



ANNUAL REPORT 2021

Network People Services Technologies Limited

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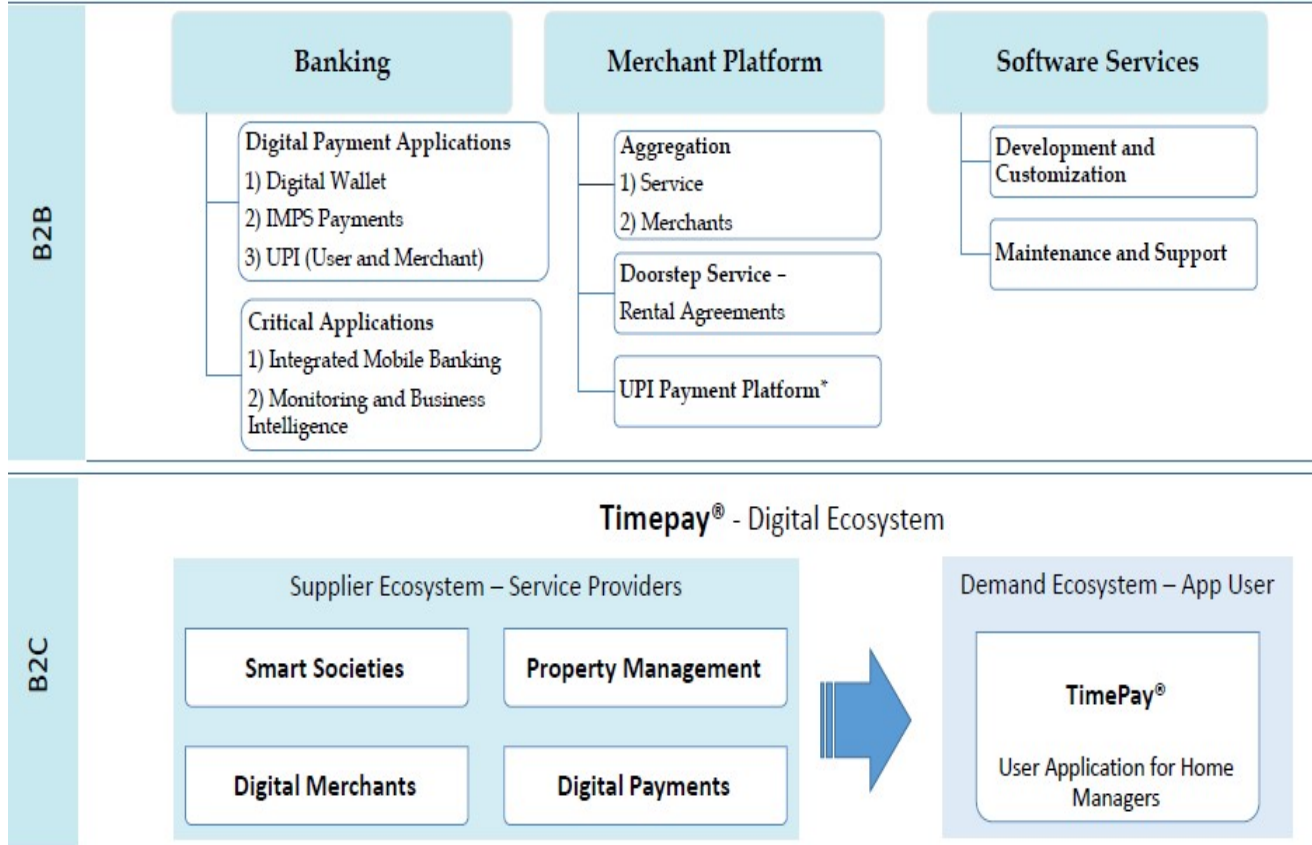
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Company Overview

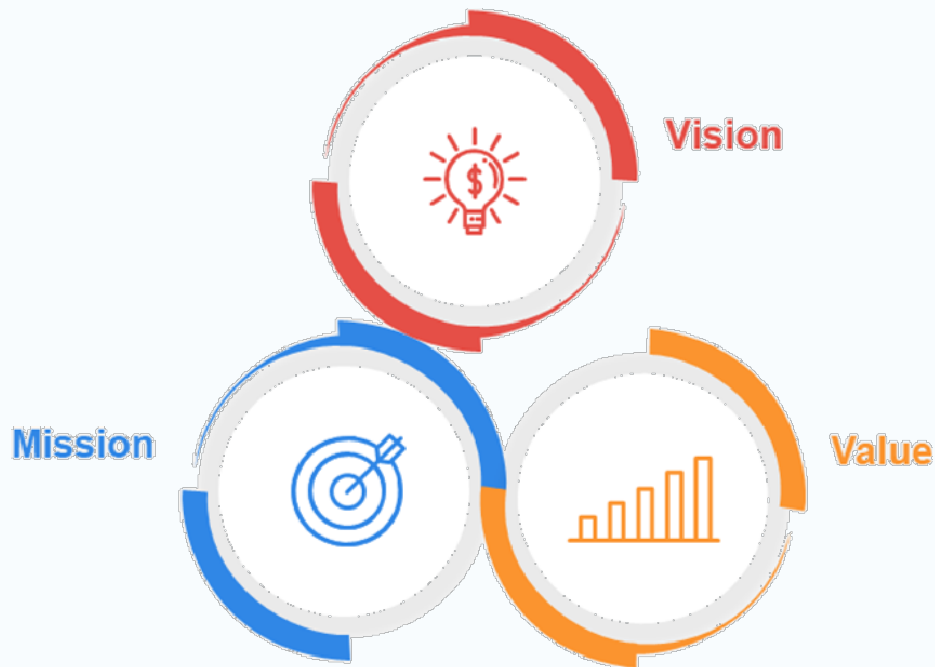
Our company was originally incorporated on October 04, 2013 as a Private Limited Company under the name and style of Network People Services Technologies Private Limited. Subsequently, our company was converted into Public Limited Company and the name of the company was changed to **Network People Services Technologies Limited** pursuant to issuance of Fresh Certificate of Incorporation dated October 09, 2020 by Registrar of Companies, Mumbai, Maharashtra.

Our Company is a banking technology service provider (TSP) and is engaged in providing software and mobility solutions to banking and finance sector primarily focusing on mobile banking applications, digital transaction solutions such as IMPS, UPI, digital wallet, etc. and smart transaction solutions. We are equipped to provide end-to-end services related to payment platforms including mobile banking solutions and are currently rendering our services to Canara Bank, Syndicate Bank, Kerala Gramin Bank, Karnataka Gramin Bank, IBM India Private Limited and Cosmos Co-operative Bank. Our Company is also engaged in rendering software service consisting of designing, consulting, development, quality and manpower provisioning under software SDLC.

Our Company Business Verticals



Vision **Mission** & Values



Vision

Provide digital technology to large, medium and micro setups to transact and operate seamlessly in the financial value chain

Mission

Strategically partner with financial institutions, banks, manufacturers, service providers, Government agencies and suppliers & create largest network of technology-enabled merchants and Users C

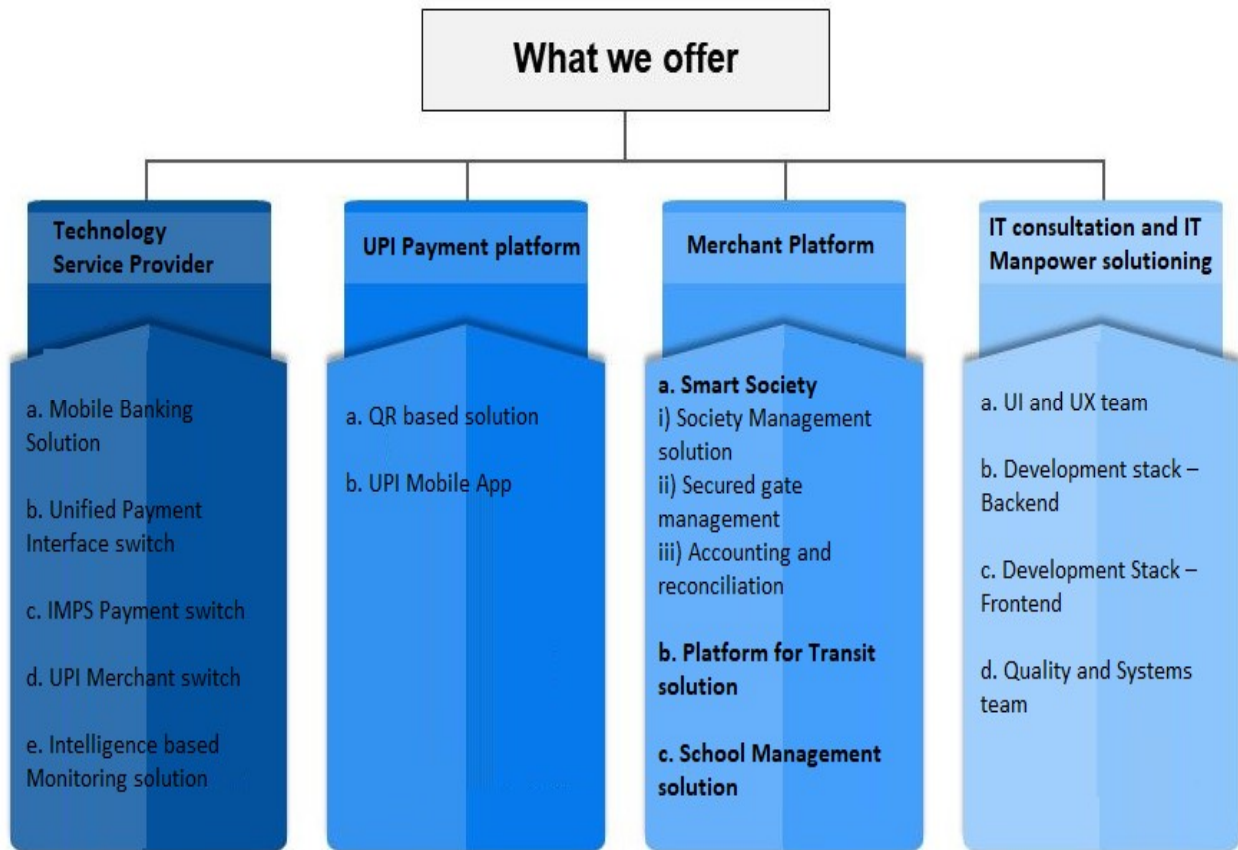
Values

Passion: Passion is at the heart of our company. We are continuously moving forward, innovating, and improving.

Leadership: The courage to shape a better future

Integrity- Integrity and Honestly in our dealings

Products Offering



Chairman's Message



Mr. Deepak Chand Thakur
Chairman & Managing Director

Dear Shareholders,

It is my immense pleasure to present the 8th Annual Report of “**Network People Services Technologies Limited**”. Firstly, I would like to thank the most important pillar of our success “Our Shareholders” who have reposed their trust in the Company during the Initial Public Offer (IPO). Our Company successfully came up with an IPO of 17,12,000 equity shares of face value of Rs.10 each fully paid up at an issue price of Rs.80/- (including a share Premium of Rs.70/- per equity share). We are indeed humbled by this response from the investing fraternity and also recognize the added responsibility to ensure that future performance and results meet the stakeholder's expectations on a sustained basis.

It is our pleasure and privilege to share with you highlights of the year's performance and outlook for the next year.

- Our Revenue from operations for the year was Rs. 15,20,48,638/- as compared to Rs. 15,00,55,170/- in the previous year.
- Our Net Profit was Rs. 1,06,95,586 as compared to Rs. 1,01,21,114 in the previous year.

As there are always fluctuations in the Industry, Customer demands and International conditions, hence we are always ready to change according to the situation and we look to grab each and every opportunity that is available to us in our business. Company is trying to expand its operations along with focusing on diversification in other areas.

I must acknowledge the immense contribution of the entire team of the Company, who push their boundaries, rise above challenges and leave no stone unturned to achieve consumer satisfaction. I am thankful to all our Stakeholders, our Bankers, our Investors, our Vendors and most importantly our customers for their trust and faith. A special thanks to all the employees of the Company for their energy and effort in the success of “**Network People Services Technologies Limited**”.

Thanks and Best of Luck !!

Mr. Deepak Chand Thakur
Chairman & Managing Director

Corporate Information

BOARD OF DIRECTORS	
Chairman & Managing Director Mr. Deepak Chand Thakur	Joint Managing Director Mr. Ashish Aggarwal
Independent Directors Mr. Rajiv Kumar Aggarwal Mr. Abhishek Mishra	Non-Executive Directors Ms. Renu Shyam Sunder Vashist
Nominee Director Mr. Gaurav Chowdhry <i>(Nominee of Rajasthan Trustee Company Pvt. Ltd. acting as trustee of RVCF India Growth Fund - RVCF Trust – III)</i>	
KEY MANAGERIAL PERSONNEL	
Chief Financial Officer Mr. Inder Kumar Naugai	Compliance Officer & Company Secretary Ms. Shreya Agarwal
STATUTORY AUDITORS	
M/s Keyur Shah & Co.	
SECRETARIAL AUDITOR	
Ms. Jaya Singh (For the F.Y. 2021-22)	

INTERNAL AUDITOR

M/s RVA & Associates LLP
(For the F.Y. 2021-22 & 2021-22)

PRINCIPAL BANKER

ICICI Bank Limited

Shop No.6, Pathare Building, Gokhale
Road, Naupada, Thane

REGISTRAR & SHARE TRANSFER AGENT

M/s Link Intime India Private Limited

Address:

C-101, 247 Park, LBS Marg, Vikhroli (West),
Mumbai – 400083, Maharashtra, India

Tel: +91 22 49186000

Fax: +91 22 49186060

Email: ashok.sherugar@linkintime.co.in

Website: www.linkintime.co.in

Investor Grievance Id: network.ipo@linkintime.co.in

COMPANY DETAILS

Network People Services Technologies Limited

CIN: U74110MH2013PLC248874

Registered Office :

306, 3rd Floor, Lodha Supremus II, Road No. 22,
Wagle Estate, Thane (West) – 400604 India

Telephone: +91 9810497261

Email: ashish.aggarwal@npstx.com

Website: www.npstx.com

Board's Committee

Audit Committee

- Mr. Abhishek Mishra (Chairman)
- Mr. Rajiv Kumar Aggarwal (Member)
- Ms Renu Shyam Sunder Vashist (Member)

Stakeholder's Relationship Committee

- Mr. Abhishek Mishra (Chairman)
- Mr. Rajiv Kumar Aggarwal (Member)
- Ms Renu Shyam Sunder Vashist (Member)

Nomination and Remuneration Committee

- Mr. Rajiv Kumar Aggarwal (Chairman)
- Mr. Abhishek Mishra (Member)
- Ms Renu Shyam Sunder Vashist (Member)

Board of Directors



Deepak Chand Thakur
Chairman & Managing Director

Deepak Chand Thakur, aged 39 years, is the Promoter, Chairman & Managing Director of our Company and has been associated with our company since 2014.

He manages business, organization growth, strategic planning, innovation and re-defining solutions by tapping market behaviour and defining products and services which best suits to consumers. He was instrumental in setting up Software and Mobility solutions in the Financial Technology domain, new business, product innovation and execution of planned strategies in the company.



Ashish Aggarwal
Joint Managing Director

Ashish Aggarwal, aged 43 years, is Promoter and Joint Managing Director of our Company and has been associated with our company since 2014.

He is a seasoned professional with over 17 years of extensive experience in finance, administration and accounting in IT industry and with the strong ability to make the tangible connection between business and its financial performance for effective decision making.



Abhishek Mishra
Independent Director

Abhishek Mishra, aged 40 years, is an independent director of our company. He is the member of The Institute of Chartered Accountants of India with 16 years of industry experience in the field of accounting and finance. He is also registered as an Insolvency Professional and a Valuer for Asset Class: Securities or Financial Assets with IBBI. His Core expertise lies in offering advisory services to real estate, hospitality, education and entertainment industry.



Rajiv Kumar Aggarwal
Independent Director

Rajiv Kumar Aggarwal, aged 64 years, is an independent director of our company holding Bachelor's degree in Electronics and Electrical Engineering from BITS, Pilani. He has an experience of about 11 years working in different capacities with various companies including Government organizations. He is also a member of the Society for Administration of Telemedicine and Health Care Informatics (S.A.T.H.I).



Renu Shyam Sunder Vashist

Director

Renu Shyam Sunder Vashist, aged 40 years, is the Non – Executive Director of our Company. She has an experience of over 14 years in the field of technology and architecture. She is currently the head of technology department in M/s Palginie Technologies Pvt. Ltd. and Consultant for technology and delivery of M/s White Warrior. Mrs. RenuVashist is presently assisting the technology team of our company.



Gaurav Chowdhry

Nominee Director

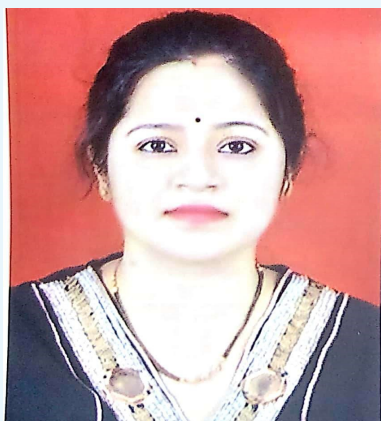
Gaurav Chowdhry, aged 40 years, is a Nominee director (Nominee of Rajasthan Trustee Company Pvt. Ltd. acting as trustee of RVCF India Growth Fund - RVCF Trust – III) of our company. He is the member of The Institute of Chartered Accountants of India. He is an adept professional with over 13 years of extensive experience working in different capacities with various organisations. He is the Vice President in Rajasthan Asset Management Company Pvt. Ltd., which manages a Venture capital Fund focused on investments in Technology, Healthcare, Education, Food and Agriculture in early to growth stage companies. He serves on the board of investee companies as a mentor/ observer/ director and their audit committees providing strategic inputs, assisting in capacity building and network connect with prospective Clients/Investors/Mentors.

Key Managerial Personnel



Mr. Inder Kumar Naugai
Chief Financial Officer

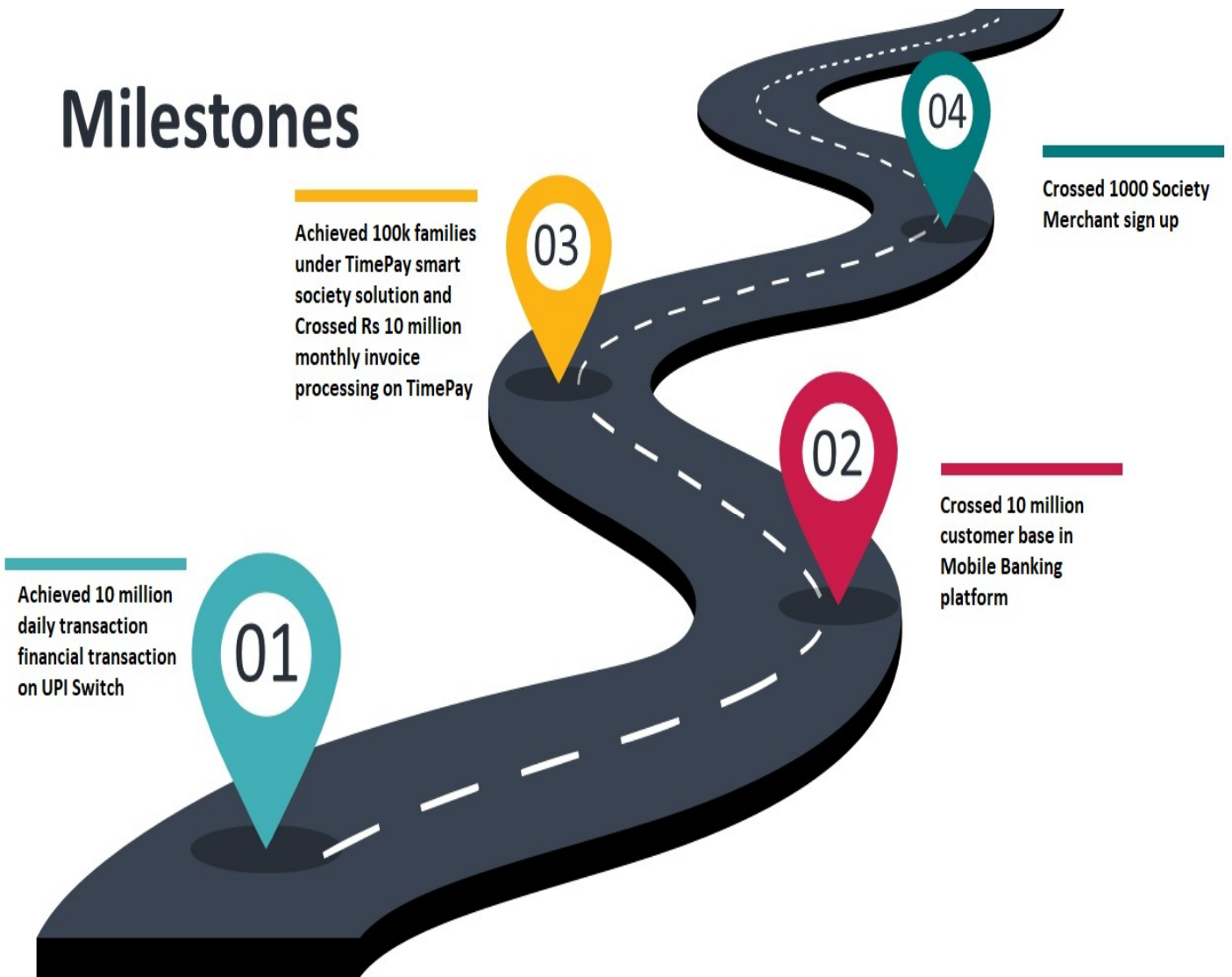
Inder Kumar Naugai, aged 44 years, is the Chief Financial Officer of our company. He joined our Company on June 16, 2016 as Senior Manager-Finance & Accounts and was thereby promoted to Chief Financial Officer on effective date of August 26, 2020. He looks after overall administration, finance and sales function of the company and interacts with the customers of our company.



