



SAHANA
system limited

Date: 31/08/2023

The Manager
The National Stock Exchange of India Ltd.,
Listing Department,
Exchange Plaza,
Bandra Kurla Complex, Bandra (East)
Mumbai 400 051.

Sub: NOTICE OF THE 3RD ANNUAL GENERAL MEETING (AGM).

REF: SAHANA SYSTEM LIMITED (TRADING SYMBOL – SAHANA)

Dear Sir/Ma'am,

We wish to inform you that the 3rd Annual General Meeting (AGM) of the Company will be held on Saturday, September 23, 2023 at 11:30 A.M. (IST) through Video Conferencing (VC)/Other Audio Visual Means (OVAM) in compliance with the applicable provisions of the Companies Act, 2013 and Circulars issued by the Ministry of Corporate Affairs and Securities and Exchange Board of India.

We enclose herewith the Notice of AGM along with the Annual Report of the Company for the year ended March 31, 2023.

You are requested to kindly take the same on record.

Thanking You,

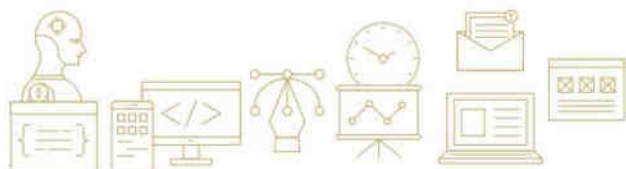
FOR, SAHANA SYSTEM LIMITED

Shah Hetang
Arunbhai

Digitally signed by
Shah Hetang Arunbhai
Date: 2023.08.31
18:09:24 +05'30'

HETANG ARUNKUMAR SHAH
MANAGING DIRECTOR
DIN: 02710970

Sahana System Limited
901-A-Block, Mondeal Square,
Nr. Iscon Elegance, S. G. Highway,
Prahlanagar, Ahmedabad - 380015
contact@sahanasystem.com | (079) 46014490
www.sahanasystem.com



CIN: U72500GJ2020PLC112865



SAHANA SYSTEM LIMITED

(FORMERLY KNOWN AS SAHANA SYSTEM PRIVATE LIMITED)

03RD ANNUAL REPORT

2022-23



CONTENTS	PAGE NO.
Corporate Information	03
Notice of the Annual General Meeting	04
Directors' Report	15
Secretarial Audit Report	39
Management Discussion & Analysis	46
Auditors' Report on Financial Statements of the Company	55
Balance Sheet	66
Statement of Profit & Loss	67
Cash Flow Statement	68
Notes Forming Part of the Financial Statements	69



BOARD OF DIRECTORS AND KEY MANAGERIAL

PERSONNEL

MR. HETANG ARUNKUMAR SHAH	Chairman & Managing Director (w.e.f 07 th April, 2022) Original Date of Appointment as Executive Director of the Company : 24 th March, 2022
MR. PRATIK RAMJIBHAI KAKADIA	CEO (KMP) (w.e.f 06 th October, 2022)
MS. HETAL CHATURBHAI PATEL	Non-Executive & Non-Independent Director (w.e.f. 25 th October, 2021)
MS. EKTA ANKIT PATEL	Independent Director (w.e.f 18 th April, 2022)
MS. NISHITA MAYANK SANGHVI	Independent Director (w.e.f 18 th April, 2022)
MS. KHUSHBU ANKITKUMAR DALWADI	Company Secretary & Compliance Officer (w.e.f 30 th April, 2022)
MR. JATINKUMAR DHIRAJLAL JOGANI	CFO (KMP) (w.e.f 06 th October, 2022)

STATUTORY AUDITORS

M/s. Rahul Mistri and Co.,
Chartered Accountants, Gandhinagar

SECRETARIAL AUDITORS

M/s. Mukesh J & Associates,
Company Secretaries, Ahmedabad

BANKERS

Axis Bank Limited, Ahmedabad

REGISTERED OFFICE

901-A-Block, Mondeal Square, Nr. Iscon Elegance,
S.G. Highway, Prahladnagar, Ahmedabad-380015.
Tel: +91 79 4601 4490
Website: www.sahanasystem.com
E-mail: compliance@sahanasystem.com

REGISTRAR & SHARE TRANSFER AGENTS:

Purva Sharegistry (India) Private Limited
Unit No. 9, Ground Floor, Shiv Shakti Ind. Estt,
J. R. Boricha Marg, Lower Parel East, Mumbai-400011
Tel. No.: +91 022 23010771/8261
Email: support@purvashare.com



NOTICE OF 03RD ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE THIRD (03RD) ANNUAL GENERAL MEETING OF THE MEMBERS OF SAHANA SYSTEM LIMITED WILL BE HELD ON SATURDAY, SEPTEMBER 23, 2023 AT 11:30 A.M. THROUGH VIDEO CONFERENCING/ OTHER AUDIO-VISUAL MEANS, TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

ITEM NO. 1 – ADOPTION OF AUDITED FINANCIAL STATEMENTS

To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2023 together with the Reports of the Board of Directors and the Auditors thereon.

