

To,

**The Manager – Listing Department**

National Stock Exchange of India Limited (NSE EMERGE)

Exchange Plaza, Plot No. C/1, Block-G

Bandra- Kurla Complex

Bandra (E), Mumbai-400051

Dear Sir/ Ma'am

Date: 02/09/2021

**Symbol: INNOVANA; ISIN: INE403Y01018**

**Subject: Annual Report of the Company for the F.Y 2020-21 and Notice convening the 06<sup>th</sup> Annual General Meeting.**

Pursuant to Regulation 34 (1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") please find enclosed Notice convening 06<sup>th</sup> Annual General Meeting (AGM) and the Annual Report of the Company for the Financial Year 2020-21, The Annual General Meeting of the Company Schedule to be held on Saturday, 25<sup>th</sup> September 2021 at 11.30 AM at the registered office of the Company.

A Copy of the aforesaid Notice and Annual Report are available on the website of the Company [www.innovanathinklabs.com](http://www.innovanathinklabs.com)

Kindly take the above information on record and acknowledge receipt.

Thanking you,  
Yours Faithfully,

For INNOVANA THINKLABS LIMITED

Vasu Ajay Anand

Company Secretary & Compliance Officer



Plot No. D-41, Patrakar Colony, Near  
Jawahar Nagar, Moti Dungri Vistar Yojna,  
Raja Park, Jaipur - 302004 (Raj), INDIA



[www.innovanathinklabs.com](http://www.innovanathinklabs.com)  
[info@innovanathinklabs.com](mailto:info@innovanathinklabs.com)



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+91-141-4919129

# 2020-2021 ANNUAL REPORT

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Empowered By Innovation



Information &  
Technology  
Business

**06<sup>th</sup> ANNUAL REPORT OF  
INNOVANA THINKLABS LIMITED  
FOR F.Y. 2020-21**

## COMPANY INFORMATION

Name of Company	INNOVANA THINKLABS LIMITED
CIN	L72900RJ2015PLC047363
Financial Year	2020-21
Registered Office	Plot No. D-41, Patrakar Colony, Near Jawahar Nagar Moti Dungri Vistar Yojna, Raja Park Jaipur RJ 302004 IN
Phone No.	0141-4919128/29
Email ID	<a href="mailto:cs@innovanathinklabs.com">cs@innovanathinklabs.com</a>
Website	<a href="http://www.innovanathinklabs.com">www.innovanathinklabs.com</a>

## BOARD OF DIRECTOR

S.no	Name of Director	DIN	Designation
1	Chandan Garg	06422150	Chairman cum Managing Director
2	Kapil Garg	07143551	Whole Time Director
3	Swaran Kanta	07846714	Non-Executive Director
4	Apoorv Mittal	07886759	Non-Executive Independent Director
5	Sumit Sarda	07886808	Non-Executive Independent Director
6	K.L Sharma	08631016	Non-Executive Independent Director
7	Deepak Jangid	08069097	Non-Executive Independent Director
8	Riya Sharma	09213476	Non-Executive Independent Director
9	Narendra Kumar Garg	08640447	Additional Executive Director

## COMMITTEE

### • Audit Committee

Name	Designation in Company	Designation in Committee
Ms. Riya Sharma	Non-Executive Independent Director	Chairman
Mr. Deepak Jangid	Non-Executive Independent Director	Member
Mr. Chandan Garg	Chairman & Managing Director	Member

### • Nomination and Remuneration Committee

Name	Designation in Company	Designation in Committee
Ms. Riya Sharma	Non-Executive Independent Director	Chairman
Mr. Sumit Sarda	Non-Executive Independent Director	Member
Mr. Deepak Jangid	Non-Executive Independent Director	Member

### • Stakeholders Relationship Committee

Name	Designation in Company	Designation in Committee
Mr. Deepak Jangid	Non-Executive Independent Director	Chairman
Ms. Riya Sharma	Non-Executive Independent Director	Member
Mr. Sumit Sarda	Non-Executive Independent Director	Member

- Corporate Social Responsibility Committee<sup>1</sup>

Name	Designation in Company	Designation in Committee
Mr. Sumit Sarda	Non-Executive Independent Director	Chairman
Ms. Riya Sharma	Non-Executive Independent Director	Member
Mr. Deepak Jangid	Non-Executive Independent Director	Member

#### KEY MANAGERIAL PERSONNEL

<ul style="list-style-type: none"> <li>Chief Financial Officer</li> </ul>	Sanjeev Mittal
	Email Id: <a href="mailto:sanjeev@innovanathinklabs.com">sanjeev@innovanathinklabs.com</a>
<ul style="list-style-type: none"> <li>Company Secretary &amp; Compliance Officer</li> </ul>	Vasu Ajay Anand
	Email id: <a href="mailto:cs@innovanathinklabs.com">cs@innovanathinklabs.com</a>

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### Dear Shareholders,

The year 2020 came with its set of challenges. On one hand we combated the impact of the global pandemic, while on the other, we made some technological breakthroughs and advancements that would prove instrumental in the growth of Innovana Group. We have indeed come a long way since our inception, and there are many milestones we are set to accomplish in the coming year.

In the fiscal year 2020-2021, the firm generated a standalone revenue of 33.80 Crores with net profit of 9.13 Crores. Moreover, the working capital is, as per the free cash flow, 48.12 % of our net profit.

At Innovana Thinklabs, we have always believed in creating products that add value to our users and clients. A consistent profitable growth is testimony to the standing of our products in the global market and also firmly establishes the dependability of the Company. Not just our clients and customers, in these unpredictable times, we took steps to ensure the safety and stability of our employees by putting certain key policies in place.

The last year also witnessed us expanding our business portfolio as we forayed into domains that would assure new growth opportunities for Innovana Group. From a core technology organization, we diversified into Real Estate, Astrology & Fitness with an aim to scale our business' growth.

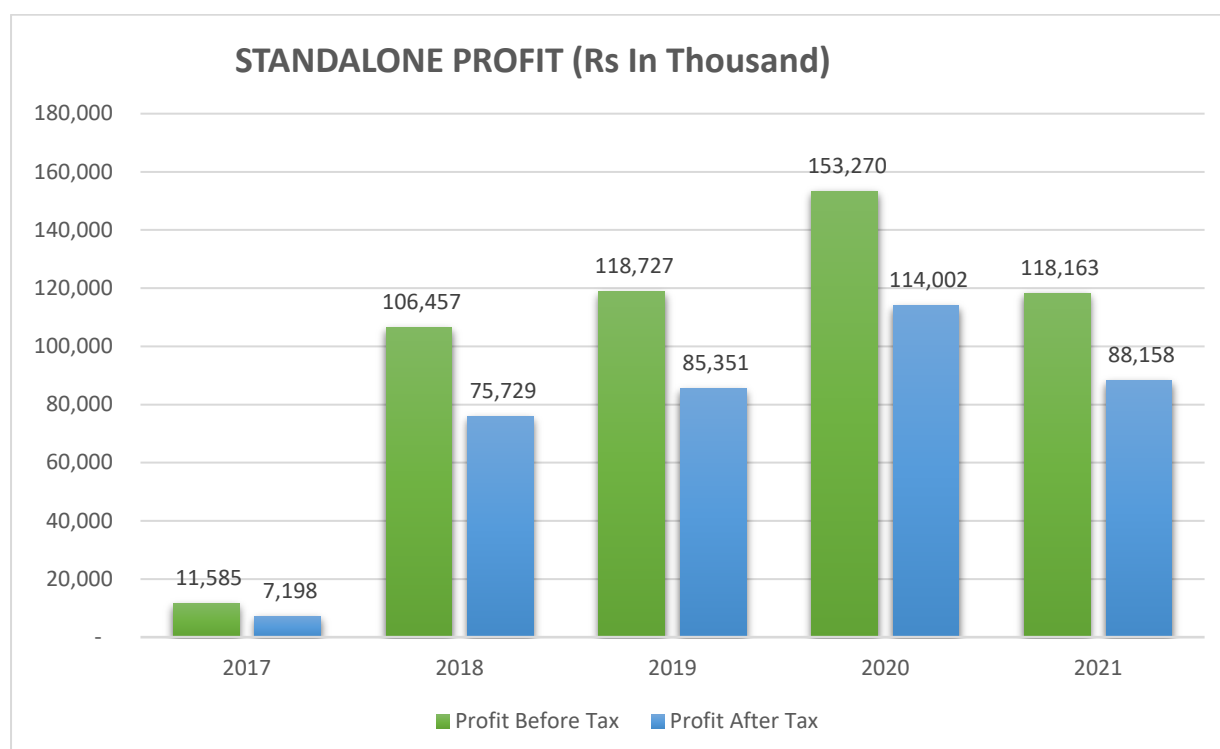
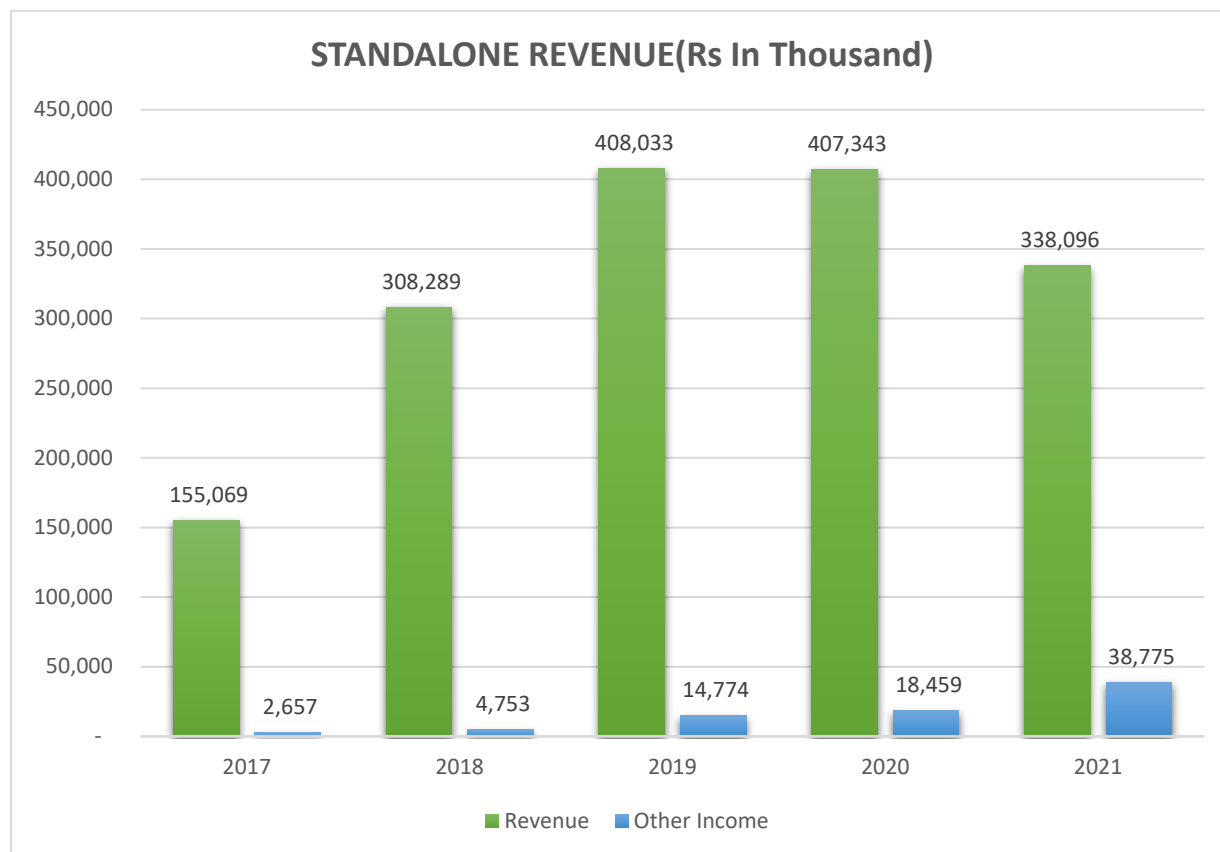
I appreciate our employees for their dedication and outstanding commitment to their work. All our employees adapted successfully to the constantly changing work dynamics and delivered results within stringent timelines.

I would also like to take this opportunity to thank our customers and clients for their unrelenting support, especially during the time when the entire world was reeling under pandemic. And, I am deeply grateful to our shareholders/Investor for their support and their confidence in us.

**Chandan Garg**

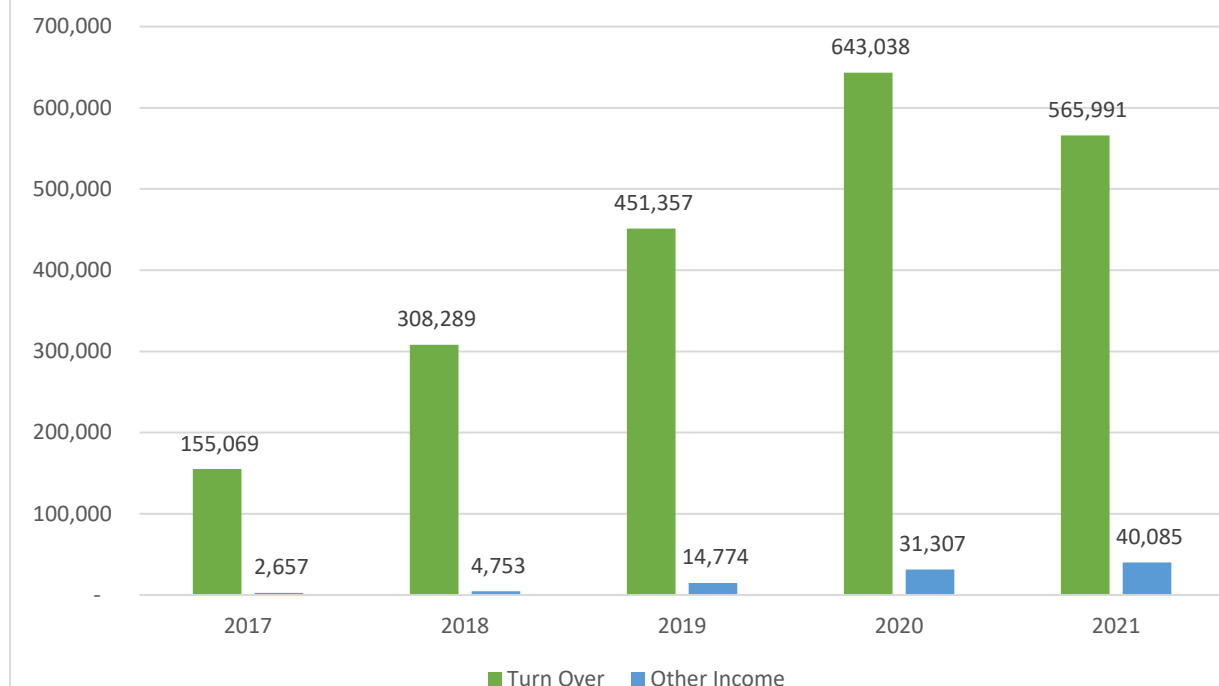
Chairman

## Key Trends

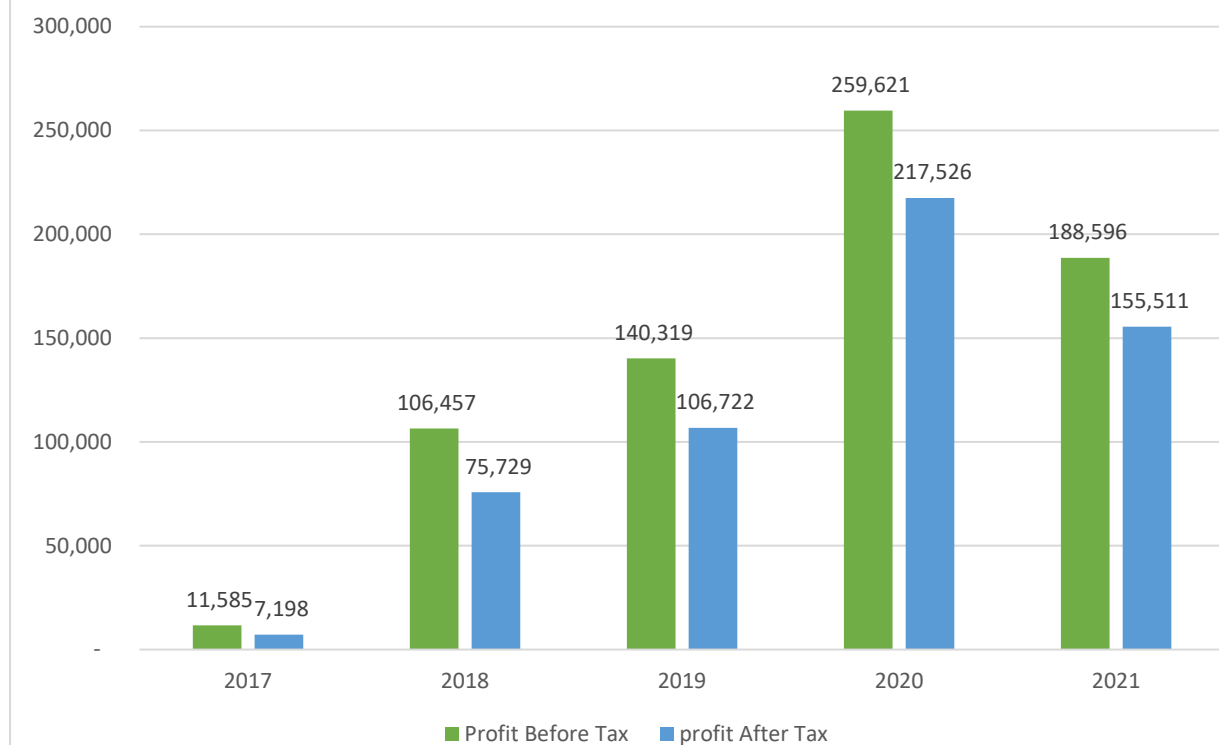




### Consolidated Revenue ( Rs In Thousand)



### Consolidated profit (Rs In thousand)



### **NOTICE OF 06<sup>th</sup> ANNUAL GENERAL MEETING**

**NOTICE** is hereby given that the 06<sup>th</sup> Annual General Meeting of the members of **INNOVANA THINKLABS LIMITED** will be held on Saturday 25<sup>th</sup> September 2021 11.30 A.M at the registered office of the company plot no D-41, Patrakar Colony, Near Jawahar Nagar Moti Dungri Vistar Yojna, Raja Park- 302004 Jaipur, Rajasthan to transact the following business.

#### **ORDINARY BUSINESS:**

##### **Item No. 1- Adoption of Financial Statements:-**

To consider and adopt the audited financial statement (including consolidated financial statement) of the company for the financial year ended March 31, 2021 and report of the Boards of Directors ('the Boards') and auditors thereon.

##### **Item No. 2: Appointment of Mr. Kapil Garg (DIN: 07143551) as a Director liable to retire by rotation.**

To appoint a director in place of Mr. Kapil Garg (DIN: 07143551) who retires by rotation and being eligible, offers himself for re-appointment.

##### **Item No 3: Declaration of Final Dividend for the Financial Year ended March 31, 2021.**

To declare a Final Dividend of ₹ 1.25/- per equity share of face value ₹ 10/- each for the Financial Year ended March 31, 2021.

##### **Item No 4: To Re-appoint M/s Amit Ramakant & Co., Chartered Accountants, Jaipur (009184C), as statutory Auditor and fix their remuneration:**

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

**"RESOLVED THAT**, pursuant to the provisions of Section 139 of the Companies Act, 2013 read with Rule 3 of the Companies (Audit and Auditor) Rules 2014, other applicable provisions, if any, as amended from time to time or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force), and pursuant to recommendation of the Audit Committee and Board of Directors of the company, M/s Amit Ramakant & Co., Chartered Accountants (Firm Registration No. 009184C) be and are hereby re-appointed as Statutory Auditors who shall hold office from the conclusion of this 06<sup>th</sup> Annual General Meeting until the conclusion of 10<sup>th</sup> Annual General Meeting of the Company at a remuneration to be decided by the Board of Directors in consultation with the Auditors."

#### **SPECIAL BUSINESS:-**

##### **Item No. 5. To regularize of Mr. NARENDRA KUMAR GARG (DIN: 08640447) as director of the company**

"To consider and if through fit to pass with or without modification(s) the following resolution as an ordinary resolution"

**"RESOLVED THAT** pursuant to the provisions of section 160, 161 and other applicable provisions of the Companies Act, 2013 and the rules made there under, **MR. N. K. GARG (DIN: 08640447)** who was appointed as additional director of the Company on 20<sup>th</sup> September 2020 and who holds office till the date

of this Annual General Meeting and whose candidature is proposed for directorship of the Company be and is hereby appointed as director liable to retire by rotation.

**RESOLVED FURTHER** THAT pursuant to provisions of Section 196, 197, 198 and 203 of the Companies Act, 2013 and any other applicable provisions, of the Companies Act, 2013 and the Rules made there under (including statutory modification(s) or re-enactment thereof for the time being in force) the approval of the Company be and is hereby accorded for the appointment of **MR. N. K. GARG (DIN: 08640447)** as a Director of the Company whose office is liable to retire by rotation.

**Item No. 6. To regularize of Additional Director, Mr. Deepak Jangid (DIN: 08069097) by appointing as Independent Director of the Company**

“To consider and if through fit to pass with or without modification(s) the following resolution as an ordinary resolution”

**RESOLVED** that pursuant to the provision of section 149,152 and other applicable provision if any of the companies Act, 2013 read with schedule IV and the rules framed thereunder as amended from time to time, and listing agreement, **MR. DEEPAK JANGID (DIN: 08069097)** a non-executive independent director of the Company who was appointed as an additional director and holds office up to date of ensuing general meeting and who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Companies Act 2013 and who is eligible for appointment as an independent director of the Company be and is hereby appointed as an independent Director of the Company to hold office for five consecutive year for a term starting from March 2021 to March 2026.

**RESOLVED FURTHER THAT**, Mr. Chandan Garg (DIN: 06422150), Managing Director of the Company, be and is hereby authorized to sign the requisite forms / documents and to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution.”

**Item No. 7. To regularize of Additional Director, Ms. Riya Sharma (DIN: 09213476) by appointing as Independent Director of the Company**

“To consider and if through fit to pass with or without modification(s) the following resolution as an ordinary resolution”

**RESOLVED** that pursuant to the provision of section 149,152 and other applicable provision if any of the companies Act, 2013 read with schedule IV and the rules framed thereunder as amended from time to time, and listing agreement, **Ms. RIYA SHARMA (DIN: 09213476)** a non-executive independent director of the Company who was appointed as an additional director and holds office up to date of ensuing general meeting and who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Companies Act 2013 and who is eligible for appointment as an independent director of the Company be and is hereby appointed as an independent Director of the Company to hold office for five consecutive year for a term starting from June 2021 to June 2026.

**RESOLVED FURTHER THAT**, Mr. Chandan Garg (DIN: 06422150), Managing Director of the Company, be and is hereby authorized to sign the requisite forms / documents and to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution.”

By Order of Board of Directors

**For INNOVANA THINKLABSLIMITED**

CIN: L72900RJ2015PLC047363

DATE: 31-08-2021

Vasu Ajay Anand

PLACE: JAIPUR

Company Secretary

#### Notes:

The Explanatory Statement pursuant to sub-section (1) of Section 102 of the Companies Act, 2013 in respect of the Special Business is annexed hereto and forms part of the Notice.

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY.

A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting power. A member holding more than 10% of the total share capital of the company may appoint single person as proxy and such person shall not act as a proxy for any other shareholder. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting.

Corporate members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

Members and Proxies attending the Meeting should bring the attendance slip duly filled in for attending the Meeting. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification for attendance at the Meeting.

2. Members are informed that in case of joint holders attending the meeting, only such Joint holder who is higher in the order of the names will be entitled to vote.

3. The Register of Members and Share Transfer Books of the Company shall remain closed from Friday September 17, 2021 to Saturday September 25, 2021 (both days inclusive) for the purpose of this Annual General Meeting.

4. M/s. SKYLINE FINANCIAL SERVICES PVT.LTD is the Registrar and Share Transfer Agent (RTA) for physical shares and is also the depository interface of the Company with both CDSL and NSDL.

5. Members holding shares in dematerialised form are requested to intimate all changes pertaining to their bank details, nominations, change of address, change of name and e-mail address, etc., to their Depository Participant. This will help the Company and the Company's Registrar and Transfer Agent, M/s SKYLINE FINANCIAL SERVICES PVT.LTD to provide efficient and prompt services. Members holding shares in physical form are requested to intimate such changes to Registrar. Non-resident Indian members are requested to inform the company or its RTA or to the concerned DP's, the change in the residential status

on return to India for permanent settlement and the particulars of NRE/NRO account with a bank in India, if not furnished earlier.

6. Members may now avail the facility of nomination by nominating, in the prescribed form, a person to whom their shares in the Company shall vest in the event of their death. Interested Members may write to the Registrars and Share Transfer Agents for the prescribed form.

7. The documents referred to in the proposed resolutions are available for inspection at the Registered Office of the Company during working hours between 10:00 a.m. to 5:00 p.m. except on holidays.

8. Queries on accounts and operations may please be sent to the Company 7 days in advance of the 06th Annual General Meeting so that the answers may be made available at the meeting.

9. The Ministry of Corporate Affairs (MCA) vide circular nos. 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively has taken a 'Green Initiative in Corporate Governance' and allowed Companies to send communication to the shareholders through electronic mode. Members are requested to support this Green Initiative by registering/updating their e-mail addresses, in respect of shares held in dematerialized form with their respective Depository Participants and in respect of shares held in physical form with the Company or its Transfer Agent.

10. Electronic copy of the Notice of the 06<sup>th</sup> Annual General Meeting of the Company indicating, inter alia, the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company / Depository Participant(s)/RTA for communication purposes unless any member has requested for a hard copy of the same.

11. Members may also note that the Notice of the 06<sup>th</sup> Annual General Meeting and the Annual Report for the year 2020-21 will also be available on the Company's website [www.innovanathinklabs.com](http://www.innovanathinklabs.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Jaipur for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by permitted mode free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: [cs@innovanathinklabs.com](mailto:cs@innovanathinklabs.com).

12. Ms. Srishti Mathur, Practicing Company Secretary has been appointed as Scrutinizer for Conducting the AGM in accordance with the law in a fair and transparent manner.

## VOTING THROUGH ELECTRONIC MEANS

- (i) The voting period begins on 22 September 2021 and ends on 24 September 2021. 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 17 September 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all

shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

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

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

Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	<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 URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> </ol>
	<ol style="list-style-type: none"> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>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 or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> 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.</li> </ol>

Individual Shareholders holding securities in demat mode with <b>NSDL</b>	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS “Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p>
	<p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</p>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	<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. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</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. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 and 22-23058542-43.



Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
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- (v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on “Shareholders” module.
- 3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.



