danlaw Inc**

Particulars	March 31, 2023	March 31, 2022
Sale of Goods	12.07	-
Sale of Services	410.40	881.97
ECB taken	-	758.10
Interest on ECB	175.12	80.90

**2) Associate Company - Daraby Telematics India Pvt Ltd**

Particulars	March 31, 2023	March 31, 2022
Purchase of Services	1.75	6.19

**3) Associate Company - RRG Properties LLP**

Particulars	March 31, 2023	March 31, 2022
Lease rent paid	82.54	-

**3) Key Management Personnel**

Particulars	March 31, 2023	March 31, 2022
Salary Paid - Raju S Dandu	18.00	18.00
Salary Paid - AVRK Varma	20.90	19.35
Salary Paid - Gaurav Padmawar	9.90	9.00

**c) Balances Outstanding**

Particulars	March 31, 2023	March 31, 2022
<b>Trade Receivables</b>		
Danlaw Inc	105.39	144.37
<b>External Commercial Borrowings</b>		
Danlaw Inc	2,055.42	1,895.18
<b>Interest Payable on ECB</b>		
Danlaw Inc	289.94	109.27

**DANLAW TECHNOLOGIES INDIA LIMITED****Notes forming part of the financial statements**

(All amounts are in ₹ lakhs, except share data and where otherwise stated)

**31 Capital and Financial risk management objectives and policies****A. Capital Management**

The Company's objective for capital management is to maximise shareholders value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through equity, operating cash flows generated and loans from institutions.

**B. Financial Risk Management Framework**

The Company's principal financial liabilities, comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk which may adversely impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company.

**Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The value of a financial instrument may change as a result of changes in the foreign currency exchange rates and interest rates. Future specific market movements cannot be normally predicted with reasonable accuracy.

**Foreign currency risk**

The company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to US\$, Euros and GBPs . Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows. The objective of the company is to minimize the volatility of the INR cash flows of highly probable forecast transactions.

**Details of amounts payable to overseas parties:**

Particulars	As at March 31, 2023	As at March 31, 2022
USD Payables	12,68,814	3,43,356
Euro Payables	1,11,505	88,250

**Sensitivity Movement:** The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments

Particulars		
	31 March 2023	31 March 2022
USD Sensitivity		
INR/USD - Increase by 1 rupee	(12.69)	(3.43)
INR/USD - Decrease by 1 rupee	12.69	3.43
Euro Sensitivity		
INR/Euro - Increase by 1 rupee	(1.12)	(0.88)
INR/Euro - Decrease by 1 rupee	1.12	0.88

**DANLAW TECHNOLOGIES INDIA LIMITED****Notes forming part of the financial statements**

(All amounts are in ₹ lakhs, except share data and where otherwise stated)

**Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short-term debt obligations with floating interest rates.

**Interest rate sensitivity**

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected with all other variables held constant, the Company's profit before tax is affected through the impact on fixed rate borrowings, as follows:

Particulars		
	31-Mar-23	31-Mar-22
Interest rates-increase by 50 basis points	(14.96)	(12.53)
Interest rates-decrease by 50 basis points	14.96	12.53

**Credit Risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analyzing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, investments, cash and cash equivalents, bank deposits and other financial assets.

**Liquidity Risk**

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Particulars	On Demand	Less than 1 year	>1 year	Total
<b>Year ended March 31, 2023</b>				
Borrowings	523.57	36.00	2432.00	2991.57
Trade and other payables	0.00	1626.20	0.00	1626.20
Other financial liabilities	0.00	856.85	0.00	856.85
	<b>523.57</b>	<b>2519.05</b>	<b>2432.00</b>	<b>5474.63</b>
<b>Year ended March 31, 2022</b>				
Borrowings	644.29	36.00	2309.62	2989.91
Trade and other payables	0.00	1481.85	0.00	1481.85
Other financial liabilities	0.00	441.06	0.00	441.06
	<b>644.29</b>	<b>1958.91</b>	<b>2309.62</b>	<b>4912.82</b>

**Danlaw Technologies India Limited**  
**Notes to Financial Statements for the Year Ended**

(All amounts are in ₹ lakhs, except share data and where otherwise stated)

**32. Employee Benefit Obligations**

**(i) Defined Contribution Plan**

The Company's contribution to Provident Fund, Superannuation Fund and other funds recognised in the Statement of Profit or Loss under the head Employee Benefits Expense.