ITEM NO. 2 – RE-APPOINTMENT OF A DIRECTOR

To appoint a Director in the place of MS. HETAL CHATURBHAI PATEL (DIN: 08381794), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, seeks re-appointment.

“RESOLVED THAT, pursuant to the provisions of Section 152 of the Companies Act, 2013, Ms. HETAL CHATURBHAI PATEL (DIN: 08381794), who retires by rotation, at this Annual General Meeting and being eligible, has offered herself for re-appointment, be and is hereby re-appointed as the Director of the company, liable to retire by rotation;

RESOLVED FURTHER THAT, the Board of Directors and the Company Secretary of the company be and are hereby authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

ITEM NO. 3 – APPOINTMENT OF M/S. A.K. OSTWAL & CO., CHARTERED ACCOUNTANT AS STATUTORY AUDITOR OF THE COMPANY

To approve, and confirm the appointment of Statutory Auditors of the Company in order to fill the casual vacancy caused due to the resignation and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) and/or re-enactment(s) thereof, for the time being in force), and pursuant to the recommendations of the Audit Committee, M/s. A. K. Ostwal & Co., Chartered Accountants, (Firm Registration Number: 107200W), who have confirmed their eligibility to be appointed as Statutory Auditors, in terms of the provisions of Section 141 of the Act and Rules related thereto, be and are hereby appointed as the Statutory Auditors of the Company for FY 2023-24 due to the casual vacancy caused by the resignation of M/s. Rahul Mistri and Co., Chartered Accountants, to hold office from the conclusion of this Annual General Meeting till the conclusion of the Annual General Meeting to be held in year 2024 (for FY 2023-24) , on such remuneration and out of pocket expenses as may be decided by the Board of directors in consultation with the said firm

**BY ORDER OF THE BOARD OF THE DIRECTORS
FOR, SAHANA SYSTEM LIMITED**

**SD/-
HETANG ARUNKUMAR SHAH
MANAGING DIRECTOR
DIN: 0271097**

**Registered Office:
901-A-Block, Mondeal Square, Nr. Iscon Elegance,
S.G. Highway, Prahladnagar, Ahmedabad-380015**

**Place: Ahmedabad
Date: 29/08/2023**

NOTES:

1. The approval of the Members of the Company is being sought through the remote e-voting facility only.
2. The Ministry of Corporate Affairs ("MCA") has vide its General Circular Nos. 14/2020 dated April 8, 2020 and 17/2020 dated April 13, 2020, in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid-19", General Circular Nos. 20/2020 dated May 5, 2020, and subsequent circulars issued in this regard, the latest being 10/2022 dated December 28, 2022 in relation to "Clarification on holding of annual general meeting (AGM) through Video Conferencing (VC) or Other Audio Visual Means (OAVM)", (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars, the AGM of the Company is being held through VC /OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.
3. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.



5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
6. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by CDSL.
7. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at <https://www.sahanasystem.com/>. The Notice can also be accessed from the website of NSE Limited at www.nseindia.com and the AGM Notice is also available on the website of CDSL (agency for providing the Remote e-Voting facility) i.e. www.evotingindia.com.

THE INTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:

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

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

- 1) The voting period begins on Wednesday, 20th September, 2023 at 09.00 a.m. and ends on Friday, 22nd September, 2023 at 05.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) i.e. Saturday, 16th September, 2023 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- 2) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- 3) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions.

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

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

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to



register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

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

- 4) 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** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<p>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi.</p> <p>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & 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.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>



<p>Individual Shareholders holding securities in demat mode with NSDL Depository</p>	<ol style="list-style-type: none"> 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: https://eservices.nsdl.com 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 & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. 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 & voting during the meeting
<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</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 CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

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

5) Login method of e-Voting for shareholders other than individual shareholders & physical shareholders.

- 1) The shareholders should log on to the e-voting website 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 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:

	For Shareholders holding shares in Demat Form other than individual and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) 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.
Dividend Bank Details OR 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. If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- 7) After entering these details appropriately, click on "SUBMIT" tab.
- 8) 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.
- 9) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
 - 10) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
 - 11) 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.
 - 12) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
 - 13) 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.
 - 14) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
 - 15) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
 - 16) 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.
 - 17) Facility for Non – Individual Shareholders and Custodians –Remote Voting**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to 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.
 - 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 voteon.
 - The list of accounts linked in the login should be mailed to 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 scrutinizerto 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 signatorywho are authorized to vote, to the Scrutinizer and to the Company at the email address viz; mjassociates.pcs@gmail.com, if they have voted from individual tab & not uploaded same in theCDSL e-voting system for the scrutinizer to verify the same.

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

- 1) The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.



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

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

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 compliance@sahanasystem.com.