Ms. Shreya Agarwal
Company Secretary

Shreya Agarwal, aged 29 years, is Company Secretary and Compliance Officer of our Company with effect from November 01, 2020. She is a Company Secretary by qualification and an Associate member of Institute of Company Secretaries of India. She looks after the Legal, Secretarial and Compliance Department of the Company.

Milestones



Key Moments

✓ Successfully launched NPST IPO in SME segment of National Stock Exchange (SME emerge).

✓ Got NPCI approval to launch NPST's UPI solution – TimePay.



✓ Successfully migrated Syndicate Bank to Canara Bank under Govt PSU bank merger plan.

✓ Launched Mobile Banking and IMPS platform for Karnataka Grameen Bank.

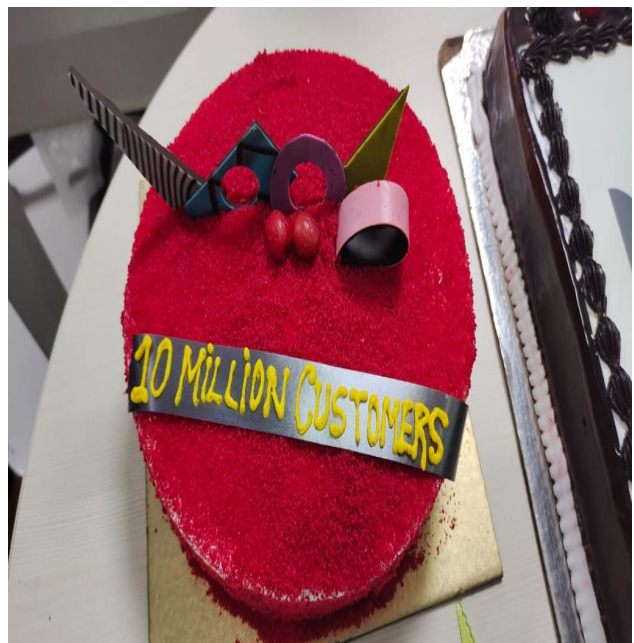
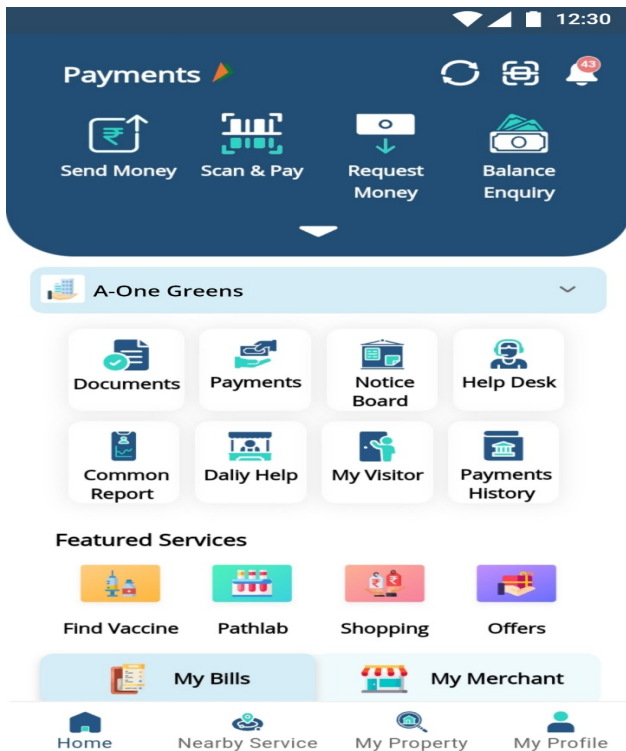
✓ Launched Mobile Banking and IMPS platform for Kerala Grameen Bank.

Executed centralized inventory solution for one of the largest eCommerce company in India.



✓ Executed Anti Money Laundering Solution for an African client

✓ Executed centralized inventory solution for one of the largest e-Commerce company in India.



NOTICE

NOTICE IS HEREBY GIVEN THAT THE 8TH ANNUAL GENERAL MEETING (AGM) OF THE MEMBERS OF NETWORK PEOPLE SERVICES TECHNOLOGIES LIMITED (THE COMPANY) WILL BE HELD ON TUESDAY THE 30TH DAY OF NOVEMBER 2021 AT 03:00 P.M. THROUGH VIDEO CONFERENCE (VC)/OTHER AUDIO-VISUAL MEANS (AOVM) AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT 306, 3RD FLOOR, LODHA SUPREMUS II, ROAD NO. 22, WAGLE ESTATE, THANE (WEST), MH 400604 TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESSES:

ITEM NO: 1 Adoption of Audited Standalone Financial Statements:

To consider and adopt the Audited Standalone and consolidated Financial Statements of the Company for the year ended March 31, 2021 together with the reports of the Board of Directors and Auditors thereon;

ITEMNO: 2 Re-Appointment of Directors liable to retire by rotation:

To Re-appoint Mr. Deepak Chand Thakur (DIN: 06713945), Managing Director of the Company, who is liable to retire by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

**By the Order of the Board
For Network People Services Technologies Limited,**

**Sd/-
Deepak Chand Thakur
(Managing Director)
DIN: 06713945**

**Date: 29.10.2021
Place: Thane**

IMPORTANT NOTES:

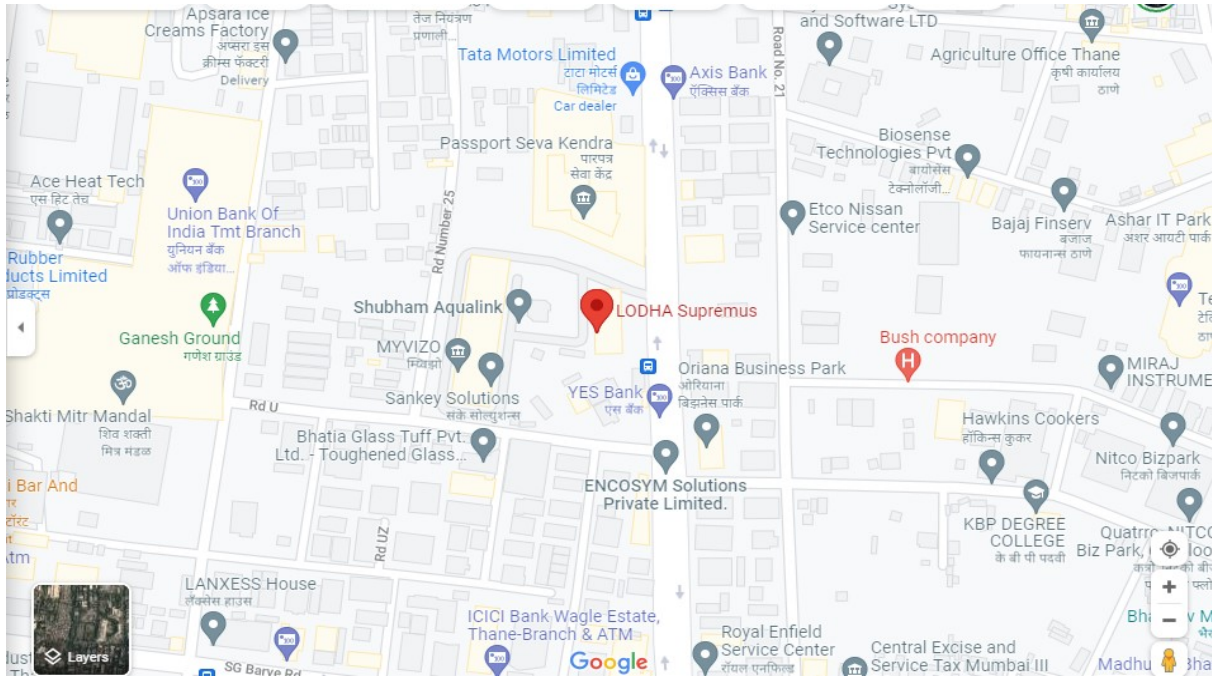
1. In view of the ongoing COVID-19 pandemic, the MCA has vide General Circular No 02/2021 dated January 13, 2021 in continuation of General Circular No. 20/2020 dated May 05, 2020 read with General Circular No. 14/2020 dated April 08, 2020 and General Circular No. 17/2020 dated April 13, 2020 (collectively referred to as 'MCA Circulars') permitted the holding of the AGM through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Act, SEBI Listing Regulations and MCA Circulars, the AGM of the Company is being held through VC/OAVM.
2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
3. Institutional/Corporate Shareholders (i.e. other than Individuals/HUF, NRI, etc) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc. authorizing its representative to attend the AGM through VC /OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to cs@npstx.com.
4. The Register of Members and Share Transfer Books of the Company will remain closed from **Tuesday, 23rd November, 2021 to Tuesday, 30th November, 2021** (both days inclusive).
5. The Securities and Exchange Board of India (SEBI) vide its Circular No. CIR/MRD/DP/10/2013 dated March 21, 2013 has mandated all Companies to use approved electronic mode of payment for making cash payments such as dividend to the Members (where core banking details are available) or to print the bank account details of the Members (as per the Company's records) on the physical payment.
6. Hence, the Members are requested to furnish/update their bank account name & branch, bank account number and account type along with other core banking details such as MICR (Magnetic Ink Character Recognition), IFSC (Indian Financial System Code) etc. at the earliest with:
 - i. The respective Depository Participants (DP) (in case of the shares held in Electronic Mode) or;
 - ii. The Registrar & Share Transfer Agent of the Company (R&T Agent) (in case of the shares held in Physical form).
7. Members holding shares in Demat mode may kindly note that any request for change of address or change of E-mail ID or change in bank particulars/mandates or registration of nomination are to be instructed to their Depository Participant only, as the Company or its Registrar & Share Transfer Agent cannot act on any such request received directly from the Members holding shares in Demat mode. However, Members holding shares in physical mode are requested to notify the Registrar & Share Transfer Agent of the Company of any change in their address and e-mail id as soon as possible.
8. Members are requested to contact the Company's Registrar & Share Transfer Agent **M/s. Link Intime India Private Limited** ("Link Intime" or "Registrar & Share Transfer Agent") having address at C – 101,

1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (W), Mumbai – 400083 Maharashtra India.; Tel.: +9122 - 49186000 Email id: ashok.sherugar@linkintime.co.in; Website: www.linkintime.co.in for reply to their queries/redressal of complaints, if any, or contact Ms. Shreya Agarwal, Company Secretary at the Registered Office of the Company (Phone No.: +91 – 86901 01017; Email: cs@npstx.com).

9. To support the “Green Initiative” Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with **Link Intime** in case the shares are held by them in physical form. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company’s website [http:// www.npstx.com/](http://www.npstx.com/) , website of the Stock Exchanges i.e. National Stock Exchange of India Limited “Emerge Platform” and on the website of NSDL www.evoting.nsdl.com
10. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFS Code, etc., to their DPs in case the shares are held by them in electronic form and to **Link Intime** in case the shares are held by them in physical form.
11. Attendance of the Members participating in the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
12. The Cut-off date for determining the names of shareholders eligible to get Notice of Annual General Meeting is **Friday, 29th October, 2021.**
13. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts or arrangements in which Directors are interested maintained under Section 189 of the Act will be available during the meeting for inspection, to the Members attending the AGM.
14. Members may avail the facility of nomination by nominating a person to whom their shares in the Company shall vest in the event of their death. The prescribed form can be obtained from the Company’s Registrar & Share Transfer Agent.
15. Members who hold shares in physical form in multiple folios in identical names or joint names in the same order of names are requested to send the share certificates to the Company’s Registrar & Share Transfer Agent for consolidation into single folio.
16. Since, the securities of the Company are traded compulsorily in dematerialized form as per SEBI mandate, Members holding shares in physical form are requested to get their shares dematerialized at the earliest.
17. As per Regulation 40 of SEBI Listing Regulations, as amended, Securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request

received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrar and Share Transfer Agent, **M/s. Link Intime India Private Limited ("Link Intime")** for assistance in this regard.

18. The Shareholders, seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company before the date of the AGM through Email on cs@npstx.com. The same will be replied by/ on behalf of the Company suitably.
19. The Company has appointed **M/s Jaya Singh, Practicing Company Secretaries, Thane** as scrutinizer to scrutinize the voting and the voting process in a fair and transparent manner.
20. The Chairman shall, at the AGM, at the end of discussion on the Resolutions on which the voting is to be held, allow voting with the assistance of the Scrutinizer, by use of e-voting for all those Members who are present at the AGM through VC/AOVM.
21. The scrutinizer shall after the conclusion of voting at the Meeting, will first count the votes cast at the Meeting in the presence of at least two witnesses not in the employment of the Company and shall make and submit, within 48 hours of the conclusion of the AGM, a consolidated scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting within 48 hours of conclusion of the AGM.
22. The Notice of the AGM shall be placed on the website of the Company till the date of AGM. The Results declared, along with the scrutinizer's Report shall be placed on the Company's website www.npstx.com immediately after the declaration of result by the Chairman or a person authorized by him in writing. The Results shall also be immediately forwarded to the Stock Exchange(s) where the shares of the Company are listed. Further, the results shall be displayed on the Notice Board of the Company at its Registered Office.
23. Pursuant to Section 108 of Companies Act, 2013 read with rules made there under and Regulation 44 of the SEBI (LODR) Regulations, 2015, the Company is providing e-voting facility to its Members to exercise their votes electronically on the item of business given in the Notice through the electronic voting service facility provided by NDSL.
24. The deemed venue for AGM shall be registered office (deemed place of meeting) and also via VC/OAVM, the Route Map is annexed herewith.



THE INSTRUCTIONS FOR SHAREHOLDERS VOTING ELECTRONICALLY ARE AS UNDER:

- i. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the EGM/AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the EGM/AGM will be provided by NSDL.
- ii. The voting period begins on **Friday, 26th Day of November, 2021 at 10.00 A.M. and ends on Monday, 29th day of November, 2021 at 5.00 P.M.** During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date **23rd November, 2021** may cast their vote electronically and that a person who is not a member as on the cut-off date should treat this notice for information purposes only. The e-voting module shall be disabled by NSDL for voting thereafter. Those Members, who will be present in the AGM through VC / OAVM facility or physically and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.
- iii. The Board of Directors has appointed **M/s Jaya Singh, Practicing Company Secretaries, Thane** as scrutinizer to scrutinize the votes during the AGM and the remote e-voting process in a fair and transparent manner.

- iv. The Members who have casted their vote by remote e-voting prior to the AGM may also attend /participate in the AGM through VC/OAVM/physically but shall not be entitled to cast their votes again.
- v. The Details of the process and manner for remote e-voting are explained herein below:

The remote e-voting period begins on **Friday, 26th Day of November, 2021 at 10.00 A.M. and ends on Monday, 29th day of November, 2021 at 05:00 P.M.** The remote e-voting module shall be disabled by NSDL for voting thereafter.

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

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

- Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsd.com/>
- Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

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

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

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

4. Your User ID details are given below :

Manner of holding shares i.e.Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and

	Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

6. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

7. Now, you will have to click on "Login" button.

8. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is mentioned below:

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

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

General Guidelines for shareholders

- 1 Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to singh.jaya09@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on www.evoting.nsdl.com to reset the password.

In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request to (Name of NSDL Official) at evoting@nsdl.co.in

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to cs@npstx.com
In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to cs@npstx.com

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THEAGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at (cs@npstx.com). The same will be replied by the company suitably.

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

- I. For Physical shareholders-please provide necessary details like Folio No., name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of AADHAR card) by email to the Company/RTA email id.
- II. For Demat Shareholders- please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID+CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of AADHAR card) by email to the Company/RTA email id.
- III. The Company/RTA shall co-ordinate with CDSL/NSDL and provide the login credentials to the above-mentioned shareholders.

**By the Order of the Board
For Network People Services Technologies Limited,**

**Sd/-
Deepak Chand Thakur
(Managing Director)
DIN: 06713945**

**Date: 29.10.2021
Place: Thane**

DIRECTORS' REPORT

Dear Shareholders,

The Directors of your Company with immense pleasure, presenting the 8th Annual Report on the business and operation of the company together with Audited Financial Statements of Accounts and the Auditors Report of your Company for the Financial Year ended on 31st March, 2021.

FINANCIAL HIGHLIGHTS:

The Company's financial performance for the year ended 31st March, 2021 is summarized below:

(Amount in Rs.)

Particulars	<u>STANDALONE</u>		<u>CONSOLIDATED</u>	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Sales/Income from Business operations (Gross)	15,20,48,638	15,00,55,170	15,34,39,686	15,19,02,858
Other Income	6,38,194	5,67,001	6,38,759	5,69,271
Total Revenue	15,26,86,832	15,06,22,171	15,40,78,445	15,24,72,129
Less: Total Expenses	13,83,94,035	13,69,15,161	13,96,44,860	13,85,73,380
Profit/(Loss) before Exceptional Items	1,42,92,797	1,37,07,010	1,44,33,585	1,38,98,749
Prior Period Items	-	37,480	-	37,480
Profit/(Loss) before Tax	1,42,92,797	1,36,69,530	14,33,585	1,38,61,269
Less: Current tax	44,48,987	32,68,794	44,84,421	33,17,051
Less: Deferred tax	(8,51,776)	2,79,622	(8,51,776)	2,79,622
Net Profit/ (Loss) after Tax for the year	1,06,95,586	1,01,21,114	1,08,00,939	1,02,64,596
Earnings per share (Basic)	2.38	10.12	2.40	10.26
Earnings per share (Diluted)	2.38	2.25	2.40	10.26

STATE OF COMPANY'S AFFAIRS

BUSINESS OPERATIONS

Our company is engaged in providing software and mobility solutions to banking and finance sector primarily focusing on digital payments which includes mobile banking, IMPS, UPI, digital wallet, etc. We are also in the business of providing smart transaction and merchant management solution for micro, small and medium enterprise. Our Company is certified with ISO 9001:2015 for delivering Quality

products, ISO 27001:2013 ensuring information security and CMMI Level 3 for software & mobile solutions platform process improvement.

FINANCIAL PERFORMANCE

Our Company has generated revenue from its operations amounting to Rs.15,20,48,638/-as compared to Rs. 15,00,55,170/- in FY 2019-20. The sales of our company have increased in the current financial year.

The net profits of the Company have also increased to Rs. 1,06,95,586/- from Rs. 1,01,21,114/- of the Previous year. The Financial Year 2020-21 has been fairly satisfactory year for the company. Further the Directors are desirous of even better opportunities and favourable growth prospects in coming future.

TRANSFER TO RESERVES

The board of Directors of the company has not transferred any amount to its General Reserve during the Financial Year 2020-21.

DIVIDEND

No Dividend has been declared by the company for the year ended March 31, 2021 with a futuristic approach to retain the earnings in the business for expansion from internal accrual for the growth of the company.

CHANGE IN THE NATURE OF BUSINESS

During the year under review, there was no change in the nature of business of the company.

COST AUDIT

The provision of section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 and Rule 14 of the Companies (Audit and Auditor) Rules, 2014 are not applicable to the Company.

SHARE CAPITAL AND OTHER CHANGES

During the Financial Year 2020-21, following changes occurred in capital structure of the Company: -

1. Authorized Share Capital

The Authorised share capital of the company was increased from Rs. 20,000,000/- (Rupees Two Crores Only) divided into 2,000,000 (Twenty Lakhs) Equity Shares of Rs. 10/- each to Rs. 75,000,000/-(Rupees Seven Crores Fifty Lakhs Only) divided into 7,500,000 (Seventy Five Lakhs) Equity Shares of Rs. 10/- each vide special resolution passed by the members at Extraordinary General Meeting of the company held on 22nd June, 2020.

2. Bonus Issue

The Company has allotted 35,00,000 Bonus Shares in the ratio of 3.5:1 to the existing Shareholders of the Company on 6th July, 2020 after obtaining approval of the members in the extra ordinary general meeting held on 4th July, 2020.

CONVERSION AND CHANGE IN NAME OF THE COMPANY

The Company was a private limited company at the beginning of Financial Year 2020-21 named as "NETWORK PEOPLE SERVICES TECHNOLOGIES PRIVATE LIMITED". In order to get listed on stock exchange and expand its scope of operations, it was desirous of getting converted into a Public Limited Company. Hence a special resolution was passed by the members in the extra-ordinary general meeting held on 29th August, 2020 for conversion of the company into a public company which was subsequently approved by the Registrar of Companies, Maharashtra and the name of the Company was changed from "**NETWORK PEOPLE SERVICES TECHNOLOGIES PRIVATE LIMITED**" to "**NETWORK PEOPLE SERVICES TECHNOLOGIES LIMITED**" vide Fresh Certificate of Incorporation dated 9th October, 2020.

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

There were no funds which were required to be transferred to Investor Education and Protection fund (IEPF).