Particulars	31 March 2023	31 March 2022
Employee provident fund	100.36	102.12
Superannuation Fund	10.59	11.79

**(ii) Defined Benefit Plan**

**(a) Gratuity**

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

The plan typically exposes the company to actuarial risk such as interest risk and salary risk.

<b>Interest Risk</b>	A movement in the bond interest rate will impact the plan liability
<b>Salary Risk</b>	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants, as such an increase in the salary of the plan

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	Assumptions as at	
	31 March 2023	31 March 2022
Discount Rate (p.a.)	7.20%	7.50%
Salary Escalation Rate (p.a.)	7.00%	7.00%

- The employees of the Company are assumed to retire at the age of 58 years.
- The mortality rates considered are as per the published rates in the Indian Assured Lives Mortality (2012-14) Ult tal
- Rates of leaving service (leaving service due to disability included) at specimen ages are as shown below:

Age (Years)	Rates (p.a.)	
	31 March 2023	31 March 2022
21-30	3.00%	3.00%
31-40	2.00%	2.00%
41-57	0.00%	0.00%

The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Particulars	Financial Year Ended March 31, 2023	
	Discount Rate	Escalation Rate
<b>Defined Benefit Obligation on plus 50 bps</b>	536	581
Impact of Increase in 50 bps on DBO	-4.12%	4.26%
<b>Defined Benefit Obligation on minus 50 bps</b>	590	549
Impact of Decrease in 50 bps on DBO	4.35%	-4.07%

**Danlaw Technologies India Limited****Notes to Financial Statements for the Year Ended**

(All amounts are in ₹ lakhs, except share data and where otherwise stated)

**Projected Plan Cash Flow**

The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan based on past service of the employees as at the valuation date:

<b>Maturity Profile</b>	<b>31 March 2023</b>	<b>31 March 2022</b>
Expected benefits for year 1	93.51	83.06
Expected benefits for year 2	10.73	17.53
Expected benefits for year 3	40.47	17.86
Expected benefits for year 4	11.13	46.20
Expected benefits for year 5	17.93	18.25
Expected benefits for year 6	67.50	37.94
Expected benefits for year 7	88.74	64.95
Expected benefits for year 8	142.28	83.28
Expected benefits for year 9	187.44	135.87
Expected benefits for year 10 and above	571.81	752.78

The weighted average duration to the payment of these cash flows is 8.9years (PY - 8.90years) .

The following tables summarize the components of net benefit expense recognised in the Balance Sheet, Statement of Profit and Loss and Other Comprehensive Income:

<b>Particulars</b>	<b>31 March 2023</b>	<b>31 March 2022</b>
<b>(i) Net Liability Recorded in the Balance Sheet</b>		
Present value of unfunded defined benefit obligation	397.35	383.66
Amount not recognised due to asset limit		
<b>Net Defined Benefit Liability Recognised in the Balance Sheet</b>	<b>397.35</b>	<b>383.66</b>
Net defined benefit liability bifurcated as follows:		
Current	22.09	21.79
Non-Current	375.26	361.87
<b>(ii) Expense Recognised in Statement of Profit and Loss:</b>		
Current service cost	35.96	33.94
Past service cost	-	-
Administration expenses	-	-
Interest cost	38.30	34.28
Actuarial gain/loss	-	-
<b>Gratuity Cost</b>	<b>74.26</b>	<b>68.21</b>
<b>Income (OCI)</b>		
Opening amount recognised in OCI outside Profit and Loss Account	37.40	29.53
Remeasurements during the period due to:		
Changes in financial assumptions	(10.28)	(10.43)
Changes in demographic assumptions	-	-
Experience adjustments	(4.06)	18.30
Actual return on plan assets less interest on plan assets	-	-
Adjustment to recognise the effect of asset ceiling	-	-
<b>Closing Amount Recognised in OCI outside Profit and Loss Account</b>	<b>23.06</b>	<b>37.40</b>

