

**DATA PATTERNS (INDIA) PRIVATE LIMITED**

**STANDALONE FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH 2019**

**R.G.N.Price & Co,  
Chartered Accountants**

# **R.G.N. PRICE & CO.,** **CHARTERED ACCOUNTANTS**

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25<sup>th</sup> July 2019

## **INDEPENDENT AUDITORS REPORT**

**To The Members of Data Patterns (India) Private Limited**

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

#### **Opinion**

We have audited the accompanying Standalone Financial Statements of Data Patterns (India) Private Limited ("the Company") which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2019, its profit for the year and its cash flows for the year ended on that date.

#### **Basis of Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act 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.

## **Information Other than the Standalone Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures but does not include the Standalone Financial Statements and our auditor's report thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

## **Responsibilities of the Management and Those Charged with Governance for Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibility**

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

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

### **Other Matter**

The Company's Board has approved a scheme of merger on 29th March 2019 between the company and its holding company viz. Indus Teqsite Private Limited with effect from 1st April 2018, and has filed the application for the said merger with the Hon'ble National Company Law Tribunal, Chennai Bench on 10<sup>th</sup> June, 2019, which is pending for its approval.

### **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 in terms of Section 143(11) of the Act, we give in "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.
- 2) With respect to other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, we state that;



Being a Private Limited Company, provision of section 197 of the Act relating to remuneration payable to directors are not applicable.

- 3) As required by Section 143 (3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant Rules prescribed thereunder.
  - e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.
  - g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Standalone Financial Statements – Refer Note 18.6 to the Standalone Financial Statements.



- ii. The Company has certain long-term contracts but there are no material foreseeable losses in respect of such contracts. The Company did not enter into any derivative contracts during the year.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For R.G.N. Price & Co.,  
Chartered Accountants  
F R No.002785S



K.Venkatakrishnan  
Partner

M No.208591

UDIN: 19208591AAAABN6311



Place : Chennai

Date : 25<sup>th</sup> July 2019

**Annexure A referred to in paragraph 1 under “Report on other legal and Regulatory Requirements” section of our report of even date on the Standalone Financial Statements of Data Patterns (India) Private Limited, for the year ended 31<sup>st</sup> March 2019.**

- i) a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of its fixed assets.
- b) The Company has a policy of physically verifying its fixed assets every year, which in our opinion is reasonable. Accordingly, the Company carried out the physical verification of fixed assets during the year and no material discrepancies were observed during such verification;
- c) The Company does not hold any immovable property and hence this clause is not applicable to the Company. In respect of leasehold land, the lease agreement is in the name of the Company, where the Company is the lessee.
- ii) Physical verification of inventories has been conducted at reasonable intervals by the Management. The discrepancies noticed on physical verification which were not material have been properly dealt with in the books of accounts.
- iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act.
- iv) There are no loans, investments, guarantees and securities granted in respect of which provisions of section 185 and 186 of the Act are applicable.
- v) The Company has not accepted any deposits and the provisions of Section 73 to 76 or any other relevant provisions of the Act and the rules framed there under are not applicable to the Company.
- vi) We have broadly reviewed the books of accounts and records maintained by the Company in respect of products covered under the Rules made by the Central Government for maintenance of cost records under sub section (1) of section 148 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate and complete.



vii) a) According to the information and explanations given to us, and records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income-tax, GST, cess and any other statutory dues as applicable, with the appropriate authorities except few instances of delay in remittance of TDS under Income Tax Act employee state insurance and provident fund. There are no arrears of undisputed statutory dues outstanding as at 31<sup>st</sup> March 2019 for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us, and the records of the Company examined by us, there are no disputed statutory dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, GST and cess as at 31<sup>st</sup> March 2019 except:

| <b>Name of the Statute</b> | <b>Period</b>               | <b>Amount involved<br/>Rs. Lakhs</b> | <b>Forum where dispute is pending</b> |
|----------------------------|-----------------------------|--------------------------------------|---------------------------------------|
| Central Sales Tax Act      | FY 2002-03                  | 63.84                                | TN Sales Tax Appellate Tribunal       |
| Finance Act, 1994          | FY 2007-08 to<br>FY 2011-12 | 47.55                                | Commissioner (Appeals), Service Tax   |

viii) The Company has not taken loans during the year from any bank or financial institution and hence this clause is not applicable to the Company. The Company has not issued any debentures.

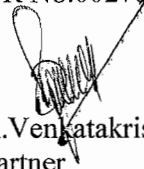
ix) The Company has not raised any money by way of initial public offer/further public offer/debt instruments/term loans and hence reporting under clause (ix) is not applicable.

x) During the course of our examination of the books and records of the Company carried out in accordance with the Generally Accepted Auditing Practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company noticed or reported during the year nor have we been informed of such case by the Management.



- xi) Since the Company is private limited Company, provisions of Section 197 read with Schedule V to the Act, with regard to managerial remuneration is not applicable to the Company.
- xii) The Company is not a Nidhi Company and Nidhi Rules, 2014 are not applicable to the Company.
- xiii) The provisions of section 177 of the Act are not applicable to the Company, being private limited. In our opinion and as per the information and explanations given to us, transactions with the related parties are in compliance with Section 188 of the Act and the details have been disclosed in the Standalone Financial Statements as required by the applicable Accounting Standards.
- xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- xv) The Company has not entered into any non-cash transactions with directors or persons connected with them contravening section 192 of the Act.
- xvi) The Company is not required to get registered under Section 45-IA of the Reserve Bank of India Act, 1934 and hence clause (xvi) is not applicable.

For R.G.N. Price & Co.,  
Chartered Accountants  
F R No.002785S

  
K.Venkatakrisnan  
Partner  
M No.208591  
UDIN: 19208591AAAABN6311



Place : Chennai

Date : 25<sup>th</sup> July 2019

**Annexure B referred to in Clause (f) of Paragraph 3 of Report on Other Legal and Regulatory Requirements of our report of even date on the Standalone Financial Statements of Data Patterns (India) Private Limited, for the year ended 31<sup>st</sup> March 2019**

We have audited the internal financial controls over financial reporting of **Data Patterns (India) Private Limited** ('the Company') as of March 31, 2019 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

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

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

**Auditor's 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 and the Standards of Auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and 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 judgement, including the assessment of the risks of material misstatement of the Standalone 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 unmodified 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 Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone Financial Statements.

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

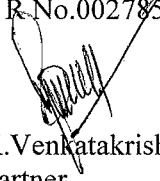
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal 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

According to the information and explanations given to us and based on our audit, the Company has, in all material respects, an adequate internal financial control over financial reporting and such internal financial control over financial reporting were operating effectively as at March 31, 2019 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 of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For R.G.N. Price & Co.,  
Chartered Accountants  
F R No.002785S