- (xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [cs@innovanathinklabs.com](mailto:cs@innovanathinklabs.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

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

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

### **Explanatory Statement pursuant to section 102(2) of Companies Act, 2013**

#### **Item No.-2**

Pursuant to Section 152 of Companies Act, 2013 Mr. Kapil Garg (DIN No.07143551), Director, who retires by rotation and being eligible, offers himself for re-appointment as Director of the Company. Brief profile of Mr. Kapil Garg (Din: 07143551) is as below and fulfill the requirement of under Regulation 36 (3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

1.	Name of Director	Kapil Garg
2.	DIN	07143551
3.	Date of Birth	03-06-1984
4.	Date of Appointment	13-04-2015
5.	Qualification	Master in Commerce and M.B.A
6.	Expertise in Specific Functional Areas and Experience	Marketing Management
7.	Other Directorship held excluding Private Companies as on 31st March 2021	1. INNOVANA INFRASTRUCTURE LIMITED 2. INNOVANA TECHLABS LIMITED 3. INNOVANA FITNESS LABS LIMITED 4. INNOVANA GAMES STUDIO LIMITED 5. INNOVANA ASTRO SERVICES LIMITED (aforesaid companies are wholly owned Subsidiary of Innovana Thinklabs Limited)
8.	List of outside Directorship held in other Listed Companies	NIL
9.	Chairman/ Member of the Committee of the Board of the Directors of the Company	NIL
10.	Disclosure of Relationship between Directors Inter-se.	He is brother of Mr. Chandan Garg, Managing Director of the company and son of Mrs. Swaran Kanta and Mr. Narendra Kumar Garg Director of the company.

#### **Item no. 4**

To Re-appoint M/s Amit Ramakant & Co., Chartered Accountants, Jaipur (009184C), as statutory Auditor and fix their remuneration:

M/s Amit Ramakant & Co. is a youthful professional's team, multi-dimensional, energetic & smart professional services organization established in 1999.

The firm has been in existence since last 20 years and has an excellent blend of youth and experience. It has vast and varied practice handling all types of professional activities. The guiding philosophy of the firm has been to render specialized services to clients through an approach, which is tailor-made to suit their individual requirements.

To carry out efficiently and effectively, the professional assignments keeping in view the professional parameters laid down by the Institute of Chartered Accountants of India and to be growth oriented. The assignments are carried out with full confidentiality and secrecy of clients' information. With its diversified professional experience of over a period of more than 20 years the firm has developed the expertise and infrastructure to render excellent services.

M/s. Amit Ramakant & Co., Chartered Accountants, have conveyed their consent to be appointed to hold office from the conclusion of this 06<sup>th</sup> Annual General Meeting until the conclusion of 10<sup>th</sup> Annual General Meeting of the Company as the Statutory Auditors of the Company along with a confirmation that, their appointment, if made by the members, would be within the limits prescribed under the Companies Act, 2013.

Accordingly, Ordinary Resolution is submitted to the meeting for the consideration and approval of members.

None of the Directors, Key Managerial Persons or their relatives, in any way, concerned or interested in the said resolution.

**Item No. 5. To regularize of Mr. NARENDRA KUMAR GARG (DIN: 08640447) as director of the company**

The Board of Directors (based on the recommendation of Nomination and Remuneration Committee) had appointed Mr. Narendra Kumar Garg (DIN: 08640447) as an Additional Director (Executive, Non Independent Director) from September 20, 2020. In terms of Section 161(1) of the Companies Act, 2013 read with Articles of Association of the Company, Mr. Narendra Kumar Garg (DIN: 08640447) holds office as an Additional Director only up to the date of the forthcoming Annual General Meeting. Mr. Narendra Kumar Garg (DIN: 08640447), being eligible has offered himself for appointment as a Director.

Narendra Kumar Garg is one of the Directors of Innovana Thinklabs Limited. He holds an experience of over 40 years in the business of Electronics & Construction. He overlooks the management of the organization and strategically handles the several business domains of the Company. Since his association with Innovana Thinklabs, he has played a key role in the organization's success, growth and profitability.

**Item No. 6. To regularize of Additional Director, Mr. Deepak Jangid (DIN: 08069097) by appointing as Independent Director of the Company**

The Board had, based on the recommendations of the Board Nomination and Remuneration Committee ("BNRC"), appointed Mr. Deepak Jangid (DIN: 08069097) as an Additional Director of the Company with effect from 02<sup>nd</sup> March 2021. In terms of Section 161(1) of the Act, Mr. Deepak Jangid holds office up to the date of this AGM and is eligible for appointment as a Director. Based on the recommendations of the BNRC and subject to the approval of the Members, Mr. Deepak Jangid will also be appointed as an Independent Director of the Company, not liable to retire by rotation, for a period of 5 years commencing from March 2021 to March 2026.

**Mr. Deepak Jangid** has consented to act as Director of the Company and has given her declaration to the Board that he meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1) (b) of the SEBI LODR. In terms of Regulation 25(8) of the SEBI LODR, Mr. Deepak Jangid has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact her ability to discharge her duties. He has also confirmed that he is not debarred from holding the office of a Director by virtue of any SEBI Orders or any such Authority pursuant to circular dated 20th June 2018, issued by BSE Limited and the National Stock Exchange of India Limited pertaining to enforcement of SEBI Orders regarding appointment of Directors by listed companies. Further, Mr. Deepak Jangid is not disqualified from being appointed as a Director in terms of Section 164 of the Act. Mr. Deepak Jangid has confirmed that he is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to his registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

In the opinion of the Board, Mr. Deepak Jangid fulfils the conditions specified under the Act read with Rules thereunder and the SEBI LODR for her appointment as Independent Non-Executive Director of the Company and is independent of the Management. Having regard to the qualifications, experience and knowledge, the Board considers that his association would be of immense benefit to the Company and it is desirable to avail the services of Mr. Deepak Jangid as an Independent Director. A copy of the draft letter for appointment of the Independent Director setting out the terms and conditions of her appointment will be available for inspection by the Members. Members who wish to inspect the same can send a request to the e-mail address mentioned in the notes to the Notice. A brief profile of Mr. Deepak Jangid, including details of current directorships forms part of this Notice. In compliance with the provisions of Section 149 read with Schedule IV of the Act, Regulation 17 of the SEBI LODR and other applicable regulations, the appointment of Mr. Deepak Jangid as an Independent Director for five consecutive years commencing from March 02, 2021 is now placed for the approval of the Members by an Ordinary Resolution. Mr. Deepak Jangid would be entitled to sitting fees for attending the Meetings of the Board of Directors and Committees thereof where he is a Member. In addition, he would be entitled to commission as determined each year by the Board of Directors within the limits approved by the Members of the Company for the Non-Executive Directors of the Company.

None of the Directors, Key Managerial Persons or their relatives, in any way, concerned or interested in the said resolution.

#### **Item No. 7. To regularize of Additional Director, Ms. Riya Sharma (DIN: 09213476) by appointing as Independent Director of the Company**

The Board had, based on the recommendations of the Board Nomination and Remuneration Committee ("BNRC"), appointed Ms. Riya Sharma (DIN: 09213476) as an Additional Director of the Company with effect from 28<sup>th</sup> June 2021. In terms of Section 161(1) of the Act, Ms. Riya Sharma holds office up to the date of this AGM and is eligible for appointment as a Director. Based on the recommendations of the BNRC and subject to the approval of the Members, Ms. Sharma will also be appointed as an Independent Director of the Company, not liable to retire by rotation, for a period of 5 years commencing from June 2021 to June 2026.

**Ms. Sharma** has consented to act as Director of the Company and has given her declaration to the Board

that she meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1) (b) of the SEBI LODR. In terms of Regulation 25(8) of the SEBI LODR, Ms. Sharma has confirmed that she is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact her ability to discharge her duties. She has also confirmed that she is not debarred from holding the office of a Director by virtue of any SEBI Orders or any such Authority pursuant to circular dated 20<sup>th</sup> June 2018, issued by BSE Limited and the National Stock Exchange of India Limited pertaining to enforcement of SEBI Orders regarding appointment of Directors by listed companies. Further, Ms. Sharma is not disqualified from being appointed as a Director in terms of Section 164 of the Act. Ms. Sharma has confirmed that she is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to her registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

In the opinion of the Board, Ms. Sharma fulfils the conditions specified under the Act read with Rules thereunder and the SEBI LODR for her appointment as Independent Non-Executive Director of the Company and is independent of the Management. Having regard to the qualifications, experience and knowledge, the Board considers that her association would be of immense benefit to the Company and it is desirable to avail the services of Ms. Sharma as an Independent Director. A copy of the draft letter for appointment of the Independent Director setting out the terms and conditions of her appointment will be available for inspection by the Members. Members who wish to inspect the same can send a request to the e-mail address mentioned in the notes to the Notice. A brief profile of Ms. Sharma, including details of current directorships forms part of this Notice. In compliance with the provisions of Section 149 read with Schedule IV of the Act, Regulation 17 of the SEBI LODR and other applicable regulations, the appointment of Ms. Sharma as an Independent Director for five consecutive years commencing from June 28, 2021 is now placed for the approval of the Members by an Ordinary Resolution. Ms. Sharma would be entitled to sitting fees for attending the Meetings of the Board of Directors and Committees thereof where she is a Member. In addition, she would be entitled to commission as determined each year by the Board of Directors within the limits approved by the Members of the Company for the Non-Executive Directors of the Company.

None of the Directors, Key Managerial Persons or their relatives, in any way, concerned or interested in the said resolution.

By Order of Board of Directors  
**For INNOVANA THINKLABSLIMITED**  
 CIN: L72900RJ2015PLC047363

DATE: 31-08-2021  
 PLACE: JAIPUR

Vasu Ajay Anand  
 Company Secretary

## DIRECTOR'S REPORT

### DEAR MEMBERS,

Your Directors have pleasure in presenting the 06<sup>th</sup> Annual Report of your Company ('the Company' or 'Innovana') along with the audited financial statements, for the financial year ended March 31, 2021. The consolidated performance of the Company and its subsidiaries has been referred to wherever required.

### COMPANY OVERVIEW:

Your Company "Innovana Thinklabs Limited" is engaged in software and application development business which directly provides services to create new applications and enhance the functionality of our users' existing software products. The Company product portfolio consists of applications and software such as Ad-blocker, Disk Cleanup, Space Reviver, File Opener, Privacy Protector, etc. We have developed numerous products and these products have registered their presence and popularity in over 126 countries in 13 different languages.

(₹)

Particulars	Standalone		Consolidated*	
	2020-21	2019-20	2020-21	2019-20
Revenue from Operation	338,096,041	407,342,729	565,991,491	643,037,519
Other Income	38,775,075	18,458,581	40,084,759	31,307,223
<b>Total Revenue</b>	<b>376,871,116</b>	<b>425,801,311</b>	<b>606,076,250</b>	<b>674,344,742</b>
Total Expenses	258,708,581	272,531,130	417,480,592	414,724,025
Profit or loss before tax	118,162,535	153,270,180	188,595,658	259,620,717
Less:				
1. Current Tax	29,716,799	39,447,298	32,529,406	42,193,668
2. Deferred Tax	287,970	(179,406)	555,043	(98,551)
Profit or Loss after Tax	88,157,767	114,002,288	155,511,209	217,525,600
Comprehensive Income for the Year, Net of Tax	3,165,313	(1,078,582)	3,165,313	(7,189,474)
<b>Total Comprehensive Income for the Year, net of Tax</b>	<b>91,323,080</b>	<b>112,923,706</b>	<b>158,676,522</b>	<b>210,336,126</b>
Earnings per Share (EPS)				
1. Basic	8.91	11.02	15.48	20.52
2. Diluted	8.91	11.02	15.48	20.52

During the year company recorded total income from operation of Rs.338, 096,041 as against Rs.407,342,729 in the previous year. Profit before tax during the year Rs. 118,162,535 as against Rs. 153,270,180 Calculation basis on standalone.

\*During the year company recorded total income from operation of Rs. 565,991,491 as against Rs. 643,037,519 in the previous year. Profit before tax during the year Rs. 188,595,658 as against Rs. 259,620,717 Calculation basis on consolidation.

## CONSOLIDATED FINANCIAL STATEMENTS

As per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (herein after referred to as “Listing Regulations”) and the applicable provisions of the Companies Act, 2013 read with the Rules issued there under, the Consolidated Financial Statements of the Company for the financial year 2020-21 have been prepared in compliance with applicable accounting standards and on the basis of audited financial statements of the Company and its subsidiary as approved by the Board of Directors of the Company.

The consolidated Financial Statements together with the Auditor’s Report form part of this Annual Report.

## SUBSIDIARIES

A separate statement containing the salient features of financial statements of all the subsidiaries of the Company forms a part of consolidated financial statements in Compliance with Section 129 and other applicable provisions, if any, of the Companies Act, 2013, the financial statements of the subsidiary are available for inspection by the members at the Registered Office of the Company during business hours on all days except Saturday, Sundays and Public holidays up to the date of Annual General Meeting. (‘AGM’).

The financial statements including the consolidated financial statements and all other documents required to be attached to this report have been uploaded on the website of the Company (<https://www.innovanathinklabs.com/>). The Company has formulated a policy for determining the material subsidiaries. The policy may be accessed on the website of the Company.

## CHANGE IN THE NATURE OF INTEREST, IF ANY:

During the year under Review, there was no change in the nature of Business of the Company.

## DIVIDEND

Company has made profits for the year 2020-21, but in order to ease the operations of the business and to strengthen the financial position of the Company. Hence, 1.25 per share (12.5%) dividend recommended by the Board of Directors, subject to approval of the same by the shareholders in ensuing Annual General Meeting of the Company

## AMOUNTS TRANSFERRED TO RESERVES:

Pursuant to provisions of Section 134(1) (j) of the Companies Act, 2013, the company has not proposed to transfer any amount to General Reserve account of the company during the year under review.

## TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

Since no unclaimed dividend amount is pending with the Company, no amount is required to be transferred to the Investor Education and Protection fund.

## DEPOSITS

The Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the rules made there under



## BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under Review, the following changes occurred in the position of Directors/KMP of the Company.

In compliance with the provisions of Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications (s) or re-enactment thereof for the time being in force) and SEBI (LODR) Regulations, 2015, the composition of the Board of Directors and Key Managerial Personnel are as follows:

S.No .	Board of Directors	DIN	Designation
1.	Chandan Garg	06422150	Chairman cum Managing Director
2.	Kapil Garg	07143551	Whole Time Director
3.	Swaran Kanta	07846714	Non-Executive Director
4.	Apoorv Mittal <sup>1</sup>	07886759	Non-Executive Independent Director
5.	Sumit Sarda	07886808	Non-Executive Independent Director
6.	K.L Sharma <sup>2</sup>	08631016	Non-Executive Independent Director
7.	Deepak Jangid <sup>3</sup>	08069097	Non-Executive Independent Director
8.	Riya Sharma <sup>4</sup>	09213476	Non-Executive Independent Director
9.	Narendra Kumar Garg <sup>5</sup>	08640447	Executive Additional Director

1. Resignation of Mr. Apoorv Mittal: 28-06-2021
2. Resignation of Mr. K.L Sharma: 02-03-2021
3. Appointment of Mr. Deepak Jangid: 02-03-2021
4. Appointment of Ms. Riya Sharma: 28-06-2021
5. Appointment of Mr. Narendra Kumar Garg 20-09-2020

The Company also consists of the following Key Managerial Personnel

S.No.	Name of the KMP	PAN	Designation
1.	Sanjeev Mittal	ADYPM5504E	Chief Financial Officer
2.	Vasu Ajay Anand	BZKPA4436L	Company Secretary & Compliance officer

In accordance with the provision of the Companies Act, 2013, Independent Directors are required to be appointed for a term of five consecutive years, but shall be eligible for reappointment on passing of a special resolution by the Company and shall not be liable to retire by rotation. Therefore, Mr. Deepak Jangid, Ms. Riya Sharma and Mr. Sumit Sarda Directors of the Company were appointed as Non-Executive Independent Director of the Company to hold office for a period of 5 years. The company has received declarations from all the Independent Directors confirming that each of them meets the criteria of Independence as prescribed under Section 149 (6) of the Companies Act, 2013 and as per SEBI (LODR) Regulations, 2015.

## CHANGES IN DIRECTOR AND KEY MANAGERIAL PERSONNEL

During the year, Mr. Deepak Jangid (DIN 08069097) has appointed as Additional Independent Director on-executive in place of Mr. K.L Sharma who resigned since March 02, 2021.



During the year, Ms. Riya Sharma (DIN 09213476) has appointed as Additional Independent Director on-executive in place of Mr. Apoorv Mittal who resigned since June 28, 2021.

During the year, Mr. Narendra Kumar Garg (DIN 08640447) has appointment additional executive director since September 20, 2020.

#### RETIREMENT BY ROTATION

In accordance with the provisions of Section 152 of the Companies Act, 2013 and in terms of the Article of Association of the Company Mr. Kapil Garg (DIN: 07143551) is liable to retire by rotation and being eligible, seek re-appointment at the ensuing Annual General Meeting. The board of Directors recommends his re-appointment, Mr. kapil Garg is not disqualified under section 164 (2) of the Companies Act, 2013.

Brief resume of the Director proposed to be appointed/reappointed, nature of her experience in specific functions and area and number of public companies in which he holds membership/chairmanship of Board and Committee, shareholding and inter se relationships with other directors as stipulated under Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are provided in the

Annexure to Notice of AGM' forming part of Annual Report

#### DECLARATION BY INDEPENDENT DIRECTORS

The company has received declarations from all the Independent Director of the Company confirming that they meet the criteria of Independence as prescribed under the provisions of the Companies Act, 2013 read with the Schedule and Rules issued thereunder as well as Regulation 16 of Listing Regulations (including any statutory modification(s) or re-enactments (s) thereof for the time being in force)

#### MEETINGS OF THE BOARD OF DIRECTORS

The following Meetings of the Board of Directors were held during the financial year 2020-21:

Sl .No.	Date of Meeting	Board Strength	No. of Directors present
1.	02-06.2020	6	4
2.	24-06-2020	6	6
3.	07-09-2020	6	5
4.	20-09-2020	7	6
5.	19-10-2020	7	5
6.	12-11-2020	7	5
7.	25-02-2021	7	7
8.	02-03-2021	7	6
9.	12-03-2021	7	7

## BOARD EVALUATION

Pursuant to the Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 134(3) (p) of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit Committee and Nomination and Remuneration Committee and Stakeholders Relationship Committee. The Board adjudged the performance of the individual director, excluding the presence of the individual director being adjudged in the meeting.

## AUDITORS AND AUDIT REPORT

### **Statutory Auditors and their Report**

Pursuant to the provisions of Section 139 of the Companies Act, 2013 read with Rule 3 of the Companies (Audit and Auditor) Rules 2014, on the recommendation of Audit Committee and Board of Directors of the company, M/s Amit Ramakant & Co., Chartered Accountants (Firm Registration No. 009184C) be and are hereby re-appointed as Statutory Auditors of the Company who shall hold office from the conclusion of this 06<sup>th</sup> Annual General Meeting until the conclusion of 10<sup>th</sup> Annual General Meeting of the Company at a remuneration to be decided by the Board of Directors in consultation with the Auditors.”

The Report of Statutory Auditor M/s Amit Ramakant & Co., Chartered Accountants, on financial statements, for the year ended 31<sup>st</sup> March, 2021, does not contain any qualification, reservation, adverse remark, disclaimer or observations. The report is self-explanatory and do not call for any further clarification. No fraud has been reported by the Auditor.

### **Secretarial Auditor**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors had appointed M/s Srishti Mathur & Associates, Company Secretary in Practice to undertake the Secretarial Audit of the Company for the financial year 2020-21. Their report in Form MR-3 for the financial year ended March 31, 2021 is provided as Annexure-III to the report. The Secretarial Auditor's report does not contain any qualification, reservation, adverse remark, disclaimer or observations. The report is self-explanatory and do not call for any further clarification. No fraud has been reported by the Auditor.

### **Internal Auditor**

Pursuant to provision of Section 138 of the Companies Act, 2013 and rules made thereunder, the Board has appointed M/s Jindal Ashok & Co., Chartered Accountants, as an Internal Auditor of the Company for financial year 2020-21 and they have completed and submitted the internal audit report for the period as per the scope defined by the Audit Committee.

## CHANGES IN THE SHARE CAPITAL, IF ANY

The Company's paid up equity capital as on 31<sup>st</sup> March 2021 was Rs. 10,25,00,000/- comprising 1,02,50,000 equity share of Rs. 10/- each.

## ANNUAL RETURN

The details forming part of the Extract of the Annual Return as on 31<sup>st</sup> March 2021 in Form MGT-9 in accordance with Section 92 (3) of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 are set out in the **Annexure A** to this Report.

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars as required under the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo etc. are furnished in “**Annexure B**” which forms part of this Report.

## DISCLOSURE UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 AND OTHER DISCLOSURES AS PER RULE 5 OF COMPANIES (APPOINTMENT AND REMUNERATION) RULES, 2014

The Statement required pursuant to Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms a part of this Report and the same is attached as per **Annexure - C**.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis forms an integral part of this Report is annexed as **Annexure -D** which give details of the overall industry structure, economic developments, performance and state of affairs of the Company’s various businesses.

## DIRECTOR 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:

- In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the Financial Year.
- The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- The directors had prepared the annual accounts on a going concern basis; and
- The directors had laid down internal financial controls to be followed by the Company and that such internal financial control are adequate and were operating effectively.
- They had devised proper systems to ensure Compliance with the provisions of all the applicable laws and that such system are adequate and operating efficiently.

## COMMITTEE OF THE BOARD

Presently, board has four (4) committees i.e Audit Committee, Stakeholder Relationship Committee, Nomination & Remuneration Committee, and CSR Committee, consultation of which are given below :-

### (I) Audit Committee:

S.No	Name	Designation in Company	Designation in Committee
1	Ms. Riya Sharma	Non-Executive Independent Director	Chairman
2	Mr. Deepak Jangid	Non-Executive Independent Director	Member
3	Mr. Chandan Garg	Chairman & Managing Director	Member

### (II) Shareholder's Grievance Committee:

S.No	Name	Designation in Company	Designation in Committee
1	Mr. Deepak Jangid	Non-Executive Independent Director	Chairman
2	Ms. Riya Sharma	Non-Executive Independent Director	Member
3	Mr. Sumit Sarda	Non-Executive Independent Director	Member

### (III) Nomination & Remuneration Committee:

S.No	Name	Designation in Company	Designation in Committee
1	Ms. Riya Sharma	Non-Executive Independent Director	Chairman
2	Mr. Sumit Sarda	Non-Executive Independent Director	Member
3	Mr. Deepak Jangid	Non-Executive Independent Director	Member

### (IV) CSR Committee

S.No	Name	Designation in Company	Designation in Committee
1	Mr. Sumit Sarda	Non-Executive Independent Director	Chairman
2	Ms. Riya Sharma	Non-Executive Independent Director	Member
3	Mr. Deepak Jangid	Non-Executive Independent Director	Member

## DETAILS OF SUBSIDIARY/ JOINT VENTURES/ ASSOCIATE COMPANY

The Company has 5 Subsidiary as on March 31, 2021. There are no associate Companies within the meaning of Section 2 (6) of the Companies Act, 2013. There has been no material change in the nature of the business of the subsidiaries. Details is annexure in **Annexure E** Pursuant to the provisions of the Section 129 (3) of the Companies Act, 2013 a statement containing the salient features of the Company's subsidiaries in Form AOC-1 is attached to the financial statement of the Company

S.NO	Name and address of the Company	CIN/ Date of Incorporation	Holding/ Subsidiary Company	% of Shares Held	Applicable Section
01	INNOVANA TECHLABS LIMITED UNIT NO. 407, 4TH FLOOR, SIGNATURE BLDG BLOCK 13B, ZONE-I, GIFT SEZ	U72900GJ2017P LC100237 21/12/2017	Subsidiary Company	100	2 (87) (ii)

	GANDHINAGAR GJ 382355 IN				
02	INNOVANA FITNESS LABS LIMITED Add: 1- KHA 18 JAWAHAR NAGAR JAIPUR RJ 302004 IN	U74999RJ2019P LC067526 25/12/2019	Subsidiary Company	100	2 (87) (ii)
03	INNOVANA INFRASTRUCTURE LIMITED Add: 1- KHA 18 JAWAHAR NAGAR JAIPUR RJ 302004 IN	U72100RJ2020P LC068098 04/02/2020	Subsidiary Company	100	2 (87) (ii)
04	INNOVANA GAMES STUDIO LIMITED 1-KHA-17 JAWAHAR NAGAR JAIPUR RJ 302004 IN	U72900RJ2020P LC069653 17/07/2020	Subsidiary Company	100	2 (87) (ii)
05	INNOVANA ASTRO SERVICES LIMITED 1-KHA -18 JAWAHAR NAGAR JAIPUR RJ 302004 IN	U93090RJ2020P LC069579 15/07/2020	Subsidiary Company	100	2 (87) (ii)

## RELATED PARTY TRANSACTIONS

During the financial year 2020-21, the Company entered into transactions with related parties defined under section 2(76) of the Companies Act, 2013 read with Companies (Specification of Definition Details) Rules, 2014, all of which were in the ordinary course of business and on arm's length basis also in accordance with the provisions of the Companies Act, 2013 read with the Rules issued there under and the Listing Regulations.

All the transactions with the related parties were reviewed and approved by the Audit Committee and are in accordance with the Policy on Related Party Transactions annexed in **Annexure -F** AOC -2.

## PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The particulars of Loans & guarantees given, investments made and securities provided covered under Section 186 of the Companies Act, 2013 forms part of the notes to the financial statements provided in the Annual Report. Details annexure in **Annexure G**.

## CORPORATE SOCIAL RESPONSIBILITY

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and the initiatives undertaken by the Company on the CSR activities during the year and the Annual Report on CSR Activities are set out in the **Annexure H** of this Report. The Policy is available on the website of the Company on the following link:

<https://www.innovanathinklabs.com/PDFFile/CorporateGovernance/corporate-social-responsibility-policy.pdf>

#### WHISTLE BLOWER POLICY/ VIGIL MECHANISM:

The company has framed a Whistle Blower Policy/ Vigil Mechanism providing a mechanism under which an employee/ director of the company may report violation of personnel policies of the company, unethical behavior, suspected or actual fraud, violation of code of conduct. The vigil Mechanism ensures standard of professionalism, honesty, integrity and ethical behavior. The Whistle Blower Policy/ Vigil Mechanism is uploaded on the Company's website: [www.innovanathinklabs.com](http://www.innovanathinklabs.com).

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

In accordance with the provision of the sexual Harassment of women at the Workplace (prevention, prohibition and Redressed) Act, 2013 internal complaints committee (ICC) have been set up to redress complains. However, ICC have not received any complaint during the year.