**Danlaw Technologies India Limited****Notes to Financial Statements for the Year Ended**

(All amounts are in ₹ lakhs, except share data and where otherwise stated)

**Reconciliation of Net Liability**

The movement of net liability / asset from the beginning to the end of the accounting period as recognized in the balance sheet of the Company is shown below:

Particulars	31 March 2023	31 March 2022
Opening net defined Liability	383.66	339.03
Expense charged in Profit and Loss Account	28.09	42.04
Amount recognised outside Profit and Loss Account	(14.34)	7.88
Employer contributions	-	(5.28)
Impact of Liability assumed or (settled)***	-	-
<b>Closing Net Defined Liability</b>	<b>397.41</b>	<b>383.66</b>

\*\*\*On account of business contribution or inter group transfer

**Movement in Benefit Obligations**

A reconciliation of the benefit obligation during the inter-valuation period is given below:

Particulars	31 March 2023	31 March 2022
Opening of defined benefit	339.03	301.02
Current service cost	19.68	17.74
Past service cost	-	-
Interest on defined benefit obligation	22.36	22.20
Remeasurements due to:		
Acturial loss/(gain) arising from change in financial assumptions	(10.43)	18.61
Acturial loss/(gain) arising from change in demographic assumptions	-	-
Acturial loss/(gain) arising on account of experience changes	18.30	(12.07)
Benefits paid	(5.28)	(8.47)
<b>Closing of Defined Benefit Obligation</b>	<b>383.66</b>	<b>339.03</b>

**Movement in Plan Assets**

A reconciliation of the plan assets during the inter-valuation period is given below:

Particulars	31 March 2023	31 March 2022
Opening fair value of plan assets	-	-
Employer contributions	5.28	8.47
Remeasurements due to:		
Actual return on plan assets less interest on plan assets	-	-
Benefits paid	(5.28)	(8.47)
<b>Closing Fair Value of Plan Assets</b>	<b>-</b>	<b>-</b>

\*\*\*On account of business contribution or inter group transfer

**(b) Leave Encashment****(i) Particulars of Amounts Disclosed in the Balance Sheet**

Particulars	31 March 2023	31 March 2022
<b>Net Liability Recorded in the Balance Sheet</b>		
Current Liability	13.70	12.56
Non- Current Liability	136.49	129.87
<b>Net Liability Recognised in the Balance Sheet</b>	<b>150.19</b>	<b>142.43</b>



**Danlaw Technologies India Limited****Notes to Financial Statements for the Year Ended**

(All amounts are in ₹ lakhs, except share data and where otherwise stated)

**33. Lease Liabilities**

The Company has adopted Ind AS 116 "Leases" with the inception of the lease being April 1, 2019 and has discounted lease payments using the incremental borrowing rate for measuring the lease liability.

The weighted average incremental borrowing rate applied to lease liabilities is 10.7%

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2023:

Particulars	Amount as on 01-04-2022	Additions	Termination during the year	Amortisation	Carrying Value as on 31-03-2023
Leasehold - Land	112.45	757.47	-	(84.73)	785.20

The following is the break-up of current and non-current lease liabilities as at March 31, 2022:

Particulars	31-Mar-23
<b>Current</b>	100.97
<b>Non – Current</b>	703.94
<b>Total</b>	<b>804.91</b>

The following is the movement in lease liabilities during the year ended March 31, 2022:

Particulars	31-Mar-23
Balance as on 01-04-2022	<b>88.44</b>
Additions to lease Liabilities	757.47
Termination during the year	-
Interest Expense	59.19
Cash Outflows during the year	(100.20)
Balance as on 31-03-2023	<b>804.91</b>

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2023 on an undiscounted basis:

Particulars	1 year	1-3 years	3-5 years	more than 5 years
Undiscounted Future Cash Outflows	107.19	230.40	253.30	1,635.95

Cash Outflows to which lessee is potentially exposed that are not reflected in the measurement of lease liabilities.