  
K.Venkatakrisnan  
Partner  
M No.208591  
UDIN: 19208591AAAABN6311



Place : Chennai

Date : 25<sup>th</sup> July 2019

**DATA PATTERNS (INDIA) PRIVATE LIMITED**  
**BLOCK II, GROUND FLOOR, PLOT H-9. FOURTH MAIN ROAD, SIPCOT IT PARK,**  
**SIRUSERI, CHENNAI 603 103**  
**BALANCE SHEET**

| PARTICULARS                          | Note No | AS AT 31 <sup>st</sup><br>MARCH 2019 | AS AT 31 <sup>st</sup><br>MARCH 2018 |
|--------------------------------------|---------|--------------------------------------|--------------------------------------|
|                                      |         | Rs.                                  | Rs.                                  |
| <b>I. EQUITY AND LIABILITIES</b>     |         |                                      |                                      |
| <b>(1) Shareholders Funds</b>        |         |                                      |                                      |
| (a) Share Capital                    | 1.1     | 73,075,000                           | 73,075,000                           |
| (b) Reserves and Surplus             | 1.2     | 270,726,188                          | 212,081,081                          |
|                                      |         | <b>343,801,188</b>                   | <b>285,156,081</b>                   |
| <b>(2) Non-Current Liabilities</b>   |         |                                      |                                      |
| (a) Deferred tax Liabilities (Net)   | 2.1     | 1,555,689                            | 4,286,910                            |
| (b) Long Term Provisions             | 2.2     | 16,976,428                           | 13,868,065                           |
| (c) Non-Current Liabilities – Others | 2.3     | 251,892,000                          | 144,636,000                          |
|                                      |         | <b>270,424,117</b>                   | <b>162,790,975</b>                   |
| <b>(3) Current Liabilities</b>       |         |                                      |                                      |
| (a) Short-term borrowings            | 3.1     | 300,528,564                          | 126,542,850                          |
| (b) Trade payables                   | 3.2     |                                      |                                      |
| (i) Due to Micro & Small Enterprises |         | 8,783,226                            | -                                    |
| (ii) Due to Others                   |         | 588,752,690                          | 509,944,326                          |
| (c) Other current liabilities        | 3.3     | 223,297,340                          | 267,606,973                          |
| (d) Short-term provisions            | 3.4     | 23,456,778                           | 14,095,404                           |
|                                      |         | <b>1,144,818,598</b>                 | <b>918,189,553</b>                   |
| <b>TOTAL</b>                         |         | <b>1,759,043,903</b>                 | <b>1,366,136,609</b>                 |
| <b>II. ASSETS</b>                    |         |                                      |                                      |
| <b>(1) Non-Current Assets</b>        |         |                                      |                                      |
| (a) Property, Plant & Equipment      | 4       |                                      |                                      |
| Tangible Assets                      |         | 81,080,468                           | 90,991,956                           |
| Intangible Assets                    |         | 1,705,904                            | 1,531,280                            |
| (b) Long Term Advances               | 5       | 17,927,719                           | 19,600,897                           |
| <b>Total non-current assets</b>      |         | <b>100,714,091</b>                   | <b>112,124,133</b>                   |
| <b>(2) Current Assets</b>            |         |                                      |                                      |
| (a) Inventories                      | 6       | 200,911,541                          | 218,983,263                          |
| (b) Trade receivables                | 7       | 999,188,771                          | 815,364,636                          |
| (c) Cash and Bank balances           | 8       | 360,671,919                          | 157,990,636                          |
| (d) Short-term loans and advances    | 9       | 97,557,581                           | 61,673,941                           |
|                                      |         | <b>1,658,329,812</b>                 | <b>1,254,012,476</b>                 |
| <b>TOTAL</b>                         |         | <b>1,759,043,903</b>                 | <b>1,366,136,609</b>                 |

Significant Accounting Policies & Notes on accounts


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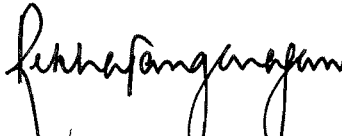
The accompanying notes are an integral part of the financial statements


This is the Balance Sheet referred to in our report of even date


For DATA PATTERNS (INDIA) PRIVATE LIMITED

For R.G.N. PRICE & CO  
Chartered Accountants  
Firm Regn No. 002785S

  
Srinivasagopalan Rangarajan  
Managing Director  
DIN : 00643456  
3A, Akshaya Flats,  
34, Krishnaswamy Avenue,  
Mylapore, Ch-600004, TN

  
Rekha Murthy Rangarajan  
WholeTime Director  
DIN : 00647472  
3A, Akshaya Flats,  
34, Krishnaswamy Avenue,  
Mylapore, Ch-600004, TN

  
Shikha Sharma  
Company Secretary  
Membership No. A52558  
Tower 3, TVH Ouranya Bay,  
Padur, Ch-603103. TN

  
K. Venkatakrisnan  
Partner  
Membership No. 208591



Place: CHENNAI

Date : 25/07/2019

**DATA PATTERNS (INDIA) PRIVATE LIMITED**  
**BLOCK II, GROUND FLOOR, PLOT H-9. FOURTH MAIN ROAD, SIPCOT IT PARK,**  
**SIRUSERI, CHENNAI 603 103**

**STATEMENT OF PROFIT & LOSS**

| PARTICULARS   | Note No | FOR THE YEAR ENDED 31 <sup>st</sup> MARCH 2019 | FOR THE YEAR ENDED 31 <sup>st</sup> MARCH 2018 |
|---|---------|--|--|
|   |         | Rs.  | Rs.  |
| <b>INCOME</b>                                       |         |  |  |
| I. Revenue from Operations                          | 10      | 1,233,111,643                                  | 898,733,811                                    |
| Less : Excise Duty & Service Tax                    |         | -  | 1,650,919                                      |
|   |         | <b>1,233,111,643</b>                           | <b>897,082,892</b>                             |
| II. Other Income                                    | 11      | 12,354,098                                     | 6,693,040                                      |
| <b>III TOTAL REVENUE (I + II)</b>                   |         | <b>1,245,465,741</b>                           | <b>903,775,932</b>                             |
| <b>EXPENDITURE</b>                                  |         |  |  |
| Cost of materials consumed                          | 12      | 754,498,938                                    | 673,186,649                                    |
| Changes in inventories                              | 13      | 39,422,787                                     | (83,706,254)                                   |
| Employee benefit expenses                           | 14      | 148,787,076                                    | 120,365,646                                    |
| Finance costs                                       | 15      | 55,941,924                                     | 43,036,340                                     |
| Depreciation and amortization expenses              | 4       | 10,657,537                                     | 10,715,643                                     |
| Other expenses                                      | 16      | 158,461,411                                    | 91,314,150                                     |
| <b>IV. TOTAL EXPENDITURE</b>                        |         | <b>1,167,769,673</b>                           | <b>854,912,174</b>                             |
| <b>V. Profit before tax (III – IV)</b>              |         | <b>77,696,068</b>                              | <b>48,863,758</b>                              |
| <b>VI. Tax Expenses:</b>                            |         |  |  |
| - Current Tax                                       |         | 21,750,899                                     | 14,583,145                                     |
| - Deferred Tax                                      |         | (2,731,221)                                    | (3,218,196)                                    |
| - Earlier year Tax                                  |         | 31,283   | -  |
| <b>VII. PROFIT AFTER TAX (V – VI)</b>               |         | <b>58,645,107</b>                              | <b>37,498,810</b>                              |
| <b>VIII. Earnings per equity share</b>              |         |  |  |
| Basic & Diluted (Nominal value of shares Rs. 100)   |         | <b>80.25</b>                                   | <b>51.32</b>                                   |
| Significant Accounting Policies & Notes on Accounts | 17-18   |  |  |


The accompanying notes are an integral part of the financial statements

This is the Statement of Profit & Loss referred to in our report of even date

For DATA PATTERNS (INDIA) PRIVATE LIMITED

For R.G.N. PRICE & CO  
Chartered Accountants  
Firm Regn No. 002785S

  
**Srinivasagopalan Rangarajan**  
Managing Director  
DIN : 00643456  
3A, Akshaya Flats,  
34, Krishnaswamy Avenue,  
Mylapore, Ch-600004, TN

  
**Rekha Murthy Rangarajan**  
WholeTime Director  
DIN : 00647472  
3A, Akshaya Flats,  
34, Krishnaswamy Avenue,  
Mylapore, Ch-600004, TN