DEPOSITS

Your Company has not accepted any public deposit within the meaning of provisions of section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 and there is no outstanding deposit due for re-payment.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

The Company does not have any Associate Company/ Joint Venture, however, has one Subsidiary namely "**SSK Citizen Services Private Limited**" in which our company **holds 99.80%** as on 31/03/2021.

SSK Citizen Services Private Limited ("SSK")

Corporate Information

SSK Citizen Services Private Limited was incorporated as a Private Limited Company under the provisions of the Companies Act, 2013 vide Certificate of Incorporation dated April 20, 2015 bearing Corporate Identification Number U72300MH2015PTC263632 issued by Registrar of Companies, Mumbai.

Registered Office

The Registered Office is situated at 503 Topaz Apartment, Plot No. 21,22, 23, Sector 20/C, Airoli, Navi Mumbai, Thane - 400708 India.

Main Objects of SSK

- *To Undertake and carry on, whether in India or elsewhere, the business of, in or relating to and to offer or render consultancy, Software development and technology services, Mobile service and developments, technology based infrastructure and other services like Business process outsourcing across sectors and channels in or relating to the area of eGov, Power, Education, Financial Inclusion, Remittance, BFSI, Health, Financial, Government, Solar, Fast Moving Consumer goods (FMCG) Business, and Power (energy) along with distribution, information technology including computer hardware, systems integration, software and solutions, such as but without prejudice to the generality of the foregoing, telecom, datacom, system integration and networking, electronic media, ERP, e commerce, electronic communication and trading internet, intranet, client server technology, and web or internet related techniques, solutions or products, and to distribute and publish electronic information, product and services in all their branches and of any kind, nature and description, and further to establish, run and/ or manage, whether in India or abroad, data processing, data mining, data storage, data extraction and transcription centers.*
- *To provide sales, service, trading & distribution of all services and products and appointment of retails franchisee & distributors for delivery of all types of services & products.*
- *To carry on the business of soliciting or procuring insurance business as a corporate agent or Sub agent for general and life insurance companies and to receive commission or remuneration from the insurance business so procured.*
- *To provide training, skilling, content development & creation, program management, knowledge solutions, survey, study & analytics, event management, research, recruitment and HR related services, providing and taking personnel/ consultants/ human resources to/from other organizations, Institution etc.*
- *To issue, implement, undertake, assist, facilitate, offer, distribute or otherwise promote, undertake any value added services schemes and projects including but not limited to issue a mobile or any pre – paid cash wallet, prepaid card and or cash card to consumers, retailer & distributors and setting up a payment and settlement systems, supporta bank in issuing “card present”, credit and debit cards on phone, or direct debit facility on mobile phone, to provide informational and transactional facilities and solutions to consumers, retailers & distributors for making payment for all goods and services, carry on any services and sales in India or abroad.*

Capital Structure and Shareholding Pattern of SSK

The authorized share capital of SSK is Rs. 1,00,000/- divided into 10,000 equity shares of Rs. 10/- each. It's issued, subscribed and the paid – up equity share capital is Rs. 1,00,000/- divided into 10,000 equity shares of Rs. 10/- each. The shareholding pattern of SSK as on 31/03/2021 is as mentioned below:

S. No.	Name of Shareholder	No. of Equity Shares	Percentage
1	Network People Services Technologies Limited	9,980	99.80%
2	Ashish Aggarwal	10	0.10%
3	Deepak Chand Thakur	10	0.10%
Grand Total		10,000	100.00%

Board of Directors of SSK

Boards of Directors of SSK as on 31/03/2021:

- Deepak Chand Thakur
- Ashish Aggarwal

PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The statement containing the salient features of the financial statement of the Company's Subsidiary namely **SSK Citizen Services Private Limited ("SSK")** is mentioned in AOC-1 annexed to this report as **Annexure-I**.

REGISTRAR & SHARE TRANSFER AGENTS

The Company has appointed **M/sLink Intime India Private Limited** as its Registrar & Share Transfer Agent.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts/arrangements/transactions that were entered by the Company during the Financial Year were in Ordinary Course of the Business and on Arm's Length basis. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3) (h) of the Companies Act, 2013 is disclosed in Form AOC-2 in **Annexure-II** is annexed to this report.

There have been no materially significant related party transactions between the Company and the Directors, the management, the subsidiaries or the relatives except for those disclosed in the financial statements. Accordingly, particulars of contracts or arrangements with related parties referred to in Section 188(1) along with the justification for entering into such contract or arrangement is disclosed in the financials.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Following are the changes in directors and KMP of our Company during the F.Y. 2020-21:

DIN/PAN	Name	Date of event	Nature of event	Reason
08845912	Renu Shyam Sunder Vashist	August 29, 2020	Appointment	Appointed as Non-Executive Director
06713945	Deepak Chand Thakur	October 20, 2020	Change in designation	Designated as Chairman & Managing Director
06986812	Ashish Aggarwal	October 20, 2020	Change in designation	Designated as Joint Managing Director
01784236	Rajiv Kumar Aggarwal	October 20, 2020	Appointment	Appointed as Independent Director
00288274	Abhishek Mishra	October 20, 2020	Appointment	Appointed as Independent Director

DIN/PAN	Name	Date of event	Nature of event	Reason
ADXP1812F	Inder Kumar Naugi	August 26, 2020	Appointment	Appointed as CFO (KMP)
ATMPA6786C	Shreya Agarwal	November 01, 2020	Appointment	Appointed as Company Secretary

Composition Of Board Of Directors

During the F.Y. 2020-21, our Company comprises of Five (5) directors on our Board including Two (2) Executive Directors and Three (3) Non-Executive Directors out of which Two (2) are Independent Directors. Our Board also has One (1) Women director.

The Board structure of the Company comprises of following Directors and KMP as on 31/03/2021.

DIN/PAN	Name	Designation
08845912	Renu Shyam Sunder Vashist	Non-Executive Director
06713945	Deepak Chand Thakur	Chairman & Managing Director
06986812	Ashish Aggarwal	Joint Managing Director
01784236	Rajiv Kumar Aggarwal	Independent Director
00288274	Abhishek Mishra	Independent Director
ADXP1812F	Inder Kumar Naugi	CFO (KMP)
ATMPA6786C	Shreya Agarwal	Company Secretary

After closure of the F.Y. 2020-21, Mr. Gaurav Chowdhry (DIN: 02695010) was appointed as Non – Executive Nominee Director (Nominee of Rajasthan Trustee Company Pvt. Ltd. acting as trustee of RVCF India Growth Fund - RVCF Trust – III) with effect from April 27, 2021.

Directors Liable To Retire By Rotation And Be Eligible To Get Re-Appointed

Pursuant to the provisions of section 152(6) and other applicable provisions of the Companies Act, 2013, Mr. Deepak Chand Thakur (DIN: 06713945), though appointed as Managing Director on the board w.e.f 20th October 2020 for a term of five years has been associated with the company as director since 26th July 2014, is liable to get retired by rotation at the ensuing 8th AGM, and being eligible to get re-appointed as Managing Director of the company in the ensuing AGM of the company. Accordingly, requisite resolution shall form part of the Notice convening the AGM.

Independent Directors

Mr. Rajiv Kumar Aggarwal and Mr. Abhishek Mishra were appointed as Independent Non executive Directors on Board for a term of 5 (five) consecutive years, in the extra-Ordinary General meeting held on 20/10/2020.

Managing Director, CFO and CS

Mr. Deepak Chand Thakur was appointed as Managing Director and Mr. Ashish Aggarwal was appointed as Joint Managing Director of the Company with effect from 20/10/2020 for a term of five years and has been handling the management of the company utmost efficiency.

Inder Kumar Naugiwas appointed as the Chief Financial Officer (CFO) of the company w.e.f26/08/2020 as per the provisions of the Companies Act 2013.He handles finance and accounts of the company.

Ms. Shreya Agarwal, M.No.ACS-59432has been appointed as Company Secretary-cum-Compliance Officer of the company with effect from 01/11/2020.

DECLARATION BY INDEPENDENT DIRECTORS

All the Independent Directors have confirmed to the Board that they meet the criteria of independence as specified under Section149(6) of the Act and that they qualify to be independent directors pursuant to the Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

The confirmations were placed before and noted by the Board.

MEETINGS OF THE BOARD OF DIRECTORS

The Board meets at regular intervals to discuss and take a view on the Company's policies and strategy apart from other Board matters. The notice for the board meetings is given well in advance to all the Directors.

During the year, the Board meetings were held on the following dates as mentioned in the table:

Sr. No.	Date of Meeting	Board Strength	No. of Directors Present
1	22/06/2020	2	2
2	03/07/2020	2	2
3	06/07/2020	2	2
4	18/07/2020	2	2
5	22/08/2020	2	2
6	24/08/2020	2	2
7	26/08/2020	2	2
8	03/10/2020	3	3
9	19/10/2020	3	3
10	05/11/2020	5	5
11	08/01/2021	5	5
12	02/02/2021	5	5
13	22/03/2021	5	5

Frequency and Quorum at these Meetings were in conformity with the provisions of the companies Act,2013.The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

MEETINGS OF INDEPENDENT DIRECTORS

In Compliance with the Companies Act, 2013 and Secretarial Standards issued by Council of ICSI, the Independent Directors of the Company are required to hold at least one meeting in a calendar year without the attendance of Non-Independent Directors and Members of Management. Such meeting of Independent Directors of the Company was held on 30/11/2020.

Independent Directors Meeting considered the performance of Non-Independent Directors and Board as whole, reviewed the performance of Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board.

Whenever any new Independent Director is appointed, he/she is made familiar to the business and its operations and also about his/her role and duties through presentations/programmes by Chairman, Managing Director and Senior Management.

All Independent Directors were present at the meetings of Independent Directors held on **30/11/2020**.

Name of the Member	Position	Status
Mr. Abhishek Mishra	Chairman	Non-Executive Independent Director
Mr. Rajiv Kumar Aggarwal	Member	Non-Executive Independent Director

DIRECTORS APPOINTMENT, REMUNERATION AND ANNUAL EVALUATION

The Company has devised a Policy for Directors; appointment and remuneration including criteria for determining qualifications, performance evaluation and other matters of Independent Directors, Board, Committees and other individual Directors which include criteria for performance evaluation of both non-executive directors and executive directors.

The Company's Nomination & Remuneration policy which includes the Director's appointment & remuneration and criteria for determining qualifications, positive attributes, independence of the Director & other matters is attached as **Annexure-III** to this Report and the same is also available on the website of the Company at the link www.npstx.com

COMMITTEES OF THE BOARD

The Board of Directors has constituted three Committees, viz.;

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders' Relationship Committee

Details of all the Committees along with their composition, terms of reference and meetings held during the year are provided in **Annexure-IV**.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(3)(c) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, your Directors confirm that:

- a) In the preparation of the annual accounts for the year ended March 31, 2021, the applicable accounting standards had been followed along with proper explanation relating to material departures and there are no material departures from the same;
- b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2021 and of the profit and loss of the Company for that period;
- c) The Directors had taken proper and sufficient care for the 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 fraud and other irregularities;
- d) The Directors had prepared the annual accounts on a '**going concern**' basis;
- e) The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis on matters related to the business performance is given as a separate section in the Board Report as **Annexure-V**.

AUDITORS OF THE COMPANY

Statutory Auditors

M/s Keyur Shah & Co., Chartered Accountants, Ahmedabad (Firm Registration No.:141173W), were appointed as Statutory Auditor of the Company, in the Seventh Annual General Meeting held on 24/12/2020 to hold office for a term of five years till the conclusion of Twelfth Annual General Meeting to be held in the year 2025.

As required under the provisions of Section 139 of the Companies Act, 2013, the company has obtained a written consent and certificate from the above mentioned Auditors to the effect that they confirm with the limits specified in the said Section and they had also given their eligibility certificate stating that they are not disqualified for appointment within the meaning of Section 141 of Companies Act, 2013.

Secretarial Auditor

During the Financial year 2020-21, the Company did not meet the criteria for Secretarial Audit as mentioned in Section 204(1) and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and hence, was not required to appoint secretarial auditor.

The Company has appointed **Ms. Jaya Singh, Company Secretary in Practice, Thane** to conduct the secretarial audit for the financial year 2021-22.

Internal Auditor

Pursuant to the provisions of Section 138 of the Companies Act, 2013 & the rules made there under (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the company was not required to appoint Internal Auditors for the F.Y. 2020-21.

The Board of Directors in their meeting held on 23/04/2021 had appointed **M/s RVA & Associates LLP, Chartered Accountant, Mumbai** (M.No.:115003W), as Internal Auditors to conduct Internal Audit for the financial year 2021-22 and 2022-23.

EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS

There were no qualifications, reservations, adverse remarks or disclaimers made by Statutory Auditors of the Company in their Audit Report.

The provisions relating to submission of Secretarial Audit Report is not applicable to the company for the F.Y. 2020-21.

CORPORATE SOCIAL RESPONSIBILITY

The Corporate Social Responsibility was not applicable on the company for the Financial Year 2020-21 but the company would be following required practices and norms as may be applicable to a listed company from the current year.

RISK MANAGEMENT POLICY

The company operates in conditions where economic; environment and social risk are inherent to its businesses. In managing risk, it is the Company's practice to take advantage of potential opportunities while managing potential adverse effects. As per the requirement of Section 134(3)(n) of the Companies Act, 2013 read with the rules made there under, if any, Board has framed a very comprehensive Risk Management Policy to oversee the mitigation plan including identification of element of risk, for the risk faced by the Company, which in the opinion of the Board may threaten the existence of the Company. The objective of the policy is to make an effective risk management system to ensure the long-term viability of the Company's business operations.

Although the Company has adopted the policy regarding the assessment of the risk and its updates are provided to the senior management of the Company the process for the mitigation of the risk is defined

under the risk management policy of the company which are available for the access on our website www.npstx.com.

INTERNAL FINANCIAL CONTROLS

The Company has identified and documented all key internal financial controls, which impact the financial statements. The financial controls are tested for operating effectiveness through ongoing monitoring and review process of the management. In our view the Internal Financial Controls, affecting the financial statements are adequate and are operating effectively.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

Following changes occurred between the end of the financial year of the Company to which the financial statements relate and the date of this Report other than the details given in this board report:

Issue of Equity Share on Preferential Basis

The Company issued and allotted 2,50,000 (Two Lakh Fifty Thousand Only) equity Shares of face value of Rs. 10/- (Rupees Ten Only) each on cash at a price of Rs 80/- per equity share (including a premium of Rs. 70/- per equity share) each aggregating to Rs. 2,00,00,000/- (Rupees Two Crores Only) on preferential basis to RVCF India Growth Fund- RVCF Trust III on 11May,2021 which was approved by the members of the Company in the Extra-Ordinary General Meeting held on 24 April, 2021.

Initial Public Offer

The Company came up with an IPO vide prospectus registered with the Registrar of Companies, Mumbai on August 04, 2021 and In Principle Approval of National Stock Exchange of India Limited (NSE) being the Designated Stock Exchange vide letter dated July 06, 2021 which opened for subscription from **Wednesday July 28, 2021 to Monday August 02, 2021** and allotted 17,12,000 equity shares of face value of Rs.10 each fully paidup at an issue price of Rs.80/- (including a share Premium of Rs.70/- per equity share) vide approval of the Board of Directors of the Company in their meeting held on August 06, 2021.

The Paid-up Equity Share Capital of the company after IPOis Rs. 64,620,000/- (Six Crore Forty Six Lacs Twenty Thousand Only) as on the date of this report.

Listing of Shares

The Company vide letter dated August 09, 2021 received from National Stock Exchange of India Limited (NSE) was informed that equity shares of the company shall be listed and admitted to dealings on the SME EMERGE platform of the Exchange w.e.f. August 10, 2021.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS

During the F.Y. 2020-21, there were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

CORPORATE GOVERNANCE

The Corporate Governance requirements as stipulated under the of SEBI (LODR) Regulations, 2015 is not applicable to the company but the Company adheres to good corporate practices at all times.

ANNUAL RETURN

Pursuant to Section 134(3)(a) and Section 92(3) of the Companies (Management and Administration) Rules, 2014, the Annual Return in Form MGT-7 for the financial year ended March 31, 2021, will be available on the website of the Company at www.npstx.com once it is filed with the Registrar of Companies and thereafter the same can be viewed by the members and stakeholders.

PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED

Company has not given any loan, guarantee or provided security in connection with a loan and had not made any investment under the Section 186 of Companies Act, 2013 during the F.Y. 2020-21.

PARTICULARS OF EMPLOYEES AND RELATED INFORMATION

During the financial year 2020-21 disclosures in accordance with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial personnel) Amendment Rules, 2016 and Disclosures pertaining to remuneration and other details as required under Section 197 (12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not required but the company would be following required practices and norms as may be applicable to a listed company from the current year.

DISCLOSURE FOR AMOUNTS RECEIVED FROM DIRECTORS AND RELATIVES OF DIRECTORS

During the F.Y. 2020-21, the Company has not received/ borrowed any amount from its Directors or their Relatives.

HUMAN RESOURCE DEVELOPMENT

The Company recognizes that its employees are its principal assets and that its continued growth is dependent upon the ability to attract and retain quality people. The Company also recognizes the importance of providing training and development opportunities to its people to enhance their skills and experiences, which in turn enables the company to achieve its business objectives. The morale of employees continued to remain high during the year contributing positively to the progress of the Company. However, aspirations of employees in Company remain to be high. This is a challenge as only growth can fulfil these aspirations and in today's market scenarios one has to perform extraordinarily to achieve growth.

The Company has always provided a congenial atmosphere for work to all sections of the society. Your Company is committed to respect universal human rights. To that end, the Company practices and seeks to work with business associates who believe and promote these standards. The Company is committed

to provide equal opportunities at all levels, safe and healthy workplaces and protecting human health and environment. The Company provides opportunities to all its employees to improve their skills and capabilities. The Company's commitment extends to its neighbouring communities to improve their educational, cultural, economic and social well-being.

Your Company is an equal opportunity employer and does not discriminate on the grounds of race, religion, nationality, ethnic origin, colour, gender, age, citizenship, sexual orientation, marital status or any disability not affecting the functional requirements of the position held.

VIGIL MECHANISM & WHISTLE BLOWER

The company has established a Whistle Blower Policy which also incorporates a Vigil Mechanism in terms of the SEBI (LODR) Regulations, 2015 for directors and employees commensurate to the size and the business of the company to promote ethical behaviour, actual or suspected fraud or violation of our code of conduct and ethics. Under the said mechanism, the employees are free to report violations of applicable laws and regulations and the code of conduct. It also provides for adequate safeguards against the victimization of persons who use such mechanism.

The Whistle Blower Policy of the Company is also available on the website of the company at the link www.npstx.com

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

Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with rule 8(3) of The Companies (Accounts) Rules, 2014, relevant details of energy conservation, technology absorption and foreign exchange earnings and outgo are attached as **Annexure-VI** to this Report.

PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

Our Company is an equal opportunity provider and believes in providing opportunity and key positions to women professionals. At the same time, it has been an Endeavour of the Company to support women professionals through a safe, healthy and conducive working environment by creating and implementing proper policies to tackle issues relating to safe and proper working conditions for them.

The Company has zero tolerance towards sexual harassment of Women at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment of Women at Workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules there under.

CODE OF CONDUCT FOR PROHIBITION OF INSIDER TRADING

The Board of Directors has adopted the Insider Trading Policy in accordance with the requirement of the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The Insider Trading Policy of the Company lays down guidelines and procedures to be followed and disclosures to be made while dealing with shares of the Company as well as consequences of disclosures to be made while dealing with shares of the Company as well as consequences of violation. The Policy has been

formulated to regulate, monitor and ensure reporting of deals by employees and to maintain the highest ethical standards of dealing in Company's shares.

The Insider Trading Policy of the Company covering the code of practices and procedures for fair disclosures of unpublished price sensitive information and code of conduct for the prevention of Insider Trading is available on the website www.npstx.com

INVESTOR GRIEVANCE REDRESSAL

During the financial year under review the company was not a listed company and hence the regulations of SEBI(LODR), 2015 related to investor grievance was not applicable on the company but the company would be following required practices and norms as may be applicable to a listed company from the current year.

GENERAL

During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

All the material changes, commitments affecting the financial position of your Company between the end of financial year (March 31, 2021) and the date of report (October 29, 2021) has been mentioned in the board report.

CFO CERTIFICATION

The company has obtained Compliance Certificate from Mr. Inder Kumar Naugj, Chief Financial Officer of the company, pursuant to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the financial year 2020-21 attached as **Annexure-VII** to this Report.

ACKNOWLEDGEMENT

Your Directors would like to express their appreciation for assistance and co-operation received from the Bankers, Central & State Government, Local Authorities, Clients, Vendors, Advisors, Consultants and Associates at all levels for their continued guidance and support. Your Directors also wish to place on record their deep sense of appreciation for their commitment, dedication and hard work put in by every member of the Company.