#### Corporate Governance

The Equity Shares of the Company get listed on the SME platform (NSE-emerge) of NSE after closure of financial year. Further regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to Corporate Governance is not applicable to the Company listed on the SME platform (NSE- emerge) of NSE. Hence the Company is not required to disclose information as covered under Para (C), (D) and (E) of Schedule V of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

#### MAINTENANCE OF COST RECORDS

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Company is not required to maintain Cost Records under said Rules.

#### Disclosure of Orders passed by the Regulators or Court or Tribunal

No order has been passed by any Regulator or Court or Tribunal which can have impact on the going concern status and the operations of the Company in future.

#### Disclosure under Section 197(12) of the Companies Act, 2013 and other Disclosures as per rule 5 of Companies (Appointment and Remuneration) Rules, 2014

The disclosure as per Rule 5 of Companies (Appointment and Remuneration) rules, 2014 have been marked as **Annexure C**.

#### LISTING FEES

The Company affirms that the annual listing fees for the year 2020-2021 to the National Stock Exchange of India Limited (NSE) has been duly paid.

## ACKNOWLEDGEMENT

The Directors of the Company wish to express their grateful experience to the continued co-operation received from the Banks, Government Authorities, Customers, Vendors and Shareholders during the year under review. Your Directors also sincerely acknowledge the significant contribution made by all the employees through their dedicated service to the Company. Your Directors look forward to their continued support.

Date: 31-08-2021

Place: JAIPUR

BY ORDER OF THE BOARD  
**FOR INNOVANA THINKLABS LIMITED**

Registered office:  
Plot No. D-41, Patrakar Colony,  
Near Jawahar Nagar Moti Dungri Vistar Yojna,  
Raja Park-302004, Jaipur, Rajasthan

CHANDANGARG  
Managing Director  
DIN: 06422150

KAPIL GARG  
Whole Time Director  
DIN: 07143551

**“ANNEXURE- A” THE DIRECTOR’S REPORT**  
**Form No. MGT-9 EXTRACT OF ANNUAL RETURN**  
**As on the Financial Year ended on 31/03/2021**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

<b>I. REGISTRATION AND OTHER DETAILS:</b>	
<b>CIN</b>	L72900RJ2015PLC047363
<b>Registration Date</b>	13/04/2015
<b>Name of the company</b>	INNOVANA THINKLABS LIMITED
<b>Category of the Company</b>	PUBLIC COMPANY
<b>Sub Category of the Company</b>	COMPANY HAVING SHARE CAPITAL
<b>Address of the Registered office and contact details</b>	Plot No. D-41, Patrakar Colony, Near Jawahar Nagar Moti Dungri Vistar Yojna, Raja Park Jaipur-302004
<b>Whether listed company</b>	<b>YES (NSE EMERGE)</b>
<b>Name, Address and Contact details of Registrar and Transfer Agent, if any</b>	Skyline Financial Services Private Limited D-153A, First Floor, Okhla Industrial Area, Phase-I, New Delhi Contact No.011-26812682

<b>II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY</b>			
<b>Sr. No.</b>	<b>Name and Description of main products/ services</b>	<b>NIC Code of the Product/ service</b>	<b>% to total turnover of the company</b>
1.	Other information technology and computer service activities	62099	<b>100%</b>

<b>III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:</b>				
<b>Name And Address of The Company</b>	<b>CIN</b>	<b>Holding/ Subsidiary/ Associate</b>	<b>% of Share Held</b>	<b>Applicable Section</b>
INNOVANA TECHLABS LIMITED Add: UNIT NO. 407, 4TH FLOOR, SIGNATURE BLDG BLOCK 13B, ZONE-I, GIFT SEZ GANDHINAGAR GJ 382355 IN	U72900GJ2017PLC100237	Subsidiary Company	100	2 (87) (ii)



INNOVANA FITNESS LABS LIMITED Add: 1- KHA 18 JAWAHAR NAGAR JAIPUR RJ 302004 IN	U74999RJ2019PLC067526	Subsidiary Company	100	2 (87) (ii)
INNOVANA INFRASTRUCTURE LIMITED Add: 1- KHA 18 JAWAHAR NAGAR JAIPUR RJ 302004 IN	U72100RJ2020PLC068098	Subsidiary Company	100	2 (87) (ii)
INNOVANA ASTRO SERVICES LIMITED Add: 1-KHA -18 JAWAHAR NAGAR JAIPUR RJ 302004 IN	U93090RJ2020PLC069579	Subsidiary Company	100	2 (87) (ii)
INNOVANA GAMES STUDIO LIMITED Add: 1-KHA-17 JAWAHAR NAGAR JAIPUR RJ 302004 IN	U72900RJ2020PLC069653	Subsidiary Company	100	2 (87) (ii)

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):**
**i) Category-wise Shareholding**

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01 <sup>st</sup> April 2020)				No. of Shares held at the end of the year (As on 31 <sup>st</sup> March 2021)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS AND PROMOTERGROUP:									
(1) INDIAN:									
a) Individual / HUF	7500000	-	7500000	73.17	7500000	-	7500000	73.17	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-Total (A)(1):	7500000	-	7500000	73.17	7500000	-	7500000	73.17	-

<b>(2) FOREIGN:</b>									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
<b>Sub-Total (A)(2):</b>	-	-	-	-	-	-	-	-	-
<b>Total Shareholding of Promoters(A) = A(1)+A(2)</b>	<b>7500000</b>	<b>-</b>	<b>7500000</b>	<b>73.17</b>	<b>7500000</b>	<b>-</b>	<b>7500000</b>	<b>73.17</b>	<b>-</b>

<b>B. PUBLIC SHAREHOLDING:</b>									
<b>(1) INSTITUTIONS:</b>									
a) Mutual Funds / UTI	-	-	-	-	-	-	-	-	-
b) Banks / FI	15000	-	15000	0.15	15000	-	15000	0.15	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-Total (B)(1):</b>	<b>15000</b>	<b>-</b>	<b>15000</b>	<b>0.15</b>	<b>15000</b>	<b>-</b>	<b>15000</b>	<b>0.15</b>	<b>-</b>
<b>(2) NON-INSTITUTIONS</b>									
<b>a) BODIES CORPORATE</b>									
i) Indian	843022	-	843022	8.22	637000	-	637000	6.21	-2.01
ii) Overseas	-	-	-	-	-	-	-	-	-

<b>b) INDIVIDUALS</b>									
i) Individual shareholders holding nominal share capital upto Rs. 1lakh	533977	1	533978	5.21	496999	1	497000	4.85	-0.36
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	554910	-	554910	5.41	859000	-	859000	8.38	2.97
(i)HUF	59000	-	59000	0.58	402000	-	402000	3.92	3.34
(ii) NRI	1000	-	1000	0.01	1000	-	1000	0.01	-
(iii) Clearing Members	14090	-	14090	0.14	41000	-	41000	0.40	0.26
(iv)NBFC Registered With RBI	35000	-	35000	0.34	-	-	-	-	-0.34
(v) Others	694000	-	694000	6.77	298000	-	298000	2.91	-3.86
<b>Sub-total (B)(2):-</b>	2734999	1	2735000	26.68	2734999	1	2735000	26.68	-
<b>Total Public Shareholding (B)</b>	2749999	1	2750000	26.83	2749999	1	2750000	26.83	-
<b>Grand Total (A+B+C)</b>	10249999	1	10250000	100	10249999	1	10250000	100	-

<b>V. SHAREHOLDING OF PROMOTERS INCLUDING PROMOTERGROUP</b>								
<b>Sr. No.</b>	<b>Name of Promoters and members of Promoter Group</b>	<b>Shareholding at the beginning of the year (01/04/2020)</b>			<b>Shareholding at the end of the year (31/03/2021)</b>			<b>% change in shareholding during the year</b>
		<b>No. of Shares</b>	<b>% of total Shares of the company</b>	<b>% of Shares Pledged/encumbered to total shares</b>	<b>No. of Shares</b>	<b>% of total Shares of the company</b>	<b>% of Shares Pledged/encumbered to total shares</b>	
1	Chandan Garg	7300000	71.22	-	7300000	71.22	-	-
2	Kapil Garg	199000	1.94	-	199000	1.94	-	-
3	Swaran Kanta	200	0.00	-	200	0.00	-	-
4	Nancy Garg	200	0.00	-	200	0.00	-	-
5	Narendra K. Garg	200	0.01	-	200	0.01	-	-
6	Akash Bansal	200	0.00	-	200	0.00	-	-
7	Priyanka Garg	200	0.00	-	200	0.00	-	-
	<b>TOTAL</b>	<b>7500000</b>	<b>73.17</b>	<b>-</b>	<b>7500000</b>	<b>73.17</b>	<b>-</b>	<b>-</b>

VI. CHANGE IN PROMOTERS AND PROMOTER GROUP SHAREHOLDING								
SN O	Name of Promoters and members of Promoter Group	Shareholding at the beginning of the year (01/04/2020)		Date	(+/-) Increase / Decrease in shareholding	Reason	Shareholding at the end of the year (31/03/2021)	
		No. of Shares	% of Total Shares of the Company				No. of Shares	% of Total Shares of the Company
1	Chandan Garg	7300000	71.22					
				31.03.2021	-	-	7300000	71.22
2.	Kapil Garg	199000	1.94%					
				31.03.2021	-	-	199000	1.94%
3.	Swaran Kanta	200	0.00					
				31.03.2021	-	-	200	0.00
4.	Nancy Garg	200	0.00					
				31.03.2021	-	-	200	0.00
5	Narendra K. Garg	200	0.00					
				31.03.2021	-	-	200	0.00
6.	Akash Bansal	200	0.00					
				31.03.2021	-	-	200	0.00
7.	Priyanka Garg	200	0.00					
				31.03.2021	-	-	200	0.00

**VIII. SHAREHOLDING PATTERN OF TOP 10 SHAREHOLDER (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS)**

		Shareholding at the beginning of the Year (01/04/2020)		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year	
Sr. No.	Top ten Shareholders Name	No. of Shares	% of total Shares of the company				No. of shares	% of total Shares of the company
<b>1</b>	BEELINE BROKING LIMITED	631000	6.16					
				03-04-2020	-1000	Sale	630000	6.15
				10-04-2020	-1000	Sale	629000	6.14
				17-04-2020	-1000	Sale	628000	6.13
				24-04-2020	-2000	Sale	626000	6.11
				01-05-2020	3000	Purchase	629000	6.14
				08-05-2020	1000	Purchase	630000	6.15
				15-05-2020	-1000	Sale	629000	6.14
				22-05-2020	1000	Purchase	630000	6.15
				29-05-2020	2000	Purchase	632000	6.17
				12-06-2020	1000	Purchase	633000	6.18
				26-06-2020	-63000	Sale	570000	5.56
				30-06-2020	1000	Purchase	571000	5.57
				03-07-2020	-149000	Sale	422000	4.12
				10-07-2020	-62000	Sale	360000	3.51
				17-07-2020	-12000	Sale	348000	3.40
				24-07-2020	-16000	Sale	332000	3.24
				31-07-2020	-1000	Sale	331000	3.23
				07-08-2020	-1000	Sale	330000	3.22
				14-08-2020	2000	Purchase	332000	3.24

				28-08-2020	1000	Purchase	333000	3.25
				04-09-2020	-6000	Sale	327000	3.19
				11-09-2020	-2000	Sale	325000	3.17
				18-09-2020	-1000	Sale	324000	3.16
				23-09-2020	1000	Purchase	325000	3.17
				16-10-2020	-1000	Sale	324000	3.16
				23-10-2020	1000	Purchase	325000	3.17
				30-10-2020	-1000	Sale	324000	3.16
				06-11-2020	-1000	Sale	323000	3.15
				13-11-2020	2000	Purchase	325000	3.17
				27-11-2020	139	Purchase	325139	3.17
				04-12-2020	-1139	Sale	324000	3.16
				11-12-2020	-1000	Sale	323000	3.15
				<b>Balance</b>			<b>323000</b>	<b>3.15</b>
<b>2</b>	POOJA SHARMA	278000	2.71					
				08-05-2020	1000	Purchase	279000	2.72
				15-05-2020	-2000	Sale	277000	2.70
				22-05-2020	-1000	Sale	276000	2.69
				29-05-2020	1000	Purchase	277000	2.70
				12-06-2020	2000	Purchase	279000	2.72
				26-06-2020	-1000	Sale	278000	2.71
				24-07-2020	-61000	Sale	217000	2.12
				07-08-2020	-61000	Sale	156000	1.52
				21-08-2020	-25000	Sale	131000	1.28
				04-09-2020	-5000	Sale	126000	1.23
				27-11-2020	-8000	Sale	118000	1.15
				<b>Balance</b>			<b>118000</b>	<b>1.15</b>

3	UMIYA TUBES LIMITED	90000	0.88					
				Balance			90000	0.88
4	MANISH KUMAR	16000	0.16					
				03-04-2020	2000	Purchase	18000	0.18
				24-04-2020	114	Purchase	18114	0.18
				01-05-2020	-2114	Sale	16000	0.16
				08-05-2020	2000	Purchase	18000	0.18
				15-05-2020	4000	Purchase	22000	0.21
				19-06-2020	2000	Purchase	24000	0.23
				30-06-2020	1000	Purchase	25000	0.24
				10-07-2020	1000	Purchase	26000	0.25
				17-07-2020	3000	Purchase	29000	0.28
				07-08-2020	1000	Purchase	30000	0.29
				14-08-2020	7000	Purchase	37000	0.36
				28-08-2020	1000	Purchase	38000	0.37
				11-09-2020	6000	Purchase	44000	0.43
				18-09-2020	-6000	Sale	38000	0.37
				22-09-2020	-11000	Sale	27000	0.26
				23-09-2020	12000	Purchase	39000	0.38
				16-10-2020	21000	Purchase	60000	0.59
				13-11-2020	1000	Purchase	61000	0.60
				27-11-2020	2000	Purchase	63000	0.61
				25-12-2020	15000	Purchase	78000	0.76
				22-01-2021	2000	Purchase	80000	0.78
				26-03-2021	1000	Purchase	81000	0.79
				Balance			81000	0.79

5	PRIYANKA RANI	187000	1.82					
				24-04-2020	-1000	Sale	186000	1.81
				01-05-2020	-2000	Sale	184000	1.80
				08-05-2020	-3000	Sale	181000	1.77
				15-05-2020	-2000	Sale	179000	1.75
				22-05-2020	2000	Purchase	181000	1.77
				24-07-2020	-27000	Sale	154000	1.50
				31-07-2020	-20000	Sale	134000	1.31
				07-08-2020	-30000	Sale	104000	1.01
				14-08-2020	-5000	Sale	99000	0.97
				21-08-2020	1000	Purchase	100000	0.98
				04-09-2020	-20000	Sale	80000	0.78
				26-03-2021	-1000	Sale	79000	0.77
				<b>Balance</b>			<b>79000</b>	<b>0.77</b>
6.	ADHEESH KABRA HUF	0	0.00					
				22-05-2020	1000	Purchase	1000	0.01
				05-06-2020	1000	Purchase	2000	0.02
				12-06-2020	5000	Purchase	7000	0.07
				19-06-2020	3000	Purchase	10000	0.10
				10-07-2020	-9000	Sale	1000	0.01
				07-08-2020	35000	Purchase	36000	0.35
				04-09-2020	33000	Purchase	69000	0.67
				22-09-2020	2000	Purchase	71000	0.69
				31-03-2021	2000	Purchase	73000	0.71
				<b>Balance</b>			<b>73000</b>	<b>0.71</b>
7	VINEET SABOO HUF	0	0.00					
				19-06-2020	6000	Purchase	6000	0.06
				26-06-2020	59000	Purchase	65000	0.63
				<b>Balance</b>			<b>65000</b>	<b>0.63</b>



8	VINEET SABOO	0	0.00					
				03-07-2020	30000	Purchase	30000	0.29
				10-07-2020	2000	Purchase	32000	0.31
				31-07-2020	23000	Purchase	55000	0.54
				07-08-2020	5000	Purchase	60000	0.59
				<b>Balance</b>			<b>60000</b>	<b>0.59</b>
9	AS FINALYSIS VENTURES LLP	0	0.00					
				04-09-2020	10000	Purchase	10000	0.10
				06-11-2020	59000	Purchase	69000	0.67
				31-12-2020	-10000	Sale	59000	0.58
				<b>Balance</b>			<b>59000</b>	<b>0.58</b>
10	SONIA	182000	1.78					
				17-04-2020	-2000	Sale	180000	1.76
				24-04-2020	-2000	Sale	178000	1.74
				22-05-2020	-1000	Sale	177000	1.73
				19-06-2020	7000	Purchase	184000	1.80
				10-07-2020	-5000	Sale	179000	1.75
				17-07-2020	-5000	Sale	174000	1.70
				24-07-2020	-68000	Sale	106000	1.03
				31-07-2020	-42000	Sale	64000	0.62
				07-08-2020	1000	Purchase	65000	0.63
				18-09-2020	-5000	Sale	60000	0.59
				23-10-2020	-1000	Sale	59000	0.58
				30-10-2020	-2000	Sale	57000	0.56
				06-11-2020	1000	Purchase	58000	0.57
				13-11-2020	1000	Purchase	59000	0.58
				04-12-2020	-2000	Sale	57000	0.56
				<b>Balance</b>			<b>57000</b>	<b>0.56</b>

**IX. SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

Sr. No.	Name of each of the Directors and Key Managerial Personnel (KMP)	Shareholding at the beginning of the year i.e. April 1, 2020		Cumulative Shareholding during the year	
		Number of Shares	% of total shares of the Company	Number of Shares	% of total shares of the Company
1.	Mr. Chandan Garg	7300000	71.22%	7300000	71.22%
2.	Mr. Kapil Garg	199000	1.94%	199000	1.94%
3.	Mrs. Swaran Kanta	200	0.00%	200	0.00%
4.	Mr. Narendra Kumar Garg	200	0.00%	200	0.00%
5.	Mr. Sanjeev Mittal	0	0.00%	0	0.00%
6.	Mr. Vasu Ajay Anand	0	0.00%	1	0.00%

Note: As per the Companies Act, 2013 the Independent Directors are not allowed to hold any shares in the Company

**X. INDEBTEDNESS**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	56,76,900	-	-	56,76,900
ii) Interest due but not paid	-	-	-	
iii) Interest accrued but not due	-	-	-	
<b>Total (i+ii+iii)</b>	56,76,900	-	-	56,76,900
<b>Change in Indebtedness during the financial year</b>				
• Addition	6,67,540	-	-	6,67,540
• Reduction	7,53,456	-	-	7,53,456
<b>Net Change</b>	85,916	-	-	85,916
<b>Indebtedness at the end of the financial year</b>			-	
i) Principal Amount	55,90,984	-	-	55,90,984
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ ii+ iii)</b>	55,90,984	-	-	55,90,984

XI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL				
A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER:				
S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Chandan Garg (MD)	Kapil Garg (WTD)	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,20,00,000	58,50,000	1,78,50,000.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	--	--	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	--	--	--
2	Stock Option	--	--	-
3	Sweat Equity	--	--	-
4	Commission - as % of profit - others, specify	--	--	-
5	Others, please specify	--	--	-
	Total (A)	1,20,00,000	58,50,000	1,78,50,000.00
	Ceiling as per the Act	--	--	--

B. REMUNERATION TO OTHER DIRECTORS:			
S. No.	Particulars of Remuneration	Name of Directors	Total Amount
	<b>Independent Directors</b>	-	-
	Fee for attending board committee meetings Commission Others, please specify		
	Total (1)	-	-
	<b>Other Non-Executive Directors Women Directors</b>	<b>Mrs. Swaran Kanta</b>	12,00,000
	<input checked="" type="checkbox"/> Fee for attending board committee meetings <input checked="" type="checkbox"/> Commission		
	Total (2)		12,00,000
	Total (B) = (1 + 2)		12,00,000
	<b>Total Managerial Remuneration</b>		<b>12,00,000</b>
	Overall Ceiling as per the Act		

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD				
S. No.	Particulars of Remuneration	Key Managerial Personnel		
		CFO Mr. Sanjeev Mittal	Company Secretary Vasu Ajay Anand	Total
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961	10,30,000	478,000	1,508,000
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit			
	<b>Total</b>	<b>10,30,000</b>	<b>478,000</b>	<b>1,508,000</b>

I. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCE					
Type	Section of the Companies Act	Brief Description	Details of Penalty	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Central Bureau of Investigation		CBI initiated Investigation on 17th September, 2020 and completed on 19 <sup>th</sup> September, 2020. Instigation was initiated under section 420 IPC and Sec. 42 r/w, 66, 66C, 66D, of Information Technology Act, 2000. CBI has taken a part of company's records and data for further examination. There is no charge sheet filed by the CBI.			
Enforcement Directorate		The ED probe is based on a First Information Report registered in September last year by the Central Bureau of Investigation, which had also searched premises of the company. ED has initiated Investigation on 05th August 2021 and completed on 05th August, 2021. Investigation was initiated under Prevention of Money Laundering Act, 2002. Company has co-operated fully during investigation. ED has taken a part of company's records and data for further examination.			

Date: 31-08-2021

Place: JAIPUR

BY ORDER OF THE BOARD  
FOR INNOVANA THINKLABS LIMITED

Registered office:  
Plot No. D-41, Patrakar Colony,  
Near Jawahar Nagar Moti Dungri Vistar Yojna,  
Raja Park-302004, Jaipur, Rajasthan

CHANDANGARG  
Managing Director  
DIN: 06422150

KAPIL GARG  
Whole Time Director  
DIN: 07143551

**“ANNEXURE – B TO THE DIRECTORS’REPORT”**

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

Information pursuant to Section 134(3(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 and forming part of the Board of Directors’ Report for the year ended  
March 31, 2021

(A) Conservation of energy	
(i) the steps taken or impact on conservation of energy	N.A.
(ii) the steps taken by the company for utilizing alternate sources of energy	
(iii) the capital investment on energy conservation equipment	
(B) Technology absorption	
(i) the efforts made towards technology absorption	The Company has not imported any technology during the year.
(ii) the benefits derived like product improvement, cost reduction, product development or import substitution	
(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) a) the details of technology imported; b) the year of import; c) whether the technology been fully absorbed; d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	
(iv) the expenditure Development incurred on Research and	
(C) Foreign exchange earnings and Outgo	
The Foreign Exchange earned in terms of actual inflows during the year and	INFLOW: Rs. 337,814,852
The Foreign Exchange outgo during the year in terms of actual outflows.	OUTFLOWS: NIL

Date: 31-08-2021

Place: JAIPUR

BY ORDER OF THE BOARD  
**FOR INNOVANA THINKLABS LIMITED**

Registered office:  
Plot No. D-41, Patrakar Colony,  
Near Jawahar Nagar Moti Dungri Vistar Yojna,  
Raja Park-302004, Jaipur, Rajasthan

CHANDANGARG  
Managing Director  
DIN: 06422150

KAPIL GARG  
Whole Time Director  
DIN: 07143551

**“ANNEXURE – C TO THE DIRECTORS’ REPORT”**

**Disclosure on the Remuneration of the Managerial Personnel**

Pursuant to section 197(12) of The Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of managerial Personnel) Rules, 2014.

S.no	Particulars	Disclosure	
		Name of Directors/ KMP	Ratio*
1	The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the year 2020-21;	Chandan Garg -Managing Director	25 : 1
		Kapil Garg - Whole Time Director	7.5 : 1
		Swaran Kanta - Director	2.5 : 1
2.	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2020-21	Chandan Garg - Managing Director	-
		Kapil Garg - Whole time Director	-
		Swaran Kanta - Director	-
		Sanjeev Mittal - Chief Financial Officer	5.88%
		Vasu Ajay Anand – Company Secretary & Compliance office	10.30%
3.	The percentage increase in the median remuneration of employees in the financial year 2020-21	5.45%	
4.	The number of permanent employees on the rolls of the Company as on March 31,2021	105	
5.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year 2019-20 and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	5.45%	
6.	Affirmation that the remuneration is as per the remuneration policy of the Company.	Remuneration paid during the year 2020-21 is as per the Remuneration Policy of the Company.	

Date: 31-08-2021

Place: JAIPUR

BY ORDER OF THE BOARD  
**FOR INNOVANA THINKLABS LIMITED**

Registered office:  
Plot No. D-41, Patrakar Colony,  
Near Jawahar Nagar Moti Dungri Vistar Yojna,  
Raja Park-302004, Jaipur, Rajasthan

CHANDANGARG  
Managing Director  
DIN: 06422150

KAPIL GARG  
Whole Time Director  
DIN: 07143551

## ANNEXURE “D” THE DIRECTOR’S REPORT

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

#### FORWARD LOOKING STATEMENTS:

The Management Discussion and Analysis Report have been prepared in compliance with the requirements of Listing Agreements and contain expectations and projections about the strategy for growth.

Certain statements in the Management Discussion and Analysis Report are forward looking statements which involve a number of risks and uncertainties that could differ from actual results performance or achievements which such forward looking statements on the basis of any subsequent developments, information or events for which the Company do not bear any responsibility.

#### BUSINESS OVERVIEW:

**“Innovana Thinklabs Limited”** was formed in the year 2015 by Mr. Chandan Garg and Mr. Kapil Garg, promoter and directors of the company. The company is engaged in software development business which directly provides services to create new applications and enhance the functionality of existing software products. Our product portfolio consists of applications and software such as Ad-blocker, Disk Cleanup, Space Reviver, File Opener, Privacy Protector, etc. We have developed numerous products and these products have registered their presence. The operations of our company are controlled from our registered office situated in Jaipur, Rajasthan.

The company got converted from Private Limited to Public Limited, after getting shareholders’ approval in the Extra Ordinary general meeting of the company held on 14/06/2017, Further Company got listed on NSE EMERGE platform of National Stock Exchange of India Limited on 12/12/2017.

We strive to provide our clients with exceptional software and services that will create a meaningful impact on their bottom line. We believe our success stems from the excellence of our people and our unwavering commitment to our clients.

#### FUTURE BUSINESS PROSPECTS:

Software developers are looking to India as development and production base for their products and a number of software packages developed in this country has gained instant recognition overseas. Over the years the growth drivers for this sector have been the verticals of manufacturing, telecommunications, insurance, banking, finance and of late the fledging retail revolution. As the new scenario unfolds it is getting clear that the future growth of IT and ITes will be fueled by the verticals of climate change, mobile applications, healthcare, energy efficiency and sustainable energy. Traditional business strongholds would make way for new geographies, there would be new customers and more and more of SMEs will go for IT application and services.

## OPPORTUNITIES AND THREATS:

With the introduction of the concept of e-governance, both the Central and State Government are keen on implementing different projects to keep the activities of the governments transparent, timely and cost effective. There is an absolute increase in the fund allotment by the Governments for implementing the projects. This creates an opportunity for the experienced and expert organizations to broaden their horizon and support the Government in faster implementation of the projects. The increased volume of business attracts more number of players in the field and the competition becomes Severe. Only the effective and efficient organizations could stand a competitive situation. The management is confident that with its exposure and experience in this field of e-governance, it stands a better chance than others.