  
**Shikha Sharma**  
Company Secretary  
Membership No.  
A52558  
Tower 3, TVH Ouranya Bay,  
Padur, Ch-603103. TN

  
**K. Venkatakrishnan**  
Partner  
Membership No.  
208591



Place: CHENNAI  
Date : 25/07/2019

**DATA PATTERNS (INDIA) PRIVATE LIMITED**  
**BLOCK II, GROUND FLOOR, PLOT H-9. FOURTH MAIN ROAD, SIPCOT IT PARK, SIRUSERI, CHENNAI 603 103**  
**CASH FLOW STATEMENT**

| Particulars |  | AMOUNT IN RS.                          |  |
|-------------|--|--|--|
|             |  | Year Ended 31 <sup>st</sup> March 2019 | Year Ended 31 <sup>st</sup> March 2018 |
| <b>A.</b>   | <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                         |  |  |
|             | Net Profit before Tax  | 77,696,068                             | 48,863,758                             |
|             | Adjustment for :   |  |  |
|             | Depreciation   | 10,657,537                             | 10,715,643                             |
|             | Loss / Profit on Sale of Asset                                     | 16,615                                 | (120,000)                              |
|             | Interest received  | (12,354,098)                           | (5,318,147)                            |
|             | Interest paid (considered under "Financing" activities separately) | 55,941,924                             | 43,036,340                             |
|             |  | <b>54,261,978</b>                      | <b>48,313,836</b>                      |
|             | <b>Operating profit before working capital changes</b>             | <b>131,958,046</b>                     | <b>97,177,594</b>                      |
|             | <b>Adjustment for changes in working capital</b>                   |  |  |
|             | (Increase)/Decrease in trade receivables                           | (183,824,135)                          | (127,965,755)                          |
|             | (Increase)/Decrease in inventories                                 | 18,071,722                             | (91,319,733)                           |
|             | (Increase)/Decrease in loans & advances                            | (34,241,743)                           | (31,333,509)                           |
|             | Increase/(Decrease) in trade payables                              | 87,591,591                             | 259,998,921                            |
|             | Increase/(Decrease) in short term & long term provisions           | 111,891,670                            | 3,620,850                              |
|             | Increase/(Decrease) in other current liabilities                   | (44,309,634)                           | 262,654,676                            |
|             | Increase/(Decrease) in inter company payables                      | -                                      | (153,245,659)                          |
|             |  | <b>(44,820,532)</b>                    | <b>122,409,787</b>                     |
|             | <b>Cash generated from operations</b>                              | <b>87,137,514</b>                      | <b>219,587,381</b>                     |
|             | Direct taxes paid net of TDS                                       | (13,916,831)                           | (8,014,573)                            |
|             |  | <b>(13,916,831)</b>                    | <b>(8,014,573)</b>                     |
|             | <b>Net cash flow from operations</b>                               | <b>73,220,683</b>                      | <b>211,572,808</b>                     |
| <b>B.</b>   | <b>CASH FLOW FROM INVESTING ACTIVITIES</b>                         |  |  |
|             | Purchase of Property, Plant & Equipment                            | (952,288)                              | (761,474)                              |
|             | Sale of Asset  | 15,000                                 | 120,000                                |
|             | Interest received  | 12,354,098                             | 5,318,147                              |
|             | <b>Net Cash generated / (used) in investing activities</b>         | <b>11,416,810</b>                      | <b>4,676,673</b>                       |
| <b>C.</b>   | <b>CASH FLOW FROM FINANCING ACTIVITIES</b>                         |  |  |
|             | Repayment of Long term borrowings                                  | -                                      | -                                      |
|             | Interest Paid  | (55,941,924)                           | (43,036,340)                           |
|             | Proceeds from Short term borrowings                                | 173,985,714                            | (79,927,736)                           |
|             | <b>Net Cash used in financing activities</b>                       | <b>118,043,790</b>                     | <b>(122,964,076)</b>                   |
|             | <b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>           | <b>202,681,285</b>                     | <b>93,285,407</b>                      |
|             | Cash and cash equivalents as at 1st April 18                       | 157,990,636                            | 64,705,229                             |
|             | Cash and cash equivalents as at 31st Mar 19 ( Ref Note 8)          | <b>360,671,919</b>                     | <b>157,990,636</b>                     |
|             | <b>CASH AND CASH EQUIVALENTS AS ON MARCH 31, 2019</b>              | <b>360,671,919</b>                     | <b>157,990,636</b>                     |

"The above cash flow statement has been prepared under Indirect Method as set out in Accounting Standard 3 'Cash Flow Statements' notified by Companies (Accounting Standard) Rules, 2006"

This is the cash flow statement referred to in our report of even date

For DATA PATTERNS (INDIA) PRIVATE LIMITED

For R.G.N. PRICE & CO  
Chartered Accountants  
Firm Regn No. 002785S



Srinivasagopalan Rangarajan  
Managing Director  
DIN : 00643456  
3A, Akshaya Flats,  
34, Krishnaswamy Avenue,  
Mylapore, Ch-600004, TN



Rekha Murthy Rangarajan  
WholeTime Director  
DIN : 00647472  
3A, Akshaya Flats,  
34, Krishnaswamy Avenue,  
Mylapore, Ch-600004, TN



Shikha Sharma  
Company Secretary  
Membership No.  
A52558  
Tower 3, TVH Ouranya Bay,  
Padur, Ch-603103. TN



K. Venkatakrisnan  
Partner  
Membership No.  
208591



Place: CHENNAI  
Date : 25/07/2019



**DATA PATTERNS (INDIA) PRIVATE LIMITED**  
**BLOCK II, GROUND FLOOR, PLOT H-9. FOURTH MAIN ROAD, SIPCOT IT PARK,**  
**SIRUSERI, CHENNAI 603 103**

**Notes to Financial Statements**

**1.1 Share Capital**

| Particulars   | in Rs.                            |                                   |
|---|-----------------------------------|-----------------------------------|
|   | As at 31 <sup>st</sup> March 2019 | As at 31 <sup>st</sup> March 2018 |
| <b>Authorised Share Capital</b><br>8,00,000 Equity Shares of Rs. 100 each   | 80,000,000                        | 80,000,000                        |
| <b>Issued, subscribed and paid up equity capital</b><br>7,30,750 equity shares of Rs. 100 each fully paid in cash | 73,075,000                        | 73,075,000                        |
| <b>Total</b>  | <b>73,075,000</b>                 | <b>73,075,000</b>                 |

The Company has only one class of shares in the form of Equity Shares of Rs. 100 each. Company's entire share capital is held by Indus Teqsite Private Limited.

**Reconciliation of shares outstanding at the beginning and end of the year**

| Particulars                                     | in Rs.                            |                   | in Rs.                            |                   |
|---|-----------------------------------|-------------------|-----------------------------------|-------------------|
|   | As at 31 <sup>st</sup> March 2019 |                   | As at 31 <sup>st</sup> March 2018 |                   |
|   | No of shares                      | Amount in Rs.     | No of shares                      | Amount in Rs.     |
| Shares outstanding as on 01st April 2018        | 730,750                           | 73,075,000        | 730,750                           | 73,075,000        |
| Add: Shares issued during the year              | -                                 | -                 | -                                 | -                 |
| <b>Shares outstanding as on 31st March 2019</b> | <b>730,750</b>                    | <b>73,075,000</b> | <b>730,750</b>                    | <b>73,075,000</b> |

**Details of members holding more than 5% of share capital of the Company**

| Name of the shareholder       | in Rs.                            |           | in Rs.                            |           |
|-------------------------------|-----------------------------------|-----------|-----------------------------------|-----------|
|                               | As at 31 <sup>st</sup> March 2019 |           | As at 31 <sup>st</sup> March 2018 |           |
|                               | No of shares                      | % Holding | No of shares                      | % Holding |
| Indus Teqsite Private Limited | 730,750                           | 100%      | 730,750                           | 100%      |