This includes exposure arising from:

- Extension options and termination options
- Leases not yet commenced to which lessee is committed

**DANLAW TECHNOLOGIES INDIA LIMITED**

Notes forming part of the Stand alone financial statements

(All amounts are in ₹ lakhs, except share data and where otherwise stated)

**34 Financial Instruments****Financial instruments by category**

The carrying value and fair value of financial instruments carried at amortised cost

Particulars	Level	Carrying Value as at March 31,		Fair Value as at March 31,	
		2023	2022	2023	2022
<b>Assets:</b>					
<b>Non-Current</b>					
Loans	3	3.37	5.65	3.37	5.65
<b>Current</b>					
Trade Receivables	3	3008.97	1830.66	3008.97	1830.66
Cash and Cash Equivalents	3	726.26	419.01	726.26	419.01
Loans	3	2.95	6.28	2.95	6.28
Other Financial Assets		27.51	19.23	27.51	19.23
<b>Total</b>		<b>3769.06</b>	<b>2280.83</b>	<b>3769.06</b>	<b>2280.83</b>
<b>Liabilities:</b>					
<b>Non-Current</b>					
Borrowings	3	2432.00	2309.62	2432.00	2309.62
Other Financial Liabilities	3	0.00	55.06	0.00	55.06
<b>Current</b>					
Trade Payables	3	1626.20	1481.85	1626.20	1481.85
Borrowings	3	559.57	680.29	559.57	680.29
Other Financial Liabilities	3	856.85	386.01	856.85	386.01
<b>Total</b>		<b>5474.63</b>	<b>4912.82</b>	<b>5474.63</b>	<b>4912.82</b>

There are no financial instruments of the company that are subsequently measured at fair value.

**Fair value hierarchy**

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The carrying values of the current financial assets and current financial liabilities are taken as fair values because of their short term nature

The fair of non current financial assets is determined by using the discounted cash flow method by the management

**35. Note of Amalgamation**

During the year (NCLT order dated 01st November, 2022) subsidiary of Danlaw Technologies India Limited (DTIL) "M/s.Danalaw Electronic Assembly Limited" has been amalgamated with DTIL. While preparing the financial statements, previous years figures were also restated since the appointed date being 01st April, 2020.

**Danlaw Technologies India Limited****Notes to Financial Statements**

(Amount expressed in ₹ unless otherwise stated)

**35. Ratio Analysis**

Particulars	Formula	For March'23	For March' 22	Variance	Reasons
(a) Current Ratio	Current Assets/ Current Liabilities	1.97	1.77	12%	
(b) Debt-Equity Ratio	Total Debt/ Total Equity	0.83	1.06	-21%	
(c) Debt Service Coverage Ratio	EBITD/ (Principal + Interest)	14.25	9.68	47%	The increase is due increase in profits during the year
(d) Return on Equity Ratio	Profit after Tax/ Equity	0.20	0.15	34%	The increase is because of increase in profit and sales
(e) Inventory turnover Ratio	Cost of Goods Sold/ Average Inventory	3.46	3.71	-7%	
(f) Trade Receivables turnover Ratio	Sales/ Average Trade Receivables	6.91	7.00	-1%	
(g) Trade payables turnover Ratio	Purchases/ Average Trade Payables	7.45	6.94	7%	
(h) Net capital turnover Ratio	Sales/ Working Capital	4.31	4.89	-12%	
(i) Net profit Ratio	Net Profit after Tax/ Sales	4.34	3.52	23%	The increase is because of increase in profit and sales
(j) Return on Capital employed	EBIT/ (Shareholder's Equity + Long term Liabilities)	20.90	11.35	84%	The increase is because of increase in profit and sales
(k) Return on investment	EBIT / Shareholder's Equity	0.38	0.23	64%	The decrease is because of increase in Depreciation, Other Expenses and Finance Cost resulting in lower EBIT