## INTERNAL CONTROLS AND THEIR ADEQUACIES:

The internal control system is intended to increase transparency and accountability in an organization's process of designing and implementing a system of internal control. They have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use, executing transaction with proper authorization and ensuring compliance of corporate policies.

## OUTLOOK:

The outlook of the Company remains positive. **Innovana Thinklabs Limited** is cautiously optimistic about its prospects in the coming years. The Company aims at providing high quality products and services to the customers and to provide them with greater satisfaction. For last couple of years, the company has taken a number of initiatives to re- structure and re- engineer the operation to enable the company to compete better in this profound competitive regime.

There are no major risks and concerns except the technology up gradation and increasing power tariff and growing competition. The company is guarding itself against these risks by laying down appropriate strategy which is to be supplemented by business plans and review mechanisms.

## RISKS AND CONCERNS:

- Inherent risk to accommodate technological changes due to involvement in IT industry.
- Unable to expand successfully beyond India.
- No clear product vision beyond current offering.
- Little brand recognition.
- Increased competition from local and big players.
- New technology changes.
- Changes in government policies and other regulations.

## HUMAN RESOURCES DEVELOPMENT:

To retain a sustainable competitive advantage in the new knowledge economy, learning is a key catalyst for an organization's survival and success The Company provides tremendous learning and development



opportunities to its employees starting from induction and orientation programme for all the new joiners to regular training programme to develop and enhance the skill levels, both functional and behavioral, for all the employees. The training programmes are tailored according to the business requirements and employee needs at various levels and designed with the help of a well-structured process of need identification connected to the business demands. Functional and technical training form an important part of the Company's annual training calendar as they are directly linked with the employees' role and on the job performance.

Date: 31-08-2021

Place: JAIPUR

BY ORDER OF THE BOARD  
**FOR INNOVANA THINKLABS LIMITED**

Registered office:  
Plot No. D-41, Patrakar Colony,  
Near Jawahar Nagar Moti Dungri Vistar Yojna,  
Raja Park-302004, Jaipur, Rajasthan

CHANDANGARG  
Managing Director  
DIN: 06422150

KAPIL GARG  
Whole Time Director  
DIN: 07143551

# **ANNEXURE “E” THE DIRECTORS’ REPORT**

## **Form AOC-1**

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

### **Part “A”: Subsidiaries**

Sl. No.	Particulars	Details	Details	Details	Details	Details
1.	Name of the subsidiary	<b>INNOVANA TECHLABS LIMITED</b>	<b>INNOVANA FITNESS LABS LIMITED</b>	<b>INNOVANA INFRASTRUCTURE LIMITED</b>	<b>INNOVANA GAMES STUDIO LIMITED</b>	<b>INNOVANA ASTRO SERVICES LIMITED</b>
2.	Reporting period for the subsidiary concerned, if different from the holding company’s reporting period	31 <sup>st</sup> March 2021	31 <sup>st</sup> March 2021	31 <sup>st</sup> March 2021	31 <sup>st</sup> March 2021	31 <sup>st</sup> March 2021
3.	Reporting currency and Exchange rate as on the last date of the F.Y in the case of foreign Subsidiaries	NA	NA	NA	NA	NA
4.	Share capital (Paid-up)	1,00,000/-	5,00,000/-	5,00,000/-	5,00,000/-	5,00,000/-
5.	Reserves & surplus	214,506,264	(19,363,537)	(2,571,988)	(177,598)	(297,449)
6.	Total assets	469,393,729	77,362,329	128,214,690	500,000	558,209
7.	Total Liabilities	469,393,729	77,362,329	128,214,690	500,000	558,209
8.	Investments	247,458,064	-	300,000	-	-
9.	Turnover	196,196,769	31,592,512	100,000	-	6,169
10.	Profit before taxation	91,395,426	(17,931,778)	(2,555,478)	(177,598)	(297,449)
11.	Provision for taxation	-	-	-	-	-
12.	Profit after taxation	88,503,694	(18,119,726)	(2,555,478)	(177,598)	(297,449)
13.	Proposed Dividend	-	-	-	-	-
14.	% of shareholding	100%	100%	100%	100%	100%

# ANNEXURE “F” THE DIRECTOR’S REPORT

## Form No. AOC-2

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

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

S. No.	Related parties	Nature of relation
1.	Chandan Garg	Managing Director
2.	Kapil Garg	Whole Time Director
3.	Swaran Kanta	Director & Relative of KMP
4.	Sanjeev Mittal	Chief Financial Officer
5.	Vasu Ajay Anand	Company Secretary
6.	Nancy Garg	Relative of KMP
7.	Narendra Kumar Garg	
8.	Akash Bansal	
9.	Alka Mittal	
10.	Priyanka Bansal	
11.	Innovana Techlabs Limited	Wholly Owned Subsidiary Company
12.	Innovana Fitness Labs Limited	Wholly Owned Subsidiary Company
13.	Innovana Infrastructure Limited	Wholly Owned Subsidiary Company
14.	Innovana Astro Services Limited	Wholly Owned Subsidiary Company
15.	Innovana Games Studio Limited	Wholly Owned Subsidiary Company
16.	S.C DIGITAL PROTECTION SERVICES S.R.L	KMP Related Foreign Company
17.	Bit Guardian GmbH	KMP Related Foreign Company

## Details of contracts or arrangements or transactions not at Arm’s length basis.

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

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

S. No.	Name of Related Party	Nature of relationship	Nature of transaction	Amount as on 31 <sup>st</sup> March 2021 (Rs.)	Amount as on 31 <sup>st</sup> March 2020 (Rs.)
1.	Chandan Garg	Managing Director	Remuneration	1,20,00,000	1,20,51,000
2.	Kapil Garg	Whole Time Director	Remuneration	58,50,000	36,51,000
3.	Nancy Garg	Relative of Director	Salary	6,00,000	6,00,000
4.	Narendra Kumar Garg	Relative of Director	Salary	12,00,000	12,00,000
5.	Swaran Kanta	Relative of Director	Salary	12,00,000	12,00,000
6.	Vartika Dangayach	Relative of Director	Salary	12,00,000	12,21,000
7.	Alka Mittal	Relative of KMP	Salary	434,010	3,30,000
8.	Chandan Garg	Managing Director	Lease Rent	37,80,000	36,60,000

S.C DIGITAL PROTECTION SERVICES S.R.L	Sale	-	-
Bit guardian GMBH	Sale	7,794,138	-

**ANNEXURE "G" THE BOARD REPORT**

Particulars of loans, Guarantee and Investment under section 186 of the companies act 2013:

S. No.	Particular	Nature of transaction	Amount as on 31 <sup>st</sup> March 2021	Amount as on 31 <sup>st</sup> March 2020
1	Investment in shares of "Innovana Techlabs Limited"	Investment	1,00,000	1,00,000
2	Investment in shares of "Innovana Fitness Labs Limited"	Investment	5,00,000	5,00,000
3	Investment in shares of "Innovana Infrastructure Limited"	Investment	5,00,000	5,00,000
4	Investment in Share of "Flecca India Private Limited"	Investment	-	2,96,77,374
5	Investment in Share of "FreshoKartzAgri Products Private Limited"	Investment	1,00,00,000	1,00,00,000

6	Investment in Share of Innovana Astro Services Limited	Investment	5,00,000	NIL
7	Investment in Share of Innovana Games Studio Limited	Investment	5,00,000	NIL
8	Loan to Associate of “Flecca India Private Limited”	Loan	NIL	1,00,00,000
9	Loan to subsidiary company “Innovana Techlabs Limited”	Loan	47,45,115	82,67,666
10	Loan to Subsidiary company “Innovana Fitness Labs Limited”	Loan	7,84,41,318	5,08,92,809
11	Loan to Subsidiary company “Innovana Infrastructure Limited”	Loan	12,59,93,032	NIL
12	Loan to Subsidiary company “Innovana Astro Services Limited”	Loan	1,27,169	NIL
13	Loan to Subsidiary company “Innovana Games Studio Limited”	Loan	4,698	NIL
14	Rental Income from “Innovana Astro Services Limited”	Rent	1,59,300	NIL
15	Rental Income from “Innovana Infrastructure Limited”	Rent	2,12,400	NIL
16	Loan to FreshoKartzAgri Products Private Limited	Loan	10,14,229	NIL

Date: 31-08-2021

Place: JAIPUR

BY ORDER OF THE BOARD  
FOR INNOVANA THINKLABS LIMITED

Registered office:  
Plot No. D-41, Patrakar Colony,  
Near Jawahar Nagar Moti Dungri Vistar Yojna,  
Raja Park-302004, Jaipur, Rajasthan

CHANDANGARG  
Managing Director  
DIN: 06422150

KAPIL GARG  
Whole Time Director  
DIN: 07143551

## ANNEXURE “H” THE DIRECTORS’ REPORT

### Annual report on CSR Activities to be included in the Directors’ Report

A brief outline of the company’s CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

The Corporate Social Responsibility (CSR) Activities of Innovana Thinklabs Limited are guided by the Vision or Philosophy of Promoters, who embodied the concept of trusteeship in Business and common good, laid the foundation for ethical, value- based and transparent functioning.

“INNOVANA THINKLABS LIMITED” believes that a business cannot operate in isolation without contributing to the society, in which it operates. The organization possess some responsibility towards stakeholders and the society in large. For the purpose of running the business in an ethical manner, we majorly focus on providing long-term benefits to our stakeholders. Being socially responsible motivates us to do better so that we can contribute more towards the welfare and development of the society. Innovana believes in working for the betterment of the society and environment not just for the legal requirements but way beyond that.

#### CSR Policy:

A details CSR policy was framed by the Company with the approval of CSR Committee and Board taken on June 28, 2021 The Policy, inter alia, covers the following

- Objective
- Function of Corporate Social Responsibilities Committee.
- Role of Boards
- Disclosure Requirement

The CSR policy is placed on website: <https://www.innovanathinklabs.com/Policy.aspx>

#### The Composition of the CSR Committee

A Committee of the directors, titled ‘Corporate Social Responsibility Committee’

- Mr. Sumit Sarda (Chairman)
- Ms. Riya Sharma (Member)
- Mr. Deepak Jangid (Member)

Average Net profit of the company for the last three years Rs. 127,184,695/-

**Prescribed CSR Expenditure** (2% of Amount as in item No.3) –Rs. 2,543,693/-

Details of CSR Spent during the financial year:

In case the company has failed to spend the two percentage of average net profit of last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in Board Report.

The Company's core objective under CSR is to provide Education for enhancing Employment and Employability through skill development and vocational skills training which is mainstream to eradicate poverty, hunger & malnutrition in the area where the Company operates its business. The Company also undertakes some small projects annually, the requirement of which is recognized due to an immediate

need of a particular section of the society. The Company also continues to focus its CSR activities on the surrounding communities in and around Company's affairs. Due to Covid- 19 Company has transfer remain amount in unspent Corporate Social Responsibilities account Rs. 25.43 lakhs. Company has plan to start own NGO for the implementation of policy properly. As a socially responsible Company, the Company is in continuous process of exploring new opportunities which shall align to its CSR policy and is committed to create maximum impact on the society at large over the coming years.

**A responsibility statement of the CSR committee that implementation and monitoring of CSR Policy, is in compliance with CSR objective and policy of the company.**

Implementation of CSR Activities is in compliance with Companies Act, 2013. The CSR Committee confirms that the implementation and monitoring of the CSR Policy, is in compliance with CSR objectives and Policy of the Company.

**Sumit Sarda**  
**Chairman CSR Committee**  
**DIN:07886808**

**Chandan Garg**  
**Managing Director**  
**DIN:06422150**

**ANNEXURE “I” THE DIRECTOR’S REPORT**  
**SECRETARIAL AUDIT REPORT**

**Form No. MR-3**

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2021

[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,  
INNOVANA THINKLABS LIMITED

We have conducted the secretarial audit of all applicable statutory provisions for the financial year 2020-21 of **M/s Innovana Thinklabs Limited** (hereinafter called “The Company”), incorporated on 13<sup>th</sup> April 2015 having CIN L72900RJ2015PLC047363 and registered office at Plot No. D-41, Patrakar Colony, Near Jawahar Nagar Moti Dungri Vistar Yojna, Raja Park, Jaipur.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion; the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2021 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, minutes’ book, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2021, to the extent applicable, according to the provisions of:

- 1) The Companies Act, 2013 (the Act) and the rules made thereunder;
- 2) The Securities Contract (Regulation) Act, 1956 and Rules made thereunder;
- 3) The Depositories Act, 1996 and Regulations and Bye-laws framed thereunder;
- 4) The following Regulations and Guidelines prescribed under the Securities & Exchange Board of India Act, 1992 (“SEBI Act”) to the extent applicable;
- 5) Information Technology Act, 2000 and Rules made thereunder
  - A. SEBI (Substantial Acquisition of Shares and Takeover) Regulation, 2011
  - B. SEBI (Prohibition of Insider Trading) Regulations, 2015
  - C. SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009
  - D. SEBI (Issue and listing of Debt securities) Regulations, 2008
  - E. SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993
  - F. SEBI (Delisting of Equity Shares) Regulations, 2009
  - G. SEBI (Buy Back of Securities) Regulation, 1998

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

- a) Secretarial Standards issued by The Institute of Company Secretaries of India.



b) SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

In our observation, during the period under review, the Company has-complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, except the following: -

We further report that-

- a) 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 the Board Meeting and in compliance with the provisions of the Act.
- b) 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.
- c) None of the directors in any meeting dissented on any resolution and hence there was no instance of recording any dissenting member's view in the minutes.

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. We further report that during the audit period the Company has passed special resolutions which are having major bearing on the Company's affairs in pursuant of the above referred laws, rules, regulations, guidelines, standards.

This report is to be read with my letter of even date which is annexed as Annexure "A" which forms an integral part of this report.

Note: Pursuant to section 135(6) of Companies Act, 2013, company has transfer unspent amount of CSR to separate CSR unspent Account.

Pursuant to relevant regulation of Insider Trading Regulation, The regulation compliance should be maintained in structured digital database but company has maintained structured digital database in Excel format"

**FOR M/S. SRISHTHI MATHUR & ASSOCIATES  
COMPANY SECRETARIES**

**Date: 31-08-2021**

**Place: Jaipur**

**SRISHTHI MATHUR  
MEMBERSHIP NO.: 42220  
CP NO.: 16319**

**Annexure “A” to Secretarial audit Report**

**To,**  
**The Members,**  
**Innovana Thinklabs Limited** Jaipur

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

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

**FOR M/S. SRISHTHI MATHUR & ASSOCIATES**  
**COMPANY SECRETARIES**

Date: **31-08-2021**  
Place: Jaipur

**SRISHTHI MATHUR**  
**MEMBERSHIP NO.: 42220**  
**CP NO.: 16319**

**CERTIFICATIONS**  
**Chief Financial Officer Certification**

To  
The Board of Directors,  
Innovana Thinklabs Limited Jaipur

I, Sanjeev Mittal, Chief Financial Officer of the company, hereby certify that:

1. I have reviewed the financial statements and the cash flow statement for the year ended March 31, 2021 and that to the best of my knowledge and belief.
  - (I) These statements do not contain any material untrue statement or omit any material fact or contain statements that might be misleading;
  - (II) These statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
2. I further state that to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violation of the Company's Code of Conduct.
3. I accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control system of the Company pertaining to financial reporting and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
4. I have indicated to the Auditors and the Audit Committee that:
  - (I) There has not been any significant change in internal control over financial reporting during the year under reference;
  - (II) There has not been any significant change in accounting policies during the year requiring disclosures in the notes to the financial statements; and
  - (III) There has not been any instance during the year of significant fraud of which I had become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**Mr. Sanjeev Mittal**  
**Chief Financial Officer**

**Date: 31-08-2021**

**Place: Jaipur**

### **Declaration in respect of Compliance with the Code of Conduct**

It is hereby declared that all Board Members, Key Managerial Personnel and Senior Management Personnel of the Company have affirmed Compliance with the Code of Conduct of the Company, for the financial year ended March 31, 2021.

Date: 31-08-2021

(CHANDAN GARG)

Place: Jaipur

Chairman & Managing Director

### **Certificate on the Compliance of Conditions of Corporate Governance for the year ended March 31, 2021**

To  
The Members,  
Innovana Thinklabs Limited Jaipur

We have examined the compliance of conditions of Corporate Governance by INNOVANA THINKLABS LIMITED ("the Company"), for the financial year ended on March 31, 2021, as stipulated in Chapter IV of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 pursuant to listing Agreement of the said Company with Stock Exchange

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to review the procedures and implementation thereof adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Chapter IV of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 pursuant to listing Agreement of the said Company with Stock Exchange.

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

AMITAGARWAL  
Chartered Accountant in Practice  
M. No.:077407

Place: Jaipur

**Date: 31-08-2021**

## INDEPENDENT AUDITORS' REPORT

**TO  
THE MEMBERS OF  
INNOVANA THINKLABS LIMITED.**

**Report on the standalone Ind AS Financial statement**

### Opinion

We have audited the accompanying financial statements of INNOVANA THINKLABS LIMITED ("the company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2021, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March 2021;
- b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) In the case of the Statement of changes inequity
- d) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, Statement of changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Boards of Directors are also responsible for overseeing the company's financial reporting process.

### Auditor's Responsibility for the Audit of the Financial Statements

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

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements

### Basis of Opinion

We conducted our audit in accordance with the Indian Accounting Standards on Auditing (Ind AS) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, 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 opinion. Ind AS specified under section 133 of the Act, of the state of affairs (financial position) of the company as at 31<sup>st</sup> March 2021, and its profit and loss account (financial performance including other comprehensive Income), its cash flow and the changes in equity for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the **Annexure-A** a statement on the matters specified in the paragraph 3 and 4 of the order to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - 1) 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
  - 2) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those
  - 3) the Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the statement of changes in Equity, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.[and the returns received from the branches which are prepared by us]
  - 4) In our opinion, the aforesaid standalone financial statements comply with Ind. AS specified

under section 133 of the Act,, read with Rule 7 of the Companies (Accounts) Rules,2014.

- 5) On the basis of written representations received from the directors as on 31<sup>st</sup> March, 2021, taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2021, from being appointed as a director in terms of Section 164(2) of the Act.
- 6) 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"; and
- 7) With respect to the other matters included in the Auditor's Report and to our best of our information and according to the explanations given to us:
  - The Company does not have any pending litigations which would impact its financial position.
  - The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
  - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company [or, following are the instances of delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company or there were no amounts which required to be transferred]

**For Amit Ramakant & Co. Chartered Accountants**  
**Firm Registration No: 009184C**

**Date: 28-06-2021**

**Place: Jaipur**

**Amit Agarwal**  
**Partner M.No.077407**

**ANNEXURE - A**  
**ANNEXURE TO THE AUDITORS' REPORT**

**The Annexure referred to in our report to the members of INNOVANA THINKLABS LIMITED for the year ended 31<sup>st</sup> March, 2021**

On the basis of the information and explanation given to us during the course of our audit, we report that:

- 1) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets
  - a) These fixed assets have been physically verified by the management at reasonable intervals there was no Material discrepancies were noticed on such verification.
  - b) Total Assets of company includes Immovable property also and the title deeds of immovable properties are held in the name of the company
- 2) The company has granted loans secured or unsecured to companies, firms, Limited Liability Partnerships or other parties during the Financial Year 2020-21 covered in the register maintained under section 189 of the Companies Act, 2013
  - a) All terms and conditions are as per the benefits of company and are not prejudicial to the company's Interest.
  - b) Schedule of repayment of principal and interest has been stipulated and receipts are regular.
  - c) There is no such amount which is overdue more than 90 Days of above mentioned loan.
- 3) In respect of loans, investments, guarantees, and security all mandatory provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
- 4) The company has not accepted any deposits.
- 5) Maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.
- 6) (a) The company is regular in depositing undisputed statutory dues including provident fund, Employee's state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities
  - (b) Dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax have been deposited on time there is no dispute is pending on the part of company.
- 7) The company hasn't made any default in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
- 8) The company has Authorised Share Capital Rs. 11.00 Cr. (Nos. 11 Lacs Equity Shares).
- 9) Neither company has done any fraud nor by its officers or employees so nothing to be disclosed separately.
- 10) Managerial remuneration has been paid or provided in accordance with the requisite approvals Mandated by the provisions of section 197 read with Schedule V to the Companies Act.



- 11) Company is not a Nidhi Company hence nothing to be disclosed for any provisions applicable on Nidhi Company.
- 12) All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards;
- 13) The company hasn't entered into any non-cash transactions with directors or persons connected with him.
- 14) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For Amit Ramakant & Co. Chartered Accountants**  
**Firm Registration No : 009184C**

**Place: Jaipur**  
**Date: 28-06-2021**

**Amit Agarwal**  
**Partner M.No.077407**

## ANNEXURE - B TO THE AUDITORS' REPORT

(Referred to in paragraph 2(f) of our report of even date under the heading "Report on Other Legal and Regulatory Requirements" to the members of Innovana Thinklabs Limited on the IND AS Financial Statements as of and for the year ended March 31, 2021)

### **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 **INNOVANA THINKLABS LIMITED** ("The Company") as of 31<sup>st</sup> March 2021 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 over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

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

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

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

**Opinion**

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

**For Amit Ramakant & Co. Chartered Accountants**  
**Firm Registration No: 009184C**

**Place: Jaipur**  
**Date: 28-06-2021**

**Amit Agarwal**  
**Partner M.No.077407**

INNOVANA THINKLABS LIMITED			
STANDALONE BALANCE SHEET AS AT MARCH 31, 2021			
(Amount in Rs.)			
Particulars	Notes	Year ended 31-03-2021	Year ended 31-03-2020
		Audited	Audited
<b>A. EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' funds</b>			
(a) share capital	1	102,500,000	102,500,000
(b) Reserves and surplus	2	369,828,836	277,566,990
<b>Sub-Total Shareholder's fund</b>		<b>472,328,836</b>	<b>380,066,990</b>
<b>2. Share application money pending allotment</b>			
<b>3. Non-Current Liabilities</b>			
(a) Long-term borrowings	3	5,590,984	5,676,900
(b) Deferred Tax liabilities (net)		-	-
(c) Other Long- term liabilities		-	-
(d) Long- term provision		-	-
<b>Sub-Total - Non-Current liabilities</b>		<b>5,590,984</b>	<b>5,676,900</b>
<b>4. Current Liabilities</b>			
(a) Short- term borrowings		-	-
(b) Trade payables	4	118,831,546	75,123,612
(c) Other current liabilities	5	320,370,346	363,995,156
(d) Short- Term Provision		-	-
<b>Sub- Total - Current Liabilities</b>		<b>439,201,892</b>	<b>439,118,768</b>
<b>TOTAL- EQUITY AND LIABILITIES</b>		<b>917,121,711</b>	<b>824,862,658</b>
<b>B. Assets</b>			
<b>1. Non-current assets</b>			
(a) Fixed Assets	6	106,034,105	112,705,313
(b) Goodwill on Consolidation			-
(c) Non-current investments	7	161,086,988	218,379,026
(d) Deferred tax assets (net)	8	28,554	316,524
(e) Long-term loans and advances	9	209,311,333	59,160,475
(f) Other non- current assets (MAT)			-
<b>Sub- Total- Non-current assets</b>		<b>476,460,981</b>	<b>390,561,338</b>
<b>2. Current Assets</b>			
(a) Current Investments		-	-
(b) Inventories		-	-
(c) Trade receivables	10	374,800	-

(d) Cash and cash equivalents	11	324,650,124	280,703,375
(e) Short- term loans and advances	12	3,014,229	8,323,122
(f) Other current assets	13	112,621,577	145,274,823
<b>Sub- Total - Current assets</b>		<b>440,660,731</b>	<b>434,301,320</b>
<b>TOTAL -ASSETS</b>		<b>917,121,711</b>	<b>824,862,658</b>

For Amit Ramakant &Co.  
Chartered Accountants  
Firm Registration No: 009184C

For and on behalf of the Board of Directors  
INNOVANA THINKLABS LIMITED

Amit Agarwal  
Partner M. No. 077407

Chandan Garg  
Managing Director  
DIN: 06422150

Kapil Garg  
Whole Time Director  
DIN: 0714355

Place: Jaipur  
Date: 28-06-2021

Sanjeev Mittal  
Chief Financial Officer

Vasu Ajay Anand  
Company Secretary

INNOVANA THINKLABS LIMITED			
STANDLONE STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31st MARCH, 2021			
(Amount in Rs.)			
Particulars	Notes	Year ended 31-03-2021	Year ended 31-03-2020
		Audited	Audited
<b>INCOME</b>			
Revenue from Operations	14	338,096,041	407,342,729
Other Income	15	38,775,075	18,458,581
<b>TOTAL REVENUE</b>		<b>376,871,116</b>	<b>425,801,311</b>
<b>EXPENSES</b>			
Purchases of Traded Goods	16	57,178,184	52,724,027
(Increase) / Decrease in Inventory of Finished Goods, Work In Progress and Traded Goods		-	-
Employee Benefits Expenses	17	93,264,328	137,773,507
Finance Cost	18	2,041,035	629,878
Depreciation and Amortization	19	9,041,484	12,351,874
Other Expenses	20	97,183,550	69,051,845
<b>Total Expenses</b>		<b>258,708,581</b>	<b>272,531,131</b>
Profit / (Loss) before exceptional Items and tax from continuing operations		<b>118,162,535</b>	<b>153,270,180</b>
Exceptional Items		-	-
<b>Profit / (Loss) before tax from continuing operations</b>		<b>118,162,535</b>	<b>153,270,180</b>
(1) Current Tax		29,716,799	39,447,298
(2) Deferred Tax Liability (Assets)		287,970	(179,406)
Income Tax Expenses		30,004,769	39,267,892
<b>Profit For The Year from Continuing Operation</b>		<b>88,157,767</b>	<b>114,002,288</b>
<b>Other comprehensive income</b>		-	-
<b>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</b>		-	-
Net Gain / (Loss) on re measurement of employee benefit Plan of EST and PF		3,165,313	(1,078,582)
<b>Comprehensive Income for the Year, Net of Tax</b>		<b>3,165,313</b>	<b>(1,078,582)</b>

Total Comprehensive Income for the Year, net of Tax		<b>91,323,080</b>	<b>112,923,706</b>
<b>Profit For the Year</b>		<b>91,323,080</b>	<b>112,923,706</b>
<b>Earnings Per Share Basic, Computed on the Basis of Profit from continuing Operations attributable to equity holders</b>		<b>INR 8.91</b>	<b>INR 11.02</b>