**1.2. Reserves & Surplus**

| Particulars                                      | in Rs.                            |                                   |
|--|-----------------------------------|-----------------------------------|
|  | As at 31 <sup>st</sup> March 2019 | As at 31 <sup>st</sup> March 2018 |
| <b>a. Capital Reserve</b>                        | 76,770                            | 76,770                            |
| <b>b. Profit &amp; Loss Account</b>              |                                   |                                   |
| Opening balance                                  | 212,004,311                       | 174,505,502                       |
| Add : Profit for the year                        | 58,645,107                        | 37,498,809                        |
| Less: Adjustments on account of depreciation     | -                                 | -                                 |
| <b>Total of (b)</b>                              | <b>270,649,418</b>                | <b>212,004,311</b>                |
| <b>Total of Reserves &amp; Surplus ( a + b )</b> | <b>270,726,188</b>                | <b>212,081,081</b>                |

**DATA PATTERNS (INDIA) PRIVATE LIMITED**  
**BLOCK II, GROUND FLOOR, PLOT H-9. FOURTH MAIN ROAD, SIPCOT IT PARK,**  
**SIRUSERI, CHENNAI 603 103**

**Notes to Financial Statements**

**2.1 Deferred Tax Liability**

| Particulars   | in Rs.                               |                                      |
|---|--------------------------------------|--------------------------------------|
|   | As at 31 <sup>st</sup><br>March 2019 | As at 31 <sup>st</sup><br>March 2018 |
| a. Deferred tax liabilities (Net) – Opening Balance               | 4,286,910                            | 7,505,105                            |
| <b>Items constituting Deferred Tax Liability</b>                  |                                      |                                      |
| b. On account of depreciation on Property, Plant & Equipment      | 8,990,349                            | 9,907,375                            |
| <b>Items constituting Deferred Tax Asset</b>                      |                                      |                                      |
| c. Sec 43B Disallowances - Provision for Employee Benefits        | (7,434,660)                          | (5,620,465)                          |
| d. Net Item Constituting Deferred Tax Liability / (Asset) - (b+c) | 1,555,689                            | 4,286,910                            |
| e. Provision/(Reversal) for the Year                              | (2,731,221)                          | (3,218,196)                          |
| <b>f. Closing Balance of Deferred Tax Liability (Net) (a+e)</b>   | <b>1,555,689</b>                     | <b>4,286,910</b>                     |

**2.2. Long term Provisions**

| Particulars                    | in Rs.                               |                                      |
|--------------------------------|--------------------------------------|--------------------------------------|
|                                | As at 31 <sup>st</sup><br>March 2019 | As at 31 <sup>st</sup><br>March 2018 |
| Provision for Gratuity         | 15,076,627                           | 12,413,842                           |
| Provision for Leave Encashment | 1,899,801                            | 1,454,223                            |
| <b>Total</b>                   | <b>16,976,428</b>                    | <b>13,868,065</b>                    |

**2.3. Non-Current Liabilities – Others**

| Particulars  | in Rs.                               |                                      |
|--|--------------------------------------|--------------------------------------|
|  | As at 31 <sup>st</sup><br>March 2019 | As at 31 <sup>st</sup><br>March 2018 |
| Advance received from customers<br>(to be adjusted beyond 12 months) | 251,892,000                          | 144,636,000                          |
| <b>Total</b>   | <b>251,892,000</b>                   | <b>144,636,000</b>                   |

**3.1. Short term Borrowings**

| Particulars                             | in Rs.                               |                                      |
|---|--------------------------------------|--------------------------------------|
|   | As at 31 <sup>st</sup><br>March 2019 | As at 31 <sup>st</sup><br>March 2018 |
| <b>Secured Loans</b>                    |                                      |                                      |
| a. Loans repayable on demand from banks | 140,462,177                          | 126,542,850                          |
| <b>Unsecured Loans</b>                  |                                      |                                      |
| b. Loans from Directors                 | 160,066,387                          | -                                    |
| <b>Total</b>                            | <b>300,528,564</b>                   | <b>126,542,850</b>                   |

Working capital facility represents facilities availed from Banks secured by charge on book debts and inventory and first charge on entire assets of the company and its Holding Company, both present and future. The facility is further secured by a guarantee from two Promoter Directors of the Company and its Holding Company, Indus Teqsite Pvt Ltd.

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**Notes to Financial Statements**

**3.2. Trade payables**

| Particulars                             | in Rs.                               |                                      |
|---|--------------------------------------|--------------------------------------|
|   | As at 31 <sup>st</sup><br>March 2019 | As at 31 <sup>st</sup><br>March 2018 |
| a. Dues to Micro & Small Enterprises #  | 8,783,226                            | -                                    |
| b. Other than Micro & Small Enterprises |                                      |                                      |
| Dues to Holding Company                 | 436,912,740                          | 303,666,116                          |
| Others                                  | 151,839,950                          | 206,278,210                          |
| <b>Total</b>                            | <b>597,535,916</b>                   | <b>509,944,326</b>                   |

| Disclosures as required under the Micro, Small And Medium Enterprises Development Act, 2006 ('the MSMED Act') based on the information available with the Company is furnished below:   | As at 31 <sup>st</sup><br>March 2019 | As at 31 <sup>st</sup><br>March 2018 |
|---|--------------------------------------|--------------------------------------|
| (a) The principal amounts and interest due thereon, remaining unpaid to any supplier at the end of each accounting year   |                                      |                                      |
| Principal   | 8,783,226                            | -                                    |
| Interest  | 4,496                                | -                                    |
| (b) The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act 2006   | -                                    | -                                    |
| (c) The amount of the payments made to suppliers beyond the appointed day during each accounting year   | 7,625,803                            | -                                    |
| (d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act 2006   | 111,503                              | -                                    |
| (e) The amount of interest accrued and remaining unpaid at the end of each accounting year  | 115,999                              | -                                    |
| (f) The amount of further interest remaining due and payable even in the succeeding years until such dates when the interest due above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006 | -                                    | -                                    |

**DATA PATTERNS (INDIA) PRIVATE LIMITED**  
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**Notes to Financial Statements**

**3.3. Other current liabilities**

| Particulars                            | in Rs.                               |                                      |
|--|--------------------------------------|--------------------------------------|
|  | As at 31 <sup>st</sup><br>March 2019 | As at 31 <sup>st</sup><br>March 2018 |
| 3.3.1 Advances received from customers | 185,666,129                          | 227,231,103                          |
| 3.3.2 Due to Holding Company           |                                      | -                                    |
| 3.3.3 Other Payables                   |                                      |                                      |
| a. Statutory Dues                      | 24,200,652                           | 25,769,109                           |
| b. Staff Payments                      | 13,012,515                           | 12,784,779                           |
| c. Expense Payables                    | 302,043                              | 1,821,982                            |
| d. Interest Payable - MSME             | 115,999                              | -                                    |
| <b>Total</b>                           | <b>223,297,340</b>                   | <b>267,606,973</b>                   |

**3.4. Short term provisions**

| Particulars  | in Rs.                               |                                      |
|--|--------------------------------------|--------------------------------------|
|  | As at 31 <sup>st</sup><br>March 2019 | As at 31 <sup>st</sup><br>March 2018 |
| Provision for Income Tax ( Net of TDS receivables) | 17,881,151                           | 10,047,084                           |
| Provision for Gratuity                             | 5,575,627                            | 4,048,320                            |
| <b>Total</b>                                       | <b>23,456,778</b>                    | <b>14,095,405</b>                    |