For and on behalf of the Board of Directors

**Place: Thane
Date: 29.10.202**

**Sd/-
Deepak Chand Thakur
Managing Director
DIN: 06713945**

**Sd/-
Ashish Aggarwal
Joint Managing Director
DIN: 06986812**

Form AOC-1

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

Part "A": Subsidiaries

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

S. No.	Particulars	Details
1.	Name of the subsidiary	SSK Citizen Services Private Limited
2.	The date since when subsidiary was acquired	20/04/2015
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA
5.	Share capital	1,00,000
6.	Reserves & surplus	4,90,218
7.	Total assets	10,10,026
8.	Total Liabilities	10,10,026
9.	Investments	0
10.	Turnover	13,91,048
11.	Profit before taxation	1,40,788
12.	Provision for taxation	35,434
13.	Profit after taxation	1,05,354
14.	Proposed Dividend	0
15.	Extent of shareholding (In percentage)	99.80%

Notes:

- Names of subsidiaries which are yet to commence operations: NIL
- Names of subsidiaries which have been liquidated or sold during the year: NIL

Part "B": Associates and Joint Ventures

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

Name of associates/Joint Ventures	NA
1. Latest audited Balance Sheet Date	-
2. Date on which the Associate or Joint Venture was	-

associated or Acquired	
3. Shares of Associate/Joint Ventures held by the company on the year end	-
No. of Shares	-
Amount of Investment in Associates/ Joint Venture	-
Extend of Holding (In percentage)	-
4. Description of how there is significant influence	-
5. Reason why the associate/joint venture is not consolidated	-
6. Net worth attributable to shareholding as per latest audited Balance Sheet	-
7. Profit/Loss for the year	-
i. Considered in Consolidation	-
ii. Not Considered in Consolidation	-

Notes:

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

For Keyur Shah & Co.
Chartered Accountants
FRN: 141173W

For and on behalf of the Board

Sd/-
Keyur B. Shah
Proprietor
M. No.: 153774

Sd/-
Deepak Chand Thakur
Managing Director
DIN: 06713945

Sd/-
Ashish Aggarwal
Joint Managing Director
DIN: 06986812

Sd/-
Inder Kumar Naugai
Chief Financial Officer
PAN: ADXPN1812F

Sd/-
Shreya Agarwal
Company Secretary
PAN: ATMPA6786C

Form No. AOC-2

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

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

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

SN	Name(s) of the related party and nature of relationship	Nature of contracts /arrangements /transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances , if any	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188
-	-	-	-	-	-	-	-	-

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

SN	Name(s) of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date (s) of approval by the Board, if any	Amount paid as advances, if any
1.	Mousebyte Solutions Pvt Ltd (Associate/Sister concern/Enterprise)	Purchase	12 Months	Transaction entered between the parties are in ordinary course of business amounting to Rs. 9,84,000/-	-	-
2.	BNC Infotech Pvt Ltd (Associate/Sister concern/Enterprise)	Purchase	12 Months	Transaction entered between the parties are in ordinary course of business amounting to Rs. 16,30,815/-	-	-
3.	White Warrior (Associate/Sister concern/Enterprise)	Sale	12 Months	Transaction entered between the parties are in ordinary course of business amounting to Rs. 8,11,075/-	-	-

For and on behalf of the Board of Directors

Place: Thane
Date: 29.10.2021Sd/-
Deepak Chand Thakur
Managing Director
DIN: 06713945Sd/-
Ashish Aggarwal
Managing Director
DIN: 06986812

NOMINATION & REMUNERATION POLICY

• INTRODUCTION

The Company considers human resources as its invaluable assets. This policy on Nomination & Remuneration of Directors, Key Managerial Personnel (KMPs) and other employees has been formulated in terms of the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulation”) in order to pay equitable remuneration to the Directors, KMPs and Employees of the Company and to harmonize the aspirations of human resources consistent with the goals of the Company.

• CONSTITUTION OF THE COMMITTEE

The Board of Directors of the Company (Board) constituted the committee to be known as the Nomination and Remuneration Committee consisting of three non-executive directors out of which two shall be the Independent Directors. The Chairman of the Committee shall be an Independent Director.

• OBJECTIVE AND PURPOSE OF THE POLICY

The Nomination and Remuneration Committee and this policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Regulation 19 of Listing Regulation. The Objective of this policy is to lay down a framework in relation to remuneration of directors, Key Managerial Personnel and senior management personnel. The Key Objectives of the Committee would be:

1. To guide the Board in relation to appointment and removal of Directors.
2. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of directors and Key Managerial personnel.
3. Formulation of criteria for evaluation of Board of Directors including the Independent Director.
4. To Recommend the Board on Remuneration payable to the directors, Key Managerial Personnel and Senior Management.
5. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage. 6. To assist the Board in fulfilling all related responsibilities.

• APPLICABILITY

- a. Directors (Executive and Non-Executive)
- b. Key Managerial Personnel

• POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT

The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director or KMP and recommend to the Board his/her appointment.

A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient /satisfactory for the concerned position.

The Committee shall identify whether the director is willing to serve on one or more committees of the Board as also devote such time as necessary for proper performance of his duties.

The Committee shall analyze whether the Independent Director being considered is willing to and shall be able to carry out the duties which every independent directors are required to follow. The Committee shall check whether the prospective Director / KMP shall be able to follow the code of conduct of the Company or not.

• **TERM/TENURE**

a) Managing Director/Whole Time Director/Independent Director

The Committee shall ensure that the appointment or Re-appointment of any Director as above is carried out as per rules and regulations given under the Companies Act, 2013 along with other relevant laws.

b) Criteria for Evaluation

The Board of Directors shall carry out the evaluation of performance of its Directors and Independent Directors based on the below criteria

Participation

- Attendance
- Availability
- Time spent
- Preparedness
- Active participation
- Analysis
- Objective discussion
- Probing & Testing assumptions

Knowledge and skill

- Industry and Business Knowledge
- Functional expertise
- Corporate governance
- Development of Strategy & Long term plans
- Inputs in strength area

Others

- Director's obligation and discharge of responsibilities
- Quality and value of contributions
- Relationship with other Board Members

• **REMOVAL**

Due to reasons for any disqualification mentioned in the Act or under any other Applicable Act, rules and regulations there under, the Committee may recommend to the Board with reasons

recorded in writing, removal of a Director or KMP subject to the provisions and Compliance of the said Act, rules and regulations.

●RETIREMENT

The Whole-time Directors, KMP and senior management personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Whole-time Directors, KMP and senior management personnel in the same position/remuneration or otherwise, even after attaining the retirement age, for the benefit of the Company.

●POLICY FOR REMUNERATION TO DIRECTORS/KMP

1. Remuneration to Managing Director/Whole Time Director/Key Managerial Personnel.

The Remuneration/compensation/commission etc. to be paid to Managing Director/Whole time Director/Key Managerial Personnel shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force or as per the policy of the Company & ongoing industrial norms.

2. Remuneration to Non-Executive /Independent Director.

The Non-Executive Independent Director may receive sitting fees only as per the provisions of Companies Act, 2013. The Amount of sitting fees shall be subject to ceiling/limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

●POLICY REVIEW

This Policy is framed based on the provisions of the Companies Act, 2013 and rules there under and the requirements of the Listing Regulations.

In case of any subsequent changes in the provisions of the Companies Act, 2013 or any other regulations which makes any of the provisions in the policy inconsistent with the Act or regulations, then the provisions of the Act or Regulations would prevail over the policy and the provisions in the policy would be modified in due course to make it consistent with law. This policy shall be reviewed by the Nomination and Remuneration committee as and when any changes are to be incorporated in the policy due to changes in regulations or as may be felt appropriate by the Company. Any Changes or modifications on the policy as recommended by the Committee would be given for approval of the Board of Directors.

For and on behalf of the Board of Directors

**Place: Thane
Date: 29.10.2021**

**Sd/-
Deepak Chand Thakur
Managing Director
DIN: 06713945**

**Sd/-
Ashish Aggarwal
Managing Director
DIN: 06986812**

COMMITTEES OF THE BOARD

The Board of Directors has constituted three Committees, viz.

1. Audit Committee
2. Stakeholders' Relationship Committee
3. Nomination and Remuneration Committee

1. AUDIT COMMITTEE

Our Company has constituted an audit committee ("Audit Committee"), as per section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; vide resolution passed at the meeting of the Board of Directors held on November 05, 2020. The Members of the Audit Committee possesses financial / accounting expertise / exposure. The Audit Committee comprised of 3 members as on 31st March, 2021. The Company Secretary is the Secretary and Compliance Officer of the Committee. The detail of the composition of the Audit committee along with their meetings held during the F.Y. 2020-21 is as follows:

Name of the Member	Position	Status	Attendance at the Committee Meeting held on 25.02.2020
Mr. Abhishek Mishra	Chairman	Independent Director	Yes
Mr. Rajiv Kumar Aggarwal	Member	Independent Director	Yes
Ms. Renu Shyam Sunder Vashist	Member	Non-Executive Director	Yes

Terms of Reference

The terms of reference of the Audit Committee are as under:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - ii. Changes, if any, in accounting policies and practices and reasons for the same;

- iii. Major accounting entries involving estimates based on the exercise of judgment by management;
 - iv. Significant adjustments made in the financial statements arising out of audit findings;
 - v. Compliance with listing and other legal requirements relating to financial statements;
 - vi. Disclosure of any related party transactions;
 - vii. Qualifications in the draft audit report.
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval.
 6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, right issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/Draft Prospectus/ Prospectus /notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
 7. Review and monitor the auditor's independence, performance and effectiveness of audit process.
 8. Approval or any subsequent modification of transactions of the company with related parties;
 9. Scrutiny of inter-corporate loans and investments.
 10. Valuation of undertakings or assets of the company, wherever it is necessary.
 11. Evaluation of internal financial controls and risk management systems.
 12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
 13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
 14. Discussion with internal auditors any significant findings and follow up there on.
 15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
 16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
 17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non – payment of declared dividends) and creditors.
 18. To oversee and review the functioning of the vigil mechanism which shall provide for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee in appropriate and exceptional cases.
 19. Call for comments of the auditors about internal control systems, scope of audit including the observations of the auditor and review of the financial statements before submission to the Board.
 20. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
 21. To investigate any other matters referred to by the Board of Directors.

Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Further, the Audit Committee shall mandatorily review the following:

- a) Management discussion and analysis of financial condition and results of operations;
- b) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d) Internal audit reports relating to internal control weaknesses; and
- e) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- f) Statement of deviations:
 - i. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - ii. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

2. STAKEHOLDERS' RELATIONSHIP COMMITTEE

Our Company has constituted a shareholder / investors grievance committee ("*Stakeholders' Relationship Committee*") to redress complaints of the shareholders. The Stakeholders' Relationship Committee was constituted vide resolution passed at the meeting of the Board of Directors held on November 05, 2020. The stakeholders Relationship Committee meets with the requirement of the section 178 of the Companies act 2013, and regulation 20 of the SEBI LODR "Regulations" 2015. The Stakeholders Relationship Committee shall oversee all matters pertaining to investors of our Company. The Committee comprised of 3 members as on 31st March, 2021. The Company Secretary is the Secretary and Compliance Officer of the Committee. The detail of the composition of the said committee along with their meetings held/attended is as follows:

Name of the Member	Position	Status	Attendance at the Committee Meeting
Mr. Abhishek Mishra	Chairman	Independent Director	No Committee meeting took place during the Financial Year 2020-21, but the company would be conducting the required meetings as may be applicable to a listed company from the current year.
Mr. Rajiv Kumar Aggarwal	Member	Independent Director	
Mr. Renu Shyam Sunder Vashist	Member	Non-Executive Director	

Terms of Reference

The terms of reference of the Stakeholder's Relationship Committee are as under:

- 1) Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the cages in the reverse for recording transfers have been fully utilized.
- 2) Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.; and
- 3) Review the process and mechanism of redressal of Shareholders /Investors grievance and suggest measures of improving the system of redressal of Shareholders/Investors grievances.
- 4) Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/dividend warrants, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties.

- 5) Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them.
- 6) Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time.
- 7) Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting.
- 8) Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

3. NOMINATION AND REMUNERATION COMMITTEE

Our Company has constituted a Nomination and Remuneration Committee videresolution passed at the meeting of the Board of Directors held on November 05, 2020.The Nomination and Remuneration Committee's Composition meets with the requirement of Section 178 of the Companies Act, 2013 and Regulation 19 of the "SEBI LODR "Regulations" 2015. The Members of the Nomination committee possesses sound knowledge / expertise / exposure. The Committee comprised of 3 members as on 31stMarch, 2021. The Company Secretary is the Secretary and Compliance Officer of the Committee. The detail of the composition of the Nomination & Remuneration committee along with their meetings held/attended is as follows:

Name of the Member	Position	Status	Attendance at the Committee Meeting
Mr. Rajiv Kumar Aggarwal	Chairman	Independent Director	No Committee meeting took place during the Financial Year 2020-21, but the company would be conducting the required meetings as may be applicable to a listed company from the current year.
Mr. Abhishek Mishra	Member	Independent Director	
Mr. Renu Shyam Sunder Vashist	Member	Non-Executive Director	

Terms of Reference

The terms of reference of the "Nomination/Remuneration Committee" are as under:

- a. Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to, the remuneration for directors, KMP's and other employees.
- b. Identifying persons who are qualified to become directors and may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.
- c. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
- d. Devising a policy on diversity of Board of directors
- e. Deciding on, whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

- f. Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors.
- g. Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose.
- h. Decide the amount of commission payable to the Whole time Director/Managing Director.
- i. Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines, etc.
- j. To formulate and administer the Employee Stock Option Scheme.

The company has duly formulated the Nomination and Remuneration Policy which is also available at the company website. The Policy formulated by Nomination and Remuneration Committee includes director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters as specified under section 178(3) of the Companies Act, 2013 and same was approved by the Board of Directors of the Company.

For and on behalf of the Board of Directors

Place: Thane
Date: 29.10.2021

Sd/-
Deepak Chand Thakur
Managing Director
DIN: 06713945

Sd/-
Ashish Aggarwal
Managing Director
DIN: 06986812

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management of Network People Services Technologies Limited Presenting Management Discussion and Analysis Report covering the operational and financial performance of the company for the year 2020-21.

BUSINESS OVERVIEW

Our company was originally incorporated on October 04, 2013 as a Private Limited Company under the name and style of Network People Services Technologies Private Limited under the provisions of the Companies Act, 1956 with the Registrar of Companies, Mumbai, Maharashtra. Subsequently, our company was converted into Public Limited Company vide special resolution passed by our shareholders at the Extraordinary General Meeting held on August 29, 2020 and the name of the company was changed to Network People Services Technologies Limited pursuant to issuance of Fresh Certificate of Incorporation dated October 09, 2020 by Registrar of Companies, Mumbai, Maharashtra. The Corporate Identification Number of our company U74110MH2013PLC248874.

Our Company is engaged in providing software and mobility solutions to banking and finance sector primarily focusing on mobile banking applications, digital transaction solutions such as IMPS, UPI, digital wallet, etc. and smart transaction solutions. We are equipped to provide end-to-end services related to payment platforms including mobile banking solutions and are currently rendering our services to Canara Bank, Kerala Gramin Bank, Karnataka Gramin Bank, IBM India Private Limited and Cosmos Co-operative Bank.

OPPORTUNITIES

The Company has carved a niche for itself in the industrial shoe/ uppers segment both internationally and in the domestic market. The quality of the Company's products and services provided is well recognized. Embarking on this strength we are constantly working towards expanding the market for Company's products to other countries apart from our present work areas.

RISK & CONCERNS

To sustain and grow in global market one must be ready for some level of uncertainty. Greater the uncertainty, higher the risk. The risk management function is integral to the Company and its objectives include ensuring that critical risks are identified, continuously monitored and managed effectively in order to protect the Company's business. The Company operates in an environment which is affected by various factors some of which are controllable while some are outside the control of the company. The Company proactively takes reasonable steps to identify and monitor the risk and makes efforts to mitigate significant risks that may affect it. Some of the risks that are potentially significant in nature and need careful monitoring are listed here under:

- Users resistant to changes
- Constrained Sales team and budget due to bootstrap model
- Little Brand Recognition

- Low awareness level among customers due to digital divide

INTERNAL CONTROL SYSTEM AND ADEQUACY

The Company has a well-established and comprehensive internal control system. Documents, policies and authorization comply with the level of responsibility and standard operating procedures specific to the respective businesses. Observation made in internal audit reports on business processes, systems, procedures and internal control and implementation status of recommended remedial measures by Internal Auditors are regularly presented to and reviewed by the Audit Committee of the Board. The system of internal control is being improved to ensure that all assets are safe and protected against loss from unauthorized use or disposition, and that all transactions are authorized, recorded and reported correctly. The Company regularly conducts internal check, using external and internal resources to monitor the effectiveness of internal control in the organization. It strictly adheres to corporate policy with respect to financial reporting and budgeting functions. The Audit Committee of the Board of Directors deals with significant control issues and instructs further areas to be covered.

FINANCIAL PERFORMANCE

The summarized financial performance of the Company as compared to last year is shown as under:

Particulars	2020-21	2019-20	%change
Revenue from operations	15,20,48,638	15,00,55,170	1.33
Other Income	6,38,194	5,67,001	12.56
Profit before tax	1,42,92,797	1,36,69,530	4.56
Net Profit after tax	1,06,95,586	1,01,21,114	5.68
Payment of Dividend (including Interim and DDT)	0	0	-
EPS	2.38	10.12	(76.48)
Adjusted EPS	2.38	2.25	5.78
Debtors Turnover Ratio	48.18	14.30	236.84
Inventory Turnover Ratio	3.66	2.31	58.42
Interest Coverage Ratio	1.71	0.28	517.72
Current Ratio	1.02	1.02	0.42
Debt Equity Ratio	0.06	0	-
Operating Profit Margin (%)	7.03	6.74	4.29
Net Profit Margin (%)	7.00	6.72	4.25
Return on Net Worth	16.01	18.04	(11.24)
Return on Net Worth on Share capital	23.77	101.21	(76.52)

HUMAN RESOURCE

Human resource remains a valuable asset of our business. The Company continues to lay emphasis on attracting and retaining talent. Personnel developmental initiatives including training, both technical and managerial, are regularly conducted to enhance human potential.

The Company recognizes that its employees are its principal assets and that its continued growth is dependent upon the ability to attract and retain quality people. The company has established a full-

fledged Human Resources Department, which is entrusted with the responsibility of retaining and developing the skills of all its employees. The Company also recognizes the importance of providing training and development opportunities to its people to enhance their skills and experiences, which in turn enables the Company to achieve its business objectives. The industrial relations in all units of the company continue to be cordial.

HEALTH, SAFETY AND ENVIRONMENT PROTECTION

The emphasis on Occupational Health, Safety and Environment continues at all of the operations of the Company throughout India. The Company is committed to the best standards in safety and continuously monitors matters related to this.

FORWARD LOOKING STATEMENT

The success of our business depends substantially on our ability to implement our business strategies effectively. Company is registered Third Party Application Provider (TPAP) facilitating online payment services through TimePay and payment handle styled as “@TimeCosmos” approved by NPCI. Company has entered into tripartite agreement with the National Payment Corporation of India and The Cosmos Co-operative Bank Limited for sponsoring and Merchant PSP services. The company is planning to provide digital platform to MSME merchants to make business in line and enable them to reap benefits of online business. This will result in increasing the market capturing of the company and will also increase the turnover and as a result the profits of the Company.

OCCUPATIONAL HEALTH, SAFETY, AND ENVIRONMENT

The emphasis on Occupational Health, Safety and Environment continues at all of the operations of the Company throughout India. The Company is committed to the best standards in safety and continuously monitors matters related to this.

CORPORATE SOCIAL RESPONSIBILITY

The Corporate Social Responsibility was not applicable on the company for the Financial Year 2016-17 but the company would be following required practices and norms as may be applicable to a listed company from the current year.

CAUTIONARY STATEMENT

Statements in the Management Discussions and Analysis report describing the Company's objectives, projects estimate, expectations or predictions may be 'forward looking statements' within the meaning of applicable security laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the company's operations include economic conditions affecting demand and supply and price conditions in domestic and overseas market in which the company operates, changes in Government regulations, tax regimes, economic developments within India and the countries in which the Company conducts business and other incidental factor.

For and on behalf of the Board of Directors

**Place: Thane
Date: 29.10.2021**

**Sd/-
Deepak Chand Thakur
Managing Director
DIN: 06713945**

**Sd/-
Ashish Aggarwal
Managing Director
DIN: 06986812**

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

Energy conservation is very important for the company and therefore energy conservation measures are undertaken wherever practicable in its plant and attached facilities. The company is making every effort to ensure the optimal use of energy, avoid waste and conserve energy by using energy efficient equipment's with latest technologies. Maintenance and repairs of all equipment and machineries are carried out timely to ensure optimum energy efficiency.

B. TECHNOLOGY ABSORPTION, ADAPTION AND INNOVATION:

The Company continuous to use the latest technologies for improving the productivity and quality of its products and services. Our R&D and technical experts constantly visit international markets to identify and keep pace with the latest technological available.

Benefits derived through such efforts:

- (a) The Company has developed a culture of staying informed about the latest developments in related technology as well as constantly updating our equipment and processes. Such innovations have led us to be in the forefront amongst our competitors.
- (b) Technology absorption efforts have not only allowed us to develop new products but also improve our existing ones.