For Amit Ramakant &Co.  
Chartered Accountants  
Firm Registration No: 009184C

For and on behalf of the Board of Directors  
INNOVANA THINKLABS LIMITED

Amit Agarwal  
Partner M. No. 077407

Chandan Garg  
Managing Director  
DIN: 06422150

Kapil Garg  
Whole Time Director  
DIN: 0714355

Place: Jaipur  
Date: 28-06-2021

Sanjeev Mittal  
Chief Financial Officer

Vasu Ajay Anand  
Company Secretary

<b>INNOVANA THINKLABS LIMITED</b> <b>CIN: L72900RJ2015PLC047363</b>		
(Amount in Rs.)		
<b>STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2021</b>		
<b>PARTICULARS</b>	<b>Year ended 31-03-2021</b>	<b>Year ended 31-03-2020</b>
<b>(A) CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>1. Profit / (Loss) Before Tax</b>	118,162,535	153,270,180
<b>2. Adjustment for :</b>		
Depreciation and Amortization Expenses	9,041,484	12,351,874
Provision for Income Tax / FBT earlier years	938,766	(1,747,622)
Interest Income	(32,506,432)	(12,112,851)
Interest on Borrowings	2,041,035	629,878
Profit on Sale of Property / Investments	(5,944,749)	(5,741,570)
Re-measurement of defined benefit plans	3,165,313	(1,078,582)
<b>3. Operating Profit before Working Capital Changes (1+2)</b>	<b>94,897,953</b>	<b>145,571,307</b>
<b>4. Change in Working Capital</b>		
(Excluding Cash & Bank Balances)	-	-
Increase(-) / Decrease in Trade & Other Receivables	(374,800)	48,737
Increase (-) / Decrease in Inventories	-	-
Increase (-) / Decrease in Loans and advances	65,962,138	(2,334,232)
Increase / Decrease (-) in Trade payables and Other Current Liabilities	(29,633,675)	139,023,609
<b>Change in Working Capital</b>	<b>35,953,663</b>	<b>136,738,114</b>
<b>5. Cash Generated from Operations (3+4)</b>	<b>130,851,616</b>	<b>282,309,421</b>
<b>6. Tax Paid</b>	<b>28,000,000</b>	<b>43,000,000</b>
<b>7. Net Cash Flows from Operating Activities</b>	<b>102,851,616</b>	<b>239,309,421</b>



<b>(B) Cash Flows from Investing Activities</b>		
Proceeds from sale of Property, Plant and equipment / Transfer of Assets	214,190,700	187,745,327
Purchase of Property, Plant and Equipment	(153,437,069)	(245,303,206)
Non-Current Assets	(150,037,978)	(15,526,636)
Interest Received	32,506,432	12,112,851
<b>Net Cash Generated / (Used) in Investing Activities:</b>	<b>(56,777,915)</b>	<b>(60,971,664)</b>
<b>(C) Net Cash flow from Financing Activities</b>		
Issue Share Capital	-	-
Repayment of Term Borrowings	-	-
Proceeds from Other Borrowings	(85,917)	107,556
Interest Paid	(2,041,035)	(629,878)
<b>Net Cash Generation / (Used) From Financing Activities</b>	<b>(2,126,952)</b>	<b>(522,322)</b>
<b>(D) Net Change in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>43,946,749</b>	<b>177,815,435</b>
<b>(E1) Cash &amp; Cash Equivalents as at the end of the Year</b>	<b>324,650,124</b>	<b>280,703,375</b>
<b>(E2) Cash &amp; Cash Equivalents as at the Beginning of the Year</b>	<b>280,703,375</b>	<b>102,887,941</b>
<b>NET CHANGE IN CASH &amp; CASH EQUIVALENTS (E1 - E2)</b>	<b>43,946,749</b>	<b>177,815,435</b>

For Amit Ramakant &Co.  
Chartered Accountants  
Firm Registration No: 009184C

For and on behalf of the Board of Directors  
INNOVANA THINKLABS LIMITED

Amit Agarwal  
Partner M. No. 077407

Chandan Garg  
Managing Director  
DIN: 06422150

Kapil Garg  
Whole Time Director  
DIN: 0714355

Place: Jaipur  
Date: 28-06-2021

Sanjeev Mittal  
Chief Financial Officer

Vasu Ajay Anand  
Company Secretary

## STATEMENT OF CHANGE IN EQUITY

FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2021 (ALL AMOUNTS IN LAKHS RUPEES EXCEPT AS OTHERWISE STATED) EQUITY SHARE CAPITAL

PARTICULARS	No. of Shares	Amount
Equity Shares of Rs. 10 each issued, subscribed and fully paid		
<b>At 31st March 2020</b>	10,250,000	1,025.00
Issue of Share Capital	-	-
<b>At 31st March 2021</b>	10,250,000	1,025.00

### Other Equity

Particulars	Reserve and Surplus			Item of Other Comprehensive Reserve	Total
	Securities Premium	General Reserve	Retained Earning	FVTOCI Reserve	
<b>At 31<sup>st</sup> March 2020</b>	59.00	259.27	2,450.82	6.57	2,775.66
Bonus Share Issued	-				
Profit / (Loss) for the Period	-	-	890.97	31.65	922.62
Other Comprehensive Income	-		-	-	-
Total Comprehensive Income	59.00	259.27	3,341.79	38.22	3,698.28
Transfer to General Reserve	-	-	-	-	-
<b>Total</b>	<b>59.00</b>	<b>259.27</b>	<b>3,341.79</b>	<b>38.22</b>	<b>3,698.28</b>
<b>At 31<sup>st</sup> March 2021</b>	<b>59.00</b>	<b>259.27</b>	<b>3,341.79</b>	<b>38.22</b>	<b>3,698.28</b>

**For Amit Ramakant &Co.**  
**Chartered Accountants**  
**Firm Registration No: 009184C**

**For and on behalf of the Board of Directors**  
**INNOVANA THINKLABS LIMITED**

**Amit Agarwal**  
**Partner M. No. 077407**

**Chandan Garg**  
**Managing Director**  
**DIN: 06422150**

**Kapil Garg**  
**Whole Time Director**  
**DIN: 0714355**

**Place: Jaipur**  
**Date: 28-06-2021**

**Sanjeev Mittal**  
**Chief Financial Officer**

**Vasu Ajay Anand**  
**Company Secretary**

## Item: 1

## EQUITY SHARE CAPITAL

S. No.	PARTICULARS	Year ended 31-03-2021		Year ended 31-03-2020	
		No.	INR	No.	INR
	<b>Authorized Share Capital</b>				
	Equity Shares of Rs. 10 each				
	<b>At The Beginning of the year</b>	11,000,000	110,000,000	5,000,000	50,000,000
	Increase / (Decrease) During the year	-	-	6,000,000	60,000,000
	<b>At the end of the year</b>	<b>11,000,000</b>	<b>110,000,000</b>	<b>11,000,000</b>	<b>110,000,000</b>
	<b>Issued Share Capital</b>				
	Equity Shares of Rs. 10/- each Issued, Subscribed and Fully Paid				
	<b>At the beginning of the year</b>	10,250,000	102,500,000	4,100,000	41,000,000
	Increase / (Decrease) during the year			6,150,000	61,500,000
	<b>At the end of the year</b>	<b>10,250,000</b>	<b>102,500,000</b>	<b>10,250,000</b>	<b>102,500,000</b>

Company was issued Bonus Share utilizing Share premium during the year 2020-21

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of the equity shares is entitled to one vote per share. Details of share held by shareholders holding more than 5% share in Company

Name of Shareholders	31 <sup>st</sup> March 2021		31 <sup>st</sup> March 2020	
	No. of Shares	% holding	No. of Shares	% holding
Chandan Garg	73,00,000	71.22	73,00,000	71.22
Beeline Broking Limited	3,23,000	3.15	6,31,000	5.23

## Item: 2

## RESERVES AND SURPLUS

PARTICULARS		31-03-2021	31-03-2020
(a)	<b>Share Premium</b>		
	Share Premium	5,900,000	5,900,000
(b)	<b>General Reserve</b>		
	As Per Last Financial Statements	25,926,938	27,674,560
	Add: Transfer from Retained Earning	-	-
	Less :Utilized Against Earlier Tax	-	1,747,622
	<b>Total</b>	<b>25,926,938</b>	<b>25,926,938</b>
(c)	<b>Profit And Loss Account Balances</b>		
	As Per Financial Statements	91,323,080	112,923,706
	Less :Transfer to Retained Earning Being Difference of Depreciation on Revalued Cost of Assets and that on the original cost	91,323,080	112,923,706

	<b>Total</b>	-	-
<b>(d) Retained Earning</b>			
	As Per Last Financial Statements	245,740,051	132,816,345
	Add :Transfer from General Reserve Transfer from P&L Balances of earlier years	938,766	-
	<b>Add:- Surplus of profit and loss</b>	91,323,080	112,923,706
	<b>Total</b>	<b>338,001,897</b>	<b>245,740,051</b>
	<b>Total (a+b+c+d)</b>	<b>369,828,836</b>	<b>277,566,990</b>

## Item: 3

## LONG-TERM BORROWINGS

PARTICULARS		31-03-2021	31-03-2020
	<b>Secured Loan (Vehicle Loan)</b>		
	Daimler Financial Services	5,590,984	5,676,900
	<b>Total</b>	<b>5,590,984</b>	<b>5,676,900</b>

## Item: 4

## TRADE PAYABLES

PARTICULARS		31-03-2021	31-03-2020
	Trade Payables	118,831,546	75,123,612
	<b>Total</b>	<b>118,831,546</b>	<b>75,123,612</b>

## Item: 5

## OTHER CURRENT LIABILITIES

S.no	PARTICULARS	31-03-2021	31-03-2020
<b>(a) Other payable</b>			
	Employees Related Liabilities	6,053,591	21,150,264
	Expenses Payable	485,265	-
	<b>Total</b>	<b>6,538,856</b>	<b>21,150,264</b>
<b>(b) Liability for Current Tax</b>			
	Income Tax for Current Tax	29,716,799	39,447,298
	<b>Net Tax Payable</b>	<b>29,716,799</b>	<b>39,447,298</b>
<b>(c) Other Current Liabilities</b>			
	Advance from Customers	266,353,054	278,183,794
	Statutory Liabilities	2,949,654	11,938,385
	<b>Total</b>	<b>269,302,708</b>	<b>290,122,179</b>
	<b>Provision</b>		
	GRATUITY PROVISIONS IND AS 19	14,811,983	13,275,416
	<b>Total</b>	<b>14,811,983</b>	<b>13,275,416</b>
	<b>Other Current Liabilities (a+b+c)</b>	<b>32,03,70,346</b>	<b>36,39,95,157</b>

## Item : 6 STANDALONE PROPERTY, PLANT &amp; EQUIPMENT STATEMENT

	AT COST					DEPRECIATION AND IMPAIRMENT				NET BLOCK	
DEPRECIATION OF ASSETS	GROSS BLOCK AS AT 1ST APRIL 2020	ADDITION DURING THE YEAR	SALES / DISCARDED	ADJUSTMENTS DURING THE YEAR	GROSS BLOCK AS AT 31ST MARCH 2021	DEPRECIATION AS AT 31ST MARCH 2020	DEPRECIATION DURING THE YEAR	ADJUSTMENT DURING THE YEAR	TOTAL DEPRECIATION AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
LAND	19,582,200	-	-	-	19,582,200	-	-	-	-	19,582,200	19,582,200
BUILDING	77,482,013	-	-	-	77,482,013	3,159,362	3,119,166	-	6,278,528	71,203,485	74,322,651
PLANT & EQUIPMENTS	5,517,175	136,841	-	-	5,654,016	2,359,450	1,137,019	-	3,496,469	2,157,547	3,157,725
ELECTRICAL EQUIPMENTS	-	-	-	-	-	-	-	-	-	-	-
FURNITURE & FIXTURES	2,977,338	15,600	-	-	2,992,938	770,013	574,743	-	1,344,756	1,648,182	2,207,325
OFFICE EQUIPMENTS	5,248,731	2,217,835	-	-	7,466,566	2,301,364	1,541,587	-	3,842,951	3,623,615	2,947,367
VEHICLES	14,249,730	-	-	-	14,249,730	3,761,685	2,668,969	-	6,430,654	7,819,076	10,488,045
TOTAL	125,057,187	2,370,276	-	-	127,427,463	12,351,874	9,041,484	-	21,393,358	106,034,105	112,705,313

## Item: 7

## NON-CURRENT INVESTMENT

S.no	PARTICULARS	31-03-2021	31-03-2020
(a)	<b>Investments</b>		
	Investment In Equity Fair Value Through Profit & Loss	46,378,414	68,508,053
	Investment In Subsidiaries At Cost Or Deemed Cost	2,100,000	1,100,000
	<b>Total</b>	<b>48,478,414</b>	<b>69,608,053</b>
(b)	<b>Mutual Fund and Other</b>		
	Mutual Funds	101,412,806	147,464,747
	National Saving Certificates (NSC)	10,028,436	26,014
	<b>Total</b>	<b>111,441,242</b>	<b>147,490,761</b>
(c)	<b>Security Deposits</b>		
	Security Deposits with Govt.	145,019	145,019
	OTHER	1,022,313	1,135,193
	<b>Total</b>	<b>1,167,332</b>	<b>1,280,212</b>
	<b>Non-Current Investment (a+ b+ c)</b>	<b>16,10,86,988</b>	<b>21,83,79,026</b>

## Item: 8

## DEFERRED TAX ASSETS

S.no	PARTICULARS	31-03-2021	31-03-2020
(a)	<b>Deferred Tax Assets</b>		
	Opening Brought Forwarded Assets ( Liability)	316,524	137,118
	Adjustment During The Year Assets ( Liability)	(287,970)	179,406
	<b>Deferred Tax Assets</b>	<b>28,554</b>	<b>316,524</b>

## Item: 9

## LONG-TERM LOANS AND ADVANCES

S.no	PARTICULARS	31-03-2021	31-03-2020
(a)	<b>Loan and Advances (Loan To Subsidiary)</b>		
	Innovana Fitness Labs Ltd	78,441,318	50,892,809
	Innovana Techlabs Limited-SEZ Unit	4,745,116	8,267,666
	Innovana Astro Services Limited	127,169	-
	Innovana Games Studio Limited	4,698	-
	Innovana Infrastructure Ltd	125,993,032	-
	<b>Long-Term Loans And Advances</b>	<b>209,311,333</b>	<b>59,160,475</b>

**Item: 10**
**TRADE RECEIVABLES**

S.no	PARTICULARS	31-03-2021	31-03-2020
	Trade Receivable	374,800	-
	<b>Trade Receivables</b>	<b>374,800</b>	<b>-</b>

**Item: 11**
**CASH & CASH EQUIVALENT**

S.no	PARTICULARS	31-03-2021	31-03-2020
(a)	Cash In Hand	274,937	36,372
(b)	Balance With Banks		
	Banks	38,149,403	45,046,590
	Fixed Deposits (FDR)	286,225,785	235,620,413
	<b>Cash &amp; Cash Equivalent</b>	<b>324,650,124</b>	<b>280,703,375</b>

**Item: 12**
**SHORT- TERM LOANS AND ADVANCES**

S.no	PARTICULARS	31-03-2021	31-03-2020
	Loan & Advances	3,014,229	8,323,122
	<b>Short- Term Loans and Advances</b>	<b>3,014,229</b>	<b>8,323,122</b>

**Item: 13**
**OTHER CURRENT ASSETS**

S.no	PARTICULARS	31-03-2021	31-03-2020
	<b>Advance to Suppliers</b>		
	Advance to Suppliers	44,632,463	55,872,436
	<b>Staff Advances</b>		
	Employee / Staff Advances	1,781,270	5,307,970
	<b>Other Advances</b>		
	Advance Tax	28,000,000	43,000,000
	Prepaid Insurance	2,272,053	970,842
	Tax Receivables	3,30,14,020	35,947,454
	TCS and Other	2,921,772	4,176,121
	<b>Other Current Assets</b>	<b>112,621,577</b>	<b>145,274,823</b>

**Item: 14**
**REVENUE FROM OPERATION**

S.no	PARTICULARS	31-03-2021	31-03-2020
	Software Sales		
	(a) Export Sale	337,814,852	407,342,729
	(b) Domestic Sale	281,189	
	<b>Revenue from Operation</b>	<b>338,096,041</b>	<b>407,342,729</b>

**Item: 15**
**OTHER INCOME**

S.no	PARTICULARS	31-03-2021	31-03-2020
	OTHER INCOME		
	Currency Fluctuation	-	590,916
	Rental Income	315,000	-
	Discount	900	-
	Profit from Sale of Investment	5,944,749	5,741,570
	Commission / Dividend	7,994	13,244
	<b>Total</b>	<b>6,268,643</b>	<b>6,345,730</b>
	FINANCE INCOME		
	Interest Income On FDR's	18,871,349	9,360,870
	Interest Income On NSC & Other	13,545,783	2,121,532
	Other Finance Income	89,300	630,449
	<b>Total</b>	<b>32,506,432</b>	<b>12,112,851</b>
	<b>Other Income</b>	<b>38,775,075</b>	<b>18,458,581</b>

**Item: 16**
**PURCHASES OF TRADED GOODS**

S.no	PARTICULARS	31-03-2021	31-03-2020
	Inventory At The Beginning of the year	-	-
	Add: Purchases	57,178,184	52,724,027
	Less : Inventory at the end of the year	-	-
	<b>Purchases of Traded Goods</b>	<b>57,178,184</b>	<b>52,724,027</b>

**Item: 17**
**EMPLOYEE BENEFITS EXPENSES**

S.no	PARTICULARS	31-03-2021	31-03-2020
	Salary, Wages And Bonus	89,734,613	130,050,436
	Employer Contribution In ESI	141,730	133,385
	Employee Medical Insurance Expenses	836,253	4,615,696



	Staff Welfare	174,097	20,729
	Gratuity Provision IND As 19	2,377,635	2,953,261
	<b>Employee Benefits Expenses</b>	<b>93,264,328</b>	<b>137,773,507</b>
	Re-measurement of employee benefit Plan of EST and PF	3,165,313	-1,078,582

**Item: 18**
**FINANCE COST**

S.no	PARTICULARS	31-03-2021	31-03-2020
	Interest on Vehicles Loan	620,967	629,878
	Interest Others	1,420,068	-
	<b>Finance Cost</b>	<b>2,041,035</b>	<b>629,878</b>

**Item: 19**
**DEPRECIATION AND AMORTIZATION EXPENSES**

S.no	PARTICULARS	31-03-2021	31-03-2020
	Depreciation on Tangible Assets	9,041,484	12,351,874
	<b>Depreciation And Amortization Expenses</b>	<b>9,041,484</b>	<b>12,351,874</b>

**Item: 20**
**OTHER EXPENSES**

S.no	PARTICULARS	31-03-2021	31-03-2020
	Information Technology Expenses	4,271,523	4,085,271
	Consumables	163,647	214,819
	Power & Fuel	1,293,788	1,553,988
	Advertising And Sales Promotion	5,233,556	10,266,203
	Conveyance Expenses	28,756	158,329
	Repairs And Maintenance - Building, Plant & Machinery	1,475,400	1,771,712
	Travelling Expenses Domestic	6,000	1,527,372
	Travelling Expenses Foreign	-	2,081,818
	Insurance	28,002,557	-
	Rent	3,930,000	3,660,000
	Postage , Telephone And Stationery Expenses	115,377	109,036
	Professional & Technical Charges	8,977,515	13,397,250
	Consultancy Charges	13,899,800	2,896,000
	Legal Expenses	440,576	45,000
	Bank Charges	256,798	64,252
	Commission Expenses	13,515,000	20,307,985
	Freight Clearing	2,850	-
	License & Registration Charges	352,500	767,426

	Misc Expenses	-	2,776,325
	Auditor Fee	250,000	250,000
	CSR Expenses	-	50,000
	Office Expenses	2,063,188	980,478
	Tea & Refreshment Expenses	261,061	352,578
	Telephone Expenses	26,774	121,244
	Foreign Exchange Difference	10,072,884	-
	Provision For CSR Fund	2,544,000	1,614,759
	<b>Other Expenses</b>	<b>97,183,550</b>	<b>69,051,845</b>

**For Amit Ramakant &Co.**  
**Chartered Accountants**  
**Firm Registration No: 009184C**

**For and on behalf of the Board of Directors**  
**INNOVANA THINKLABS LIMITED**

**Amit Agarwal**  
**Partner M. No. 077407**

**Chandan Garg**  
**Managing Director**  
**DIN: 06422150**

**Kapil Garg**  
**Whole Time Director**  
**DIN: 0714355**

**Place: Jaipur**  
**Date: 28-06-2021**

**Sanjeev Mittal**  
**Chief Financial Officer**

**Vasu Ajay Anand**  
**Company Secretary**

## 1.-SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF FINANCIAL STATEMENTS

### General information:

The financial statements comprise of Balance Sheet, Statement of Profit and Loss, Statement of Change in Equity and Statement of Cash Flows together with the notes thereon of INNOVANA THINKLABS LIMITED for the year ended March 31, 2021.

The Company is a public limited company incorporated and domiciled in India under the provisions of the Companies Act applicable in India. It is a company listed at National Stock Exchange (NSE). The Corporate office of the Company is located at Plot No. D-41, Patrakar Colony, Near Jawahar Nagar Moti Dungri Vistar Yojna, Raja Park, Jaipur 302004.

The Company is engaged in software and application development business which directly provide services to retail user. Company basically design, develop and maintain software systems and solutions create new application and enhance the functionality of our customer's existing software products.

### Basis of Preparation and Statement of compliance

The financial statements have been prepared in accordance with IND AS notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

For all periods up to March 31, 2021 and including the year ended March 31, 2020, the Company prepared Its financial statements in accordance with the requirements of previous GAAP prescribed under section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014. The financial statements for the financial year ended March 31, 2021 with comparative figures for the year ended March 31, 2020 also under IND AS.

The financial statements are prepared under the historical cost convention, on the accounting principles of a going concern. All assets and liabilities have been classified as current or non-current in accordance with the operating cycle criteria set out in IND AS 1 and Schedule III to the Companies Act, 2013.

Accounting Policies not specifically referred to otherwise are consistent and in consonance with the applicable accounting standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

All expenses and incomes to the extent ascertainable with reasonable certainty are accounted for on accrual basis. All taxes, duties and cess etc. paid on purchases have been charged to the Statement of Profit and Loss except such taxes, duties and cess, which are subsequently recoverable with reasonable certainty from the taxing authorities.

The financial statements are presented in Indian Rupees ('INR') and all values are rounded to the nearest rupee, except otherwise indicated.

### Significant Accounting Policies:

#### 1.3.1.- Property, Plant and Equipment:

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold or Leasehold land is stated at historical cost.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the Company accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.

Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

Where an obligation (legal or constructive) exists to dismantle or remove an asset or restore a site to its former condition at the end of its useful life, the present value of the estimate cost of dismantling, removing or restoring the site is capitalized along with the cost of acquisition or construction upon completion and a corresponding liability is recognized.

Cost of regular comprehensive maintenance work (such as major overhaul) are capitalized as a separate component if they satisfy the recognition criteria. Otherwise they are charged to Profit and Loss during the reporting period in which they are incurred.

### 1.3.2- Other Intangible Assets: -

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Intangible assets with indefinite useful lives are carried at cost less accumulated impairment losses.

### 1.3.3 Derecognized of intangible assets

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in profit or loss when the asset is derecognized.

### 1.3.4- Depreciation &Amortization: -

Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method as per the provisions of Part C of Schedule II of the Companies Act, 2013 based on useful life and residual value specified therein. The residual values are not more than 5% of the original cost of the asset's the asset's residual value and useful life are reviewed and adjusted if appropriate at the end of each reporting period. Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

Estimated useful lives of the assets are as follows:

Class of assets	Useful life in Years
Buildings	30

Plant and Machinery	15
Furniture and fixtures	10
Vehicles	08
Office equipment	05
Computer	03

The Use full life are taken as determined based on technical evaluation done by the management expert or those specified by schedule II of the company Act, 2013 in order to reflect to the actual usages of the Assets

### 1.3.5 Capital Work-in-progress/ intangible assets under development and Pre-Operative Expenses during Construction Period

Capital work-in-progress comprises of the cost of PPE that are not yet ready for their intended use at the Balance Sheet date.

Cost of material consumed, erection charges thereon along with other related expenses incurred for the projects are shown as CWIP for capitalization.

Expenditure attributable to construction of fixed assets are identified and allocated on a systematic basis to the cost of the related asset.

Interest during construction and expenditure (net) allocated to construction are apportioned to CWIP/ intangible assets under development on the basis of the closing balance of Specific asset or part of asset being capitalized. The balance, if any, left after such capitalization is kept as a separate item under the CWIP/intangible assets Schedule.

Claims for price variation / exchange rate variation in case of contracts are accounted for on acceptance of claims.

Any other expenditure which is not directly or indirectly attributable to the construction of the Project / construction of the Fixed Asset is charged off to statement of profit and loss in the period in which they are incurred.

### 1.3.6- Impairment of tangible and intangible assets other than goodwill:-

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. 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 for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

### **1.3.7 - Borrowing costs:-**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized in statement of profit or loss in the period in which they are incurred.

### **1.3.8 - Cash and cash equivalents:-**

Cash and cash equivalent in the balance sheet comprise of cash at banks and on hand and demand deposits with an original maturity of three months or less that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

### **1.3.9 - Inventories:-**

Inventories of Finished Goods, Raw Material and Work in Process are valued at cost or net realizable value whichever is lower. Cost of inventories includes Cost of manufacturing and other cost incurred for the manufacturing and in bringing the inventory to their present location and condition and applicable statutory levies net of under recovered levies charge to Profit and loss but exclude borrowing cost. Costs are assigned on the basis of FIFO method. Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and estimated cost necessary to make the sale.

### **1.3.10 - Revenue recognition:-**

#### **(a) Trading, Development and Marketing of Software and other related actives:-**

Revenue is recognized to the extent that it is probable that economic benefit will flow to the Company and that the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable. Amount disclosed as revenue are exclusive of excises duty, and net of returns, trade allowances, rebate, value added taxes and amount collected on behalf of third party.

Sales are recognized when the Goods are delivered to customers.

#### **(b) Interest income:**

Interest income from a financial asset is recognized when it is probable that the economic benefits will

flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

### 1.3.5 - Taxation:-

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

#### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

#### **Deferred tax**

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Minimum Alternative Tax ('MAT') credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income-tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the statement of profit and loss. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income-tax during the specified period.

Deferred tax assets and liabilities are offset if a legally enforceable right exists to set off current tax assets



against current tax liabilities and the deferred tax assets relate to the same taxable entity and same taxation authority.

### **Current and deferred tax for the year**

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

#### **1.3.12 - Earnings per share: -**

Basic earnings per share is computed by dividing the profit/(loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit/(loss) after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

#### **1.3.13 - Provisions, Contingencies and commitments:-**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, and it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

A disclosure for contingent liabilities is made when there is

- (a) A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
- (b) A present obligation that arises from past events but is not recognized because:
  - (i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
  - (ii) The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.



Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each reporting period.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract.

#### 1.3.14 - Financial instruments:-

Financial assets and financial liabilities are recognized when a Company entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

#### Financial Assets

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instruments. Financial assets other than trade receivables are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognized at fair value, and transaction costs are expensed in the Statement of Profit and Loss.