For Demat shareholders, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to compliance@sahanasystem.com.

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 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, 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 or call on 022-23058542/43.

**EXPLANATORY STATEMENT IN TERMS OF SECTION 102 OF THE
COMPANIES ACT, 2013 IN RESPECT OF SPECIAL BUSINESS**

Item No. 03

The Statutory Auditors of the Company, M/s. Rahul Mistri & Co. vide their letter dated 24th August, 2023 has tendered their resignation as the Statutory Auditors of the Company due pre-occupation and which has caused vacancy in the office of Statutory Auditor of the Company as envisaged by Section 139(8) of the Companies Act, 2013 ("Act") has been arisen.

Pursuant to Section 139 of the Companies Act, 2013 ("Act"), the Board of Directors of the Company, on the recommendation of the Audit Committee at its meeting held on 29th August, 2023, appointed M/s. A. K. Ostwal & Co., Chartered Accountants, (Firm Registration Number: 107200W), as the Statutory Auditors of the Company for FY 2023-24 after obtaining the consent under Section 139(1) of the Act in order to fill the casual vacancy caused by the resignation of M/s. Rahul Mistri & Co.

M/s. Rahul Mistri & Co., the erstwhile Statutory Auditors of the Company has been paid audit fees as per the decision of Board in consultation with the audit committee and auditors for conducting the statutory audit of the Company, for the financial year ended March 31, 2023.

The proposed fee payable to M/s. A. K. Ostwal & Co., shall be decided by the Board of Directors of the Company in consultation with the audit firm.

The Board accordingly recommends the ordinary resolutions set out at item No. 3 of this notice for approval of the members.

None of the Directors/Key Managerial Personnel of the Company/their relatives is, in any way, concerned or interested, financially or otherwise, in the resolutions set out at Item No. 3 of the Notice.



EXHIBIT TO THE NOTICE

Details of Directors seeking Appointment/Re-appointment at the Annual General Meeting (Under Regulation 36 of the SEBI Listing Obligations and Disclosure Requirements, 2015)

NAME OF DIRECTOR	MS. HETAL CHATURBHAI PATEL
DIN	08381794
Date of Birth	October 21, 1986
Brief resume and nature of expertise in specific functional areas	Hetal Chaturbhai Patel aged 36 years is the Non-Executive Director of the company. She holds degree of Bachelor of Commerce from Saurashtra University. She is presently acting as Director i.e. Member of Board of Directors of Shri Vinayak Sahakari Bank Limited.
No. of Equity Shares held in the Company	0
Names of listed entities (Including this listed entity) in which the person holds the Directorship and the Membership of Committees of the board*	Other Directorship- 0 Other Committee Membership- NIL
Disclosure of Relationships between Directors inter-se	She is not related to any of other Director of the Company
Names of listed entities from which the person has resigned in the three (3) years	NIL

**Committee includes Audit Committee, Nomination & Remuneration Committee and Stakeholder Relationship across all Listed Companies including this company.*

**BY ORDER OF THE BOARD OF THE DIRECTORS
FOR, SAHANA SYSTEM LIMITED**

**SD/-
HETANG ARUNKUMAR SHAH
MANAGING DIRECTOR
DIN: 0271097**

**Registered Office:
901-A-Block, Mondeal Square, Nr. Iscon Elegance,
S.G. Highway, Prahladnagar, Ahmedabad-380015**

**Place: Ahmedabad
Date: 29/08/2023**



DIRECTORS' REPORT

TO

THE MEMBERS OF THE COMPANY

Your Directors feel great pleasure in presenting 03rd Annual Report on the business and operations of the Company together with the Audited Financial Statements for the year ended 31st March, 2023.

1. FINANCIAL HIGHLIGHTS

(Rs. in Lakhs except EPS)

S. NO.	PARTICULARS	CURRENT YEAR ENDED 31ST MARCH, 2023	PREVIOUS YEAR ENDED 31ST MARCH, 2022
1.	Total Revenue	2414.23	1217.39
2.	Other Income	-	-
3.	Total Income	2414.23	1217.39
4.	Profit before Depreciation & Amortization Expenses, Finance Cost and Tax	967.46	277.7
5.	Less : Depreciation and Amortization Expenses	17.02	9.93
6.	Finance Cost	64.25	72.24
7.	Profit before Tax	886.19	195.53
8.	Less: Provision for Tax	249.07	55
9.	Deferred Tax	(2.52)	(0.65)
10.	MAT Credit Entitlement	-	-
11.	Profit after Tax	639.64	141.18
12.	Interim Dividend	-	-
13.	Profit for the year	639.64	141.18
14.	Earnings per share (EPS)		
	Basic	11.48	2.54
	Diluted	11.48	2.54

2. REVIEW OF OPERATIONS

During the year under review, the Company's Revenue from Operations stood at Rs. 2414.23 lakhs compared to Rs. 1217.39 lakhs in the previous year. The Net Profit for the year stood at Rs. 639.64 Lakhs as against Rs. 141.18 Lakhs reported in the Previous Year.