**5. Long term Loans & Advances**

| Particulars                            | in Rs.                               |                                      |
|--|--------------------------------------|--------------------------------------|
|  | As at 31 <sup>st</sup><br>March 2019 | As at 31 <sup>st</sup><br>March 2018 |
| <b>Unsecured &amp; considered good</b> |                                      |                                      |
| a. Security deposits                   | 15,960,425                           | 17,986,175                           |
| b. Others                              | 1,967,294                            | 1,614,722                            |
| <b>Total</b>                           | <b>17,927,719</b>                    | <b>19,600,897</b>                    |

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**BLOCK II, GROUND FLOOR, PLOT H-9. FOURTH MAIN ROAD, SIPCOT IT PARK,**  
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**Notes to Financial Statements**

**6. Inventories**

| Particulars      | in Rs.                               |                                      |
|------------------|--------------------------------------|--------------------------------------|
|                  | As at 31 <sup>st</sup><br>March 2019 | As at 31 <sup>st</sup><br>March 2018 |
| Raw Material     | 39,177,762                           | 17,826,697                           |
| Work-in-progress | 46,711,714                           | 45,284,020                           |
| Finished Goods   | 115,022,065                          | 155,872,546                          |
| <b>Total</b>     | <b>200,911,541</b>                   | <b>218,983,264</b>                   |

**7. Trade receivables**

| Particulars                               | in Rs.                               |                                      |
|---|--------------------------------------|--------------------------------------|
|   | As at 31 <sup>st</sup><br>March 2019 | As at 31 <sup>st</sup><br>March 2018 |
| <b>Unsecured and considered good</b>      |                                      |                                      |
| - Debt outstanding for more than 6 months | 130,209,884                          | 282,321,147                          |
| - Other debts                             | 868,978,887                          | 533,043,489                          |
| <b>Total</b>                              | <b>999,188,771</b>                   | <b>815,364,637</b>                   |

**8. Cash and Bank Balances**

| Particulars  | in Rs.                               |                                      |
|--|--------------------------------------|--------------------------------------|
|  | As at 31 <sup>st</sup><br>March 2019 | As at 31 <sup>st</sup><br>March 2018 |
| <b>Cash and Cash Equivalent</b>                          |                                      |                                      |
| Cash on hand   | 163,452                              | 273,218                              |
| Balances with Bank                                       | 2,324,570                            | 18,806,342                           |
| Balances with Banks – to the extend held as margin money | 358,183,897                          | 138,911,076                          |
| <b>Total</b>   | <b>360,671,919</b>                   | <b>157,990,636</b>                   |

**9. Short Term Loans & Advances**

| Particulars                          | in Rs.                               |                                      |
|--------------------------------------|--------------------------------------|--------------------------------------|
|                                      | As at 31 <sup>st</sup><br>March 2019 | As at 31 <sup>st</sup><br>March 2018 |
| <b>Unsecured and considered good</b> |                                      |                                      |
| Prepaid Expenses                     | 37,756,049                           | 29,705,951                           |
| Balance with revenue authorities     | 40,142,487                           | 1,368,710                            |
| Other advances                       | 20,937,666                           | 30,599,282                           |
| Less : Provision for Other advances  | 1,278,621                            | -                                    |
| <b>Total</b>                         | <b>97,557,581</b>                    | <b>61,673,942</b>                    |

## 4 - Property, Plant &amp; Equipment

| Asset head               | Gross block in Rs. |                           |                                      | Accumulated Depreciation/Amortization in Rs. |                   |   | Net block in Rs.                     |                   |                   |
|--------------------------|--------------------|---------------------------|--------------------------------------|--|-------------------|---|--------------------------------------|-------------------|-------------------|
|                          | As at 01.04.2018   | Additions during the year | Discarded/D eletions during the year | As at 31.03.2019                             | As at 01.04.2018  | Depreciation/ Amortization for the year | Discarded/D eletions during the year | As at 31.03.2019  | As at 31.03.2018  |
| <b>Tangible Assets</b>   |                    |                           |                                      |  |                   |   |                                      |                   |                   |
| Lease Hold Land          | 6,467,466          | -                         | -                                    | 6,467,466                                    | 297,718           | 69,215                                  | -                                    | 6,100,533         | 6,169,748         |
| Plant & Machinery        | 98,114,023         | 303,207                   | -                                    | 98,417,230                                   | 28,817,617        | 6,223,747                               | -                                    | 63,375,866        | 69,296,406        |
| Motor vehicles           | 21,353,200         | -                         | (101,871)                            | 21,251,329                                   | 15,229,902        | 2,366,580                               | (70,256)                             | 3,725,103         | 6,123,298         |
| Air Conditioning Systems | 1,230,632          | -                         | -                                    | 1,230,632                                    | 956,827           | 185,474                                 | -                                    | 88,331            | 273,805           |
| Computer                 | 4,117,392          | 56,800                    | -                                    | 4,174,192                                    | 3,950,841         | 63,093                                  | -                                    | 160,258           | 166,551           |
| Furniture & Fittings     | 7,778,340          | -                         | -                                    | 7,778,340                                    | 3,236,534         | 673,403                                 | -                                    | 3,868,403         | 4,541,806         |
| Office Equipments        | 1,085,369          | 47,293                    | -                                    | 1,132,662                                    | 656,066           | 165,233                                 | -                                    | 311,363           | 429,303           |
| Electrical Installations | 5,686,941          | -                         | -                                    | 5,686,941                                    | 1,695,902         | 540,427                                 | -                                    | 3,450,612         | 3,991,039         |
| <b>Sub Total</b>         | <b>145,833,363</b> | <b>407,299</b>            | <b>(101,871)</b>                     | <b>146,138,791</b>                           | <b>54,841,408</b> | <b>10,287,172</b>                       | <b>(70,256)</b>                      | <b>81,080,468</b> | <b>90,991,955</b> |
| <b>Intangible Assets</b> |                    |                           |                                      |  |                   |   |                                      |                   |                   |
| Software                 | 2,261,981          | 544,989                   | -                                    | 2,806,970                                    | 730,701           | 370,365                                 | -                                    | 1,705,904         | 1,531,280         |
| <b>Sub Total</b>         | <b>2,261,981</b>   | <b>544,989</b>            | <b>-</b>                             | <b>2,806,970</b>                             | <b>730,701</b>    | <b>370,365</b>                          | <b>-</b>                             | <b>1,705,904</b>  | <b>1,531,280</b>  |
| <b>Total</b>             | <b>148,095,344</b> | <b>952,288</b>            | <b>(101,871)</b>                     | <b>148,945,761</b>                           | <b>55,572,108</b> | <b>10,657,537</b>                       | <b>(70,256)</b>                      | <b>82,786,372</b> | <b>92,523,235</b> |
| Previous year            | 149,671,578        | 761,474                   | (2,337,708)                          | 148,095,344                                  | 47,194,173        | 10,715,643                              | (2,337,708)                          | 92,523,235        | 102,477,404       |

**DATA PATTERNS (INDIA) PRIVATE LIMITED**  
**BLOCK II, GROUND FLOOR, PLOT H-9. FOURTH MAIN ROAD, SIPCOT IT PARK,**  
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**Notes to Financial Statements**