Financial assets, other than equity instruments, are subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both:

- (a) The entity's business model for managing the financial assets and
- (b) The contractual cash flow characteristics of the financial asset.

#### Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortized cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely

payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value.

### **Effective interest method**

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognized in profit or loss and is included in the “Other income” line item.

### **Impairment of financial assets**

The Company recognizes a loss allowance for Expected Credit Losses (ECL) on financial assets that are measured at amortized cost and at FVOCI. The credit loss is difference between all contractual cash flows that are due to an entity in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. This is assessed on an individual or collective basis after considering all reasonable and supportable including that which is forward-looking.

The Company trade receivables or contract revenue receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall, being simplified approach for recognition of impairment loss allowance.

Under simplified approach, the Company does not track changes in credit risk. Rather it recognizes impairment loss allowance based on the lifetime ECL at each reporting date right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables.

The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

The impairment losses and reversals are recognized in Statement of Profit and Loss. For equity instruments and financial assets measured at FVTPL, there is no requirement for impairment testing.

### **De-recognition of financial assets**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company

continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset.

For financial assets other than trade receivables, the Company recognizes 12-month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. If, in a subsequent period, credit quality of the instrument improves such that there is no longer significant increase in credit risks since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12 months ECL.

On de-recognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognize under continuing involvement, and the part it no longer recognizes on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognized and the sum of the consideration received for the part no longer recognized and any cumulative gain or loss allocated to it that had been recognized in other comprehensive income is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognized in other comprehensive income is allocated between the part that continues to be recognized and the part that is no longer recognized on the basis of the relative fair values of those parts.

### **1.3.15 - Financial liabilities and equity instruments:-**

#### **Classification as debt or equity**

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

#### **Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the company are recognized at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

#### **Financial liabilities**

However, financial liabilities that arise when a transfer of a financial asset does not qualify for de-recognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest

rate are measured in accordance with the specific accounting policies set out below.

### Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognized by the Company as an acquirer in a business combination to which IND AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration recognized by the Company as an acquirer in a business combination to which IND AS 103 applies, may be designated as at FVTPL upon initial recognition if:

- Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a company of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the company documented risk management or investment strategy, and information about the Companying is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and IND AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with IND AS109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on measurement recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognized in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognized in profit or loss. The remaining amount of change in the fair value of liability is always recognized in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognized in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to profit or loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the Company that are designated by the Company as at fair value through profit or loss are recognized in profit or loss.

Financial liabilities subsequently measured at amortized cost financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not

capitalized as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

### De-recognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

### Reclassification of financial assets and liabilities

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 change 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 the business model. The Company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

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

Original Classification	Revised Classification	Accounting treatment
Amortized cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognized in statement of profit and loss.
FVPTL	Amortized cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on new gross carrying amount.

Amortized cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognized in OCI. No change in EIR due to reclassification.
FVTOCI	Amortized cost	Fair value at reclassification date becomes its new gross 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 amortized cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new gross carrying amount. No other adjustment is required.
FCTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to statement of profit and loss at the reclassification date.

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

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.

### 1.3.16 Employee related Benefits

#### Defined Benefit Plans - General Description

Gratuity: Each employee rendering continuous service of 5 years or more is entitled to receive gratuity amount equal to 15/26 of the monthly emoluments for every completed year of service subject to maximum of 10 Lakhs at the time of separation from the company.

#### Other long-term employee benefits - General Description

The following tables summaries the components of net benefit expense recognized in the statement of profit or loss and the funded status and amounts recognized in the balance sheet for the respective plans:

#### Changes in the present value of the defined benefit obligation are, as follows:

Particulars	Gratuity Funded	Leave Encashment Unfunded
Defined benefit obligation at 31st March, 2020	11,66,0657	-
Current service cost	17,17,642	-
Interest expense	6,59,993	-
Past service cost	-	-

Benefits paid	-	-
Actuarial (gain)/ loss on obligations	(31,65,313)	-
<b>Defined benefit obligation at 31st March, 2021</b>	<b>1,08,72,979</b>	<b>-</b>

**Changes in the Fair value of Plan Assets:** There is no change in fair value of plan assets

**Actuarial (Gain) / Loss on Plan Assets:**

There is no Actuarial (Gain) / Loss on Plan Assets

**Other Comprehensive Income**

Particulars	31-03-2021	31-03-2020
Opening amount recognized in OCI outside Profit & Loss account	-	-
Actuarial Gain / (Loss) on Liabilities	31,65,313	(10,78,582)
Actuarial Gain / (Loss) on Assets	-	-
<b>Closing amount recognized in OCI outside Profit &amp; Loss Account</b>	<b>31,65,313</b>	<b>(10,78,582)</b>

**The Amount to be recognized in Balance Sheet Statement**

Particulars	31-03-2021	31-03-2020
Present Value of Obligation	1,08,72,979	1,16,60,657
Fair Value of Plan Assets	-	-
Net Obligations	1,08,72,979	1,16,60,657
Amount Not Recognized due to assets limit	-	-
<b>Net Defined Benefit Liability / (Assets) Recognized in Balance Sheet</b>	<b>1,08,72,979</b>	<b>1,16,60,657</b>

**Expenses Recognized in Statement of Profit and Loss**

Particulars	31-03-2021	31-03-2020
Service Cost	17,17,642	23,96,358
Net Interest Cost	6,59,993	5,56,903
<b>Expenses recognized in the statement of Profit &amp; Loss</b>	<b>23,77,635</b>	<b>29,53,261</b>

**Change in Net Defined Obligations**

Particulars	31-03-2021	31-03-2020
Opening of Net Defined Benefit Liability	1,16,60,657	76,28,814
Service Cost	17,17,642	23,96,358
Net Interest Cost	6,59,993	5,56,903
Re-measurements	31,65,313	10,78,582
Contribution paid to Fund	-	-
<b>Closing of Net Defined Benefit Liabilities</b>	<b>1,08,72,979</b>	<b>1,16,60,657</b>



### Maturity Profit of Defined Benefit Obligation

Particulars	31-03-2021	31-03-2020
Year 1	18,84,316	15,12,296
Year 2	17,01,053	17,40,787
Year 3	15,85,393	17,49,623
Year 4	14,31,067	15,88,809
Year 5	12,32,148	14,19,960
After 5th Year	62,72,413	73,49,833
<b>Total</b>	<b>1,41,06,390</b>	<b>1,53,61,308</b>

### 1.3.17 Investments:

Long term investments are stated at cost. In case, there is a decline other than temporary in the value of the investment, a provision for same is made. Current investments are valued at lower of cost or fair value.

## 1.4 Use of Estimates, Assumptions and Judgments

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures including the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require an adjustment to the carrying amount of assets or liabilities in future periods. Difference between actual results and estimates are recognized in the periods in which the results are known / materialize. The Company has based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

### 1.4.1 Taxes

The Company provides for tax considering the applicable tax regulations and based on reasonable estimates. Management periodically evaluates positions taken in the tax returns giving due considerations to tax laws and establishes provisions in the event if required as a result of differing interpretation or due to retrospective amendments, if any. The recognition of deferred tax assets is based on availability of sufficient taxable profits in the Company against which such assets can be utilized. MAT (Minimum Alternate Tax) is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax and will be able to utilize such credit during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the Statement of Profit and loss and is included in Deferred Tax Assets. The Company reviews the same at each balance sheet date and if required, writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will be able to absorb such credit during the specified period.

### 1.4.2 Useful life of Property, Plant and Equipment

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.



### 1.4.3 Impairment of Non-financial assets

Non-financial assets are reviewed for impairment, whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

### 1.4.4 Provision for decommissioning

In measuring the provision for ARO, the Company uses technical estimates to determine the expected cost to dismantle and remove the infrastructure equipment from the site and the expected timing of these costs. Discount rates are determined based on the risk adjusted bank rate of a similar period as the liability.

### 1.4.5 Provisions and Contingent Liabilities

Provisions and contingent liabilities are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Fair value of financial assets and financial liabilities

The management considers that the carrying amounts of non-current and current financial assets and liabilities recognized in the financial statements approximate their fair values.

### Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management 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.

### Gearing ratio

The gearing ratio at end of the reporting period was as follows:

Particulars	As at 31-03-2021	As at 31-03-2020
Debt (i)	44,47,92,875	44,47,95,669
Cash and bank balances (including cash and bank balances in a disposal Company held for sale)	32,46,50,124	28,07,03,375
Net debt	<b>12,01,42,751</b>	<b>16,40,92,294</b>
Total equity	47,23,28,836	38,00,66,990
Net debt to equity ratio	0.25	0.43

Debt is defined as long-term and short-term borrowings (excluding derivative and contingent consideration).

### 28.-Other Notes on Financial Statements.

- (a) All the balance shown under the heads Trade Receivables, Trade Payables, Loans and Advances Security Deposits, Other Current Assets, Other Current Liabilities and Unsecured Loans are subject

to confirmation and reconciliation.

(b) Corporate Social Responsibility (CSR)

As the net worth of the company is below Rs. 500 crores, Turnover is below Rs. 1000 crores and Net Profit is more than Rs. 5 crores, provision of Section 135 of Companies Act, 2013 are applicable on the company.

(c) The Company has provided the provision for liability of works carried/supplies received pertaining to financial year 2020-21 till such invoices are received by the Company upto 28.06.2021.

(d) Figures have been taken to nearest rupees. Previous year figures have been regrouped / rearranged wherever considered necessary to make them comparable with the Current Year figures.

(e) In respect of Income Tax, the regular assessment up to the AY 2018-19 has been complete. Income tax Department has raised Demands for the assessment year of Rs. 35,820/- and for AY 2018-19 Rs. 649,550/-, For which rectification has filed against the said demands.

(f) Commitments

There is no commitments during the financial year March 2021.

(g) Contingent Liabilities not provided for the financial year March 2021.

(h) Expenditure & Earnings in Foreign Currency

Particulars	As at 31-03-2021	As at 31-03-2020
(a) Earnings in Foreign Currency	337,814,852	407,342,729

## 29.-Related party disclosure

The related parties where control and significant influence exists are Parents and associates respectively. Key Management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any Director whether executive or otherwise.

I	Enterprises over which key management personnel and relatives of such personnel exercise significant influence.
1.	Innovana Techlabs Limited
	Innovana Fitness Labs Limited
	Innovana Infrastructure Limited
	Innovana Games Studio Limited
	Innovana Astro Services Limited
	S.C Digital Protection Services S.R.L
	Bit Guardian GmbH
II	Key Managerial Personnel
1	Mr. Chandan Garg– Chairman & Managing Director
2	Mr. Kapil Garg – Whole Time Director
3	Mrs. Swarna Kanta Garg – Director
4	Mr. Sanjeev Mittal
5	Mr. Vasu Ajay Anand

<b>III</b>	Relative of Managerial Personnel – 1. Narendra Kumar Garg 2. Nancy Garg 3. Vartika Dangayach 4.
<b>IV</b>	Subsidiaries or Associates or Joint Ventures – Innovana Techlabs Limited Innovana Fitness Labs Limited Innovana Infrastructure Limited Innovana Games Studio Limited Innovana Astro Services Limited
<b>V</b>	<b>Post-Employment Benefit Plans – NA</b>

Transactions with Related Parties for the year ended March 31, 2021 and March 31, 2020.

Sr. No.	Particulars	Current Year (31-03-2021)	Current Year (31-03-2020)
1-	<b>Remuneration Paid:</b>		
	Mr. Chandan Garg	12,000,000	1,20,51,000
	Mr. Kapil Garg	5,850,000	36,51,000
	Mrs. Swaran Kanta	1,200,000	12,00,000
	Mrs. Nancy Garg	600,000	6,00,000
	Mr. Narendra Kumar Garg	1,200,000	12,00,000
	Mrs. Vartika Dangayach	1,200,000	12,21,000
	Mr. Sanjeev Mittal (CFO)	1,030,000	9,87,000
	Mr. Vasu Ajay Anand	478,000	297,000
2-	<b>Interest Paid :-</b>	-	-
3-	<b>Purchase From:</b>	-	-
4-	<b>Sales To</b>	-	-
	S.C DIGITAL PROTECTION SERVICES S.R.L	-	-
	Bit guardian GMBH	7,794,138	-
5-	<b>Interest Received:</b>		
6-	Lease Rent Payable :	-	-
	Mr. Chandan Garg	3,780,000	36,60,000
	Rent Receivable		
	Innovana Infrastructure Limited	212,400	-
	Innovana Astro Services Limited	159,300	-
7-	<b>Loan:-</b>		
	Innovana Techlabs Limited	3,522,551	82,67,666
	Innovana Fitness Labs Limited	27,548,509	5,08,92,809
	Innovana Infrastructure Limited	12,599,3032	-
	Innovana Games Studio Limited	4698	-
	Innovana Astro Services Limited	127,169	-

## B) –Closing Balances with Related Parties

Sr. No.	Particulars	Current Year (31-03-2021)	Previous Year (31-03-2020)
1-	<b>Remuneration Paid:</b>		
	Mr. Chandan Garg	1,000,000	10,00,000
	Mr. Kapil Garg	4,05,000	7,00,667
	Mrs. Swaran Kanta	100,000	1,00,000
	Mrs. Nancy Garg	50,000	50,000
	Mr. Narendra Kumar Garg	100,000	1,00,000
	Mrs. Varatika	100,000	1,00,000
	Mr. Sanjeev Mittal	90,000	85,000
	Mr. Vasu Ajay Anand	42,500	38,500
2-	<b>Loan:-</b>		-
	Innovana Techlabs Limited	4,745,116	82,67,666
	Innovana Fitness Labs Limited	78,441,318	5,08,92,809
	Innovana Infrastructure Limited	12,599,3032	-
	Innovana Games Studio Limited	4698	-
3-	<b>Rent Received :-</b>		-
	Innovana Infrastructure Limited	212,400	-
	Innovana Astro Services Limited	159,300	-

### 30 Auditors Remuneration

Remuneration to Auditors (excluding service tax):

Particulars	For the Year ended 31-03-2021	For the Year ended 31-03-2020
Audit Fees	2,00,000	2,00,000
Tax Audit fees	40,000	40,000
Other Services/ Certifications	10,000	10,000

### 31. - Events after the reporting period:

In respect of the financial year ending March 31, 2021, no events are required to be reported which occurred after the reporting period.

### 32. - Approval of financial statements:

The financial statements were approved for issue by the Board of Directors on 28<sup>th</sup> June 2021.

### 33. - Disclosure under Micro, Small and Medium Enterprises Development Act:

There is no amounts outstanding to Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), based on the available information with the Company.

### 34.-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 Company operates in a competitive environment and is exposed in the ordinary course of its business to risk related to changes in foreign currency exchange rates, commodity

prices and interest rates. The fair value of future cash flows of sale of products manufactured and traded will depend upon the demand and supply.

### 35.- Credit Risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the company. It encompasses of both, the direct risk of default and the risk of deterioration of credit worthiness as well as concentration risks. Company's credit risk arises principally from the trade receivable and advances.

#### Trade Receivables:

Customer credit risk is managed by the company through established policy, procedures and controls relating to customer credit risk management. Credit quality of a customer is assessed based on financial position, past performance, business/economic conditions, market reputation, expected business etc. Based on that credit limits and credit terms are decided. Outstanding customer receivables are regularly monitored.

Trade receivables consists of large number of customers spread across diverse segments and geographical areas with no significant concentration of credit risk. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables. However The Company is not providing any credits to its customers.

#### Age of receivables: -

Particulars	As at 31-03-2021	As at 31-03-2020
Within the credit period (60-75 days)	3,100	-
Overdue	371,700	-
<b>Total</b>	<b>3,74,800</b>	<b>-</b>

#### 36 Tax balances: -

##### a) Deferred Tax: -

The following is the analysis of deferred tax assets / (liabilities) presented in the balance sheet:

Particulars	As at 31-03-2021	As at 31-03-2020
Deferred tax assets (DTA)	28,554	3,16,524
Deferred tax Liabilities (DTL)	-	-
<b>Net (DTL)</b>	<b>28,554</b>	<b>316,524</b>

##### b) Income tax:

The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	As at 31-03-2021	As at 31-03-2020
Profit before tax	118,162,535	153,270,180
Enacted tax rate (%)	25.168	25.168
Computed Expected tax expenses	29,739,147	38,575,039

Tax impact of non-deductible / deductible expenses and timing difference	22,348	872,259
Income Tax Expenses charged	29,716,799	39,447,298

### 37.- Earnings per share:

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	31-03-2021	31-03-2020
Profit attributable to equity holders of the company:		
Continuing operations	91,323,080	112,923,706
<b>Profit attributable to equity holders of the parent for basic earnings</b>	91,323,080	112,923,706
Weighted average number of Equity shares for basic EPS	10,250,000	10,250,000
<b>Weighted average number of Equity shares adjusted for the effect of dilution</b>	10,250,000	10,250,000
Earnings per equity share of face value of Rs. 10 each (In rupees)( Previous Year Face Value of Rs. 10 each (In Rupees)	<b>8.91</b>	<b>11.02</b>

**For Amit Ramakant &Co.**  
Chartered Accountants  
Firm Registration No: 009184C

**For and on behalf of the Board of Directors**  
**INNOVANA THINKLABS LIMITED**

**Amit Agarwal**  
Partner M. No. 077407

**Chandan Garg**  
Managing Director  
DIN: 06422150

**Kapil Garg**  
Whole Time Director  
DIN: 0714355

**Place: Jaipur**  
**Date: 28-06-2021**

**Sanjeev Mittal**  
Chief Financial Officer

**Vasu Ajay Anand**  
Company Secretary

## Independent Auditor's Report

To,

**THE MEMBERS OF**

**INNOVANA THINKLABS LIMITED**

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

We have audited the accompanying Consolidated IND AS Financial Statements of INNOVANA THINKLABS LIMITED (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and jointly controlled entities, comprising of the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2021, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Financial Statements").

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

The Holding Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates and Jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit.

While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal financial control relevant to the Company's preparation of the consolidated financial statements that give True and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the consolidated Financial Statements.

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

in the case of the consolidated Balance Sheet, of the statement of affairs of the Company as at March 31, 2021; in the case of the consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

### Other Matter:

We have relied on the audited Financial Statement of Subsidiary:-

S. No.	Subsidiary	Share	Total Assets	Total Revenue
1.	Innovana Techlabs Limited	100%	469,393,729	206,406,899
2.	Innovana Fitness Labs Limited	100%	77,362,329	31,703,981
3.	Innovana Infrastructure Limited	100%	128,214,690	3,113,881
4.	Innovana Astro Services Limited	100%	558,209	6,169
5.	Innovana Games Studio Limited	100%	500,000	-

These aforesaid subsidiaries company's Financial Statement are audited and considered in Consolidated Financial Statement for the year ended 31<sup>st</sup> March 2021. These audited Financial Statement as approved by the board of director of the company has been furnished to us by the management and our report insofar as it relates to the amounts included in respect of these subsidiaries is based solely on such approved audited Financial Statements.

### Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the



auditors' reports of the Holding company, subsidiary companies, associate companies and jointly controlled companies incorporated in India, we give in the **Annexure-A** a statement on the matters specified in the paragraph 3 and 4 of the order to the extent applicable.

**As required by Section 143 (3) of the Act, we report that:**

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 of the aforesaid consolidated IND AS Financial Statements.

In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss (including other comprehensive income), and Consolidated Cash Flow Statement and consolidated statement of changes in equity dealt with by this Report are in agreement with the books of account.

In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

On the basis of written representations received from the directors as on 31 March, 2021, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2021, from being appointed as a director in terms of Section 164(2) of the Act.

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**" and

With respect to the other matters included in the Auditor's Report and to our best of our information and according to the explanations given to us:

- i. The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and jointly controlled entities (The Company did not have any pending litigation)
- ii. The Company has made provision in the Consolidated Financial Statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company [or, there were no amounts which required to be transferred]

**For Amit Ramakant &Co.**  
**Chartered Accountants**  
**Firm Registration No: 009184C**

**Date: 28-06-2021**

**Place: Jaipur**

**Amit Agarwal**  
**Partner M.No. 077407**

## ANNEXURE-A TO THE AUDITORS' REPORT

### **The Annexure referred to in our report to the members of INNOVANA THINKLABS LIMITED for the year ended 31<sup>st</sup> March, 2021**

On the basis of the information and explanation given to us during the course of our audit, we report that:

- 1) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets
  - a) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a reasonable period, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
  - b) According to the information and explanations given to us and on the basis of our examination of the records of the Company. The title deeds of immovable properties are held in the name of the company.
- 2) (a) As explained to us, the management has conducted the Physical verification of inventory at reasonable intervals and
  - a) The discrepancies noted on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
- 3) The company has granted loans secured or unsecured to companies, firms, Limited Liability Partnerships or other parties during the Financial Year 2020-21 covered in the register maintained under section 189 of the Companies Act, 2013.
  - a) All terms and conditions of loan are for the benefits of company and are not prejudicial to the company's Interest.
  - b) Schedule of repayment of principal and interest has been stipulated and receipts are regular.
  - c) There is no such amount which is overdue more than 90 Days of above mentioned loan.
- 4) In our opinion and according to the information and explanations given to us, the company have been complied with provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security all mandatory
- 5) The company has not accepted any deposits from public and hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the act and the Companies (Acceptance of Deposits) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under subsection (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- 7) According to information and explanations given to us and on the basis of our examination of the books of account and records, The company is regular in depositing undisputed statutory dues including provident fund, Employee's state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities.

- 8) According to information and explanations given to us and based on the records examined by us, there is no pending dues of income tax, sales tax, service tax, Excise Duty, Customs Duty, value Added tax which have not been deposited as on March 31, 2021 on account of dispute.
- 9) In our opinion and according to information and explanations given to us, The Company hasn't made any default in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
- 10) Based upon the audit procedures performed and the information and explanation given to us, neither company has done any fraud nor by its officers or employees so nothing to be disclosed separately.
- 11) Based upon the audit procedures performed and the information and explanations given by the management The Managerial remuneration has been paid or provided in accordance with the requisite approvals Mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- 12) In our opinion and the information and explanations given by the management, Company is not a Nidhi Company hence nothing to be disclosed for any provisions applicable on Nidhi Company.
- 13) In our opinion, All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards;
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 15) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

**For Amit Ramakant &Co.**  
**Chartered Accountants**  
**Firm Registration No: 009184C**

Date: 28-06-2021

Place: Jaipur

**Amit Agarwal**  
**Partner M.No. 077407**

## ANNEXURE - B TO THE AUDITORS' REPORT

(Referred to in paragraph 2(f) of our report of even date under the heading "Report on Other Legal and Regulatory Requirements" to the members of **Innovana Thinklabs Limited** on the Consolidated IND AS Financial Statements as of and for the year ended March 31, 2021)

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 consolidated financial reporting of **INNOVANA THINKLABS LIMITED** ("The Company") as of 31st March 2021 in conjunction with our audit of the Consolidated 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 over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

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

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

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

**Opinion**

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

**For Amit Ramakant &Co.  
Chartered Accountants  
Firm Registration No: 009184C**

**Date: 28-06-2021**

**Place: Jaipur**

**Amit Agarwal  
Partner M.No. 077407**

INNOVANA THINKLABS LIMITED			
CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2021			
(Amount in Rs.)			
Particulars	Notes	Year ended 31-03-2021	Year ended 31-03-2020
		Audited	Audited
<b>A. EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' funds</b>			
(a) share capital	1	102,500,000	102,500,000
(b) Reserves and surplus	2	561,924,527	396,172,602
<b>Sub-Total Shareholder's fund</b>		<b>664,424,527</b>	<b>498,672,602</b>
<b>2. Share application money pending allotment</b>			
<b>3. Minority Interest</b>		-	-
<b>4. Non-Current Liabilities</b>			
(a) Long-term borrowings	3	5,590,984	5,676,900
(b) Deferred tax liabilities (net)	4	568,642	-
(c) Other Long- term liabilities		-	-
(d) Long- term provision		-	-
<b>Sub-Total - Non-Current liabilities</b>		<b>6,159,626</b>	<b>5,676,900</b>
<b>5. Current Liabilities</b>			
(a) Short- term borrowings	5	2,542,576	-
(b) Trade payables	6	227,175,691	166,356,132
(c) Other current liabilities	7	472,358,728	553,479,040
(d) Short- Term Provision		-	-
<b>Sub- Total - Current Liabilities</b>		<b>702,076,995</b>	<b>719,835,172</b>
<b>TOTAL- EQUITY AND LIABILITIES</b>		<b>1,372,661,148</b>	<b>1,224,184,674</b>
<b>B. Assets</b>			
<b>1. Non-current assets</b>			
(a) Fixed Assets	8	135,833,907	121,734,002
(b) Goodwill on Consolidation		-	-
(c) Non-current investments	9	406,869,048	458,564,826
(d) Deferred tax assets (net)	10	28,554	14,955
(e) Long-term loans and advances		-	-
(f) Other non- current assets (MAT)	11	35,262,271	17,923,024
<b>Sub- Total- Non-current assets</b>		<b>577,993,781</b>	<b>598,236,807</b>
<b>2. Current Assets</b>			
(a) Current Investments		-	-
(b) Inventories	12	66,386,600	-
(c) Trade receivables	13	1,708,066	-

(d) Cash and cash equivalents	14	470,624,663	394,205,861
(e) Short- term loans and advances	15	46,857,229	58,323,122
(f) Other current assets	16	209,090,809	173,418,884
<b>Sub- Total - Current assets</b>		<b>794,667,367</b>	<b>625,947,867</b>
<b>TOTAL -ASSETS</b>		<b>1,372,661,148</b>	<b>1,224,184,674</b>

For Amit Ramakant &Co.  
Chartered Accountants  
Firm Registration No: 009184C

For and on behalf of the Board of Directors  
INNOVANA THINKLABS LIMITED

Amit Agarwal  
Partner M. No. 077407

Chandan Garg  
Managing Director  
DIN: 06422150

Kapil Garg  
Whole Time Director  
DIN: 0714355

Place: Jaipur  
Date: 28-06-2021

Sanjeev Mittal  
Chief Financial Officer

Vasu Ajay Anand  
Company Secretary

INNOVANA THINKLABS LIMITED			
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31 <sup>st</sup> MARCH, 2021			
(Amount in Rs.)			
Particulars	Notes	Year ended 31-03-2021	Year ended 31-03-2020
		Audited	Audited
<b>INCOME</b>			
Revenue from Operations	17	565,991,491	643,037,519
Other Income	18	40,084,759	31,307,223
<b>TOTAL REVENUE</b>		<b>606,076,250</b>	<b>674,344,742</b>
<b>EXPENSES</b>			
Purchases of Traded Goods	19	140,920,036	158,971,156
(Increase) / Decrease in Inventory of Finished Goods, Work In Progress and Traded Goods		-	-
Employee Benefits Expenses	20	113,955,724	140,905,259
Finance Cost	21	1,058,559	629,878
Depreciation and Amortization	22	11,330,130	13,111,676
Other Expenses	23	150,216,144	101,106,057
<b>Total Expenses</b>		<b>417,480,592</b>	<b>414,724,025</b>
Profit / (Loss) before exceptional Items and tax from continuing operations		<b>188,595,658</b>	<b>259,620,717</b>
Exceptional Items		-	-
<b>Profit / (Loss) before tax from continuing operations</b>		<b>188,595,658</b>	<b>259,620,717</b>
(1) Current Tax		32,529,406	42,193,668
(2) Deferred Tax Liability (Assets)		555,043	(98,551)
Income Tax Expenses		33,084,449	42,095,117
<b>Profit For The Year from Continuing Operation</b>		<b>155,511,209</b>	<b>217,525,600</b>
<b>Other comprehensive income</b>		-	-
<b>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</b>		-	-
Net Gain / (Loss) on re measurement of employee benefit Plan of EST and PF		3,165,313	(1,078,582)
Net Gain / Loss on FVTOCI Equity Securities			(6,110,892)