FOREIGN EXCHANGE EARNING & OUTGO:

Particulars	2020-21	2019-20
1. Total foreign exchange used out go	-	-
2. Total foreign exchange earned	1,11,58,440/-	-

For and on behalf of the Board of Directors

Place: Thane
Date: 29.10.2021

Sd/-
Deepak Chand Thakur
Managing Director
DIN: 06713945

Sd/-
Ashish Aggarwal
Managing Director
DIN: 06986812

CFO CERTIFICATION

**To,
The Board of Directors,
Network People Services Technologies Limited,
Thane**

I, **Inder Kumar Naugai, CFO (Chief Financial Officer)** of the Network People Services Technologies Limited, to the best of my knowledge and belief, certify that:

I have reviewed Financial Statements (Balance-Sheet, Statement of profit and loss account, and all the schedules and notes on accounts) and the Cash flow Statement Results and Board Report for the year ended 31st March, 2021 on my knowledge, belief and information:

- i. These financial statements do not contain any materially untrue statement or omit any material fact nor contain statements that might be misleading.
- ii. These financial statements present a true and fair view of the Company's affairs and are in compliance with the applicable laws and regulations.

To the best of my knowledge and belief, no transactions entered into by the Company during the year ended 31st March 2021, which are fraudulent, illegal or violative of the Company's code of conduct.

That I accept responsibility for establishing and maintaining internal controls, I have evaluated the effectiveness of the internal control systems of the Company and I have disclosed to the auditors and the audit committee, deficiencies in the design or operation of internal controls, if any, of which I have become aware and the steps that I had taken or propose to take to rectify the identified deficiencies.

- i. There has not been any significant change in internal control over financial reporting during the year under reference;
- ii. There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements; and
- iii. There have been no instances of significant fraud of which I have become aware and the involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**Sd/-
Inder Kumar Naugai
(Chief-Financial Officer)**

Date: 29.10.2021

Place: Thane

INDEPENDENT AUDITOR'S REPORT

To
The Members of
NETWORK PEOPLE SERVICES TECHNOLOGIES LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of **NETWORK PEOPLE SERVICES TECHNOLOGIES LIMITED** (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its Subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance sheet as at 31st March, 2021, and the Consolidated statement of Profit and Loss, and Consolidated Statement of Cash flows for the year then ended, and Notes to the Consolidated financial statements, including a summary of significant accounting policies (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated 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 their consolidated state of affairs of the Company as at March 31, 2021, and Consolidated Profit/Loss, and its Consolidated Cash Flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India, and we have fulfilled our other ethical responsibilities in accordance with the provision of Companies Act, 2013. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon and we do not provide a separate opinion on these matters and there is no any Key Audit Matters which need to be reported.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in terms of the requirements of the Companies Act, 2013 that give a true and fair view of the Consolidated financial position and Consolidated financial performance, of the Group in accordance with the accounting principles generally accepted in or outside of India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the Company included in the Group is responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting

frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

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

The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of the Group.

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

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

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to

modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are Independent Auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Other Matters

We did not audit the financial statements / financial information of 1 subsidiary, whose financial statements / financial information reflect total assets of Rs. 10,10,026 as at March 31, 2021, total revenues of Rs. 13,91,048 and net cash flows amounting to Rs. 51,118 for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

Report on other Legal and Regulatory Requirements

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statement have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of the consolidated financial statement.
- (d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2021 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 Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (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 not any pending litigation which should require to disclose on its financial position.
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its Subsidiary companies incorporated in or out of India.

For Keyur Shah & Co.
Chartered Accountants
FRN.: 141173W

Keyur Shah
Proprietor
Membership No.: 153774
UDIN –21153774AAAADK1150

Date: 25-05-2021
Place: Ahmedabad

“Annexure A” to the Independent Auditor’s Report of even date on the Consolidated Financial Statements of **NETWORK PEOPLE SERVICES TECHNOLOGIES LIMITED**

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

In conjunction with our audit of the Consolidated Financial Statements of Network People Services Technologies limited as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting of Network People Services Technologies Limited (hereinafter referred to as the “Holding Company”) and its subsidiaries, which are companies incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

Our responsibility is to express an opinion on the Holding Company, its subsidiaries, which are companies incorporated in India, internal financial controls over financial reporting with reference to these Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting with reference to these Consolidated Financial Statements.

Meaning of Internal Financial Controls over Financial Reporting With Reference to these Consolidated Financial Statements

A Company’s internal financial control over financial reporting with reference to these Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with

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

Inherent Limitations of Internal Financial Controls over Financial Reporting With Reference to these Consolidated Financial Statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors, as referred to in Other Matters paragraph below, the Holding Company, its subsidiaries, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these Consolidated Financial Statements and such internal financial controls over financial reporting with reference to these Consolidated Financial Statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Other report under Section 143(3)(i) of Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to those Consolidated Financial Statement of the Holding Company, in so far as it relates to separate financial statement of 1 subsidiaries, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries incorporated in India.

For Keyur Shah & Co.
Chartered Accountants
FRN.: 141173W

Keyur Shah
Proprietor
Membership No.: 153774
UDIN –21153774AAAADK1150

Date: 25-05-2021
Place: Ahmedabad

NETWORK PEOPLE SERVICES TECHNOLOGIES LIMITED (Consolidated)
(FORMALLY KNOWN AS NETWORK PEOPLE SERVICES TECHNOLOGIES PRIVATE LIMITED)
CIN: U74110MH2013PLC248874
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2021

Amount in Rupees

Particulars	Note	Year ended March 31, 2021	Year ended March 31, 2020
I EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	45,000,000	10,000,000
Reserves and Surplus	3	22,299,731	46,499,002
Minority Interest		1,180	970
Non Current liabilities			
Long Term Provisions	4	6,617,986	4,747,028
Other Non Current Liability	5	102,044	4,255
Current liabilities			
Short Term Borrowing	6	3,798,006	-
Trade Payables	7	53,277,725	11,608,128
Other Current Liabilities	8	32,512,005	26,611,898
Short Term Provision	9	1,581,679	346,639
TOTAL		165,190,356	99,817,920
II ASSETS			
Non-Current assets			
Property, Plant and Equipment			
Tangible Assets	10	7,907,798	4,940,183
Intangible Assets	10	18,963,520	24,452,621
Intangible Assets Under Development	10	39,153,024	26,231,344
Long term Loans and Advances	11	2,615,049	2,615,049
Non Current Investment		-	-
Defferred Tax Assets	12	2,624,231	1,772,455
Current assets			
Inventories	13	5,558,110	3,462,544
Trade Receivables	14	73,688,175	21,461,473
Cash and Cash Equivalents	15	4,516,231	3,434,616
Short-Term Loans and Advances	16	5,905,531	10,842,820
Other Current Assets	17	4,258,687	604,815
TOTAL		165,190,356	99,817,920

The accompanying notes are an integral part of the financial statements

For, Keyur Shah & Co.
Chartered Accountants
FRN No.: 141173W

For and on the Behalf of the Board

Deepak Chand Thakur
Director
DIN: 06713945

Ashish Aggarwal
Director
DIN: 06986812

Keyur B. Shah
Proprietor
M.No.: 153774

Inder Kumar Naugai
Chief Financial Officer
PAN:- ADXPN1812F

Shreya Agarwal
Company Secretary
PAN:- ATMPA6786C

Place: Ahmedabad
Date: 25-05-2021

NETWORK PEOPLE SERVICES TECHNOLOGIES LIMITED (Consolidated)
(FORMALLY KNOWN AS NETWORK PEOPLE SERVICES TECHNOLOGIES PRIVATE LIMITED)
CIN: U74110MH2013PLC248874
CONSOLIDATED PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2021

Amount in Rupees

Particulars	Note	Year ended March 31, 2021	Year ended March 31, 2020
<u>INCOME</u>			
Revenue from operations- Gross	18	153,439,686	151,902,858
Other Income	19	638,759	569,271
		154,078,445	152,472,129
<u>EXPENDITURE</u>			
Purchase of Stock in Trade	20	18,906,072	18,226,840
Change in WIP	20(A)	(2,151,900)	2,731,752
Cost of Technical Sub-Contractors		37,992,643	52,155,655
Employee benefit expenses	21	58,288,637	46,661,705
Finance costs	22	517,071	63,492
Depreciation	10	15,184,729	8,890,626
Other Expenses	23	10,907,608	9,843,310
		139,644,860	138,573,380
Profit /(Loss) before Exceptional Items		14,433,585	13,898,749
Prior Period Items			37,480
Profit /(Loss) before Tax		14,433,585	13,861,269
Tax expense:			
- Deferred Tax		(851,776)	279,622
- Current Tax		4,484,421	3,317,051
Profit /(Loss) after Tax for the period		10,800,939	10,264,596
Less: Share of Profit transferred to Minority Interest		211	287
Profit (Loss) for the period (after adjustment for Minority Interest)		10,800,729	10,264,309
Basic and Diluted Earnings per share	24	2.40	10.26
Weighted Average number of shares used for computing		4,500,000	1,000,000
Adjusted Earning Per Share		2.40	2.28

The accompanying notes are an integral part of the financial statements

For, Keyur Shah & Co.

Chartered Accountants

FRN No.: 141173W

For and on the Behalf of the Board

Deepak Chand Thakur

Director

Din: 06713945

Ashish Aggarwal

Director

DIN: 06986812

Keyur B. Shah

Proprietor

M.No.: 153774

Inder Kumar Naugai

Chief Financial Officer

PAN:- ADXPN1812F

Shreya Agarwal

Company Secretary

PAN:- ATMPA6786C

Place: Ahmedabad

Date: 25-05-2021

NETWORK PEOPLE SERVICES TECHNOLOGIES LIMITED (Consolidated)
(FORMALLY KNOWN AS NETWORK PEOPLE SERVICES TECHNOLOGIES PRIVATE LIMITED)
CIN: U74110MH2013PLC248874
CONSOLIDATED CASH FLOW STATEMENT AS ON 31ST MARCH, 2021

Amount in Rupees

Particulars	Note	Year ended March 31, 2021	Year ended March 31, 2020
I. Cash flow from operating activities			
Net Profit /(Loss) Before Taxation		14,433,585	13,861,269
Adjustments for			
Depreciation		15,184,729	8,890,626
Interest Expenses		517,071	63,492
Interest Expenses (Earned)		(59,742)	(87,094)
Loss (Profit) on Sales of Fixed Assets			
Operating Profit Before Working Capital Changes		30,075,643	22,728,293
Changes in Working Capital			
(Increase)/Decrease in Trade Receivable		(52,226,703)	3,607,085
(Increase)/Decrease in Inventory		(2,095,566)	3,590,508
(Increase)/Decrease in long term Loans and Advances		-	-
(Increase)/Decrease in short term Loans and Advances		4,937,289	313,160
(Increase)/Decrease in other current assets		(3,653,872)	(150,171)
Increase/(Decrease) in Current & Non Current Liabilities		50,773,491	3,579,307
Cash Generated From Operations		27,810,281	33,668,182
Income Taxes Paid		(4,484,421)	(3,317,051)
Net Cash flow from/(used in) Operating Activities	A	23,325,860	30,351,131
II. Cash Flow from Investing Activities			
Purchase of Fixed Assets		(25,584,923)	(28,159,566)
Sale of Fixed Assets		-	-
Investment in Subsidiary Company		-	-
Interest income		59,742	87,094
Net Cash flow from/(used in) Investing Activities	B	(25,525,181)	(28,072,472)
III. Cash Flow from Financing Activities			
Interest Payments		(517,071)	(63,492)
(Increase)/Decrease in Short Term Borrowings		3,798,006	-
Increase in Share Capital		-	-
Net Cash Flow from/(used in) Financing Activities	C	3,280,935	(63,492)
IV. Net Increase/(decrease) in cash or Cash Equivalents	A+B+C	1,081,614	2,215,167
V. Cash and Cash equivalent at the beginning of the year		3,434,617	1,219,450
VI. Cash and Cash equivalent at the end of the year		4,516,231	3,434,617

The accompanying notes are an integral part of the financial statements

For, Keyur Shah & Co.
Chartered Accountants
FRN No.: 141173W

For and on the Behalf of the Board

Deepak Chand Thakur
Director
DIN: 06713945

Ashish Aggarwal
Director
DIN: 06986812

Keyur B. Shah
Proprietor
M.No.: 153774

Inder Kumar Naugai
Chief Financial Officer
PAN:- ADXPN1812F

Shreya Agarwal
Company Secretary
PAN:- ATMPA6786C

Place: Ahmedabad
Date: 25-05-2021

NETWORK PEOPLE SERVICES TECHNOLOGIES LIMITED
(FORMALLY KNOWN AS NETWORK PEOPLE SERVICES TECHNOLOGIES PRIVATE LIMITED)
CIN:- U74110MH2013PLC248874

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS ON 31ST MARCH, 2021

NOTES 1: STATEMENT OF NOTES TO FINANCIAL INFORMATION

1 Summary of Significant Accounting Policies

a) Basis of preparation of financial statements

These financial statements have been prepared to comply in all material aspects with applicable accounting principles in India, the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and other accounting principles generally accepted in India, to the extent applicable.

b) Principles of Consolidation:

The Consolidated Restated financial statements relate to Network People Services Technologies Limited ("the Company") and its subsidiary entity viz SSK Citizen Services Private Limited. The Consolidated Financial Statements have been prepared on following basis:

- i. The financial statements of the company and its subsidiary entity, used in the consolidation are drawn upto the same date as that of the company i.e 31st March 2021.
- ii. The financial statements of the Company and its subsidiary entity have been combined on line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealized profit or losses, unless cost cannot be recovered.
- iii. The excess of cost to the company of its investment in the subsidiary entity over its share of equity of the subsidiary entity, at the date on which the investment in the subsidiary entity were made, is recognized as 'Goodwill' being an asset in the consolidated financial statement and is tested for impairment on annual basis.
- iv. Goodwill arising on consolidation is not amortized but tested for impairment.
- v. The consolidated financial statement have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the company's separate financial statements.
- vi. Following subsidiary company/entity, associate and jointly controlled entities have been considered in the preparation of the consolidated financial statement:

Name of the Company	Relationship	Country of Incorporation	% of Holding and voting power either directly or indirectly through subsidiary (As at 31st March, 2021)
SSK Citizen Services Private Limited	Subsidiary	India	99.80%

c) Use of estimates

The preparation of the financial statements in conformity with GAAP requires the management to make estimates and assumption that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and reported amounts of income and expenses during the period.

NETWORK PEOPLE SERVICES TECHNOLOGIES LIMITED
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Contingencies are recorded when it is probable that a liability will be incurred, and the amount can be reasonably estimated. Where no reliable estimate can be made, a disclosure is made as contingent liability. Actual results could differ from those estimates. The differences if any will be dealt accordingly in subsequent years.

d) Property, Plant and Equipment

(i) Tangible Assets

Property, plant and equipment are stated at historical cost less accumulated depreciation, and accumulated impairment loss, if any. Historical cost comprises of the purchase price including duties and non-refundable taxes, borrowing cost if capitalization criteria are met, directly attributable expenses incurred to bring the asset to the location and condition necessary for it to be capable of being operated in the manner intended by management and initial estimate of decommissioning, restoring and similar liabilities.

Subsequent costs related to an item of property, plant and equipment are recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are recognized in statement of profit and loss during the reporting period when they are incurred.

An item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gains or losses arising from de recognition are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

(ii) Intangible Assets

Intangible assets include software / application which are developed and are measured on the basis of cost incurred for its development. The cost of intangible assets in our business combination is the capitalized value of the cost incurred to develop the asset till it is put to use. Such costs include salary of professional personnel hired, project expenses, research costs, etc. Following initial recognition, intangible assets are carried at cost less any accumulated amortization.

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

Subsequent costs related to intangible assets are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

(iii) Intangible Assets under development

Intangible Assets under development include software/ application under development net off accumulated impairment loss, if any, as at the Balance sheet date. Directly attributable expenditure incurred on project under development are shown under CWIP. At the point when an asset is capable of operating in the manner intended by management, the Intangible assets under development is transferred to the appropriate category of Intangible assets.

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e) Depreciation and Amortization :

(i) Depreciation of Tangible assets :

Property, plant and equipment individually costing Rs. 5,000 or less are depreciated at 100% in the year in which such assets are ready to use.

Depreciation is calculated using the Written down value method over their estimated useful lives. The estimates of useful lives of tangible assets are as follows:

Class of Asset	Useful life as per Schedule II	Useful life as per Group
Furniture and Fixtures	10 Years	10 Years
Office Equipment	5 Years	5 Years
Plant and Machinery	15 Years	15 Years
Computer	3 Years	3 Years
Mobile testing equipment	5 Years	5 Years
Leasehold improvements	10 Years	10 Years

Leasehold improvements are amortised over the period of the lease or life of the asset whichever is less.

(ii) Amortization of Intangible Assets:

The Group amortizes intangible assets with a finite useful life using the Written down value method over the following periods:

Asset	Life in years
Software – Banking Services	3 Years
Software – Timepay	6 Years
Trade mark	10 Years

The estimated useful life of the intangible assets, amortization method and the amortization period are reviewed at the end of each financial year and the amortization period is revised to reflect the changed pattern, if any.

Amortization of the asset begins when development is complete and the asset is available for use. It is amortized over the period of expected future benefit. Amortization expense is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset. During the period of development, the asset is tested for impairment annually.

f) Revenue recognition

(i) Revenue from services: Revenue is recognized based on contractual terms and upon rendering of services as per terms of agreement.

(ii) Interest Income: Interest income is recognized using the time-proportion method, based on rates implicit in the transaction.

(iii) Other income: Other income is recognized based on the contractual obligations on accrual basis.

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g) Employee Benefits

(i) Short Term Employee Benefits

Short term employee benefits are recognized in the period during which the services have been rendered.

(ii) Long Term Employee Benefits

(i) Defined Contribution Plan:

- **Provident Fund and Group Insurance Scheme:** Employees of the company are entitled to receive benefits under the Provident Fund, which is a defined contribution plan. Both the employee and the employer make monthly contributions to the plan at a predetermined rate (presently 12%) of the employees' basic salary or Rs 1800/-. These contributions are made to the fund administered and managed by the Government of India.

(ii) Defined Benefit Plan:

- **Leave Encashment:** The Company has provided for the liability at year end on the basis of valuation report received by the valuer.
- **Gratuity:** The Company provides for gratuity obligations through a defined retirement plan ('the Gratuity Plan') covering all eligible employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement or termination of employment based on respective employee salary and years of employment with the Company. The Company provides for the Gratuity Plan based on projection valuations in accordance with Accounting Standard 15 (Revised), "Employee Benefits".

h) Borrowing Cost

Borrowing Cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of Borrowings. General and specific borrowing costs directly attributable to the acquisition/construction of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time the assets are substantially ready for their intended use. All other borrowing costs are recognized as an expense in Statement of Profit and Loss in the period in which they are incurred.

i) Transaction in Foreign Exchange

Transaction dominated in foreign currency are recorded at the exchange rate prevailing on the date of transaction. Assets and Liabilities denominated in foreign currency are converted at the exchange rate prevailing as at the balance sheet date. Exchange differences other than those relating to acquisition of fixed assets are recognized in the statement of profit and loss. Exchange differences relating to purchase of fixed assets are adjusted to the carrying cost of fixed assets.

The foreign currency exposures that have not been hedged by a derivative instrument or otherwise are as per Schedule 4 (E).

j) Segment Reporting

- a) The generally accepted accounting principles used in the preparation of the financial statements are applied to record revenue and expenditure in individual segments.
- b) Expenses that are directly identifiable to segments are considered for determining the segment result. Expenses which relate to the Company as a whole and are not allocable to segments are included under unallocated corporate expenses.

NETWORK PEOPLE SERVICES TECHNOLOGIES LIMITED
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c) Segment assets and liabilities include those directly identifiable with the respective segments. Unallocated corporate assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.

k) Operating Lease - as Lessee

Lease rentals in respect of assets taken on "Operating Lease" are charged to Profit and Loss Account on a straight-line basis over the lease term. For the year as at 31.03.2021 mentioned as below.

- a) Not Later than one year, Rent Rs.21,10,914/-
- b) Later than one year but not later than five years, Rent Rs 21,10,914/-
- c) Later than five years. No Lease

l) Earnings Per Share

In determining earning per share, the Company considers the net profit / (loss) after tax and includes the post-tax effect of any extraordinary items. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period.

m) Taxation

a) Income Tax

Provision for Current tax is made based on the liability computed in accordance with the relevant tax rates and tax laws.

b) Deferred Tax

Deferred taxation is provided using the liability method in respect of the taxation effect originating from all material timing differences between the accounting and tax treatment of income and expenditure, which are expected with reasonable probability to reverse in subsequent periods. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date.

n) Impairment of Asset

Management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. An asset is impaired when the carrying amount of the asset exceeds its recoverable amount. An impairment loss is charged to Profit and Loss Account in the year in which an asset is identified as impaired.

o) Provision and Contingencies

A provision is recognized when the Company has present obligations as a result of past event, it is probable that an outflow of resources will be required to settle the obligations, in respect of which reliable estimate can be made. Provisions are not discounted to its present value and are determined based on the best estimates required to settle the obligations at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect a current best estimate.

p) Investment

Investments are classified into current investments and non-current investments. Current investments, i.e. investments that are readily realizable and intended to be held for not more than a year are valued at lower of cost and net realizable value. Any reduction in the carrying amount or any reversal of such provision towards reductions are charged or credited to the Statement of Profit and Loss.

Non-current investments are stated at cost. Provision for diminution in the value of these investments is made only if such decline is other than temporary, in the opinion of the management.