**10. Revenue from operation**

| Particulars                          | in Rs.                                   |  |
|--------------------------------------|--|--|
|                                      | For the year<br>ended 31st<br>March 2019 | For the year<br>ended 31st<br>March 2018 |
| <b>Sale of products</b>              |  |  |
| Sales Exports                        | 98,534,072                               | 68,344,377                               |
| Sales High Sea Sales                 | 7,002,443                                | 73,315,387                               |
| Sales Trading Items                  | 5,087,400                                | 3,885,649                                |
| Sales Interstate                     | 997,143,184                              | 672,389,630                              |
|                                      | <b>1,107,767,099</b>                     | <b>817,935,043</b>                       |
| Less: Excise Duty                    | -  | -  |
| <b>Net sales</b>                     | <b>1,107,767,099</b>                     | <b>817,935,043</b>                       |
| <b>Sale of services</b>              |  |  |
| Service Charges                      | 125,344,544                              | 80,798,768                               |
| Less : Service Tax                   | -  | 1,650,919                                |
| <b>Net services</b>                  | <b>125,344,544</b>                       | <b>79,147,849</b>                        |
| <b>Total revenue from operations</b> | <b>1,233,111,643</b>                     | <b>897,082,892</b>                       |

**11. Other Income**

| Particulars                   | in Rs.                                   |  |
|-------------------------------|--|--|
|                               | For the year<br>ended 31st<br>March 2019 | For the year<br>ended 31st<br>March 2018 |
| Interest Income               | 12,354,098                               | 5,318,147                                |
| Profit on Sale of Asset       | -  | 120,000                                  |
| Exchange Fluctuation ( Gain ) | -  | 1,254,893                                |
| <b>Total</b>                  | <b>12,354,098</b>                        | <b>6,693,040</b>                         |

**DATA PATTERNS (INDIA) PRIVATE LIMITED**  
**BLOCK II, GROUND FLOOR, PLOT H-9. FOURTH MAIN ROAD, SIPCOT IT PARK,**  
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**Notes to Financial Statements**

**12. Cost of materials consumed**

| Particulars                             | in Rs.                             |                                    |
|---|------------------------------------|------------------------------------|
|   | For the year ended 31st March 2019 | For the year ended 31st March 2018 |
| Opening Stock                           | 17,826,697                         | 10,213,217                         |
| Add: Purchases *                        | 775,850,003                        | 680,800,129                        |
|   | <b>793,676,700</b>                 | <b>691,013,346</b>                 |
| Less: Closing stock                     | 39,177,762                         | 17,826,697                         |
| <b>Total cost of materials consumed</b> | <b>754,498,938</b>                 | <b>673,186,649</b>                 |

\*Includes Purchase of Goods & Services from Holding Company ( Ref Note 18.3 (ii) )

**13. Changes in inventories**

| Particulars                         | in Rs.                             |                                    |
|-------------------------------------|------------------------------------|------------------------------------|
|                                     | For the year ended 31st March 2019 | For the year ended 31st March 2018 |
| <b>Opening Stock</b>                |                                    |                                    |
| Work In Progress                    | 45,284,020                         | 16,401,398                         |
| Finished Goods                      | 155,872,546                        | 101,048,915                        |
| <b>Sub Total (A)</b>                | <b>201,156,566</b>                 | <b>117,450,312</b>                 |
| <b>Closing Stock</b>                |                                    |                                    |
| Work In Progress                    | 46,711,714                         | 45,284,020                         |
| Finished Goods                      | 115,022,065                        | 155,872,546                        |
| <b>Sub Total (B)</b>                | <b>161,733,779</b>                 | <b>201,156,566</b>                 |
| <b>Changes in inventories (A-B)</b> | <b>39,422,787</b>                  | <b>(83,706,254)</b>                |



**DATA PATTERNS (INDIA) PRIVATE LIMITED**  
**BLOCK II, GROUND FLOOR, PLOT H-9. FOURTH MAIN ROAD, SIPCOT IT PARK,**  
**SIRUSERI, CHENNAI 603 103**

**Notes to Financial Statements**

**14. Employee Benefit Expenses**

| Particulars                        | in Rs.                             |                                    |
|------------------------------------|------------------------------------|------------------------------------|
|                                    | For the year ended 31st March 2019 | For the year ended 31st March 2018 |
| Salaries and wages                 | 127,651,791                        | 105,058,826                        |
| Directors' remuneration            | 3,238,128                          | 3,307,500                          |
| Other employee benefits            | 4,332,042                          | 3,416,045                          |
| Contribution to PF and other funds | 13,565,115                         | 8,583,275                          |
| <b>Total</b>                       | <b>148,787,076</b>                 | <b>120,365,646</b>                 |

**15. Finance Cost**

| Particulars                 | in Rs.                             |                                    |
|-----------------------------|------------------------------------|------------------------------------|
|                             | For the year ended 31st March 2019 | For the year ended 31st March 2018 |
| Bank Charges                | 17,684,025                         | 15,216,366                         |
| Interest & Finance Charges  | 19,033,355                         | 21,773,412                         |
| Processing Charges          | 3,803,594                          | 6,046,562                          |
| Interest on unsecured loans | 15,420,950                         | -                                  |
| <b>Total</b>                | <b>55,941,924</b>                  | <b>43,036,340</b>                  |

**16. Other Expenses**

| Particulars                          | in Rs.                             |                                    |
|--------------------------------------|------------------------------------|------------------------------------|
|                                      | For the year ended 31st March 2019 | For the year ended 31st March 2018 |
| Electricity Charges                  | 3,882,086                          | 4,237,610                          |
| Rent, Rates & Taxes                  | 28,371,198                         | 29,021,163                         |
| Repairs & Maintenance                | 9,455,569                          | 7,372,619                          |
| Insurance                            | 694,900                            | 336,890                            |
| Postage & Telephone                  | 1,133,756                          | 1,357,863                          |
| Printing & Stationery                | 832,063                            | 724,750                            |
| Travelling & Conveyance              | 20,178,734                         | 18,763,967                         |
| Subscription & Periodicals           | 174,184                            | 63,960                             |
| Auditor's Remuneration               |                                    |                                    |
| - Statutory Audit Fees               | 500,000                            | 500,000                            |
| - Reimbursement of Expenses          | 20,283                             | 7,980                              |
| Professional & Consultancy Charges   | 16,994,993                         | 9,055,898                          |
| General Expenses                     | 1,222,071                          | 1,120,055                          |
| Freight & Packing                    | 1,077,483                          | 1,093,501                          |
| Advertisement & Business Promotion   | 12,227,528                         | 2,739,514                          |
| Loss on Sale of Asset                | 16,615                             | -                                  |
| Debts unrecoverable - written off    | 59,610,516                         | 12,968,380                         |
| Advances unrecoverable - provision   | 1,278,621                          | -                                  |
| Advances unrecoverable - written off | 790,811                            | 1,950,000                          |
| <b>Total</b>                         | <b>158,461,411</b>                 | <b>91,314,150</b>                  |

**DATA PATTERNS (INDIA) PRIVATE LIMITED**  
**BLOCK II, GROUND FLOOR, PLOT No. H-9, SIPCOT IT PARK, FOURTH MAIN ROAD,**  
**SIRUSERI, CHENNAI – 603 103**

**ACCOUNTING POLICIES AND NOTES ON ACCOUNTS**  
**FOR THE YEAR ENDED 31ST MARCH 2019**

**17. SIGNIFICANT ACCOUNTING POLICIES**

**17.1. Accounting Convention:**

- The Accounts are prepared on historical cost and on accrual basis and in accordance with the Accounting Standards prescribed under section 133 of the Companies Act, 2013 read with relevant rules there under.
- Accounting policies are consistent and in consonance with Generally Accepted Accounting Principles in India.
- The Financial Statements are prepared on a Going Concern Basis.

**17.2. Revenue Recognition:**

- Sales are recognized upon the transfer of significant risks and rewards of ownership to the customer.
- Service charges are recognized as income as and when the services are performed.
- Interest income is recognized on accrual basis.
- Dividend income is recognized when the right to receive such dividend is established.