<b>Comprehensive Income for the Year, Net of Tax</b>		<b>3,165,313</b>	<b>(7,189,474)</b>
Total Comprehensive Income for the Year, net of Tax		158,676,522	210,336,126
<b>Profit For the Year</b>		158,676,522	210,336,126
<b>Earnings Per Share Basic, Computed on the Basis of Profit from continuing Operations attributable to equity holders</b>		<b>INR 15.48</b>	<b>INR 20.52</b>

For Amit Ramakant &Co.  
Chartered Accountants  
Firm Registration No: 009184C

For and on behalf of the Board of Directors  
INNOVANA THINKLABS LIMITED

Amit Agarwal  
Partner M. No. 077407

Chandan Garg  
Managing Director  
DIN: 06422150

Kapil Garg  
Whole Time Director  
DIN: 0714355

Place: Jaipur  
Date: 28-06-2021

Sanjeev Mittal  
Chief Financial Officer

Vasu Ajay Anand  
Company Secretary

<b>INNOVANA THINKLABS LIMITED</b> <b>CIN: L72900RJ2015PLC047363</b> <b>(Amount in Rs.)</b>		
<b>CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2021</b>		
<b>PARTICULARS</b>	<b>Year ended 31-03-2021</b>	<b>Year ended 31-03-2020</b>
<b>(A) CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>1. Profit / (Loss) Before Tax</b>	188,595,658	259,620,717
<b>2. Adjustment for :</b>		
Depreciation and Amortization Expenses	11,330,130	13,111,676
Provision for Income Tax / FBT earlier years	964,511	(1,925,804)
Interest Income	(33,895,326)	(18,152,827)
Interest on Borrowings	12,769,355	2,090,242
Profit on Sale of Property / Investments	(6,061,121)	(9,914,503)
Re-measurement of defined benefit plans	3,165,313	(1,078,582)
<b>3. Operating Profit before Working Capital Changes (1+2)</b>	<b>176,868,520</b>	<b>243,750,919</b>
<b>4. Change in Working Capital</b>		
(Excluding Cash & Bank Balances)	-	-
Increase(-) / Decrease in Trade & Other Receivables	(1,708,066)	48,737
Increase (-) / Decrease in Inventories	(66,386,600)	-
Increase (-) / Decrease in Loans and advances	11,715,780	(56,467,747)
Increase / Decrease (-) in Trade payables and Other Current Liabilities	75,837,317	252,261,439
<b>Change in Working Capital</b>	<b>19,458,430</b>	<b>195,842,429</b>
<b>5. Cash Generated from Operations (3+4)</b>	196,326,950	439,593,348
<b>6. Tax Paid</b>	45,000,000	66,000,000
<b>7. Net Cash Flows from Operating Activities</b>	151,326,950	373,593,348
<b>(B) Cash Flows from Investing Activities</b>		
Proceeds from sale of Property, Plant and equipment / Transfer of Assets	214,307,071	543,510,306
Purchase of Property, Plant and Equipment	(175,913,200)	(722,974,644)
Non-Current Assets	(167,446,221)	(29,004,540)

Interest Received	45,606,122	18,152,827
<b>Net Cash Generated / (Used) in Investing Activities:</b>	<b>(83,446,227)</b>	<b>(190,316,052)</b>
<b>(C ) Net Cash flow from Financing Activities</b>		
Issue Share Capital	-	1,000,000
Repayment of Term Borrowings	-	-
Proceeds from Other Borrowings	33,018,230	58,516,380
Interest Paid	(24,480,151)	(2,090,242)
Net Cash Generation / (Used) From Financing Activities	8,538,079	57,426,137
<b>(D) Net Change in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>76,418,802</b>	<b>240,703,434</b>
<b>(E1) Cash &amp; Cash Equivalents as at the end of the Year</b>	<b>470,624,663</b>	<b>394,205,861</b>
<b>(E2) Cash &amp; Cash Equivalents as at the Beginning of the Year</b>	<b>394,205,861</b>	<b>153,502,427</b>
<b>NET CHANGE IN CASH &amp; CASH EQUIVALENTS (E1 - E2)</b>	<b>76,418,802</b>	<b>240,703,434</b>

For Amit Ramakant &Co.  
Chartered Accountants  
Firm Registration No: 009184C

For and on behalf of the Board of Directors  
INNOVANA THINKLABS LIMITED

Amit Agarwal  
Partner M. No. 077407

Chandan Garg  
Managing Director  
DIN: 06422150

Kapil Garg  
Whole Time Director  
DIN: 0714355

Place: Jaipur  
Date: 28-06-2021

Sanjeev Mittal  
Chief Financial Officer

Vasu Ajay Anand  
Company Secretary

## STATEMENT OF CHANGE IN EQUITY

FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2021 (ALL AMOUNTS IN LAKHS RUPEES EXCEPT AS OTHERWISE STATED) EQUITY SHARE CAPITAL

PARTICULARS	No. of Shares	Amount
Equity Shares of Rs. 10 each issued, subscribed and fully paid		
<b>At 31st March 2020</b>	10,250,000	1,025.00
Issue of Share Capital	-	-
<b>At 31st March 2021</b>	10,250,000	1,025.00

### Other Equity

Particulars	Reserve and Surplus			Item of Other Comprehensive Reserve	Total
	Securities Premium	General Reserve	Retained Earning	FVTOCI Reserve	
<b>At 31<sup>st</sup> March 2020</b>	59.00	259.27	3,759.09	(54.53)	4,022.83
Bonus Share Issued	-	-	-	-	-
Profit / (Loss) for the Period	-	-	1,564.76	31.65	1,596.41
Other Comprehensive Income	-	-	-	-	-
Total Comprehensive Income	59.00	259.27	5,323.85	(22.88)	5,619.24
Transfer to General Reserve	-	-	-	-	-
<b>Total</b>	<b>59.00</b>	<b>259.27</b>	<b>5,323.85</b>	<b>(22.88)</b>	<b>5,619.24</b>
<b>At 31<sup>st</sup> March 2021</b>	<b>59.00</b>	<b>259.27</b>	<b>5,323.85</b>	<b>(22.88)</b>	<b>5,619.24</b>

For Amit Ramakant &Co.

Chartered Accountants

Firm Registration No: 009184C

For and on behalf of the Board of Directors

INNOVANA THINKLABS LIMITED

**Amit Agarwal**  
Partner M. No. 077407

**Chandan Garg**  
Managing Director  
DIN: 06422150

**Kapil Garg**  
Whole Time Director  
DIN: 0714355

**Place: Jaipur**  
**Date: 28-06-2021**

**Sanjeev Mittal**  
Chief Financial Officer

**Vasu Ajay Anand**  
Company Secretary

**Item: 1**
**EQUITY SHARE CAPITAL**

S. No.	PARTICULARS	Year ended 31-03-2021		Year ended 31-03-2020	
		No.	INR	No.	INR
	<b>Authorized Share Capital</b>				
	Equity Shares of Rs. 10 each				
	<b>At The Beginning of the year</b>	11,000,000	110,000,000	5,000,000	50,000,000
	Increase / (Decrease) During the year	-	-	6,000,000	60,000,000
	<b>At the end of the year</b>	<b>11,000,000</b>	<b>110,000,000</b>	<b>11,000,000</b>	<b>110,000,000</b>
	<b>Issued Share Capital</b>				
	Equity Shares of Rs. 10/- each Issued, Subscribed and Fully Paid				
	<b>At the beginning of the year</b>	10,250,000	102,500,000	4,100,000	41,000,000
	Increase / (Decrease) during the year			6,150,000	61,500,000
	<b>At the end of the year</b>	<b>10,250,000</b>	<b>102,500,000</b>	<b>10,250,000</b>	<b>102,500,000</b>

Company was issued Bonus Share utilizing Share premium during the year 2020-21

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of the equity shares is entitled to one vote per share. Details of share held by shareholders holding more than 5% share in Company

Name of Shareholders	31 <sup>st</sup> March 2021		31 <sup>st</sup> March 2020	
	No. of Shares	% holding	No. of Shares	% holding
Chandan Garg	73,00,000	71.22	73,00,000	71.22
Beeline Broking Limited	3,23,000	3.15	6,31,000	5.23

**Item: 2**
**RESERVES AND SURPLUS**

PARTICULARS		31-03-2021	31-03-2020
(a)	<b>Share Premium</b>		
	Share Premium	<b>5,900,000</b>	<b>5,900,000</b>
(b)	<b>General Reserve</b>		
	As Per Last Financial Statements	25,926,938	27,674,560
	Add: Transfer from Retained Earning	-	-
	Less :Utilized Against Earlier Tax	-	1,747,622
	<b>Total</b>	<b>25,926,938</b>	<b>25,926,938</b>
(c)	<b>Profit And Loss Account Balances</b>		
	As Per Financial Statements	158,676,522	210,336,126
	Less :Transfer to Retained Earning Being Difference of	158,676,522	210,336,126

	Depreciation on Revalued Cost of Assets and that on the original cost		
	<b>Total</b>	-	-

<b>(d)</b>	<b>Retained Earning</b>		
	As Per Last Financial Statements	370,456,556	154,187,720
	Add :Adjust of Last Year Tax	938,766	-
	Transfer from P&L Balances of earlier years	158,676,522	210,336,126
	Add: Adjust of Last Year Tax	25,745	(178,182)
	<b>Total</b>	<b>530,097,589</b>	<b>364,345,664</b>
	<b>Total (a+b+c+d)</b>	<b>561,924,527</b>	<b>396,172,602</b>

**Item: 3**

### LONG-TERM BORROWINGS

PARTICULARS		31-03-2021	31-03-2020
	<b>Vehicle Loan</b>		
	Daimler Financial Services	5,590,984	5,676,900
	<b>Total</b>	<b>5,590,984</b>	<b>5,676,900</b>

**Item: 4**

### DEFERRED TAX LIABILITIES (NET)

PARTICULARS		31-03-2021	31-03-2020
	Deferred Tax Liability		
	Opening Balance	301,569	-
	Adjustment During The Year	267,073	-
	<b>Total</b>	<b>568,642</b>	<b>-</b>

**Item: 5**

### SHORT-TERM BORROWINGS

PARTICULARS		31-03-2021	31-03-2020
	Loan from Related Parties		
	From Directors	2,542,576	-
	<b>Total</b>	<b>2,542,576</b>	<b>-</b>

## Item: 6

## TRADE PAYABLES

PARTICULARS		31-03-2021	31-03-2020
	Trade Payables	227,175,691	166,356,132
	<b>Total</b>	<b>227,175,691</b>	<b>166,356,132</b>

## Item: 7

## OTHER CURRENT LIABILITIES

S.no	PARTICULARS	31-03-2021	31-03-2020
(a)	<b>Other payable</b>		
	Employees Related Liabilities	6,366,494	21,150,264
	Expenses Payable	852,043	16,510
	<b>Total</b>	<b>7,218,537</b>	<b>21,166,774</b>
(b)	<b>Liability for Current Tax</b>		
	Income Tax for Current Tax	32,529,406	42,193,668
	<b>Net Tax Payable</b>	<b>32,529,406</b>	<b>42,193,668</b>
(c)	<b>Other Current Liabilities</b>		
	Advance from Customers	397,823,031	450,390,636
	Statutory Liabilities	4,720,046	12,929,205
	<b>Total</b>	<b>402,543,077</b>	<b>463,319,841</b>
	<b>Provision</b>		
	GRATUITY PROVISIONS IND AS 19	30,067,708	26,798,758
	<b>Total</b>	<b>30,067,708</b>	<b>26,798,758</b>
	<b>Other Current Liabilities (a+b+c)</b>	<b>472,358,728</b>	<b>553,479,040</b>

## Item : 8 CONSOLIDATED PROPERTY, PLANT &amp; EQUIPMENT STATEMENT

	AT COST					DEPRECIATION AND IMPAIRMENT				NET BLOCK	
DEPRECIATION OF ASSETS	GROSS BLOCK AS AT 1ST APRIL 2020	ADDITION DURING THE YEAR	SALES / DISCARDED	ADJUSTMENTS DURING THE YEAR	GROSS BLOCK AS AT 31ST MARCH 2021	DEPRECIATION AS AT 31ST MARCH 2020	DEPRECIATION DURING THE YEAR	ADJUSTMENT DURING THE YEAR	TOTAL DEPRECIATION AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
LAND	19,582,200	-	-	-	19,582,200	-	-	-	-	19,582,200	19,582,200
BUILDING	86,652,477	1,938,487	-	-	88,590,964	3,605,964	3,544,018	-	7,149,982	81,440,982	83,046,513
PLANT & EQUIPMENTS	5,517,175	136,841	-	-	5,654,016	2,359,450	1,137,019	-	3,496,469	2,157,547	3,157,725
ELECTRICAL EQUIPMENTS	495,976	-	-	-	495,976	262,006	147,775	-	409,781	86,195	233,970
FURNITURE & FIXTURES	2,977,338	15,600	-	-	2,992,938	770,013	574,743	-	1,344,756	1,648,182	2,207,325
OFFICE EQUIPMENTS	5,370,782	23,339,107	-	-	28,709,889	2,352,558	3,257,606	-	5,610,164	23,099,725	3,018,224
VEHICLES	14,249,730	-	-	-	14,249,730	3,761,685	2,668,969	-	6,430,654	7,819,076	10,488,045
TOTAL	134,845,678	25,430,035	-	-	160,275,713	13,111,676	11,330,130	-	24,441,806	135,833,907	121,734,002



## Item: 9

## NON-CURRENT INVESTMENT

S.no	PARTICULARS	31-03-2021	31-03-2020
(a)	<b>Investments</b>		
	Investment In Equity Fair Value Through Profit & Loss	46,678,414	68,508,053
	Less: Provision of Impairment of Equity of Associate	-	(6,110,892)
	<b>Total</b>	<b>46,678,414</b>	<b>62,397,161</b>
(b)	<b>Mutual Fund and Other</b>		
	Mutual Funds	348,870,870	394,806,439
	National Saving Certificates (NSC)	10,028,436	26,014
	<b>Total</b>	<b>358,899,306</b>	<b>394,832,453</b>
(C)	<b>Security Deposits</b>		
	Security Deposits with Govt.	204,015	145,019
	OTHER	1,087,313	1,190,193
	<b>Total</b>	<b>1,291,328</b>	<b>1,335,212</b>
	<b>Non-Current Investment (a+ b+ c)</b>	<b>406,869,048</b>	<b>458,564,826</b>

## Item: 10

## DEFERRED TAX ASSETS

S.no	PARTICULARS	31-03-2021	31-03-2020
(a)	<b>Deferred Tax Assets</b>		
	Opening Brought Forwarded Assets	316,524	137,118
	Adjustment During the Year Assets	(287,970)	179,406
	<b>Deferred Tax Assets</b>	<b>28,554</b>	<b>316,524</b>
	<b>Deferred Tax Liability</b>		
	Opening Balance	-	220,714
	Adjustment During The Year	-	80,855
		-	<b>301,569</b>
	<b>NET DEFERRED TAX ASSETS (LIABILITY)</b>	<b>-</b>	<b>14,995</b>

## Item: 11

## OTHER NON-CURRENT ASSETS (MAT)

S.no	PARTICULARS	31-03-2021	31-03-2020
	Opening Balance	17,923,024	4,445,120
	Adjustment During The Year	-	(45,438)
	Mat Created In This Year	17,339,247	13,523,342
	<b>Total</b>	<b>35,262,271</b>	<b>17,923,024</b>

## Item: 12

## INVENTORIES

S.no	PARTICULARS	31-03-2021	31-03-2020
	Closing stock		
	Innovana Infrastructure Limited	66,386,600	-
	<b>Total</b>	<b>66,386,600</b>	<b>-</b>

## Item: 13

## TRADE RECEIVABLES

S.no	PARTICULARS	31-03-2021	31-03-2020
	Trade Receivable	1,708,066	-
	<b>Trade Receivables</b>	<b>1,708,066</b>	<b>-</b>

## Item: 14

## CASH &amp; CASH EQUIVALENT

S.no	PARTICULARS	31-03-2021	31-03-2020
(a)	Cash In Hand	1,747,923	43,282
(b)	Balance With Banks		
	Banks	51,053,497	56,300,702
	Fixed Deposits (FDR)	417,823,243	337,861,878
	<b>Cash &amp; Cash Equivalent</b>	<b>470,624,663</b>	<b>394,205,861</b>

## Item: 15

## SHORT- TERM LOANS AND ADVANCES

S.no	PARTICULARS	31-03-2021	31-03-2020
	Loan & Advances	46,857,229	58,323,122
	<b>Short- Term Loans and Advances</b>	<b>46,857,229</b>	<b>58,323,122</b>

## Item: 16

## OTHER CURRENT ASSETS

S.no	PARTICULARS	31-03-2021	31-03-2020
	<b>Advance to Suppliers</b>		
	Advance to Suppliers	109,099,644	55,872,436
	<b>Staff Advances</b>		
	Employee / Staff Advances	1,781,270	5,460,476
	<b>Other Advances</b>		
	Advance Tax	34,138,157	66,596,779
	Prepaid Insurance	19,272,053	970,842

	Tax Receivables	41,830,511	39,720,094
	TCS and Other	2,969,174	4,798,257
	<b>Other Current Assets</b>	<b>209,090,809</b>	<b>173,418,883</b>

**Item: 17**
**REVENUE FROM OPERATION**

S.no	PARTICULARS	31-03-2021	31-03-2020
	Software Sales		
	(a) Export Sale	533,875,011	643,037,519
	(b) Domestic Sale	32,116,480	-
	<b>Revenue from Operation</b>	<b>565,991,491</b>	<b>643,037,519</b>

**Item: 18**
**OTHER INCOME**

S.no	PARTICULARS	31-03-2021	31-03-2020
	OTHER INCOME		
	Currency Fluctuation	-	4,683,639
	Discount	8,850	3,375
	Profit from Sale of Investment	6,061,121	9,914,503
	Commission / Dividend	119,463	13,244
	<b>Total</b>	<b>6,189,434</b>	<b>14,614,761</b>
	FINANCE INCOME		
	Interest Income On FDR's	26,914,248	15,328,673
	Interest Income On NSC & Other	3,880,147	733,341
	Other Finance Income	3,100,931	630,448
	<b>Total</b>	<b>33,895,326</b>	<b>16,692,462</b>
	<b>Other Income</b>	<b>40,084,759</b>	<b>31,307,223</b>

**Item: 19**
**PURCHASES OF TRADED GOODS**

S.no	PARTICULARS	31-03-2021	31-03-2020
	Inventory At The Beginning of the year	-	-
	Add: Purchases	207,306,636	158,971,156
	Less : Inventory at the end of the year	66,386,600	-
	<b>Purchases of Traded Goods</b>	<b>140,920,036</b>	<b>158,971,156</b>

## Item: 20

## EMPLOYEE BENEFITS EXPENSES

S.no	PARTICULARS	31-03-2021	31-03-2020
	Salary, Wages And Bonus	110,001,576	133175388
	Employer Contribution In ESI	566,163	140,185
	Employee Medical Insurance Expenses	836,253	4,615,696
	Staff Welfare	174,097	20,729
	Gratuity Provision IND As 19	2,377,635	2,953,261
	<b>Employee Benefits Expenses</b>	<b>113,955,724</b>	<b>140,905,259</b>
	Re-measurement of employee benefit Plan of EST and PF	3,165,313	(1,078,582)

## Item: 21

## FINANCE COST

S.no	PARTICULARS	31-03-2021	31-03-2020
	Interest on Vehicles Loan	620,967	629,878
	Interest on Unsecured Loan	<b>437,592</b>	-
	<b>Finance Cost</b>	<b>1,058,559</b>	<b>629,878</b>

## Item: 22

## DEPRECIATION AND AMORTIZATION EXPENSES

S.no	PARTICULARS	31-03-2021	31-03-2020
	Depreciation on Tangible Assets	11,330,130	13,111,676
	<b>Depreciation And Amortization Expenses</b>	<b>11,330,130</b>	<b>13,111,676</b>

## Item: 23

## OTHER EXPENSES

S.no	PARTICULARS	31-03-2021	31-03-2020
	Information Technology Expenses	11,497,861	24,626,429
	Consumables	163,647	214,819
	Power & Fuel	4,634,008	1,598,561
	Advertising And Sales Promotion	5,453,704	10,739,807
	Other Selling Distribution Expenses	331,986	
	Conveyance Expenses	48,313	223,403
	Repairs And Maintenance - Building, Plant & Machinery	2,133,809	1,919,026
	Travelling Expenses Domestic	22,523	1,527,372
	Travelling Expenses Foreign	-	2,081,818
	Insurance	28,002,557	-

Rent	7,112,000	3,660,000
Postage , Telephone And Stationery Expenses	115,377	109,036
Professional & Technical Charges	12,358,815	13,551,850
Consultancy Charges	23,057,618	2,896,000
Legal Expenses	479,134	48,900
Rate & Taxes	2,500	4,010
Bank Charges	256,798	64,252
Commission Expenses	20,861,424	30,307,985
Freight Clearing	60,930	-
License & Registration Charges	352,500	767,426
Misc. Expenses	-	3,063,250
Auditor Fee	380,000	315,000
CSR Expenses	-	50,000
Investor Meet Expenses		
Forex Gain & Loss	18,667,608	-
Office Expenses	4,672,025	1,242,995
Tea & Refreshment Expenses	261,061	352,578
Technical Support Charges	26,774	121,244
Telephone Expenses	163,185	5,537
Water Expenses	15,124	-
Upwork	3,808,839	-
Royalty Expenses	2,198,000	-
Club Fee	400,000	-
Service Fee	134,023	-
Provision For CSR Fund 2018-19	2,544,000	1,614,759
<b>Total</b>	<b>150,216,144</b>	<b>101,106,057</b>

**For Amit Ramakant &Co.**  
**Chartered Accountants**  
**Firm Registration No: 009184C**

**For and on behalf of the Board of Directors**  
**INNOVANA THINKLABS LIMITED**

**Amit Agarwal**  
**Partner M. No. 077407**

**Chandan Garg**  
**Managing Director**  
**DIN: 06422150**

**Kapil Garg**  
**Whole Time Director**  
**DIN: 0714355**

**Place: Jaipur**  
**Date: 28-06-2021**

**Sanjeev Mittal**  
**Chief Financial Officer**

**Vasu Ajay Anand**  
**Company Secretary**

## 2. - SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

### 1.1 General information:

The consolidated Financial Statements comprise of Balance Sheet, Statement of Profit and Loss, Statement of Change in Equity and Statement of Cash Flows together with the notes thereon of Innovana Thinklabs Limited for the year ended March 31, 2021.

The Company is a public limited company incorporated and domiciled in India under the provisions of the Companies Act, 2013 applicable in India. It is a company listed at National Stock Exchange (NSE EMERGE). The Registered office and corporate office of the Company is situated at Plot No. D-41, Patrakar Colony, Near Jawahar Nagar, Moti Dungari Vistar Yojna, Raja Park, Jaipur-302004, Rajasthan.

The Company is primarily engaged in the business of Trading, Development and Marketing of Software and other related activities.

The details of subsidiaries, considered in these consolidated financial statements are:

Name of Subsidiary	Incorporated Location	% holding as on 31-03-2021	% holding as on 31-03-2020
Innovana Techlabs Limited	India	100%	100%
Innovana Fitness Labs Limited	India	100%	100%
Innovana Infrastructure Limited	India	100%	100%
Innovana Astro Services Limited	Indian	100%	100%
Innovana Gems Studio Limited	India	100%	100%

The details of Associates Company, considered investment amount as per Ind As – 28 “ Investment in Associates / Joint Ventures “ adopting equity method in the consolidated financial statements are:

Name of Associates Company	Incorporated Location	% holding as on 31-03-2021	% holding as on 31-03-2020
Fleeca India Private Limited	India	-	25%
FreshoKartzAgri Products Pvt Ltd	India	17.2%	25%

### 1.2.1 Basis of Preparation and Statement of compliance

The Consolidated Financial Statements have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

For all periods up to and including the year ended March 31, 2021, the Company prepared Its Consolidated Financial Statements in accordance with the requirements of previous GAAP prescribed under section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014. The financial statements for the financial year ended March 31, 2021 are prepared according to the IND AS compliant annual financial statements with comparative figures for the year ended March 31, 2020 also under Ind AS.

The Consolidated Financial Statements are prepared under the historical cost convention, on the accounting principles of a going concern. All assets and liabilities have been classified as current or non-current in accordance with the operating cycle criteria set out in Ind AS 1 and Schedule III to the Companies Act, 2013.

Accounting Policies not specifically referred to otherwise are consistent and in consonance with the applicable accounting standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

All expenses and incomes to the extent ascertainable with reasonable certainty are accounted for on accrual basis. All taxes, duties and cess etc. paid on purchases have been charged to the Statement of Profit and Loss except such taxes, duties and cess, which are subsequently recoverable with reasonable certainty from the taxing authorities.

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) in India sometimes requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of financial statements and reported amounts of Revenue and expenses for that year. Actual result could differ from these estimates. Any revision to such estimate is recognized in the period in which same is determined.

The financial statements are presented in Indian Rupees ('INR') and all values are rounded to the nearest rupee, except otherwise indicated.

#### Principles of Consolidation

The consolidated financial statements relate to Innovana Thinklabs Limited. ('The Parent' or 'the company') and its subsidiaries Innovana Techlabs Limited, Innovana Fitness Labs Limited and Innovana Infrastructure Limited together referred to as 'the Group'. The consolidated financial statements have been prepared in accordance with the principles and procedures required for the preparation and presentation of financial statements as laid down under the accounting standards issued by the Institute of financial statements of the company and its subsidiary have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after fully eliminating intra-group balances and transactions and resulting unrealized gain/losses. The Group accounts for investments by the equity method of accounting where it is able to exercise significant influence over the operating and financial policies of the investee. The Group's share of profit/loss of

associate firms is included in the profit and loss account. Inter company profits and losses have been proportionately eliminated until realized by the investor or investee.