3. CHANGE IN MANAGEMENT



In view of the appointments and resignation of Directors in the Board of the Company, following is the revised Composition of the Board;

SR NO.	NAME OF THE DIRECTORS	DESIGNATION	DIN/PAN	STATUS
1.	HETANG ARUNKUMAR SHAH	Managing Director	02710970	Promoter/ Chairman
2.	HETAL CHATURBHAI PATEL	Non-Executive	08381794	Non-Independent
3.	EKTA ANKIT PATEL	Non-Executive	09574878	Independent Director
4.	NISHITA MAYANK SANGHVI	Non-Executive	09574964	Independent Director

4. ALTERATION OF MEMORANDUM OF ASSOCIATION AND ARTICLES OF ASSOCIATION

The Company has converted into Public Limited Company, Consequent to Conversion from Private Limited Company to Public Limited Company, Name of the Company was changed from "Sahana System Private Limited" to "Sahana System Limited" w.e.f. 05th April, 2022.

Alteration of Object Clause

At the Extra-ordinary General Meeting held on 14th May, 2022, The Company has altered its Object clause by inserting new clauses 4, 5, 6.

5. DIVIDEND AND RESERVES

In order to conserve resources and to meet financial requirements to implement its future plans, your Directors do not propose any dividend for the year under review.

During the year under review ₹ Nil was transferred to General Reserves.

6. SHARE CAPITAL OF THE COMPANY

During the year Company has increased its Authorized Share Capital in the manner set forth below:

Particulars of Change		Date of AGM / EGM Shareholders' Meeting	
From	To		
₹5,00,00,000 consisting of 50,00,000 equity shares of ₹10.00 each	₹10,00,00,000 consisting of 1,00,00,000 equity shares of ₹10.00 each	02/09/2022	EGM

During the Year Company has increased its Paid up Capital in the manner set forth below:

Bonus Issue



Date of Allotment	No of Equity Shares	Face Value (₹)	Issue Price (₹)	Consideration
09/09/2022	24,76,219	10/-	NA	Other Than Cash Consideration

Listing of Shares on SME exchange of NSE

Your directors are pleased to inform you that the Company's securities have been listed on SME Exchange of NSE Limited from 12th June, 2023.

The company got its equity shares listed via Initial Public Offer on SME Exchange of NSE Limited:

The Company made initial Public Offer (IPO) for 24,25,000 Equity Shares for cash at a price of Rs. 135/- per share including a premium of Rs. 125/- per share aggregating to Rs. 3,273.75 Lakhs through an Initial Public Offer.

7. MANAGEMENT DISCUSSIONS AND ANALYSIS

The Management Discussion and Analysis Report on the operations of the Company, as required under Regulation 34 read with Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations') and as approved by the Board of Directors, is provided in a separate section and forms an integral part of this Report.

8. ANNUAL RETURN:

The Annual Return of the Company will be placed on the website of the company pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules 2014, the web link of the same is at <https://www.sahanasystem.com/>

9. PUBLIC DEPOSITS:

During the year under review, the Company has not accepted any deposits within the meaning of Section 73 and 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014, *However, the Company has borrowed money as Unsecured Loan from Mr. Pratik Kakadia who is the promoter of the Company and M/s. Bartek Enterprise which is relative of KMP. However on the date of this director report, the company has repaid the said loans.*

10. DIRECTORS' RESPONSIBILITY STATEMENT:



To the best of knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement in terms of Section 134(3) (c) of the Companies Act, 2013:

- a. That in the preparation of the Annual Accounts for the year ended 31st March, 2023, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. That the directors had 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 and of the profit of the company for that period;
- c. That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. The Annual Accounts have been prepared on a going concern basis;
- e. That the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- f. That the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

11. CORPORATE GOVERNANCE REPORT

As per the provisions of Regulation 15(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the provisions related to Corporate Governance as specified in Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and Para C, D and E of Schedule V shall not apply to a listed entity being listed on SME Exchange of NSE.

Thereby presently the Company is not required to comply with the above provisions of Corporate Governance.

Accordingly, the Report on Corporate Governance and Certificate regarding compliance of conditions of Corporate Governance are not made a part of the Annual Report.

12. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING / OUTGO:

Details regarding Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are stated below:

Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, details regarding Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo for the year under review are as follows:

A. Conservation of Energy



a. Steps taken or impact on conservation of energy
– The Operations of the Company do not consume energy intensively. However, Company continues to implement prudent practices for saving electricity and other energy resources in day-to-day activities.

b. Steps taken by the Company for utilizing alternate sources of energy – Though the activities undertaken by the Company are not energy intensive, the Company shall explore alternative sources of energy, as and when the necessity arises.