**36 Other Statutory Information**

- 1 There are no proceedings initiated or pending against the company as at March 31, 2023, under Prohibition of Benami Property Transaction Act, 1988 (As amended in 2016)
- 2 The Company do not have any transactions with companies struck off as per Section 248 of the Companies Act, 2013 and Section 560 of the Companies Act, 1956
- 3 No immovable property is held by the Company except building which is constructed on leased land and lease agreements are duly executed in favour of the company.
- 4 The Company has been sanctioned working capital limits (non-fund based) in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. The quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company and found no material discrepancies.
- 5 The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- 6 CSR provisions as per sec. 135 of the Companies Act, 2013 are not applicable to the company.
- 7 The Company has not declared/paid any dividend during the year
- 8 The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority
- 9 The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- 10 The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - (a) 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
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- 11 The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) 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
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

**As per our report of even date attached****for and on behalf of the Board of Directors of  
Danlaw Technologies India Limited****For CSVR & ASSOCIATES**Chartered Accountants  
FRN: 012121S**Raju S. Dandu**  
Chairman & Wholetime  
Director  
DIN: 00073484**A V R K Varma**  
Chief Financial Officer**(CA.VENKATESH G.)**Partner  
Membership No: 239608**Ravikumar Tamma**  
Director  
DIN: 05306747**Gaurav Padmawar**  
Company Secretary  
Membership No: ACS 44421Place: Hyderabad  
Date : 27-05-2023

## 1. Corporate information:

The Company is in the business of providing engineering and software development consulting services, Industrial electronics. Danlaw Technologies, Inc. (DTI) is a wholly owned subsidiary of Danlaw Technologies India, Ltd (DTIL), a foreign corporation. DTI was incorporated in USA in September 2001 to market engineering and information technology services to customers in the United States of America. This subsidiary is ceased to exist effective March 30, 2022. Danlaw Electronics Assembly Ltd (DEAL), Goa is the subsidiary of DTIL which was acquired in June 2018 to avail the production facility of electronics. However, during the year, DEAL has been merged with DTIL.

## 2. Significant accounting policies

### a. Basis of preparation:

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

For all periods up to and including the year ended 31 March 2017, the Company prepared its financial statements in accordance accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended 31 March 2018 are the first the Company has prepared in accordance with Ind AS.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- ▶ Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).
- ▶ Plan Assets of defined benefit obligations.

The financial statements are presented in INR and all values are in Lakhs, except wherever otherwise indicated.

### b. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- ▶ Expected to be realised or intended to be sold or consumed in normal operating cycle
- ▶ Held primarily for the purpose of trading
- ▶ Expected to be realised within twelve months after the reporting period, or
- ▶ Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- ▶ It is expected to be settled in normal operating cycle
- ▶ It is held primarily for the purpose of trading
- ▶ It is due to be settled within twelve months after the reporting period, or
- ▶ There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

**c. Business combinations and goodwill**

***Business combinations other than business combinations under common control*** are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Company elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- ▶ Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
- ▶ Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Company entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.
- ▶ Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.
- ▶ Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Company acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Company reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

***Business combinations under common control***

Common control business combination means a business combination involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination. Common control business combinations will include transactions, such as transfer of subsidiaries or businesses, between entities within a group.

Business combinations involving entities or businesses under common control shall be accounted for using the pooling of interest method. As per the said method, the assets and liabilities of the combining entities are reflected at their carrying amounts. The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee. Alternatively, it is transferred to General Reserve, if any.

The difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor shall be transferred to capital reserve and should be presented separately from other capital reserves

**d. Foreign currencies**

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Adjustments are made for any variation in the sales realizations / purchase payments on conversion into Indian currency upon actual receipt / payment.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

**e. Fair value measurement**

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- ▶ In the principal market for the asset or liability, or
- ▶ In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses 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.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- ▶ Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- ▶ Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- ▶ Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets, and significant liabilities, such as contingent consideration.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

On an interim basis, the management and the Company's external valuers present the valuation results to the Audit Committee and the Company's independent auditors. This includes a discussion of the major assumptions used in the valuations.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.



**f. Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Sales tax/ value added tax (VAT) / Goods and Service Tax (GST) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

*i) Sale of goods*

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

*ii) Rendering of services*

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

Revenue from user charges towards waste disposal is recognised as and when the related services are performed i.e. when the waste is collected, transported and is received at the dumping yards.

Revenue from consultancy and maintenance contracts is recognised as and when the related services are performed.

*iii) Interest income*

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

*iv) Dividends*

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

**g. Government grants**

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

## **h. Taxes**

### *i) Current income tax*

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

### *ii) Deferred tax*

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting 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.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

In the situations where the Company is entitled to a tax holiday under the Income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where they operate, no deferred tax (asset or liability) is recognized in respect of temporary differences which reverse during the tax holiday period, to the extent the concerned entity's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of temporary differences which reverse after the tax holiday period is recognized in the year in which the temporary differences originate. However, the Company restricts recognition of deferred tax assets to the extent it is probable that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the temporary differences which originate first are considered to reverse first.

*iii) GST paid on acquisition of assets or on incurring expenses*

Expenses and assets are recognised net of the amount of sales/ value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

**i. Property, plant and equipment**

Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

- Building 30 years
- Computers 3 years
- Computer servers 6 years
- Plant & Machinery – 15 years
- Lab and electrical equipment 10 years
- Office equipment 5 years
- Furniture & Fixtures 10 years
- Vehicles 8 years

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

## j. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Intangible assets are de-recognised either on their disposal or where no future economic benefits are expected from their use. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

A summary of the policies applied to the Company's intangible assets is, as follows:

Intangible assets	Useful lives	Amortisation method used	Internally generated or acquired
Computer software	3 years	SLM	No

## k. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

## l. Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether

- The contract involves use of an identified asset, whether specified explicitly or implicitly;
- The Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use;
- The Company has right to direct the use of the asset by either having right to operate the asset or the Company having designed the asset in a way that predetermines how and for what purpose it will be used

**As lessee** The Company's lease asset classes primarily consist of leases for buildings and plant and machinery. The Company, at the inception of a contract, assesses whether the contract is a lease or not. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration.

The Company elected to use the following practical expedients on initial application

- Applied a single discount rate to a portfolio of leases with similar characteristics
- Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in Ind AS 116. At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of buildings in which it is a lessee, the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received

The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognized in the Statement of Profit and Loss. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in Statement of Profit and Loss.

Lease payments included in the measurement of the lease liability comprise the following:

- a. Fixed payments including in-substance fixed payments
- b. Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date
- c. Amounts expected to be payable under a residual value guarantee and
- d. the exercise price under a purchase option that the Company and its associate is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The Company presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'financial liabilities' in the statement of financial position.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The Company recognises the lease payments associated with these leases as an expense in the Statement of Profit or Loss over the lease term.