NETWORK PEOPLE SERVICES TECHNOLOGIES LIMITED
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CIN:- U74110MH2013PLC248874

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS ON 31ST MARCH, 2021

On disposal of investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of Profit and Loss

q) Cash and Cash Equivalents

Cash and Cash equivalents includes cash & cheque in hand, bank balance, demand deposits with bank and other short term highly liquid investment where original maturity is less than Six months.

r) Cash Flow Statement

Cash Flow are reported using the indirect method where by the profit before tax is adjusted for the effect of the transaction of the non-cash nature, any deferrals or accruals of past and future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flow. The cash flows from operating, investing and financing activities of the company are segregated.

NETWORK PEOPLE SERVICES TECHNOLOGIES LIMITED (Consolidated)
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CIN: U74110MH2013PLC248874

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS ON 31ST MARCH, 2021

2 Share Capital	As at 31st March, 2021			As at 31st March, 2020		
	No. of Shares	Par value of share	Amount in Rs.	No. of Shares	Par value of share	Amount in Rs.
a. Authorised - Equity Shares	7,500,000	10	75,000,000	2,000,000	10	20,000,000
b. Issued, subscribed and fully paid up Share Capital - Equity Shares	4,500,000	10	45,000,000	1,000,000	10	10,000,000
c. Reconciliation						
Shares outstanding at the beginning of the period	1,000,000	10	10,000,000	1,000,000	10	10,000,000
Add: Bonus Issue	3,500,000	10	35,000,000	-	-	-
Shares outstanding at the end of the	4,500,000	10	45,000,000	1,000,000	10	10,000,000

d. The Company has only one class of shares referred to as Equity shares having a par value of Rs. 10/-. Each holder of equity shares is

entitled to one vote per share. There are no restrictions including restriction on dividend and repayment of capital if any.

e. **List of shareholder holding over 5% shares as at reporting date:**

Name of the Share holder	No. of Shares	Par value of share	% held	Amount in Rs.
Deepak Chand Thakur	1,309,490	10	29.99%	13,094,900
Ashish Aggarwal	1,309,490	10	29.99%	13,094,900
Savita Vashist	1,746,000	10	38.80%	17,460,000

For Network People Services Technologies Limited

Deepak Chand Thakur
Director
DIN: 06713945

Ashish Aggarwal
Director
DIN: 06986812

Inder Kumar Naugai
Chief Financial Officer
PAN:- ADXPN1812F

Shreya Agarwal
Company Secretary
PAN:- ATMPA6786C

NETWORK PEOPLE SERVICES TECHNOLOGIES LIMITED (Consolidated)
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CIN: U74110MH2013PLC248874

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS ON 31ST MARCH, 2021

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
NOTE : 3 - RESERVES AND SURPLUS		
Balance Of Profit And Loss		
Opening Balance - Profit & Loss Account	46,499,002	36,235,176
Share Issue	(35,000,000)	-
Add: Profit / (Loss) For The Year	10,800,729	10,264,309
Less: Profit Transferred To Minority Interest	-	483
Closing Balance - Profit & Loss Account	22,299,731	46,499,002
TOTAL	22,299,731	46,499,002
NOTE : 4 - LONG TERM PROVISIONS		
Provision for Gratuity & Leave Encashment	6,617,986	4,747,028
TOTAL	6,617,986	4,747,028
NOTE : 5 - OTHER NON-CURRENT LIABILITY		
Provision For Rent	102,044	4,255
TOTAL	102,044	4,255
NOTE : 6 - SHORT TERM BORROWING		
ICICI Bank	3,798,006	-
TOTAL	3,798,006	-
NOTE : 7 - TRADE PAYABLES		
-Dues To Micro, Small And Medium Enterprises	36,107,992	-
-Dues To Other Than Micro, Small And Medium Enterprises	17,169,733	11,608,128
TOTAL	53,277,725	11,608,128
NOTE : 7A - Reporting under Micro, Small & Medium Enterprise Development Act,2016		
The Company has initiated the process of identification of Trade Payables which falls under category of MSME, the disclosure related to amount due to MSME are made to the extent information received.		
NOTE : 8 - OTHER CURRENT LIABILITIES		
Imprest Payable To Staff	499,471	602,099
Provision For Expenses	1,754,895	551,681
Salary Payable To Staff	7,496,004	5,899,303
CSC Float Payable	15,330,237	15,854,514
Security Deposit	1,467,129	1,233,129
Franchises Application Fees	430,810	65,480
Stale Cheque	-	33,747
ESIC Payable	30,360	10,521
Commission Payable	-	5,861
Professional Tax Payable	4,975	5,400
Provident Fund Payable	565,711	372,887
GST Payable	1,052,527	1,153,593
TDS Payable	3,749,169	704,661
Advance From Customer	96,770	119,022
Other Current Liabilities	33,948	-
TOTAL	32,512,005	26,611,898

For Network People Services Technologies Private Limited

Deepak Chand Thakur
 Director
 DIN: 06713945

Ashish Aggarwal
 Director
 DIN: 06986812

Inder Kumar Naugai
 Chief Financial Officer
 PAN:- ADXPN1812F

Shreya Agarwal
 Company Secretary
 PAN:- ATMPA6786C

NETWORK PEOPLE SERVICES TECHNOLOGIES LIMITED (Consolidated) (FORMALLY KNOWN AS NETWORK PEOPLE SERVICES TECHNOLOGIES PRIVATE LIMITED) CIN: U74110MH2013PLC248874 NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS ON 31ST MARCH, 2021		
Particulars	Year ended March 31, 2021	Year ended March 31, 2020
NOTE : 9 - SHORT TERM PROVISIONS		
Provision for Gratuity	469,539	346,639
Provision for Income Tax	1,112,140	-
TOTAL	1,581,679	346,639
NOTE : 11 - LONG TERM LOANS & ADVANCES		
Other Receivable	2,615,049	2,615,049
TOTAL	2,615,049	2,615,049
NOTE : 13 - INVENTORIES		
Stock In Hand (Including WIP)	5,558,110	3,462,544
TOTAL	5,558,110	3,462,544
NOTE : 14 - TRADE RECEIVABLES (Unsecured, Considered Good)		
Considered Good		
Outstanding For a Period Exceeding Six Months From Due Date	1,522,917	1,464,401
Less: Provision For Doubtful Dues	-	-
	1,522,917	1,464,401
Outstanding For a Period Not Exceeding Six Months From Due Date	72,165,258	19,997,072
TOTAL	73,688,175	21,461,473
NOTE : 15 - CASH AND CASH EQUIVALENTS		
Cash in hand	460	16,298
Balance with Banks	-	-
- In Current Accounts	4,515,771	418,318
Other Bank Balances	-	-
- In Deposit Accounts	-	3,000,000
TOTAL	4,516,231	3,434,616
NOTE : 16 - SHORT-TERM LOANS AND ADVANCES (Unsecured, Considered Good)		
Advance Given To Suppliers	2,038,332	1,117,152
Security Deposit For Guest House & Office	2,458,800	2,314,887
Advance To Staff	319,278	47,546
Other Deposits	1,084,587	565,515
Income Tax Refundable	-	6,774,079
Float Recievable	4,535	23,641
TOTAL	5,905,531	10,842,820
NOTE : 17 - OTHER CURRENT ASSETS		
Prepaid Insurance	811,137	604,815
VAT Recoverable Appeal	140,300	-
Pre Ipo Exp.	3,307,250	-
TOTAL	4,258,687	604,815
For Network People Services Technologies Limited		
Deepak Chand Thakur Director DIN: 06713945	Ashish Aggarwal Director DIN: 06986812	Inder Kumar Naugai Chief Financial Officer PAN:- ADXPN1812F
		Shreya Agarwal Company Secretary PAN:- ATMPA6786C

NETWORK PEOPLE SERVICES TECHNOLOGIES LIMITED (Consolidated) (FORMALLY KNOWN AS NETWORK PEOPLE SERVICES TECHNOLOGIES PRIVATE LIMITED) CIN: U74110MH2013PLC248874 NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS ON 31ST MARCH, 2021		
Particulars	Year ended March 31, 2021	Year ended March 31, 2020
NOTE : 18 - REVENUE FROM OPERATIONS		
Income From Services & Sales	123,024,424	133,226,657
Income From Services & Sales-Export	11,158,440	-
Income from Sale of Goods	19,256,822	18,676,201
TOTAL	153,439,686	151,902,858
NOTE : 19 - OTHER INCOME		
Other Income	579,017	405,571
Sundry Balance Write Off	-	40,847
Foreign Exchange Fluctuation Gain	-	35,759
Bank Interest	59,742	87,094
TOTAL	638,759	569,271
NOTE : 20 - PURCHASE OF STOCK IN TRADE		
Opening Stock	886,943	1,745,700
Add:- Purchase	18,849,739	17,368,083
Less: Closing Stock	830,610	886,943
TOTAL	18,906,072	18,226,840
NOTE : 20(A) - CHANGE IN WIP		
WIP at the Beginning of the Year	2,575,600	5,307,352
WIP at the End of the Year	4,727,500	2,575,600
TOTAL	(2,151,900)	2,731,752
NOTE : 21 - EMPLOYEE BENEFIT EXPENSES		
Salaries, Wages & Bonus	51,266,610	38,262,251
Director Remuneration	4,045,212	5,670,496
Staff Welfare	153,070	230,709
Contribution To Provident And Other Funds	2,823,745	2,498,249
TOTAL	58,288,637	46,661,705
NOTE : 22 - FINANCE COSTS		
Bank Charges	416,813	62,142
Interest on Short Term Borrowings	77,633	-
Other Finance Charges	22,625	1,350
TOTAL	517,071	63,492
For Network People Services Technologies Limited		
Deepak Chand Thakur Director DIN: 06713945	Ashish Aggarwal Director DIN: 06986812	Inder Kumar Naugai Chief Financial Officer PAN:- ADXPN1812F
		Shreya Agarwal Company Secretary PAN:- ATMPA6786C

NETWORK PEOPLE SERVICES TECHNOLOGIES LIMITED (Consolidated) (FORMALLY KNOWN AS NETWORK PEOPLE SERVICES TECHNOLOGIES PRIVATE LIMITED) CIN: U74110MH2013PLC248874 NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS ON 31ST MARCH, 2021			
Particulars	Year ended March 31, 2021	Year ended March 31, 2020	
NOTE : 23 - OTHER EXPENSES			
Direct Expenses			
Commission & Incentive Exp.	956,047	1,762,491	
SMS Charges	70,548	28,568	
Administrative, Selling and Other Expenses			
Audit Fees	91,800	91,800	
Business Promotion	516,719	142,678	
Communication Charges	725,593	438,555	
Foreign Exchange Fluctuation Loss	128,311	-	
Festival & Celebration Exp	47,277	118,954	
Guest House Expenses	83,000	117,477	
Repair & Maintenances	677,580	861,671	
Insurance Charges	443,268	512,535	
Legal And Professional Fees	404,485	434,077	
Membership Subscription Fees	22,860	15,704	
Miscellaneous Expenses	303,464	245,035	
Office Maintenance	92,719	236,959	
Postage & Courier	86,602	66,137	
Electricity And Power Charges	352,547	584,912	
Printing And Stationery	66,962	84,717	
Rent, Taxes, Amenities & Office Maintenance	3,514,579	2,188,714	
Preliminary Exp. W/Off	-	3,000	
Travel & Conveyance	2,323,247	1,909,326	
TOTAL	10,907,608	9,843,310	
For Network People Services Technologies Limited			
Deepak Chand Thakur	Ashish Aggarwal	Inder Kumar Naugai	Shreya Agarwal
Director	Director	Chief Financial Officer	Company Secretary
DIN: 06713945	DIN: 06986812	PAN:- ADXPN1812F	PAN:- ATMPA6786C

NETWORK PEOPLE SERVICES TECHNOLOGIES LIMITED (Consolidated)
(FORMALLY KNOWN AS NETWORK PEOPLE SERVICES TECHNOLOGIES PRIVATE LIMITED)

CIN: U74110MH2013PLC248874

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS ON 31ST MARCH, 2021

- 24 In compliance to Accounting Standard 20 on “Earning per share”, the calculation of Earnings per Share (Basic and diluted) is as under:**

Particulars	Year ended 31-03-2021	Year ended 31.03.2020
A. Profit/Loss attributable to Equity Shareholders	10,800,729	10,264,309
B. Weighted average No. of Shares	4,500,000	1,000,000
C. Weighted average No. of Shares (After Bonus Issue)	4,500,000	4,500,000
D. Nominal value of equity share	10.00	10.00
E. Basic EPS (Rs.) (A)/(B)	2.40	10.26
F. Diluted EPS(Rs.)	2.40	10.26
G. Adjusted EPS (A)/(C)	2.40	2.28

- 25 Contingent Liabilities:-**
Contingent Liabilities, not provided for:
(As Certified by the Management)

(Rs. In Lakhs)

Particulars	Current Period Rs.
Claims against the Company not acknowledged as debt :-	
Other Tax Law	24.60
Bank Guarantees	5.00
Income Tax Law	0.22

- 26** Previous years' figures are regrouped or rearranged wherever necessary in order to confirm to the current years' grouping and classifications.
- 27** Figures have been rounded off to the nearest rupee.

- 28 Lease Payment (AS 19)**

Future minimum Lease Payments

Particulars	Amount
Not letter than 1 year	2,110,914
Later than 1 year and not later than 5 years	2,110,914
Later than 5 years	-

For Network People Services Technologies Limited

Deepak Chand Thakur
 Director
 DIN : 06713945

Ashish Aggarwal
 Director
 DIN : 06986812

Inder Kumar Naugai
 Chief Financial Officer
 PAN:- ADXPN1812F

Shreya Agarwal
 Company Secretary
 PAN:-ATMPA6786C

NETWORK PEOPLE SERVICES TECHNOLOGIES LIMITED (Consolidated)
(FORMALLY KNOWN AS NETWORK PEOPLE SERVICES TECHNOLOGIES PRIVATE LIMITED)

CIN: U74110MH2013PLC248874

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS ON 31ST MARCH, 2021

- 29 The Company has adopted accounting standard 15 on employee benefits as per Actuarial Valuation carried by an independent actuary in the Books of Accounts of the Company and the Disclosure relating to the same which is envisaged under the standard are disclosed as under:

Gratuity:

01. Valuation Assumption:

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
<u>Demographic Assumption:</u>		
Mortality Rate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Retirement Age	58 Years	58 Years
Attrition Rate	For service 4 years and below - 10.00% p.a For service 5 years and above - 2.00% p.a	For service 4 years and below - 10.00% p.a For service 5 years and above - 2.00% p.a
<u>Financial Assumption:</u>		
Salary Escalation Rate	5.00% p.a	5.00% p.a
Discount Rate	6.90% p.a (Indicative G.sec referenced on 31-03-2021)	6.68% p.a (Indicative G.sec referenced on 29-03-2019)

02. Valuation Result:

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Projected Benefit Obligation	4,392,475.00	3,195,205.00
Funding Status	Unfunded	Unfunded
Fund Balance	N.A	N.A
Current Liability	76,819.00	54,681.00
Non Current Liability	4,315,656.00	3,140,524.00

For Network People Services Technologies Limited

Deepak Chand Thakur
Director
DIN : 06713945

Ashish Aggarwal
Director
DIN : 06986812

Inder Kumar Naugai
Chief Financial Officer
PAN:- ADXPN1812F

Shreya Agarwal
Company Secretary
PAN:-ATMPA6786C

NETWORK PEOPLE SERVICES TECHNOLOGIES LIMITED (Consolidated)
(FORMALLY KNOWN AS NETWORK PEOPLE SERVICES TECHNOLOGIES PRIVATE LIMITED)
CIN: U74110MH2013PLC248874

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS ON 31ST MARCH, 2021

Leave Encashment:

01. Valuation Assumption:

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
<u>Demographic Assumption:</u>		
Mortality Rate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Attrition Rate	For Services 4 years and below 10.00% p.a For Services 5 year and above 2.00% p.a	For Services 4 years and below 10.00% p.a For Service 5 years and above 2.00% p.a
Retirement Age	58 Years	58 Years
While in Service Availment Rate	1.38% p.a	1.38% p.a
While in Service Encashment Rate	5.00% of the Leave Balance (for the next year)	5.00% of the Leave Balance (for the next year)
<u>Financial Assumption:</u>		
Salary Escalation Rate	5.00% p.a	6.00% p.a
Discount Rate	6.90% p.a (Indicative G.sec referenced on 31-03-2021)	7.79% p.a (Indicative G.sec referenced on 29-03-2019)

02. Valuation Results:

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Discontinuance Liability	2,768,858.00	1,970,515.00
Projected Benefit Obligations	2,695,050.00	1,898,462.00
Funding Status	Unfunded	Unfunded
Fund Balance	N.A	N.A
Current Liability	392,720.00	291,958.00
Non-Current Liability	2,302,330.00	1,606,504.00

For Network People Services Technologies Limited

Deepak Chand Thakur
Director
DIN : 06713945

Ashish Aggarwal
Director
DIN : 06986812

Inder Kumar Naugai
Chief Financial Officer
PAN:- ADXPN1812F

Shreya Agarwal
Company Secretary
PAN:-ATMPA6786C

NETWORK PEOPLE SERVICES TECHNOLOGIES LIMITED (Consolidated)
(FORMALLY KNOWN AS NETWORK PEOPLE SERVICES TECHNOLOGIES PRIVATE LIMITED)

CIN: U74110MH2013PLC248874

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS ON 31ST MARCH, 2021

30 Additional Information

a) Payment to auditor

Payment to Statutory Auditor as	For the year ended on 31st March 2021	For the year ended on 31st March, 2020
Audit Fees	91,800.00	91,800.00

- 31** During the quarter ended March 31, 2021, the outbreak of the coronavirus disease of 2019 (COVID 19) spread throughout the world and became a global pandemic . The pandemic triggered a significant downturn globally, including in India , and the challenging market conditions could continue for an extended period of time . In an effort to contain the spread of COVID-19 ,maintain the well-being of employees ,and stakeholders and in accordance with the government requirements, offices and manufacturing facilities were shutdown . These closures expanded and continued into may 2020. While the downturn , closures and limitations on movement are expected to be temporary , and though the lockdown restrictions have now been relaxed , the duration of the production and supply chain disruptions and related financial impact , cannot be estimated at this time . The company has assessed the impact of COVID 19 on its assets, including property, plant and equipments receivables, inventories etc. and it was concluded that the impact is not significant . However , the estimate of the impact of COVID 19 may differ from the same ascertained up to the date of approval of these financial results by the board of directors ,based on how the COVID 19 situation evolves over a period of time .