B. Technology Absorption

a. The efforts made towards technology absorption – The Company continues to take prudential measures in respect of technology absorption, adaptation and take innovative steps to use the scarce resources effectively.

b. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) – Not Applicable

C. The Particulars of Foreign Exchange and Outgo for the year under review are:
(Rs. in Lakhs)

PARTICULARS	YEAR ENDED 31ST MARCH, 2023	YEAR ENDED 31ST MARCH, 2022
FOREIGN EXCHANGE EARNING	135.22	7.26
FOREIGN EXCHANGE OUTGO	NIL	NIL

13. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

During the year under review, no employee was in receipt of remuneration exceeding the limits as prescribed under provisions of Section 197 of the Companies Act, 2013 and Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The necessary disclosure with respect to the remuneration of Directors and employees as required under Section 197(12) of the Companies Act, 2013 and Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has been appended as **Annexure –I** to this Report.

14. CASH FLOW AND CONSOLIDATED FINANCIAL STATEMENTS:

As required by Regulation 34(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Cash Flow Statement is appended. As the Company does not have any Subsidiary Company or Associate Company or Joint Venture Company, it is not required to publish Consolidated Financial Statement.

15. DECLARATION BY INDEPENDENT DIRECTORS

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed under section 149(6)



of the Companies Act, 2013 and Regulation 16 (1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

16. DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board received a declaration from all the directors under Section 164 and other applicable provisions, if any, of the Companies Act, 2013 that none of the directors of the company is disqualified under the provisions of the Companies Act, 2013 ("Act") or under the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015.

(I) APPOINTMENT & RESIGNATION OF DIRECTORS

During the financial year 2022-23, there were following changes in the board of directors of the company-

Name of Director	Date of Change	Particulars of Changes
Ms. Shardaben Rameshbhai Kakadiya	10 th June, 2022	Resignation
Ms. Hetal Chaturbhai Patel	18 th April, 2022	Change in Designation to Non-Executive Director
Mr. Hetang Arunkumar Shah	07 th April, 2022	Change in Director to Managing Director
Ms. Ekta Ankit Patel	18 th April, 2022	Appointment of as Independent Director
Ms. Nishita Mayank Sanghvi	18 th April, 2022	Appointment of as Independent Director

Accordingly, at present, the structure of Board of Directors is as follows:

SR. NO.	DESIGNATION	NAME OF DIRECTORS
1.	Managing Director & Chairman	Mr. HETANG ARUNKUMAR SHAH (As Managing Director w.e.f. 07 th April, 2022)
2.	Non-Executive & Non-Independent	Mr. HETAL CHATURBHAJI PATEL
3.	Independent Director (Non-Executive)	Ms. EKTA ANKIT PATEL
4.	Independent Director (Non-Executive)	Mr. NISHITA MAYANK SANGHVI

(II) RETIREMENT BY ROTATION

In accordance with the provisions of Section 152 of the Companies Act, 2013 read with Companies (Management & Administration) Rules, 2014 and Articles of Association of the Company, Ms. Hetal Chaturbhai Patel (DIN: 08381794), Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, has offered herself for re-appointment and your Board recommends her re-appointment.

(III) KEY MANAGERIAL PERSONNEL



During the year under review, there were following changes in Key Managerial Personnel of the company

Name of Director	Date of Change	Particulars of Changes
Mr. Hetang Arunkumar Shah	07 th April, 2022	Change in Director to Managing Director
Mr. Pratik Ramjibhai Kakadia	06 th October, 2022	Appointment as Chief Executive Officer (CEO)
Ms. Khushbu Ankitkumar Dalwadi	30 th April, 2022	Appointment as Company Secretary & Compliance Officer (CS)
Mr. Jatin Dhirajlal Jogani	06 th October, 2022	Appointment of Chief Financial Officer (CFO)

Accordingly, at present, the following are the Key Managerial Personnel of the company:

SR. NO.	DESIGNATION	NAME OF DIRECTORS
1.	Managing Director	Mr. Hetang Arunkumar Shah (as an MD w.e.f. 07/04/2022)
2.	Chief Executive Officer (CEO)	Mr. Pratik Ramjibhai Kakadia (w.e.f 06/10/2022)
3.	Company Secretary & Compliance Officer (CS)	Ms. Khushbu Ankitkumar Dalwadi (w.e.f 30/04/2022)
4.	Chief Financial Officer (CFO)	Mr. Jatin Dhirajlal Jogan (w.e.f 06/10/2022)

17. MEETINGS OF THE BOARD

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other Board business. A tentative annual calendar of the Board and Committee Meetings is informed to the Directors in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings.

The notice of meeting of Directors and Committees is given well in advance to all the Directors of the Company. The agenda of the Board / Committee meetings is circulated not less than 7 days prior to the date of the meeting. The agenda for the Board and Committee meetings includes detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision.