**17.3. Property, Plant and Equipment :**

- Property, Plant and Equipment (PPE) are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Cost includes inward freight, non-refundable duties/taxes, expenses incidental to acquisition and installation.
- Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.
- Depreciation on Property, Plant & Equipment is provided on a straight-line basis at the useful lives prescribed under Schedule II to the Companies Act, 2013. Depreciation on additions to assets during the year is provided on pro rata basis from the date of acquisition. Depreciation on assets sold, discarded or demolished during the year, is being provided at their respective rates on pro rata basis up to the date on which such assets are sold, discarded or demolished.

- 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.
- Intangible Assets are stated at cost less amortization and impairment loss, if any. Cost comprises purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Intangible assets are amortized over its estimated useful life.
- Premium paid on leasehold land is amortized over the period of lease.

#### 17.4. Impairment of assets:

- The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit which the asset belongs to, is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the balance sheet date there is any indication that the previously assessed impairment loss no longer exists, the asset is reassessed to reflect the recoverable amount subject to a maximum of depreciable historical cost.

#### 17.5. Investments:

- Investments which are readily realizable and intended to be held for not more than one year from the date on which such investments are made are classified as current investments. All other investments are classified as Long term investments.
- Long term investments are stated at cost, with provision, wherever necessary, for diminution other than temporary in the value of the investments.
- Current investments are stated at cost or market value whichever is lower.

#### 17.6. Inventories:

- Raw materials are valued at lower of cost and net realizable value. However, these items are considered to be realizable at cost if the finished products, in which they will be used, are expected to be sold at or above cost.
- The cost comprises of cost of purchase, conversion cost and other costs incurred in bringing the inventories to the present location and condition.
- Stock of materials in process, finished goods, traded goods, packing material, store and spares are valued at cost or net realizable value whichever is lower.
- The cost is calculated on FIFO basis.

#### 17.7. Foreign Exchange Transactions:

- Foreign currency transactions are recorded at the rate of exchange prevailing on the date of the transaction.
- Receivables, Balance with the banks and liabilities in foreign currency at the end of the year are restated at the rates prevailing on the last day of the financial year (i.e) closing rate.
- Exchange differences arising out of actual payments / realizations and from the year end restatement referred to above is adjusted to the Statement of Profit and Loss.

#### 17.8. Employee Benefit:

##### (a) Defined Contribution Plans:

Contributions to defined contribution plans are recognized as an expense when employees have rendered services entitling them to contributions:

- In respect of provident fund, when payments are due to the Regional Provident Fund Commissioner.
- In respect of ESI to eligible employees, when contributions are remitted to the Employees State Insurance Corporation.

##### (b) Defined benefit obligations:

- Provision for gratuity is a defined benefit obligation and is provided for, on actuarial valuation under the Projected Unit Cost method at the end of each financial year. The obligations are measured at the present value of estimated future cash flows discounted at rates reflecting the prevailing market yields of government securities as at the balance sheet date.
- Contributions in respect of gratuity scheme provides for payment to vested employees, upon death while in employment or retirement / on termination of service after serving for continuous 5 year period, of sums equivalent to 15 days salary for every completed year of service, subject to the maximum as per the Payment of Gratuity Act.

##### (c) Liability towards accumulated leave:

- As per company's leave policy, employees are allowed to accumulate and carry forward their eligible " Privilege Leave (PL) " with certain cap for maximum number of days of PL that can be carried forwarded. The employees are allowed to avail such accumulated leave in the subsequent years. However, there is no encashment facility available and the carried forwarded leave lapses at the time of employee leaving the organisation, be it on retirement or otherwise. Such future liability on account of accumulated leave is valued as required under AS-15 through actuarial method and provided in the financial statements.



#### 17.9. Provision for Income Tax:

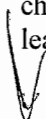
- Income tax expenses comprise current and deferred taxes.
- Provision for current tax is made at the applicable tax rates based on the liability computed in accordance with the Income Tax Act, 1961.
- Current tax is net of credit for entitlement for Minimum Alternate Tax.
- Deferred tax is made for timing difference arising between the taxable income and accounting income, computed at the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognized only if there is a reasonable certainty that they will be realized and are reviewed at each balance sheet date and are appropriately restated.

#### 17.10. Provisions and Contingencies:

- A Provision is recognized when the company has a present obligation, as a result of a past event, requiring outflow of resources embodying economic benefits to settle the same, and a reliable estimate of the amount of the obligation is possible. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimate.
- A disclosure for a contingent liability is made when there is possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood outflow of resources is remote, no provision or disclosure is made.
- Contingent assets are not recognized or disclosed in the financial statements.

#### 17.11. Accounting for Leases:

- Assets acquired under lease where the company has substantially all the risks and rewards incidental to ownership are classified as finance leases. Such assets are capitalized at the inception of the lease at the lower of the fair value and the present value of minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability for each period.
- Assets acquired on leases, where significant portions of the risks and rewards incidental to ownership are retained by the lessors, are classified as operating leases. Lease rentals are charged to the Statement of Profit and Loss on a straight line basis over the term of the relevant lease.



#### 17.12. **Borrowing Costs:**

- Borrowing costs that are directly attributable to the acquisition of qualifying assets are capitalized as part of cost of such asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use.
- Expenses incurred in connection with commitment charges and other ancillary costs related to availing loan facility are written off over the period of the borrowing.
- All other borrowing costs are charged to revenue.

#### 17.13. **Use of Estimates:**

- The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized. Estimates and underlying assumption are reviewed at each Balance Sheet date.

#### 17.14. **Earning Per Share**

- Basic earnings per share is computed by dividing the net profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or (loss) (including the post tax effect of extraordinary items, if any) for the year attributable to equity share holders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. 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. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e., average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented.

#### 17.15. **Dividend**

- Dividend is accounted as an when declared & distributed.

## 18. NOTES ON ACCOUNTS

### 18.1. Expenditure incurred in Foreign Currency :

| Particulars             | 2018-19<br>Rs.<br>in Lakhs | 2017-18<br>Rs.<br>in Lakhs |
|-------------------------|----------------------------|----------------------------|
| Value of goods Imported | 1,299.94                   | 2,429.00                   |
| Foreign Travel          | 8.63                       | 0.00                       |
|                         |                            |                            |
| <b>Total</b>            | <b>1,308.57</b>            | <b>2,429.00</b>            |

### 18.2. Earnings in foreign currency (Receipt basis) :

| Particulars     | 2018-19<br>Rs.<br>in Lakhs | 2017-18<br>Rs.<br>in Lakhs |
|-----------------|----------------------------|----------------------------|
| Export of goods | 787.00                     | 505.00                     |
|                 |                            |                            |
| <b>Total</b>    | <b>787.00</b>              | <b>505.00</b>              |