For Network People Services Technologies Limited

Deepak Chand Thakur
Director
DIN : 06713945

Ashish Aggarwal
Director
DIN : 06986812

Inder Kumar Naugai
Chief Financial Officer
PAN:- ADXPN1812F

Shreya Agarwal
Company Secretary
PAN:-ATMPA6786C

NETWORK PEOPLE SERVICES TECHNOLOGIES LIMITED (Consolidated)
(FORMALLY KNOWN AS NETWORK PEOPLE SERVICES TECHNOLOGIES PRIVATE LIMITED)
CIN: U74110MH2013PLC248874

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS ON 31ST MARCH, 2021

Note : 10 Property, Plant and Equipment

SR. No.	Particulars	GROSS BLOCK				DEPRECIATION					NET BLOCK	
		Gross Value As on 01/04/2020	Additions	Deductions	Gross Value As on 31/03/2021	Rate	Accumulated Depreciation As on 01/04/2020	For the period	Deductions	Accumulated Depreciation As on 31/03/2021	As on 31/03/2021	As on 31/03/2020
	<u>Tangible Assets</u>											
1	Computers	15,343,108	2,767,246	-	18,110,354	63.16	13,939,039	1,261,738	-	15,200,777	2,909,577	1,404,069
2	Furniture & Fixture	654,459	-	-	654,459	25.89	304,231	90,675	-	394,906	259,553	350,228
3	Office Equipments	2,236,250	2,754,934	-	4,991,184	45.07	1,503,614	690,195	-	2,193,809	2,797,375	732,636
4	Plant & Machinery	5,427,614	-	-	5,427,614	18.10	3,846,197	286,238	-	4,132,435	1,295,179	1,581,417
5	Lease Hold Improvement	1,568,594	-	-	1,568,594	25.89	696,761	225,719	-	922,480	646,114	871,833
	Total (A)	25,230,025	5,522,180	-	30,752,205		20,289,842	2,554,565	-	22,844,407	7,907,798	4,940,183
	<u>Intangible Asset</u>											
1	SoftWare	22,929,211	6,863,570	-	29,792,781	63.16	17,131,515	5,185,314	277,493	22,039,336	7,753,445	5,797,696
2	SoftWare	19,012,790	-	-	19,012,790	40.00	479,262	7,413,419	-	7,892,681	11,120,109	18,533,528
3	Trade Mark	235,600	-	-	235,600	25.89	114,203	31,431	-	145,634	89,966	121,397
	Total (B)	42,177,601	6,863,570	-	49,041,171		17,724,980	12,630,164	277,493	30,077,651	18,963,520	24,452,621
	<u>Intangible Asset Under Development</u>											
1	Work In Progress (Software)	26,231,344	16,886,460	3,964,780	39,153,024	-	-	-	-	-	39,153,024	26,231,344
	Total (C)	26,231,344	16,886,460	3,964,780	39,153,024	-	-	-	-	-	39,153,024	26,231,344
	Total (A+B+C)	93,638,970	29,272,210	3,964,780	118,946,400	-	38,014,822	15,184,729	277,493	52,922,058	66,024,342	55,624,148
	PR. YR.	65,479,403	42,103,377	13,943,810	93,638,970	-	29,124,196	8,890,626	-	38,014,822	55,624,148	36,355,207

NETWORK PEOPLE SERVICES TECHNOLOGIES LIMITED (Consolidated)
(FORMALLY KNOWN AS NETWORK PEOPLE SERVICES TECHNOLOGIES PRIVATE LIMITED)
CIN: U74110MH2013PLC248874

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS ON 31ST MARCH, 2021

Note: 12 - COMPUTATION OF DEFERED TAX ASSETS/ LIABILITES

Particulars	Amount In Rs. 31.03.2021	Amount In Rs. 31.03.2020
Net Block Of Assets As Per Companies Act As On 31/03/2021	66,024,342	55,624,148
Net Block Of Assets As Per Income Tax Act As On 31/03/2021	69,261,630	57,568,720
Difference In Block Of Assets	3,237,288	1,944,572.14
Add: Provison For Gratuity & Leave Encashment	7,087,525	5,093,667
Add: Rent Payable (As 19)	102,044	4,255
Net Difference	10,426,857.04	7,042,494.14
Deferred Tax Assets / (Liabilities) @ 22 %+ Surcharge+Cess	2,624,231.00	1,772,455.00

For Network People Services Technologies Limited

Deepak Chand Thakur
 Director
 DIN: 06713945

Ashish Aggarwal
 Director
 DIN: 06986812

Inder Kumar Naugai
 Chief Financial Officer
 PAN:- ADXPN1812F

Shreya Agarwal
 Company Secretary
 PAN:-ATMPA6786C

NETWORK PEOPLE SERVICES TECHNOLOGIES LIMITED (Consolidated)
(FORMALLY KNOWN AS NETWORK PEOPLE SERVICES TECHNOLOGIES PRIVATE LIMITED)
CIN: U74110MH2013PLC248874

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS ON 31ST MARCH, 2021

32 Details Regarding Loan From Bank (Secured)

No.	Lender	Nature of facility	Loan	Amount outstanding as at March 31, 2021	Rate of interest (%)	Repayment terms	Security/ Principal Terms & conditions
1	ICICI Bank	Cash Credit	Rs. 100 Lakhs	Rs. 37.98 Lakhs	8.60%	Repayable on Demand	<p>1.Hypothecation of entire consumable stores and spares and other movables including book-debts, bills whether documentary or clean, outstanding monies, receivable, both present and future, in a form and satisfactory to the bank.</p> <p>2. Unconditional & Irrevocable Personal Guarantee of Deepak Chand Thakur and Ashish Aggarwal</p>

NETWORK PEOPLE SERVICES TECHNOLOGIES LIMITED (Consolidated)
(FORMALLY KNOWN AS NETWORK PEOPLE SERVICES TECHNOLOGIES PRIVATE LIMITED) CIN:
U74110MH2013PLC248874
NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS ON 31ST MARCH, 2021

33 Related Party Transaction
Names of Related Parties and Description of Relationship

Sr. No.	Nature of Relationship	Name of Related Parties
1	Key Management Personnel	Deepak Chand Thakur
		Ashish Aggarwal
		Renu Shyam Sunder Vashist
		Inder Kumar Naugai
2.	Relatives of Key Person	Renu Aggarwal
		Kavita Thakur
3	Associates /Sister Concern/Enterprise	3 Dak Infra Private Limited
		Mousebyte Solutions Private Limited
		BNC Infotech Pvt. Ltd.
		White Warrior

Note: Related parties are identified by the Mangagemnt and relied up on by the Auditor.

Sr. No.	Nature of Transaction	Associates /Sister Concern/Enterprise	Key Management Personnel & Relatives of Such Personnel
		April 2020 to March 2021	April 2020 to March 2021
(A)	Volume of Transactions		
1	<u>Remuneration to KMP & Relatives</u>		
	Ashish Aggarwal	--	2,195,582
	Deepak Chand Thakur	--	1,849,630

Sr. No.	Nature of Transaction	Associates /Sister Concern/Enterprise	Key Management Personnel & Relatives of Such Personnel
		April 2020 to March 2021	April 2020 to March 2021
2	<u>Purchase</u>		
	Mousebyte Solutions Private Limited	984,000	--
	BNC Infotech Pvt. Ltd.	1,630,815	--
3	<u>Sales</u>		
	White Warrior	811,075	--

As per our Report of even date attached

For, Keyur Shah & Co.
Chartered Accountants
F.R.No: 141173W

Keyur Shah
Proprietor
M.No. 153774

Place: Ahmedabad
Date: 25-05-2021

For & on behalf of Board of Directors

Deepak Chand Thakur
Director
DIN: 06713945

Ashish Aggarwal
Director
DIN: 06986812

Inder Kumar Naugai
Chief Financial Officer
PAN:- ADXPN1812F

Shreya Agarwal
Company Secretary
PAN:- ATMPA6786C

INDEPENDENT AUDITOR'S REPORT

To
The Members of
NETWORK PEOPLE SERVICES TECHNOLOGIES LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the financial statements of **Network People Services Technologies Limited** ("the Company"), which comprise the balance sheet as at 31st March 2021, and the statement of Profit and Loss and statement of cash flows for the period ended 31st March 2021, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 March 31, 2021, and profit/loss, and its cash flows for the period ended March 31, 2021.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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.

Management's Responsibility for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the '**Annexure A**' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, 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 financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 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 not any pending litigation which should require to disclose on its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company

For Keyur Shah & Co.
Chartered Accountants
FRN.: 141173W

Keyur Shah
Proprietor
Membership No.: 153774
UDIN - 21153774AAAADJ8422

Date: 25-05-2021
Place: Ahmedabad

“Annexure A” to the Independent Auditors’ Report

Referred to in paragraph 1 under the heading ‘Report on Other Legal & ‘Regulatory Requirement’ of our report of even date to the financial statements of the Company for the period ended March 31, 2021:

Fixed Assets:

- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the Period and no material discrepancies between the books records and the physical fixed assets have been noticed.
- c) The Title deed of immovable properties are held in the name of the company.

Inventory:

- a) The management has conducted the physical verification of inventory at reasonable intervals.
- b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.

Loans given by the Company:

The company has not granted loans & advances to parties covered under section 189 of the Act.

Loans to directors & Investment by the Company:

In our opinion and according to the information and explanations given to us, the company has not granted any Loans or provided any guarantee or given any security or made any investments to which the provision of section 185 & 186 of the Companies Act, 2013.

Deposits:

The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

Cost records:

As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.

Statutory dues:

- a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Goods & Service Tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts are payable in respect of the above wherein arrears as at March 31, 2021 for a period of more than six months from the date on when they become payable.
- b) According to the information and explanation given to us, there are no dues of income tax, sales tax, Goods & Service Tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute except as mentioned below;

Nature of Statute	Nature of Dues	Forum where Dispute is pending	Period to which the Amount Relates (Assessment Year)	Amount
Income Tax Act, 1961	Income Tax	CPC	2017-18	22,400

Repayment of Loans:

In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan from the government and has not issued any debentures. The Loans taken from financial institutions have been properly disclosed in Financial Statements & are repaid at regular intervals.

Utilization of IPO & FPO:

Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised monies by way of initial public offer or further public offer including debt instruments.

Reporting of Fraud:

Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the period.

Approval of Managerial Remuneration:

Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;

NIDHI Company:

In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.

Related Party Transaction:

In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

Private Placement or Preferential Issues:

Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares during the period.

Non Cash Transaction:

The company has not entered into non cash transaction with the directors or their relatives and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

Register under RBI Act, 1934:

In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

**For Keyur Shah & Co.
Chartered Accountants
FRN.: 141173W**

**Keyur Shah
Proprietor
Membership No.: 153774
UDIN - 21153774AAAADJ8422**

**Date: 25-05-2021
Place: Ahmedabad**

“Annexure B” to the Independent Auditor’s Report of even date on the Financial Statements of **Network People Services Technologies Limited**

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

We have audited the internal financial controls over financial reporting of **Network People Services Technologies Limited** (“the Company”) as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the period ended on that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company 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 respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For Keyur Shah & Co.
Chartered Accountants
FRN.: 141173W

Keyur Shah
Proprietor
Membership No.: 153774
UDIN - 21153774AAAADJ8422

Date: 25-05-2021
Place: Ahmedabad

NETWORK PEOPLE SERVICES TECHNOLOGIES LIMITED
(FORMALLY KNOWN AS NETWORK PEOPLE SERVICES TECHNOLOGIES PRIVATE LIMITED)
CIN: U74110MH2013PLC248874
STANDALONE BALANCE SHEET AS AT MARCH 31, 2021

(Amount in Rupees)

Particulars	Note	As at March 31, 2021	As at March 31, 2020
I EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	45,000,000	10,000,000
Reserves and Surplus	3	21,810,494	46,114,908
Non Current Liabilities			
Long Term Provisions	4	6,617,986	4,747,028
Other Non Current Liability	5	102,044	4,255
Current Liabilities			
Short Term Borrowing	6	3,798,006	-
Trade Payables	7	53,149,725	11,501,128
Other Current Liabilities	8	32,238,641	26,624,873
Short Term Provision	9	1,563,234	346,639
Total		164,280,130	99,338,831
II ASSETS			
Non-Current Assets			
Property, Plant and Equipment			
Tangible Assets	10	7,907,798	4,940,183
Intangible Assets	10	18,963,520	24,452,621
Intangible Assets Under Development	10	39,153,024	26,231,344
Long Term Loans & Advances	11	2,615,049	2,615,049
Non- Current Investment		99,800	99,800
Deffered Tax Assets	12	2,624,231	1,772,455
Current Assets			
Inventories	13	5,558,110	3,462,544
Trade Receivables	14	73,251,505	21,461,473
Cash and Cash Equivalent	15	4,447,410	3,416,913
Short-term Loans and Advances	16	5,400,996	10,281,634
Other Current Assets	17	4,258,687	604,815
Total		164,280,130	99,338,831

The accompanying notes are an integral part of the financial statements

For, Keyur Shah & Co.
Chartered Accountants
FRN No.: 141173W

For and on the Behalf of the Board

Deepak Chand Thakur
 Director
 DIN: 06713945

Ashish Aggarwal
 Director
 DIN: 06986812

Keyur B. Shah
Proprietor
M.No.: 153774

Inder Kumar Naugai
 Chief Financial Officer
 PAN:- ADXPN1812F

Shreya Agarwal
 Company Secretary
 PAN:-ATMPA6786C

Place: Ahmedabad
Date: 25-05-2021

NETWORK PEOPLE SERVICES TECHNOLOGIES LIMITED
(FORMALLY KNOWN AS NETWORK PEOPLE SERVICES TECHNOLOGIES PRIVATE LIMITED)
CIN: U74110MH2013PLC248874

STATEMENT OF STANDALONE PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2021

(Amount in Rupees)

Particulars	Note	Year ended March 31, 2021	Year ended March 31, 2020
<u>INCOME</u>			
Revenue from Operations- Net	18	15,20,48,638	15,00,55,170
Other Income	19	6,38,194	5,67,001
		15,26,86,832	15,06,22,171
<u>EXPENDITURE</u>			
Purchase of Stock in Trade	20	1,89,06,072	1,82,26,840
Change in WIP	20(A)	(21,51,900)	26,05,344
Cost of Technical Sub-Contractors		3,77,13,777	5,20,52,558
Employee Benefit Expenses	21	5,77,33,190	4,58,66,795
Finance Costs	22	5,14,270	62,902
Depreciation	10	1,51,84,729	88,90,626
Other Expenses	23	1,04,93,897	92,10,096
		13,83,94,035	13,69,15,161
Profit /(Loss) before Exceptional Items		1,42,92,797	1,37,07,010
Prior period Items			37,480
Profit /(Loss) before Tax		1,42,92,797	1,36,69,530
Tax Expense:			
- Deferred Tax		(8,51,776)	2,79,622
- Current Tax		44,48,987	32,68,794
Profit /(Loss) after Tax for the period		1,06,95,586	1,01,21,114
Basic and Diluted Earnings per share	24	2.38	10.12
Weighted average number of shares used for computing basic and diluted earnings per share		45,00,000	10,00,000
Adjusted Earning Per Share		2.38	2.25

The accompanying notes are an integral part of the financial statements

For, Keyur Shah & Co.
Chartered Accountants
FRN No.: 141173W

For and on the Behalf of the Board

Deepak Chand Thakur
 Director
 DIN: 06713945

Ashish Aggarwal
 Director
 DIN: 06986812

Keyur B. Shah
Proprietor
M.No.: 153774

Inder Kumar Naugai
 Chief Financial Officer
 PAN:- ADXPN1812F

Shreya Agarwal
 Company Secretary
 PAN:-ATMPA6786C

Place: Ahmedabad
Date: 25-05-2021

NETWORK PEOPLE SERVICES TECHNOLOGIES LIMITED
(FORMALLY KNOWN AS NETWORK PEOPLE SERVICES TECHNOLOGIES PRIVATE LIMITED)
CIN: U74110MH2013PLC248874
STANDALONE CASH FLOW STATEMENT AS ON 31ST MARCH, 2021

(Amount in Rupees)

Particulars		Year ended March 31, 2021	Year ended March 31, 2020
I. Cash flow from operating activities			
Net Profit /(Loss) Before Taxation		14,292,797	13,669,530
Adjustments for			
Depreciation		15,184,729	8,890,626
Interest Expenses		514,270	62,902
Interest Income (Earned)		(59,742)	(87,094)
Loss (Profit) on Sales of Fixed Assets		-	-
Operating Profit Before Working Capital Changes		29,932,054	22,535,964
Changes in Working Capital			
(Increase)/Decrease in Trade Receivable		(51,790,031.89)	3,607,085
(Increase)/Decrease in Inventory		(2,095,566)	3,464,100
(Increase)/Decrease in Long Term Loans and Advances		-	-
(Increase)/Decrease in Short Term Loans and Advances		4,880,637.44	2,669,408
(Increase)/Decrease in Other Current Assets		(3,653,872)	(153,171)
Increase/(Decrease) in Current & Non Current Liabilities		50,447,707	1,496,219
Cash Generated From Operations		27,720,928	33,619,605
Income Taxes Paid		(4,448,987)	(3,268,794)
Net Cash flow from/(used in) Operating Activities	A	23,271,941	30,350,811
II. Cash Flow from Investing Activities			
Purchase of Fixed Assets		(25,584,923)	(28,159,566)
Sale of Fixed Assets		-	-
Investment in Subsidiary Company		-	-
Interest income		59,742	87,094
Net Cash flow from/(used in) Investing Activities	B	(25,525,181)	(28,072,472)
III. Cash Flow from Financing Activities			
Interest Payments		(514,270)	(62,902)
(Increase)/Decrease in Short Term Borrowings		3,798,006	-
Increase in Share Capital		-	-
Net Cash Flow from/(used in) Financing Activities	C	3,283,737	(62,902)
IV. Net Increase/(decrease) in cash or Cash Equivalents	A+B+C	1,030,496	2,215,437
V. Cash and Cash equivalent at the beginning of the year		3,416,913	1,201,477
VI. Cash and Cash equivalent at the end of the year		4,447,410	3,416,913

Significant Accounting Policies

For, Keyur Shah & Co.
Chartered Accountants
FRN No.: 141173W

For and on the Behalf of the Board

Deepak Chand Thakur
Director
DIN: 06713945

Ashish Aggarwal
Director
DIN: 06986812

Keyur B. Shah
Proprietor
M.No.: 153774

Inder Kumar Naugai
Chief Financial Officer
PAN:- ADXPN1812F

Shreya Agarwal
Company Secretary
PAN:-ATMPA6786C

Place: Ahmedabad
Date: 25-05-2021

NETWORK PEOPLE SERVICES TECHNOLOGIES LIMITED
(FORMALLY KNOWN AS NETWORK PEOPLE SERVICES TECHNOLOGIES PRIVATE LIMITED)

CIN: U74110MH2013PLC248874

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS ON 31st March, 2021

I. SIGNIFICANT ACCOUNTING POLICIES:

1.1) Basis of preparation of financial statements

These financial statements have been prepared to comply in all material aspects with applicable accounting principles in India, the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and other accounting principles generally accepted in India, to the extent applicable.

1.2) Use of Estimates

The preparation of the financial statements in conformity with GAAP requires the management to make estimates and assumption that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and reported amounts of income and expenses during the period.

Contingencies are recorded when it is probable that a liability will be incurred, and the amount can be reasonably estimated. Where no reliable estimate can be made, a disclosure is made as contingent liability. Actual results could differ from those estimates. The differences if any will be dealt accordingly in subsequent years.

1.3) Property, Plant and Equipment

a. Tangible Assets

Property, plant and equipment are stated at historical cost less accumulated depreciation, and accumulated impairment loss, if any. Historical cost comprises of the purchase price including duties and non-refundable taxes, borrowing cost if capitalization criteria are met, directly attributable expenses incurred to bring the asset to the location and condition necessary for it to be capable of being operated in the manner intended by management

And initial estimate of decommissioning, restoring and similar liabilities.

Subsequent costs related to an item of property, plant and equipment are recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are recognized in statement of profit and loss during the reporting period when they are incurred.

An item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gains or losses arising from derecognition are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

b. Intangible Assets

Intangible assets include software / application which are developed and are measured on the basis of cost incurred for its development. The cost of intangible assets in our business combination is the capitalized value of the cost incurred to develop the asset till it is put to use. Such costs include salary of professional personnel hired, project expenses, research costs, etc. Following initial recognition, intangible assets are carried at cost less any accumulated amortization.

An item of intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gains or losses arising from derecognition are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Subsequent costs related to intangible assets are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

NETWORK PEOPLE SERVICES TECHNOLOGIES LIMITED
(FORMALLY KNOWN AS NETWORK PEOPLE SERVICES TECHNOLOGIES PRIVATE LIMITED)

CIN: U74110MH2013PLC248874

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS ON 31st March, 2021

c. Intangible Assets under development

Intangible Assets under development include software/ application under development net off accumulated impairment loss, if any, as at the Balance sheet date. Directly attributable expenditure incurred on project under development are shown under CWIP. At the point when an asset is capable of operating in the manner intended by management, the Intangible assets under development is transferred to the appropriate category of Intangible assets.

Fixed Assets are stated at cost less accumulated depreciation. The cost of an asset comprises its purchase price and any directly attributable cost of bringing the asset to its present condition for intended use.

1.4) Depreciation

a. Depreciation of Tangible assets :

Property, plant and equipment individually costing Rs. 5,000 or less are depreciated at 100% in the year in which such assets are ready to use.

Depreciation is calculated using the Written down value method over their estimated useful lives. The estimates of useful lives of tangible assets are as follows:

<u>Class of Asset</u>	<u>Useful life as per Schedule II</u>	<u>Useful life as per Company</u>
Furniture and Fixtures	10 Years	10 Years
Office Equipment	5 Years	5 Years
Plant and Machinery	15 Years	15 Years
Computer	3 Years	3 Years
Mobile testing equipment	5 Years	5 Years
Leasehold improvements	10 Years	10 Years

Leasehold improvements are amortised over the period of the lease or life of the asset whichever is less.

b. Amortization of Intangible Assets:

The Company amortizes intangible assets with a finite useful life using the Written down value method over the following periods:

<u>Asset</u>	<u>Life in years</u>
Software – Banking Services	3 Years
Software - Timepay	6 Years
Trade mark	10 Years

The estimated useful life of the intangible assets, amortisation method and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset. During the period of development, the asset is tested for impairment annually.

1.5) Revenue recognition

a. Revenue from services: Revenue is recognized based on contractual terms and upon rendering of services as per terms of agreement.

b. Interest Income: Interest income is recognized using the time-proportion method, based on rates implicit in the transaction.

c. Other income: Other income is recognized based on the contractual obligations on accrual basis.

NETWORK PEOPLE SERVICES TECHNOLOGIES LIMITED
(FORMALLY KNOWN AS NETWORK PEOPLE SERVICES TECHNOLOGIES PRIVATE LIMITED)

CIN: U74110MH2013PLC248874

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS ON 31st March, 2021

1.6) Employee benefits

(a) Short Term Employee Benefits

Short term employee benefits are recognized in the period during which the services have been rendered.

(b) Long Term Employee Benefits

(i) Defined Contribution Plan:

Provident Fund and Group Insurance Scheme:

Employees of the company are entitled to receive benefits under the Provident Fund, which is a defined contribution plan. Both the employee and the employer make monthly contributions to the plan at a predetermined rate (presently 12%) of the employees' basic salary or Rs 1800/-. These contributions are made to the fund administered and managed by the Government of India. .

(ii) Defined Benefit Plan:

Leave Encashment: The Company has provided for the liability at year end on the basis of valuation report received by the valuer .

Gratuity: The Company provides for gratuity obligations through a defined retirement plan ('the Gratuity Plan') covering all eligible employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement or termination of employment based on respective employee salary and years of employment with the Company. The Company provides for the Gratuity Plan based on projection valuations in accordance with Accounting Standard 15 (Revised), "Employee Benefits".

1.7) Borrowing Cost

Borrowing Cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of Borrowings. General and specific borrowing costs directly attributable to the acquisition/ construction of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time the assets are substantially ready for their intended use. All other borrowing costs are recognized as an expense in Statement of Profit and Loss in the period in which they are incurred.