### m. Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

**Raw materials:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis.

**Finished goods and work in progress:** cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on first in, first out basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

### n. Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. 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 Company's of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses, including impairment on inventories, are recognised in the statement of profit and loss. For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Goodwill is tested for impairment annually as at each reporting date and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or Company of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

**o. Cash and cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

**p. Provisions**

*i) General*

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

**q. Employee benefits**

*i) Short-term employee benefit obligations*

Liabilities for wages and salaries including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

*ii) Other long-term employee benefit obligations*

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

*iii) Post employment benefits*

*Defined Contribution plan*

Retirement benefit 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. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

*Defined benefit plan*

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- ▶ The date of the plan amendment or curtailment, and
- ▶ The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- ▶ Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- ▶ Net interest expense or income



**r. Contributed equity**

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

**s. Dividends**

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

**t. Earnings per share***i) Basic earnings per share*

Basic earnings per share is calculated by dividing:

- The profit attributable to owners 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 and excluding treasury shares

*ii) Diluted earnings per share*

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

**u. Provisions, contingent liabilities and contingent assets:**

**Provision:** A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

**Contingent Liability:** A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

**Contingent Asset:** Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an outflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

## v. 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.

### i) Financial assets

#### *Initial recognition and measurement*

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

#### *Subsequent measurement*

For purposes of subsequent measurement, financial assets are classified in four categories:

- ▶ Debt instruments at amortised cost
- ▶ Debt instruments at fair value through other comprehensive income (FVTOCI)
- ▶ Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- ▶ Equity instruments measured at fair value through other comprehensive income (FVTOCI)

#### *Debt instruments at amortised cost*

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

#### *Debt instrument at FVTOCI*

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

*Debt instrument at FVTPL*

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

*Equity investments*

Equity investments in Subsidiaries, Associates and joint ventures are measured at cost as per Ind AS 27.

All other equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

*Derecognition*

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- ▶ The rights to receive cash flows from the asset have expired, or
- ▶ The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

## ii) *Financial liabilities*

### *Initial recognition and measurement*

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

### *Subsequent measurement*

The measurement of financial liabilities depends on their classification, as described below:

#### *Financial liabilities at fair value through profit or loss*

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Gains or losses on liabilities held for trading are recognised in the profit or loss.

#### *Loans and borrowings*

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

#### *Derecognition*

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

#### *Reclassification of financial assets*

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

*Derivatives that are not designated as hedges*

The company enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss and are included in other gains/(losses)

### 3. Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

- Estimation of current tax expense and payable
- Estimated useful life of intangible asset
- Estimation of defined benefit obligation

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the company and that are believed to be reasonable under the circumstances.



DANLAW TECHNOLOGIES INDIA LIMITED

CIN: L72200TG1992PLC015099

Regd. Office: Unit No. 201,202 & 203, Gowra Fountainhead, Huda Techno Enclave, Patrikanagar, Madhapur, Hyderabad, Telangana- 500081

Telephone No. 040 – 23542499; Fax No. 040 – 23541671; email: - info@danlawtechnologies.com; website: - www.danlawtechnologies.com

ATTENDANCE SLIP

I/We hereby record my/our presence at the 30th Annual General Meeting of the Company being held on 25th September 2023 at 10.00 a.m. at its registered office.

Members Folio/DP ID-Client ID No.

Member's/Proxy's name in Block Letters

Signature of Member / Proxy

Regd. folio/\*Client ID :

\*Applicable for members holding shares in electronic form.

Note: To be signed and handed over at the entrance of the Meeting Venue



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FORM No. MGT-11 PROXY FORM

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

Form fields for company name, address, and contact information.

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

and whose signature(s) are appended below as my / our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 30th Annual General Meeting of the Company, to be held on the 25th day of September, 2023 at 10.00 a.m. its registered office and at any adjournment thereof in respect of such resolutions as are indicated below:

Table with columns: Resolution No., Resolution, and Vote\*\* (For, Against). Contains 6 resolutions.

Signed this ... day of ... 2023

Signature of Shareholder

Signature of Proxy holder(s)

Affix One Rupee Stamp here

Notes:

- 1. The proxy duly completed should be deposited at the Registered Office of the Company not less than 48 (Forty Eight) hours before time fixed for holding the meeting.
2. A Proxy need not be a member of the Company.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights.
4. This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box.
5. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
6. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