During the year under review, 22 (Twenty Two) Board Meetings were convened and the intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

NAME OF DIRECTOR	CATEGORY	NUMBER OF MEETINGS WHICH DIRECTOR WAS	MEETINGS ATTENDED
------------------	----------	---------------------------------------	-------------------



ENTITLED TO ATTEND			
Mr. HETANG ARUNKUMAR SHAH	Managing Director	22	22
Mr. HETAL CHATURBHAI PATEL	Non-Executive Director	22	22
MS. EKTA ANKIT PATEL	Independent Director	21	21
MS. NISHITA MAYANK SANGHVI	Independent Director	21	21

18. SEPARATE MEETING OF INDEPENDENT DIRECTORS

As stipulated by the Code of Independent Directors under Schedule IV of the Companies Act, 2013, a separate meeting of the Independent Directors of the Company was held on 21st October, 2022 to review, among other things, the performance of non-independent directors and the Board as whole, evaluation of the performance of the Chairman and the flow of communication between the Board and the management of the Company.

19. COMMITTEES OF THE BOARD

The Company's Board has the following Committees:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee

i) AUDIT COMMITTEE:

The Board at its Meeting held on 09th May, 2022 constituted the Audit Committee.

During the financial year 2022 -2023, (4) meetings of Audit Committee were held on 09th May, 2022, 25th August, 2022, 17th December, 2022 and 09th January, 2023.

The table below highlights the composition and attendance of the Members of the Committee. The requisite quorum was present at all the Meetings.

NAME OF MEMBERS	DESIGNATION	MEETINGS ATTENDED
MS. NISHITA MAYANK SANGHVI	CHAIRPERSON	4
MS. EKTA ANKIT PATEL	MEMBER	4
MS. HETANG ARUNKUMAR SHAH	MEMBER	4

The Company Secretary has acted as the Secretary to the Committee.

All the recommendations made by the Audit Committee were accepted by the Board of Directors. The terms of reference of the Audit Committee shall include but not limited to the following:



- a) To recommend the appointment/re-appointment/ re-placement and terms of appointment of the Auditors of the Company.
- b) To review and monitor Auditor's independence and performance and effectiveness of audit process.
- c) To review with the Management the Quarterly Financial Results before submission to the Board for approval.
- d) Review the adequacy of internal control system. Finding of any internal investigations by the internal auditors in to matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- e) Approval or any subsequent modification of transactions of the Company with related parties.
- f) Reviewing the Company's risk management policy.
- g) To scrutinize inter-corporate loans and investments made by the Company.
- h) To evaluate the Internal Financial Controls and Risk Management Systems.
- i) To carry out valuation of undertakings and the assets of the Company, wherever it is necessary.
- j) To review, with the management, performance of Statutory and Internal Auditors, adequacy of the Internal Control System.
- k) To review the functioning of the Whistle Blower Mechanism.
- l) To approve appointment of Chief Financial Officer after assessing the qualifications, experience and background etc. of the candidate.
- m) To carry out any other function, as may be assigned to Audit Committee pursuant to any amendments to the Listing Regulations and the applicable provisions of the Act.
- n) To oversee the Company's financial reporting process and disclosure of the financial information to ensure that the financial statements are correct, sufficient and creditable.
- o) To review the following information/document:
 - Management Discussion and Analysis of financial condition and results of operation;
 - Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
 - Management letter/letters of internal control weakness issued by the Statutory Auditors;
 - Internal audit reports relating to internal control weakness;
 - Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the Listing Regulations.

ii) **NOMINATION AND REMUNERATION COMMITTEE**

The Board at its Meeting held on 09th May, 2023 constituted the Nomination and remuneration Committee (hereinafter referred as "NRC").

During the financial year 2022-23, 2 (Two) meetings of NRC were held on 09th September, 2022, and 22nd March, 2023.

The table below highlights the composition and attendance of the Members of the Committee. The requisite quorum was present at the Meeting.

NAME OF MEMBERS	DESIGNATION	MEETINGS ATTENDED
-----------------	-------------	-------------------



MS. NISHITA MAYANK SANGHVI	CHAIRPERSON	2
MS. EKTA ANKIT PATEL	MEMBER	2
MS. HETAL CHATURBHAI PATEL	MEMBER	2

The Company Secretary has acted as the Secretary to the Committee.

The broad terms of reference of the NRC, as approved by the Board, are in compliance with Section 178 of the Companies Act, 2013 which are as follows:

- To lay down criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees.
- To formulate a criteria for evaluation of performance of Independent Directors and the Board of Directors.
- To recommend remuneration to be paid to a Director for any service rendered by him to the Company which are of a professional nature and provide an opinion, whether such Director possess the requisite qualification for the practice of such profession.
- To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.
- To decide whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
- To recommend to the Board the appointment and removal of the Directors, including Independent Directors.
- Carrying out functions as delegated by the Board of Directors from time to time.