CFS comprises the financial statements of Innovana Thinklabs Limited and its subsidiaries as below:

S. No.	Name of Company	Date of Incorporation	% of Holding	No. of shares held
1.	Innovana Techlabs Limited	21-12-2017	100%	10000
2	Innovana Fitness Labs Limited	25-12-2019	100%	50000
3	Innovana Infrastructure Limited	04-02-2020	100%	50000
4	Innovana Astro Services Limited	15-07-2020	100%	50000
5	Innovana Gems Studio Limited	17-07-2020	100%	50000

### Basis of Consolidation

The consolidated financial statements include the financial statements of Innovana Thinklabs Limited and its subsidiary Innovana Techlabs Limited, Innovana Fitness Labs Limited and Innovana Infrastructure Limited which are owned or controlled by the parent company. Subsidiaries are consolidated from the date control commences until the date control ceases. The financial statements of Group companies are consolidated on a line by line basis and intra-group balances and transactions are eliminated. The financial statements are prepared by applying uniform accounting policies in use at the Group. Since the Subsidiary, is owned and controlled 100% by Innovana Thinklabs as on the closing date, there is no minority interest and Goodwill/capital reserve.

### Significant Accounting Policies:

#### 1.3.1. - Property, Plant and Equipment:

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold or Leasehold land is stated at historical cost.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the Company accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.

Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.



Where an obligation (legal or constructive) exists to dismantle or remove an asset or restore a site to its former condition at the end of its useful life, the present value of the estimate cost of dismantling, removing or restoring the site is capitalized along with the cost of acquisition or construction upon completion and a corresponding liability is recognized.

Cost of regular comprehensive maintenance work (such as major overhaul) are capitalized as a separate component if they satisfy the recognition criteria. Otherwise they are charged to Profit and Loss during the reporting period in which they are incurred.

### 1.3.2- Other Intangible Assets: -

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Intangible assets with indefinite useful lives are carried at cost less accumulated impairment losses.

### 1.3.3 De recognition of intangible assets

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are derecognized in profit or loss when the asset is derecognized.

### 1.3.4- Depreciation & Amortization: -

Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method as per the provisions of Part C of Schedule II of the Companies Act, 2013 based on useful life and residual value specified therein. The residual values are note more than 5% of the original cost of the asset's the asset's residual value and useful life are reviewed and adjusted if appropriate at the end of each reporting period.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

#### Estimated useful lives of the assets are as follows:

Class of assets	Useful life in Years
Buildings	30
Plant and Machinery	15
Furniture and fixtures	10
Vehicles	08
Office equipment	05
Computer	03

The Use full life are taken as determined based on technical evaluation done by the management expert or those specified by schedule II of the company Act,2013 in order to reflect to the actual usages of the Assets

Capital work-in-progress comprises of the cost of PPE that are not yet ready for their intended use at the Balance Sheet date.

Cost of material consumed, erection charges thereon along with other related expenses incurred for the projects are shown as CWIP for capitalization.

Expenditure attributable to construction of fixed assets are identified and allocated on a systematic basis to the cost of the related asset.

Interest during construction and expenditure (net) allocated to construction are apportioned to CWIP/intangible assets under development on the basis of the closing balance of Specific asset or part of asset being capitalized. The balance, if any, left after such capitalization is kept as a separate item under the CWIP/intangible assets Schedule.

Claims for price variation / exchange rate variation in case of contracts are accounted for on acceptance of claims.

Any other expenditure which is not directly or indirectly attributable to the construction of the Project / construction of the Fixed Asset is charged off to statement of profit and loss in the period in which they are incurred.

#### **- Impairment of tangible and intangible assets other than goodwill:-**

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such Indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. 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 for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

#### **- Borrowing costs:-**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets,

which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized in statement of profit or loss in the period in which they are incurred.

#### **- Cash and cash equivalents:-**

Cash and cash equivalent in the balance sheet comprise of cash at banks and on hand and demand deposits, that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

#### **- Inventories:-**

Inventories of Finished Goods, Raw Material and Work in Process are valued at cost or net realizable value whichever is lower. Cost of inventories includes Cost of manufacturing and other cost incurred for the manufacturing and in bringing the inventory to their present location and condition and applicable statutory levies net of under recovered levies charge to Profit and loss but exclude borrowing cost. Costs are assigned on the basis of FIFO method. Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and estimated cost necessary to make the sale.

#### **- Revenue recognition:-**

Trading, Development and Marketing of Software and other related activities:-

Revenue is recognized to the extent that it is probable that economic benefit will flow to the Company and that the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable. Amount disclosed as revenue are exclusive of excises duty, and net of returns, trade allowances, rebate, value added taxes and amount collected on behalf of third party.

Sales are recognized when the Goods are delivered to customers.

#### **Interest income:**

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

#### **- Taxation:-**

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

## Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

## Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Minimum Alternative Tax ('MAT') credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income-tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the statement of profit and loss. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income-tax during the specified period.

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

## Current and deferred tax for the year

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

- Earnings per share:-

Basic earnings per share is computed by dividing the profit/(loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit/(loss) after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

**- Provisions, Contingencies and commitments:-**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, and it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

A disclosure for contingent liabilities is made when there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or

- a) a present obligation that arises from past events but is not recognized because:
- b) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- c) the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each reporting period.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract.

**- Financial instruments:-**

Financial assets and financial liabilities are recognized when a Company entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

## Financial Assets

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instruments. Financial assets other than trade receivables are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognized at fair value, and transaction costs are expensed in the Statement of Profit and Loss.

Financial assets, other than equity instruments, are subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both:

- a) the entity's business model for managing the financial assets and
- b) the contractual cash flow characteristics of the financial asset.

## Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortized cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value.

## Effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the

expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognized in profit or loss and is included in the “Other income” line item.

### Impairment of financial assets

The Company recognizes a loss allowance for Expected Credit Losses (ECL) on financial assets that are measured at amortized cost and at FVOCI. The credit loss is difference between all contractual cash flows that are due to an entity in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. This is assessed on an individual or collective basis after considering all reasonable and supportable including that which is forward-looking.

The Company trade receivables or contract revenue receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall, being simplified approach for recognition of impairment loss allowance.

Under simplified approach, the Company does not track changes in credit risk. Rather it recognizes impairment loss allowance based on the lifetime ECL at each reporting date right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables.

The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

The impairment losses and reversals are recognized in Statement of Profit and Loss. For equity instruments and financial assets measured at FVTPL, there is no requirement for impairment testing.

### De-recognition of financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset’s carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset.

For financial assets other than trade receivables, the Company recognizes 12-month expected credit



losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. If, in a subsequent period, credit quality of the instrument improves such that there is no longer significant increase in credit risks since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12 months ECL.

On de-recognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognize under continuing involvement, and the part it no longer recognizes on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognized and the sum of the consideration received for the part no longer recognized and any cumulative gain or loss allocated to it that had been recognized in other comprehensive income is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognized in other comprehensive income is allocated between the part that continues to be recognized and the part that is no longer recognized on the basis of the relative fair values of those parts.

- Financial liabilities and equity

#### **Instruments: - Classification as debt or equity**

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

#### **Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the company are recognized at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Equity Investment in Associates Companies are recognized as per Ind As – 28 “Investment in Associates / Joint Venture” adopting the equity method is a method of accounting whereby the investment is initially recognized at cost and adjusted thereafter for the post-acquisition change in the investor's share of the investee's net assets. The investor's profit or loss includes its share of the investee's profit or loss and the investor's other comprehensive income includes its share of the investee's other comprehensive income.

#### **Financial liabilities**

However, financial liabilities that arise when a transfer of a financial asset does not qualify for de-recognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.



### Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognized by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration recognized by the Company as an acquirer in a business combination to which Ind AS 103 applies, may be designated as at FVTPL upon initial recognition if:

- Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a company of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the company documented risk management or investment strategy, and information about the Companying is provided internally on that basis; or
- It forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on measurement recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognized in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in profit or loss. The remaining amount of change in the fair value of liability is always recognized in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognized in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to profit or loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the Company that are designated by the Company as at fair value through profit or loss are recognized in profit or loss.

### Financial liabilities subsequently measured at amortized cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method.

Interest expense that is not capitalized as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

### De-recognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

### Reclassification of financial assets and liabilities

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 change 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 the business model.

The Company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest. The following table shows various reclassifications and the 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 recognized in statement of profit and loss.
FVPTL	Amortized cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on new gross carrying amount.

Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognized in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new gross carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the assets are measured as if it had always been measured at amortized cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new gross carrying amount. No other adjustment is required.
FCTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to statement of profit and loss at the reclassification date.

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

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.

### Employee related Benefits

#### Defined Benefit Plans - General Description

Gratuity: Each employee rendering continuous service of 5 years or more is entitled to receive gratuity amount equal to 15/26 of the monthly emoluments for every completed year of service subject to maximum of 10 Lakhs at the time of separation from the company.

#### Other long-term employee benefits - General Description

The following tables summaries the components of net benefit expense recognized in the statement of profit or loss and the funded status and amounts recognized in the balance sheet for the respective plans:

Changes in the present value of the defined benefit obligation are, as follows:

Particulars	Gratuity Funded	Leave Encashment Unfunded
Defined benefit obligation at 31st March, 2020	11,66,0657	-
Current service cost	17,17,642	-
Interest expense	6,59,993	-
Past service cost	-	-

Benefits paid	-	-
Actuarial (gain)/ loss on obligations	(31,65,313)	-

<b>Defined benefit obligation at 31st March, 2021</b>	<b>1,08,72,979</b>	<b>-</b>
---	--------------------	----------

#### Changes in the Fair value of Plan Assets are, as follows:

There is no Changes in the Fair value of Plan Assets.

#### Actuarial (Gain) / Loss on Plan Assets:

There is no Actuarial (Gain) / Loss on Plan Assets

#### Other Comprehensive Income

Particulars	31-03-2021	31-03-2020
Opening amount recognized in OCI outside Profit & Loss account	-	-
Actuarial Gain / (Loss) on Liabilities	31,65,313	(10,78,582)
Actuarial Gain / (Loss) on Assets	-	-
<b>Closing amount recognized in OCI outside Profit &amp; Loss Account</b>	<b>31,65,313</b>	<b>(10,78,582)</b>

#### The Amount to be recognized in Balance Sheet Statement

Particulars	31-03-2021	31-03-2020
Present Value of Obligation	1,08,72,979	1,16,60,657
Fair Value of Plan Assets	-	-
Net Obligations	1,08,72,979	1,16,60,657
Amount Not Recognized due to assets limit	-	-
<b>Net Defined Benefit Liability / (Assets) Recognized in Balance Sheet</b>	<b>1,08,72,979</b>	<b>1,16,60,657</b>

#### Expenses Recognized in Statement of Profit and Loss

Particulars	31-03-2021	31-03-2020
Service Cost	17,17,642	23,96,358
Net Interest Cost	6,59,993	5,56,903
<b>Expenses recognized in the statement of Profit &amp; Loss</b>	<b>23,77,635</b>	<b>29,53,261</b>

#### Change in Net Defined Obligations

Particulars	31-03-2021	31-03-2020
Opening of Net Defined Benefit Liability	1,16,60,657	76,28,814
Service Cost	17,17,642	23,96,358
Net Interest Cost	6,59,993	5,56,903
Re-measurements	31,65,313	10,78,582
Contribution paid to Fund	-	-
<b>Closing of Net Defined Benefit Liabilities</b>	<b>1,08,72,979</b>	<b>1,16,60,657</b>

#### Maturity Profit of Defined Benefit Obligation

Particulars	31-03-2021	31-03-2020
Year 1	18,84,316	15,12,296
Year 2	17,01,053	17,40,787
Year 3	15,85,393	17,49,623
Year 4	14,31,067	15,88,809
Year 5	12,32,148	14,19,960
After 5 <sup>th</sup> Year	62,72,413	73,49,833
<b>Total</b>	<b>1,41,06,390</b>	<b>1,53,61,308</b>

#### Investments:

Long term investments are stated at cost. In case, there is a decline other than temporary in the value of the investment, a provision for same is made. Current investments are valued at lower of cost or fair value.

#### Use of Estimates, Assumptions and Judgments

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures including the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require an adjustment to the carrying amount of assets or liabilities in future periods. Difference between actual results and estimates are recognized in the periods in which the results are known / materialize. The Company has based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

#### Taxes

The Company provides for tax considering the applicable tax regulations and based on reasonable estimates. Management periodically evaluates positions taken in the tax returns giving due considerations to tax laws and establishes provisions in the event if required as a result of differing interpretation or due to retrospective amendments, if any. The recognition of deferred tax assets is based on availability of sufficient taxable profits in the Company against which such assets can be utilized. MAT (Minimum Alternate Tax) is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax and will be able to utilize such credit during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the Statement of Profit and loss and is included in Deferred Tax Assets. The Company reviews the same at each balance sheet date and if required, writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will be able to absorb such credit during the specified period.

#### Useful life of Property, Plant and Equipment

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.

#### Impairment of Non-financial assets

Non-financial assets are reviewed for impairment, whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. If any such indication exists, the

recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

### Provision for decommissioning

In measuring the provision for ARO, the Company uses technical estimates to determine the expected cost to dismantle and remove the infrastructure equipment from the site and the expected timing of these costs. Discount rates are determined based on the risk adjusted bank rate of a similar period as the liability.

### Provisions and Contingent Liabilities

Provisions and contingent liabilities are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

### Fair value of financial assets and financial liabilities

The management considers that the carrying amounts of non-current and current financial assets and liabilities recognized in the financial statements approximate their fair values.

### Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management 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.

### Gearing ratio

The gearing ratio at end of the reporting period was as follows:

Particulars	As at 31-03-2021	As at 31-03-2020
Debt (i)	70,82,36,621	72,55,12,072
Cash and bank balances (including cash and bank balances in a disposal Company held for sale)	47,06,24,663	39,42,05,861
<b>Net debt</b>	<b>23,76,11,958</b>	<b>33,13,06,211</b>
Total equity	66,44,24,527	49,86,72,602
<b>Net debt to equity ratio</b>	<b>0.36</b>	<b>0.66</b>

(i) Debt is defined as long-term and short-term borrowings (excluding derivative and contingent consideration).

### Other Notes on Financial Statements.

All the balance shown under the heads Trade Receivables, Trade Payables, Loans and Advances, Security Deposits, Other Current Assets, Other Current Liabilities and Unsecured Loans are subject to confirmation and reconciliation.

### Corporate Social Responsibility (CSR)

As the net worth of the company is below Rs. 500 crores, Turnover is below Rs. 1000 crores and Net Profit is more than Rs. 5 crores, provision of Section 135 of Companies Act, 2013 are applicable on the company.

Figures have been taken to nearest rupees. Previous year figures have been regrouped / rearranged wherever considered necessary to make them comparable with the Current Year figures.

Consumption of Raw Materials, Stores and Spares, Diesel, Furnace Oil, Lubricants and Power etc. have been considered in the accounts as made available by a Director of Company being technical in nature.

### Commitments

There is no commitments as per financial statement.

### Related party disclosure

The related parties where control and significant influence exists are Parents and associates respectively. Key Management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any Director whether executive or otherwise.

### List of Related Parties

I	Enterprises over which key management personnel and relatives of such personnel exercise significant influence.
1.	Innovana Techlabs Limited
	Innovana Fitness Labs Limited
	Innovana Infrastructure Limited
	Innovana Games Studio Limited
	Innovana Astro Services Limited
	S.C DIGITAL PROTECTION SERVICES S.R.L
	Bit Guardian GmbH
II	Key Managerial Personnel
1	Mr. Chandan Garg- Chairman & Managing Director
2	Mr. Kapil Garg - Whole Time Director
3	Mrs. Swarna Kanta Garg - Director
4	Mr. Sanjeev Mittal
5	Mr. Vasu Ajay Anand
III	Relative of Managerial Personnel - 1. Narendra Kumar Garg 2. Nancy Garg 3. Vartika Dangayach
IV	Subsidiaries or Associates or Joint Ventures - Innovana Techlabs Limited Innovana Fitness Labs Limited Innovana Infrastructure Limited Innovana Games Studio Limited Innovana Astro Services Limited
V	Post-Employment Benefit Plans - NA

Transactions with Related Parties for the year ended March 31, 2021 and March 31, 2020.

Sr. No.	Particulars	Current Year (31.03.2021)	Previous Year (31.03.2020)
1-	<b>Remuneration Paid:</b>		
	Mr. Chandan Garg	12,000,000	1,20,51,000
	Mr. Kapil Garg	5,850,000	36,51,000
	Mrs. Swaran Kanta	1,200,000	12,00,000
	Mrs. Nancy Garg	600,000	6,00,000
	Mr. Narendra Kumar Garg	1,200,000	12,00,000
	Mrs. Vartika Dangayach	1,200,000	12,21,000
	Mr. Sanjeev Mittal (CFO)	1,030,000	9,87,000
	Mr. Vasu Ajay Anand	478,000	2,97,000
2-	<b>Interest Paid :-</b>	-	-
3-	<b>Purchase From:</b>	-	-
4-	<b>Sales To</b>	-	-
	S.C Digital Protection Services S.R.L		-
	Bit guardian GMBH	7,794,138	-
5-	<b>Interest Received:</b>		
6-	Lease Rent Payable :	-	-
	Mr. Chandan Garg	3,780,000	36,60,000
	Rent Receivable		
	Innovana Infrastructure Limited	212,400	-
	Innovana Astro Services Limited	159,300	-
7-	<b>Loan:-</b>		
	Innovana Techlabs Limited	3,522,551	82,67,666
	Innovana Fitness Labs Limited	27,548,509	5,08,92,809
	Innovana Infrastructure Limited	12,599,3032	-
	Innovana Games Studio Limited	4698	-
	Innovana Astro Services Limited	127,169	-

#### -Closing Balances with Related Parties

Sr. No.	Particulars	Current Year (31.03.2021)	Previous Year (31.03.2020)
1-	<b>Remuneration Paid:</b>		
	Mr. Chandan Garg	1,000,000	10,00,000
	Mr. Kapil Garg	4,05,000	7,00,667
	Mrs. Swaran Kanta	100,000	1,00,000
	Mrs. Nancy Garg	50,000	50,000
	Mr. Narendra Kumar Garg	100,000	1,00,000
	Mrs. Varatika	100,000	1,00,000
	Mr. Sanjeev Mittal	90,000	85,000
	Mr. Vasu Ajay Anand	42,500	38,500
2-	<b>Loan:-</b>		-



	Innovana Techlabs Limited	4,745,116	82,67,666
	Innovana Fitness Labs Limited	78,441,318	5,08,92,809
	Innovana Infrastructure Limited	125,993,032	-
	Innovana Games Studio Limited	4,698	-

#### Auditors Remuneration:

Remuneration to Auditors (excluding service tax):

Particulars	For the Year ended 31-03-2021	For the Year ended March 31, 2020
Audit Fees	3,00,000	2,55,000
Tax Audit fees	60,000	50,000
Other Services/ Certifications	20,000	10,000

#### Events after the reporting period:

In respect of the financial year ending March 31, 2021, no events are required to be reported which occurred after the reporting period.

#### Approval of financial statements:

The financial statements were approved for issue by the Board of Directors on 28 June, 2021

#### Disclosure under Micro, Small and Medium Enterprises Development Act:

The details of amounts outstanding to Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), based on the available information with the Company are as under:

As per Requirement of Law, There is no due of MSMED Act.

#### 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 Company operates in a competitive environment and is exposed in the ordinary course of its business to risk related to changes in foreign currency exchange rates, commodity prices and interest rates. The fair value of future cash flows of sale of products manufactured and traded will depend upon the demand and supply.

#### Credit Risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the company. It encompasses of both, the direct risk of default and the risk of deterioration of credit worthiness as well as concentration risks. Company's credit risk arises principally from the trade receivable and advances.

#### Trade Receivables:

Customer credit risk is managed by the company through established policy, procedures and controls relating to customer credit risk management. Credit quality of a customer is assessed based on financial position, past performance, business/economic conditions, market reputation, expected business etc.

Based on that credit limits and credit terms are decided. Outstanding customer receivables are regularly monitored.

Trade receivables consists of large number of customers spread across diverse segments and geographical areas with no significant concentration of credit risk. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables. However The Company is not providing any credits to its customers.

#### Age of receivables: -

Particulars	As at 31-03-2021	As at 31-03-2020
Within the credit period (60-75 days)	13,36,366	-
Overdue	3,71,700	-
<b>Total</b>	<b>17,08,066</b>	<b>-</b>

#### Tax balances: -

**Deferred Tax:** -The following is the analysis of deferred tax assets/(liabilities) presented in the balance sheet:

Particulars	As at 31-03-2021	As at 31-03-2020
Deferred tax assets (DTA)	28,554	3,16,524
Deferred tax Liabilities (DTL)	5,68,642	3,01,569
<b>Net (DTL)</b>	<b>5,40,088</b>	<b>14,955</b>

#### Income tax:

The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	As at 31-03-2021	As at 31-03-2020
Profit before tax (Including SEZ Unit Profit Rs. 9,13,95,426)	18,85,95,658	25,96,20,717
Enacted tax rate (%) ( SEZ tax rate NIL)	25.168	25.168
<b>Computed Expected tax expenses</b>	<b>2,44,63,654</b>	<b>3,82,57,841</b>
Tax impact of non-deductible / deductible expenses and timing difference and tax exempted SEZ Unit	80,66,051	39,35,826
<b>Income Tax Expenses charged</b>	<b>3,25,29,406</b>	<b>4,21,93,668</b>

#### Earnings per share:

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be

issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	31-03-2021	31-03-2020
Profit attributable to equity holders of the company:		
Continuing operations	15,86,76,522	21,03,36,126
<b>Profit attributable to equity holders of the parent for basic earnings</b>	15,86,76,522	21,03,36,126
Weighted average number of Equity shares for basic EPS	1,02,50,000	1,02,50,000
<b>Weighted average number of Equity shares adjusted for the effect of dilution</b>	1,02,50,000	1,02,50,000
Earnings per equity share of face value of Rs. 10 each (In rupees) ( Previous) Year Face Value of Rs. 10 each (In Rupees)	15.48	20.52

**For Amit Ramakant &Co.**  
**Chartered Accountants**  
**Firm Registration No: 009184C**

**For and on behalf of the Board of Directors**  
**INNOVANA THINKLABS LIMITED**

**Amit Agarwal**  
**Partner M. No. 077407**

**Chandan Garg**  
**Managing Director**  
**DIN: 06422150**

**Kapil Garg**  
**Whole Time Director**  
**DIN: 0714355**

**Place: Jaipur**  
**Date: 28-06-2021**

**Sanjeev Mittal**  
**Chief Financial Officer**

**Vasu Ajay Anand**  
**Company Secretary**

**INNOVANA THINKLABS LIMITED**

**Registered office: Plot No. D-41, Patrakar Colony, Near Jawahar Nagar Moti Dungri Vistar Yojna, Raja Park-302004, Jaipur, Rajasthan**

**CIN: L72900RJ2015PLC047363**

**E-Mail ID:cs@innovanathinklabs.com**

**Contact No.: 0141-4919128**

**Attendance Slip 06<sup>th</sup> Annual General Meeting**

Please Fill Attendance Slip and hand it over at The Entrance of the Meeting Hall. Joint shareholders may obtain additional slip at the venue of the meeting.

Folio No.	
DP Id	
Client ID	
No. of shares	

I/We hereby record my presence at the 06<sup>th</sup> Annual General Meeting of the Company at Plot No. D-41, Patrakar Colony, Near Jawahar Nagar Moti Dungri Vistar Yojna, Raja Park-302004, Jaipur, Rajasthan on Saturday September 25, 2021 at 11:30 A.M.

Name of the Shareholder		Signature of shareholder	
-------------------------	--	--------------------------	--

**Notes:**

1. Only Member/Proxy holder can attend the Meeting.
2. Please complete the Folio No./DP ID No., Client ID No. and name of the Member/Proxy holder, sign this Attendance Slip and hand it over, duly signed, at the entrance of the Meeting Hall.

### 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]**

CIN: L72900RJ2015PLC047363

Name of the company: Innovana Thinklabs Limited

Registered office: Plot No. D-41, Patrakar Colony, Near Jawahar Nagar Moti Dungri Vistar Yojna, Raja Park 302004, Jaipur, Rajasthan

**Name of the Member (s): Registered Address:**

**E-Mail Id:**

**Folio No/**

**Client Id:**

**DP ID:**

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

1. Name: ..... Address:

E-Mail Id:

Signature....., or failing him

2. Name: ..... Address:

E-Mail Id:

Signature....., or failing him

As my proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 06<sup>th</sup> Annual General Meeting of the company, to be held on the, September 25, 2021 At 11:30 A.M. at Plot No. D-41, Patrakar Colony, Near Jawahar Nagar Moti Dungri Vistar Yojna, Raja Park-302004, Jaipur, Rajasthan and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution		
Ordinary Business:		For	Against
01	Adoption of Financial Statements		
02	Appointment of Mr. Kapil Garg (DIN: 07143551) as a Director liable to retire by rotation		
03	Declaration of Final Dividend for the Financial Year ended March 31, 2021		

04	To Re-appoint M/s Amit Ramakant & Co., Chartered Accountants, Jaipur (009184C), as statutory Auditor and fix their remuneration		
SPECIAL BUSINESS			
05	To regularize of Mr. NARENDRA KUMAR GARG (DIN: 08640447) as director of the company		
06	To regularize of Additional Director, Mr. Deepak Jangid (DIN: 08069097) by appointing as Independent Director of the Company		
07	To regularize of Additional Director, Ms. Riya Sharma (DIN: 09213476) by appointing as Independent Director of the Company		

Signed this..... day of..... 20....

Signature of shareholder Signature of Proxy holder(s)

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. A proxy need not be a member of the Company.
3. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the General Meeting of the Company.

### INNOVANA THINKLABS LIMITED

**Registered office:** Plot No. D-41, Patrakar Colony, Near Jawahar Nagar Moti Dungri  
Vistar Yojna, Raja Park-302004, Jaipur, Rajasthan

**CIN:** L72900RJ2015PLC047363

**E-Mail** [ID: cs@innovanathinklabs.com](mailto:cs@innovanathinklabs.com) **Contact No.:** 0141-4919128

### Route Map for holding Annual General Meeting



*Plot No. D-41, Patrakar Colony, Near Jawahar Nagar Moti Dungri Vistar Yojna, Raja Park-302004, Jaipur, Rajasthan*

# innovana<sup>®</sup>

## Thinklabs Limited

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### ANNUAL REPORT 2020-2021

### Empowered By Innovation



Plot No. D-41, Patrakar Colony, Near Jawahar Nagar  
Moti Dungri Vistar Yojna, Raja Park Jaipur- 302004 Raj.



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