### 18.3. Related Party Disclosure:

#### i. Related parties:

a) Holding Company – M/s. Indus Teqsite Private Limited

b) Key Managerial Personnel

- Mr. Srinivasagopalan Rangarajan ( Managing Director)
- Mrs. Rekha Murthy Rangarajan (Whole Time Director)
- Ms. Shikha Sharma ( Company Secretary )



ii. Related party transactions:

| Name of the related party                        | Description  | 2018-19<br>Rs. In Lakhs | 2017-18<br>Rs. In Lakhs |
|--|--|-------------------------|-------------------------|
| Indus Teqsite Private Limited                    | Guarantees given for loans obtained by Holding Company | 3,630.00                | 3,630.00                |
|  | Purchase of goods and services                         | 5,702.00                | 3,666.98                |
|  | Lease Rental Paid                                      | 5.44                    | --                      |
|  | Trade payable as at 01 April 2018                      | 3,036.66                | 1,532.45                |
|  | Loan received during the year                          | 903.20                  | 1,600.00                |
|  | Expenses paid by Holding Company                       | 107.33                  | 60.28                   |
|  | Repayments during the year                             | 5,385.50                | 3,192.73                |
|  | Loan outstanding payable as at 31 March 2019           | 0.00                    | 0.00                    |
| Trade payables as at 31 <sup>st</sup> March 2019 | 4,369.13   | 3,036.65                |                         |
| Mr. S. Rangarajan                                | Director's remuneration                                | 20.39                   | 20.07                   |
|  | Loans received   | 1,838.03                | 677.00                  |
|  | Loans repaid   | 431.78                  | 1,187.39                |
|  | <b>Closing balance at the year end</b>                 | <b>1,406.25</b>         | <b>0</b>                |
| Mrs. Rekha Rangarajan                            | Director's remuneration                                | 11.98                   | 12.99                   |
|  | Loans received   | 306.50                  | 50.58                   |
|  | Loans repaid   | 112.09                  | 241.39                  |
|  | <b>Closing balance at the year end</b>                 | <b>194.41</b>           | <b>0</b>                |
| Ms. Shikha Sharma                                | Remuneration to Company Secretary                      | 1.61                    | 0                       |



#### 18.4. Segment Reporting:

As the Company's business activities falls within single segment viz., Electronic Products, the disclosure requirement of Accounting Standard 17 "Segment Reporting" issued by the Institute of Chartered Accountants of India is not applicable.

#### 18.5. Disclosure under Micro, Small and Medium Enterprises Development Act, 2006:

The company owes dues to Micro, Small and Medium Enterprises amounting to Rs. 87.83 Lakhs out of which Rs. 7.19 Lakhs are outstanding for more than 45 days. This information as required to be disclosed under the Micro, Small Medium Enterprise Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

#### 18.6. Contingent Liabilities:

Description of claims and assertions where a potential loss is possible but not probable is reported under note ( iii , iv ) below

| Particulars   | As at 31 <sup>st</sup> March 2019<br>(in Rs. Lakhs) | As at 31 <sup>st</sup> March 2018<br>(in Rs. Lakhs) |
|---|---|---|
| i. Corporate guarantee for loans provided to Holding Company* | 3,630.00  | 3,630.00  |
| ii. Letter of credits/ Bank guarantees provided               | 10,403.17   | 7,210.77  |
| iii. Sales tax liability                                      | 63.84   | 63.84   |
| iv. Service Tax Liability                                     | 47.55   | 47.55   |

#### 18.7. Earnings per share:

| Particulars                              | 2018-19     | 2017-18     |
|--|-------------|-------------|
| Profit as per Statement of Profit & Loss | 5,86,45,107 | 3,74,98,810 |
| Weighted average number of shares        | 7,30,750    | 7,30,750    |
| Earnings per share – basic & diluted     | Rs. 80.25   | Rs. 51.32   |

**18.8. Disclosure for AS-15 Employee benefit expenses:**

The Company operates gratuity plan through Reliance Life Insurance Company Limited. Every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service depending on the date of joining, subject to a maximum of Rs.10,00,000/-. The benefit vests after five years of continuous service. The present value of obligation is determined based on actuarial valuation.

| <b>Particulars</b>   | <b>Year ended<br/>31.03.2019<br/>(in Rs.)</b> | <b>Year ended<br/>31.03.2018<br/>(in Rs.)</b> |
|--|---|---|
| <b>Changes in defined benefit obligations</b>                |   |   |
| Present value of obligations as at the beginning of the year | 1,83,95,318                                   | 1,51,39,722                                   |
| Interest Cost  | 14,21,958                                     | 11,00,658                                     |
| Current Service Cost   | 13,33,375                                     | 11,83,273                                     |
| Past Service Cost  |   | 23,33,555                                     |
| Benefits Paid (from the fund )                               | (12,87,489)                                   | (1,56,095)                                    |
| Actuarial (gain)/Loss on obligations                         | 25,29,362                                     | (12,05,795)                                   |
| Present value of obligations at the year end                 | 2,23,92,524                                   | 1,83,95,318                                   |
| <b>Fair value of plan assets</b>                             |   |   |
| Fair value of plan assets at beginning of the year           | 19,33,156                                     | 20,00,128                                     |
| Expected return on plan assets                               | 1,49,433                                      | 1,45,409                                      |
| Employer contribution  | 15,00,000                                     |   |
| Benefits paid (from the fund )                               | (12,87,489)                                   | (1,56,095)                                    |
| Actuarial gain/ (Loss) on obligations                        | (1,59,845)                                    | (56,286)                                      |
| Fair value of plan assets at year end                        | 21,35,255                                     | 19,33,156                                     |
| <b>Amount recognized in the Balance Sheet</b>                |   |   |
| Fair value of plan assets at the end of the period           | 21,35,255                                     | 19,33,156                                     |
| Present value of benefit obligations at the end of the year  | (2,23,92,524)                                 | (1,83,95,318)                                 |
| Amount recognized in the Balance Sheet                       | (2,02,57,269)                                 | (1,64,62,162)                                 |
| <b>Expenses recognized during the year</b>                   |   |   |
| Current Service Cost   | 13,33,375                                     | 11,83,273                                     |
| Interest Cost  | 12,72,525                                     | 9,55,249                                      |
| Expected returns on plan assets                              |   |   |
| Net actuarial (gain)/Loss recognized in the year             | 26,89,207                                     | (11,49,509)                                   |
| Past Service Cost  |   | 23,33,555                                     |
| Net Cost   | 52,95,107                                     | 33,22,568                                     |
| <b>Actuarial Assumptions</b>                                 |   |   |
| Discount Rate per annum                                      | 7.73%   | 7.27%   |
| Salary escalation per annum                                  | 5.00%   | 5.00%   |

**18.9. Disclosure for AS-15 – Liability towards accumulated leave :**

| Particulars                                | Year ended<br>31.03.2019<br>(in Rs.) | Year ended<br>31.03.2018<br>(in Rs.) |
|--|--------------------------------------|--------------------------------------|
| <b>Current &amp; Non-Current Liability</b> |                                      |                                      |
| Current Liability                          | 299,662                              | 227,842                              |
| Non-Current Liability                      | 1,899,801                            | 1,454,223                            |
| <b>Total Liability (PL)</b>                | <b>2,199,463</b>                     | <b>1,682,065</b>                     |

**18.10.** The Company has decided to amalgamate with its Holding Company, Indus Teqsite Private Limited and got necessary approval from its Board in its meeting held on 29/03/2019. As per the scheme of amalgamation approved by the Board, the Company will amalgamate with Indus Teqsite Private Limited and the merger will be with effect from 01<sup>st</sup> of April, 2018. Necessary application has been filed with the Hon'ble National Company Law Tribunal, Chennai Bench on 10<sup>th</sup> June, 2019. The merged entity will be named as Data Patterns (India) Private Limited.


**18.11.** The previous year's figures have been reworked / regrouped / rearranged / reclassified wherever necessary.

For DATA PATTERNS (INDIA) PRIVATE LIMITED.,

For R.G.N. PRICE & CO.,  
Chartered Accountants,  
Firm Reg. No. 002785S



Srinivasagopalan Rangarajan  
Managing Director  
DIN : 00643456  
3A, Akshaya Flats,  
34, Krishnaswamy Avenue,  
Mylapore, Ch-600004, TN



Rekha Murthy Rangarajan  
Whole Time Director  
DIN : 00647472  
3A, Akshaya Flats,  
34, Krishnaswamy Avenue,  
Mylapore, Ch-600004, TN



Shikha Sharma  
Company Secretary  
Membership No. A52558



K. Venkatakrishnan  
Partner  
Membership No. 208591

Place: Chennai  
Date: 25/07/2019