The Board of Directors has framed “Remuneration and Nomination Policy” which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. This policy also lays down criteria for selection and appointment of Board Members. The said Policy is annexed herewith as **Annexure - II** to this report.

iii) **STAKEHOLDERS RELATIONSHIP COMMITTEE**

The Board at its Meeting held on 09th May, 2023 constituted the Stakeholder Relationship Committee. (hereinafter referred as “SRC”)

During the financial year 2022-23, 10th September, 2022 (One) meeting of SRC were held as there are not more than 1000 shareholders.

The table below highlights the composition and attendance of the Members of the Committee. The requisite quorum was present at the Meeting.

NAME OF MEMBERS	DESIGNATION	MEETINGS ATTENDED
MS. EKTA ANKIT PATEL	CHAIRPERSON	01
MS. NISHITA MAYANK SANGHVI	MEMBER	01
MR. HETANG ARUNKUMAR SHAH	MEMBER	01



The Company Secretary has acted as the Secretary to the Committee.

Stakeholders Relationship Committee is empowered to oversee the Redressal of Stakeholders complaints pertaining to transfer of shares, non-receipt of annual reports, non-receipt of declared dividends, issue of duplicate certificates, transmission /demat / remat of shares and other miscellaneous grievances.

20. ANNUAL PERFORMANCE EVALUATION BY THE BOARD

Pursuant to the provisions of the Act and the Listing Regulations, a structured questionnaire was prepared after taking into consideration the various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance. The performance evaluation of the Directors was completed during the year under review.

The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors and Non-Executive Director. The Board of Directors expressed their satisfaction with the evaluation process.

21. DIRECTORS TRAINING AND FAMILIARIZATION

The Company undertakes and makes necessary provision of an appropriate induction programme for new Director(s) and ongoing training for existing Directors. The new Director(s) are introduced to the Company culture, through appropriate training programmes. Such kind of training programmes helps develop relationship of the directors with the Company and familiarize them with Company processes. The management provides such information and training either at the meeting of Board of Directors or at other places.

The induction process is designed to:

- build an understanding of the Company's processes and
- fully equip Directors to perform their role on the Board effectively

Upon appointment, Directors receive a Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expectations from them.

22. DETAILS OF FRAUD REPORT BY AUDITOR:

As per auditors' report, no fraud u/s 143 (12) reported by the auditor.

23. AUDITORS

(i) STATUTORY AUDITORS:

M/S Rahul Mistri & Co., Chartered Accountants, Surat having Firm Registration No. 0120410W, were appointed as Statutory Auditors of the Company for a term of 05 (Five) years for the



financial year 2021-2022 to 2025-2026, on such remuneration as may be fixed by the Board of Directors of the Company.

M/s. Rahul Mistri & Co., vide letter dated 24th August, 2023 has tendered his resignation as the Statutory Auditors of the Company due to Pre-occupation.

Board hereby recommends to the Shareholders for the appointment of M/s. A.K. Ostwal & Co., Chartered Accountant (Firm Registration Number: 107200W), as a Statutory Auditor of the Company at the upcoming Annual General Meeting for financial year 2023-24 to fill in the casual vacancy caused by resignation of M/s. Rahul Mistri & Co .

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

(II) INTERNAL AUDITORS:

As the Company was in process to undergo listing of its securities with Emerge Exchange of NSE Limited during the financial year 2022-23. The company got its securities listed on June 12, 2023, Appointment of Internal Auditor of the Company is not applicable Pursuant to Provision of Section 138 of The Companies Act, 2013, read with Companies (Accounts) Rules, 2014.

(III) SECRETARIAL AUDITORS:

As the Company was in process to undergo listing of its securities with Emerge Exchange of NSE Limited during the financial year 2022-23. The company got its securities listed on June 12, 2023 and hence pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has hereby appointed M/s. **Mukesh J. & Associates, Company Secretaries, Ahmedabad, Gujarat** to conduct Secretarial Audit of the company as applicable by virtue of listing of securities for the year ended on 31st March, 2023.

Secretarial Audit Report issued by M/s. **Mukesh J. & Associates**, , Company Secretaries in Form MR- 3 is annexed herewith as **Annexure IV** and forms an integral part of this Report. The reply to observations of Secretarial Auditor is attached as addendum to Directors report

24. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Internal financial controls of the company are adequate keeping in mind Company's business size and mode of operations. All process and safety measures are followed to protect from any financial or business loss, unauthorized use or disposition of its assets. All the transactions are properly regulated through proper channels to maintain control.

The Company is adhering to all the applicable Accounting Standards. Further, there are teams which looks after the internal checks and verifies the internal control system in accordance with policies of the Company.

25. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:



As the Company is not having net worth of rupees five hundred Crores or more, or turnover of rupees one thousand Crores or more or a net profit of rupees five Crores or more during previous financial year,

The Company is not required to comply with the provisions of Section 135 of the Companies Act, 2013 with the regard to the formation of the CSR Committee and undertaking of Social Expenditure as required under the said Section.

26. SUBSIDIARIES, ASSOCIATE COMPANIES AND JOINT VENTURES

As Company does not have any Subsidiaries or Associates Companies or Joint ventures, it is not required to give disclosure in Form AOC-1 Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014.

27. RELATED PARTY TRANSACTIONS

All Related Party Transactions that were entered into during the financial year were on an arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Act and the Listing Regulations.

There were no materially significant Related Party Transactions made by the Company with Promoters, Directors, Key Managerial Personnel which may have a potential conflict with the interest of the Company at large. All Related Party Transactions are placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are repetitive in nature.

A statement of all Related Party Transactions is placed before the Audit Committee for its review on a quarterly basis, specifying the nature, value and terms and conditions of the transactions, if any. The Company has adopted a Related Party Transactions Policy.

The details have been enclosed pursuant to clause (h) of subsection (3) of Section 134 of Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules 2014 – 'AOC-2'- **Annexure III.**

28. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY:

The particulars of loans, guarantees and investments, if any taken or given, have been disclosed in the financial Statement.

29. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

The material changes and commitments affecting the financial position of the Company between the end of the financial year of the Company to which the financial statements relate and the date of the report are mentioned as below:

Initial Public Offer & consequent listing of Shares on SME Exchange of NSE Limited:

The Company made initial Public Offer (IPO) for 24,25,000 Equity Shares for cash at a price of Rs. 135/- per share including a premium of Rs. 125/- per share aggregating to Rs. 3,273.75 Lakhs



through an Initial Public Offer. Your Directors are pleased to inform you that the Company's securities have been listed on SME Exchange of NSE Limited w.e.f 12th June, 2023.

30. VIGIL MECHANISM / WHISTLE BLOWER POLICY

In pursuance to Section 177 of the Companies Act, 2013, the Company has adopted a Vigil Mechanism / Whistle Blower Policy to deal with instance of fraud and mismanagement, if any.

The Company promotes ethical behavior in all its business activities and has adopted a mechanism of reporting illegal or unethical behavior. The Company has a whistle blower policy wherein the employees are free to report violations of laws, rules, regulations or unethical conduct to their immediate supervisor or such other person as may be notified by the management to the employees / workers. The mechanism also provides for adequate safeguards against victimization of directors and employees who avail of the mechanism and also provide for direct access to the Chairperson of the Audit Committee in the exceptional cases. The confidentiality of those reporting violation is maintained and they are not subjected to any discriminatory practice. However, no violation of laws or unethical conduct etc. was brought to the notice of the Management or Audit Committee during the year ended 31st March, 2023. We affirm that during the financial year 2022-23, no employee or director was denied access to the Audit Committee.

31. RISK MANAGEMENT POLICY

Your Company has an elaborated risk Management procedure and adopted systematic approach to mitigate risk associated with accomplishment of objectives, operations, revenues and regulations. Your Company believes that this would ensure mitigating steps proactively and help to achieve stated objectives. The entity's objectives can be viewed in the context of four categories Strategic, Operations, Reporting and Compliance. The Risk Management process of the Company focuses on three elements, viz. (1) Risk Assessment; (2) Risk Management; (3) Risk Monitoring.

Audit Committee has been entrusted with the responsibility to assist the Board in (a) Overseeing and approving the Company's enterprise wide risk management framework; and (b) Overseeing that all the risk that the organization faces. The key risks and mitigating actions are also placed before the Audit Committee of the Company. Significant audit observations and follow up actions thereon are reported to the Audit Committee. The Committee reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations, including those relating to strengthening of the Company's risk management policies and systems.

32. POLICY ON PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

Your company believes in providing a healthy, safe and harassment-free workplace for all its employees. Further company ensures that every women employee is treated with dignity and respect.

The Company has in place an Anti-Sexual Harassment Policy as per the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.



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

33. Details of Application made or proceeding pending under Insolvency And Bankruptcy Code 2016

During the year under the review, there were no applications made or proceedings pending in the name of the company under the insolvency and bankruptcy code, 2016.

34. Details of Difference between valuation amount on one time settlement and valuation while availing loan from banks and financial institutions.

During the year under the review, there has been no one time settlement of loans taken from banks and financial institutions.

35. ACKNOWLEDGEMENT

The Board of Directors wishes to express its gratitude and record its sincere appreciation for the commitment and dedicated efforts put in by all the employees. Your Directors take this opportunity to express their grateful appreciation for the encouragement, cooperation and support received by the Company from the local authorities, bankers, clients, suppliers and business associates. The directors are thankful to the esteemed shareholders for their continued support and the confidence reposed in the Company and its management.

FOR, SAHANA SYSTEM LIMITED

SD/-
HETANG ARUNKUMAR SHAH
MANAGING DIRECTOR
DIN: 02710970

Registered Office:
901-A-Block, Mondeal Square, Nr. Iscon Elegance, S.G. Highway,
Prahladnagar, Ahmedabad-380015

Place: Ahmedabad
Date: 29/08/2023