1.8) Transactions in Foreign Exchange

Transaction dominated in foreign currency are recorded at the exchange rate prevailing on the date of transaction. Assets and Liabilities denominated in foreign currency are converted at the exchange rate prevailing as at the balance sheet date. Exchange differences other than those relating to acquisition of fixed assets are recognized in the statement of profit and loss. Exchange differences relating to purchase of fixed assets are adjusted to the carrying cost of fixed assets.

The company is dealing in Foreign Exchange. During the year company had export of Rs 11,158,440 (Previous Year:- Nil)

1.9) Segment Reporting

(a) The generally accepted accounting principles used in the preparation of the financial statements are applied to record revenue and expenditure in individual segments.

(b) Expenses that are directly identifiable to segments are considered for determining the segment result. Expenses which relate to the Company as a whole and are not allocable to segments are included under unallocated corporate expenses.

(c) Segment assets and liabilities include those directly identifiable with the respective segments. Unallocated corporate assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.

1.10) Operating Leases- As Lessee

Lease rentals in respect of assets taken on "Operating Lease" are charged to Profit and Loss Account on a straight line basis over the lease term.

- 1) Not Later than one year , Rent Rs. 21,10,914/-
- 2) Later than one year but not later than five years, , Rent Rs 21,10,914/-
- 3) Later than five years. No Lease

1.11) Earnings per Share

In determining earning per share, the Company considers the net profit / (loss) after tax and includes the post-tax effect of any extraordinary items. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period.

1.12) Taxation

a. Income tax

Provision for Current tax is made based on the liability computed in accordance with the relevant tax rates and tax laws.

b. Deferred tax

Deferred taxation is provided using the liability method in respect of the taxation effect originating from all material timing differences between the accounting and tax treatment of income and expenditure, which are expected with reasonable probability to reverse in subsequent periods. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date.

1.13) Impairment of assets

Management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. An asset is impaired when the carrying amount of the asset exceeds its recoverable amount. An impairment loss is charged to Profit and Loss Account in the year in which an asset is identified as impaired.

1.14) Provisions and Contingencies

A provision is recognized when the Company has present obligations as a result of past event, it is probable that an outflow of resources will be required to settle the obligations, in respect of which reliable estimate can be made. Provisions are not discounted to its present value and are determined based on the best estimates required to settle the obligations at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect a current best estimate.

All known liabilities wherever material are provided for. Liabilities which are material and whose future outcome cannot be ascertained with reasonable certainty are treated as contingent and disclosed by way of notes to the accounts.

NETWORK PEOPLE SERVICES TECHNOLOGIES LIMITED
(FORMALLY KNOWN AS NETWORK PEOPLE SERVICES TECHNOLOGIES PRIVATE LIMITED)

CIN: U74110MH2013PLC248874

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS ON 31st March, 2021

1.15) Investment

Investments are classified into current investments and non-current investments. Current investments, i.e. investments that are readily realizable and intended to be held for not more than a year are valued at lower of cost and net realizable value. Any reduction in the carrying amount or any reversal of such provision towards reductions are charged or credited to the Statement of Profit and Loss.

Non-current investments are stated at cost. Provision for diminution in the value of these investments is made only if such decline is other than temporary, in the opinion of the management.

On disposal of investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of Profit and Loss

1.16) Cash and Cash Equivalent

Cash and Cash equivalents includes cash & cheque in hand, bank balance, demand deposits with bank and other short term highly liquid investment where original maturity is less than Six months.

1.17) Cash Flow Statement

Cash Flow are reported using the indirect method where by the profit before tax is adjusted for the effect of the transaction of the non cash nature, any deferrals or accruals of past and future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flow. the cash flows from operating, investing and financing activities of the company are segregated.

NETWORK PEOPLE SERVICES TECHNOLOGIES LIMITED
(FORMALLY KNOWN AS NETWORK PEOPLE SERVICES TECHNOLOGIES PRIVATE LIMITED)
CIN: U74110MH2013PLC248874
NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS ON 31st, March, 2021

2 Share Capital	As at 31st March, 2021			As at 31st March, 2020		
	No. of Shares	Par value of share	Amount in Rs.	No. of Shares	Par value of share	Amount in Rs.
a. Authorised						
- Equity Shares	7,500,000	10	75,000,000	2,000,000	10	20,000,000
b. Issued, subscribed and fully paid up Share Capital						
- Equity Shares	4,500,000	10	45,000,000	1,000,000	10	10,000,000
c. Reconciliation						
Shares outstanding at the beginning of the period	1,000,000	10	10,000,000	1,000,000	10	10,000,000
Add: Bonus Issue	3,500,000	10	35,000,000	-	-	-
Shares outstanding at the end of the reporting date	4,500,000	10	45,000,000	1,000,000	10	10,000,000
d. The Company has only one class of shares referred to as Equity shares having a par value of Rs. 10/-. Each holder of equity shares is entitled to one vote per share. There are no restrictions including restriction on dividend and repayment of capital if any.						
e. List of shareholder holding over 5% shares as at reporting date:						
Name of the Share holder	No. of Shares	Par value of share	% held	Amount in Rs.		
Deepak Chand Thakur	1,309,490	10	29.10%	13,094,900		
Ashish Aggarwal	1,309,490	10	29.10%	13,094,900		
Savita Vashist	1,746,000	10	38.80%	17,460,000		

For Network People Services Technologies Limited

Deepak Chand Thakur
Director
DIN: 06713945

Ashish Aggarwal
Director
Din: 06986812

Inder Kumar Naugai
Chief Financial Officer
PAN:- ADXPN1812F

Shreya Agarwal
Company Secretary
PAN:-ATMPA6786C

NETWORK PEOPLE SERVICES TECHNOLOGIES LIMITED
(FORMALLY KNOWN AS NETWORK PEOPLE SERVICES TECHNOLOGIES PRIVATE LIMITED)

CIN: U74110MH2013PLC248874

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS ON 31st March, 2021

Particulars	As at March 31, 2021	As at March 31, 2020
NOTE : 3 - RESERVES AND SURPLUS		
Balance of Profit And Loss		
Opening Balance - Profit & Loss Account	46,114,908	35,993,794
Add: Profit / (Loss) For The Year	10,695,586	10,121,114
Less:- Bonus Share Issue	(35,000,000)	-
Closing Balance - Profit & Loss Account	21,810,494	46,114,908
TOTAL	21,810,494	46,114,908
NOTE : 4 - LONG TERM PROVISIONS		
Provision for Gratuity & Leave Encashment	6,617,986	4,747,028
TOTAL	6,617,986	4,747,028
NOTE : 5 - OTHER NON-CURRENT LIABILITY		
Provision For Rent	102,044	4,255
TOTAL	102,044	4,255
NOTE : 6 - Short Term Borrowing		
ICICI Bank CC	3,798,006	-
TOTAL	3,798,006	-
NOTE : 7 - TRADE PAYABLES		
-Dues To Micro, Small And Medium Enterprises	36,107,992	-
-Dues To Other Than Micro, Small And Medium Enterprises	17,041,733	11,501,128
TOTAL	53,149,725	11,501,128
NOTE : 7 a)- Reporting under Micro, small & Medium Enterprise Development Act, 2016		
The Company has initiated the process of identification of Creditors which falls under category of MSME, the dislouser relating to amount due to MSME are made to the extent information received.		
NOTE : 8 - OTHER CURRENT LIABILITIES		
Imprest Payable To Staff	354,227	416,473
Provision For Expenses	1,743,095	539,881
Salary Payable To Staff	7,426,076	5,835,862
Csc Float Payable	15,291,016	16,155,557
Security Deposit	1,467,129	1,233,129
Franchises Application Fees	430,810	65,480
Other Current Liabilities	33,947	33,747
Esic Payable	30,360	10,521
Professional Tax Payable	4,975	5,200
Provident Fund Payable	565,711	372,887
GST Payable	1,052,527	1,153,593
TDS/TCS Payable	3,741,999	683,521
Advances From Customers	96,770	119,022
TOTAL	32,238,641	26,624,873

For Network People Services Technologies Limited

Deepak Chand Thakur
Director
DIN: 06713945

Ashish Aggarwal
Director
DIN: 06986812

Inder Kumar Naugai
Chief Financial Officer
PAN:- ADXPN1812F

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Company Secretary
PAN:-ATMPA6786C

NETWORK PEOPLE SERVICES TECHNOLOGIES LIMITED
(FORMALLY KNOWN AS NETWORK PEOPLE SERVICES TECHNOLOGIES PRIVATE LIMITED)
CIN: U74110MH2013PLC248874
NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS ON 31st March, 2021

Particulars	Year ended on March 31, 2021	Year ended March 31, 2020
NOTE : 9 - SHORT TERM PROVISIONS		
Provision for Gratuity	469,539	346,639
Provision for Income Tax	1,093,695	-
TOTAL	1,563,234	346,639
NOTE : 11 - LONG TERM LOANS & ADVANCES		
Other Receivable	2,615,049	2,615,049
TOTAL	2,615,049	2,615,049
NOTE : 13 - INVENTORIES		
Stock In Hand (Including WIP)	5,558,110	3,462,544
TOTAL	5,558,110	3,462,544
NOTE : 14 - TRADE RECEIVABLES (Unsecured, Considered Good)		
Considered Good		
Outstanding For A Period Exceeding Six Months From Due Date	1,522,917	1,464,401
Less: Provision For Doubtful Dues	-	-
	1,522,917	1,464,401
Outstanding For A Period Not Exceeding Six Months From Due Date	71,728,588	19,997,072
TOTAL	73,251,505	21,461,473
NOTE : 15 - CASH AND CASH EQUIVALENTS		
CASH AND CASH EQUIVALENTS		
Cash In Hand	460	16,298
Balance With Banks		
- In Current Accounts	4,446,950	400,615
Other Bank Balances		
- In Deposit Accounts	-	3,000,000
TOTAL	4,447,410	3,416,913

For Network People Services Technologies Limited

Deepak Chand Thakur
Director
DIN: 06713945

Ashish Aggarwal
Director
DIN: 06986812

Inder Kumar Naugai
Chief Financial Officer
PAN:- ADXPN1812F

Shreya Agarwal
Company Secretary
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NETWORK PEOPLE SERVICES TECHNOLOGIES LIMITED
(FORMALLY KNOWN AS NETWORK PEOPLE SERVICES TECHNOLOGIES PRIVATE LIMITED)
CIN: U74110MH2013PLC248874
NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS ON 31st March, 2021

Particulars	Year ended on March 31, 2021	Year ended March 31, 2020
NOTE : 16 - SHORT-TERM LOANS AND ADVANCES		
(Unsecured, Considered Good)		
Advance Given To Suppliers	2,038,332	1,117,152
Security Deposit For Guest House & Office	1,958,800	1,814,887
Advance To Staff	319,278	47,546
Other Deposit	1,084,587	565,515
Income Tax Refundable/Tds Receivable/TCS Receivable	-	6,736,534
TOTAL	5,400,996	10,281,634
NOTE : 17 - OTHER CURRENT ASSETS		
Prepaid Expenses	811,137	604,815
Pre Ipo Exp.	3,307,250	-
VAT Recoverable Appeal	140,300	-
Branch Devision	-	-
TOTAL	4,258,687	604,815
NOTE : 18 - REVENUE FROM OPERATIONS		
Income From Services & Sales	121,633,376	131,378,969
Income From Services & Sales-Export	11,158,440	-
Income From Sale of Goods	19,256,822	18,676,201
TOTAL	152,048,638	150,055,170
NOTE : 19 - OTHER INCOME		
Other Income	578,452	403,301
Sundry Balance Write Off	-	40,847
Foreign Exchange Fluctuation Gain	-	35,759
Interest Income	59,742	87,094
TOTAL	638,194	567,001
For Network People Services Technologies Limited		
Deepak Chand Thakur Director DIN: 06713945	Ashish Aggarwal Director DIN: 06986812	
Inder Kumar Naugai Chief Financial Officer PAN:- ADXPN1812F	Shreya Agarwal Company Secretary PAN:-ATMPA6786C	

NETWORK PEOPLE SERVICES TECHNOLOGIES LIMITED
(FORMALLY KNOWN AS NETWORK PEOPLE SERVICES TECHNOLOGIES PRIVATE LIMITED)
CIN: U74110MH2013PLC248874
NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS ON 31st March, 2021

Particulars	Year ended on March 31, 2021	Year ended March 31, 2020
NOTE : 20 - Purchase of Stock in Trade		
Opening Stock	886,943	1,745,700
Add:- Purchase	18,849,739	17,368,083
Less: Closing Stock	830,610	886,943
TOTAL	18,906,072	18,226,840
NOTE : 20 (A)- Change in WIP		
WIP at the Beginning of the Year	2,575,600	5,180,944
WIP at the End of the Year	4,727,500	2,575,600
TOTAL	(2,151,900)	2,605,344
NOTE : 21 - EMPLOYEE BENEFIT EXPENSES		
Salaries, Wages & Bonus	50,727,053	37,487,948
Director Remuneration	4,045,212	5,670,496
Staff Welfare	137,180	210,102
Contribution To Provident And Other Funds	2,823,745	2,498,249
TOTAL	57,733,190	45,866,795
NOTE : 22 - FINANCE COSTS		
Bank Charges	416,813	61,552
Interest on Short Term Borrowing	77,633	-
Other Finance Charges	19,824	1,350
TOTAL	514,270	62,902

For Network People Services Technologies Limited

Deepak Chand Thakur
Director
DIN: 06713945

Ashish Aggarwal
Director
DIN: 06986812

Inder Kumar Naugai
Chief Financial Officer
PAN:- ADXPN1812F

Shreya Agarwal
Company Secretary
PAN:-ATMPA6786C

NETWORK PEOPLE SERVICES TECHNOLOGIES LIMITED
(FORMALLY KNOWN AS NETWORK PEOPLE SERVICES TECHNOLOGIES PRIVATE LIMITED)
CIN: U74110MH2013PLC248874
NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS ON 31st March, 2021

Particulars	Year ended on March 31, 2021	Year ended March 31, 2020
NOTE : 23 - OTHER EXPENSES		
Direct Expenses		
Commission & Incentive Exp.	688,177	1,327,532
SMS Charges	70,548	28,568
Administrative, Selling and Other Expenses		
Audit Fees	80,000	80,000
Business Promotion	499,653	120,026
Communication Charges	694,133	417,860
Foreign Exchange Fluctuation Loss	128,311	-
Festival & Celebration Exp	30,797	98,024
Guest House Expenses	83,000	117,477
Repair & Maintenances	677,580	861,671
Insurance Charges	443,268	512,535
Legal And Professional Fees	404,485	419,077
Membership Subscription Fees	20,360	13,204
Miscellaneous Expenses	300,457	241,334
Office Maintenance	92,719	236,959
Postage & Courier	77,158	53,374
Electricity And Power Charges	352,547	584,912
Printing And Stationery	57,286	74,835
Rent, Taxes, Amenities & Office Maintenance	3,514,579	2,188,714
Travel & Conveyance	2,278,839	1,833,994
TOTAL	10,493,897	9,210,096

For Network People Services Technologies Limited

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24 In compliance to Accounting Standard 20 on “Earning per share”, the calculation of Earnings per Share (Basic and diluted) is as under:

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
A. Profit/Loss attributable to Equity Shareholders	10,695,586	10,121,114
B. Weighted average No. of Shares	4,500,000	1,000,000
C. Weighted average No. of Shares (After Bonus Issue)	4,500,000	4,500,000
D. Nominal value of equity share	10.00	10.00
E. Basic EPS (Rs.) (A)/(B)	2.38	10.12
F. Diluted EPS(Rs.)	2.38	10.12
F. Adjusted EPS (A)/(C)	2.38	2.25

25 Contingent Liabilities:-

Contingent Liabilities, not provided for:
(As Certified by the Management)

(Rs. In Lakhs)

Particulars	Current Period Rs.
Claims against the Company not acknowledged as debt :-	
Other Tax Law	24.60
Bank Gaurantees	5.00
Income Tax Law	0.22

26 Previous years’ figures are regrouped or rearranged wherever necessary in order to confirm to the current years’ grouping and classifications.

27 Figures have been rounded off to the nearest rupee.

28 Lease Payment (AS 19)

Future minimum Lease Payments

Particulars	Amount
Not letter than 1 year	2,110,914
Later than 1 year and not later than 5 years	2,110,914
Later than 5 years	-

For Network People Services Technologies Limited

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NETWORK PEOPLE SERVICES TECHNOLOGIES LIMITED
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NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS ON 31st March, 2021

- 29 The Company has adopted accounting standard 15 on employee benefits as per Actuarial Valuation carried by an independent actuary in the Books of Accounts of the Company and the Disclosure relating to the same which is envisaged under the standard are disclosed as under:

Gratuity:

01. Valuation Assumption:

Particulars	Period ended 31.03.2021	Year ended 31.03.2020
<u>Demographic Assumption:</u>		
Mortality Rate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Retirement Age	58 Years	58 Years
Attrition Rate	For service 4 years and below -10.00% p.a For service 5 years and above - 2.00% p.a	For service 4 years and below -10.00% p.a For service 5 years and above - 2.00% p.a
<u>Financial Assumption:</u>		
Salary Escalation Rate	5.00% p.a	5.00% p.a
Discount Rate	6.90% p.a (Indicative G.sec referenced on 31-03-2021)	6.86% p.a (Indicative G.sec referenced on 31-03-2020)

02. Valuation Result:

Particulars	Period ended 31.03.2021	Year ended 31.03.2020
Projected Benefit Obligation	4,392,475.00	3,195,205.00
Funding Status	Unfunded	Unfunded
Fund Balance	N.A	N.A
Current Liability	76,819.00	54,681.00
Non Current Liability	4,315,656.00	3,140,524.00

For Network People Services Technologies Limited

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NETWORK PEOPLE SERVICES TECHNOLOGIES LIMITED
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NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS ON 31st March, 2021

Leave Encashment:

01. Valuation Assumption:

Particulars	Period ended 31.03.2021	Year ended 31.03.2020
<u>Demographic Assumption:</u>		
Mortality Rate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Attrition Rate	For Services 4 years and below 10.00% p.a For Services 5 year and above 2.00% p.a	For Services 4 years and below 10.00% p.a For Services 5 year and above 2.00% p.a
Retirement Age	58 Years	58 Years
While in Service Availment Rate	1.38% p.a	1.38% p.a
While in Service Encashment Rate	5.00% of the Leave Balance (for the next year)	5.00% of the Leave Balance (for the next year)
<u>Financial Assumption:</u>		
Salary Escalation Rate	5.00% p.a	5.00% p.a
Discount Rate	6.90% p.a (Indicative G.sec referenced on 31-03-2021)	6.86% p.a (Indicative G.sec referenced on 31-03-2020)

02. Valuation Results:

Particulars	Period ended 31.03.2021	Year ended 31.03.2020
Discontinuance Liability	2,768,858.00	1,970,515.00
Projected Benefit Obligations	2,695,050.00	1,898,462.00
Funding Status	Unfunded	Unfunded
Fund Balance	N.A	N.A
Current Liability	392,720.00	291,958.00
Non-Current Liability	2,302,330.00	1,606,504.00

For Network People Services Technologies Limited

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NETWORK PEOPLE SERVICES TECHNOLOGIES LIMITED
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NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS ON 31st March, 2021

30 Additional Information

a) Payment to auditor

Payment to Statutory Auditor as	For the year ended on 31st March, 2021	For the year ended on 31st March, 2020
Audit Fees	80,000.00	80,000.00

31 During the quarter ended March 31, 2021, the outbreak of the coronavirus disease of 2019 (COVID 19) spread throughout the world and became a global pandemic . The pandemic triggered a significant downturn globally, including in India , and the challenging market conditions could continue for an extended period of time . In an effort to contain the spread of COVID-19 ,maintain the well-being of employees ,and stakeholders and in accordance with the government requirements, offices and manufacturing facilities were shutdown . These closures expanded and continued into may 2020. While the downturn , closures and limitations on movement are expected to be temporary , and though the lockdown restrictions have now been relaxed , the duration of the production and supply chain disruptions and related financial impact , cannot be estimated at this time . The company has assessed the impact of COVID 19 on its assets, including property, plant and equipments receivables, inventories etc. and it was concluded that the impact is not significant . However , the estimate of the impact of COVID 19 may differ from the same ascertained up to the date of approval of these financial results by the board of directors ,based on how the COVID 19 situation evolves over a period of time .

For Network People Services Technologies Limited

Deepak Chand Thakur
 Director
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NETWORK PEOPLE SERVICES TECHNOLOGIES LIMITED
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NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS ON 31st March, 2021

Note : 10 - Property, Plant and Equipment

SR. No.	Particulars	GROSS BLOCK				DEPRECIATION					NET BLOCK	
		Gross Value As on 01/04/2020	Additions	Deductions	Gross Value As on 31/03/2021	Rate	Accumulated Depreciation As on 01/04/2019	For the period	Deductions	Accumulated Depreciation As on 31/03/2021	As on 31/03/2021	As on 31/03/2020
	<u>Tangible Assets</u>											
1	Computers	15,343,108	2,767,246		18,110,354	63.16	13,939,039	1,261,738	-	15,200,777	2,909,577	1,404,069
2	Furniture & Fixture	654,459	-		654,459	25.89	304,231	90,675	-	394,906	259,553	350,228
3	Office Equipments	2,236,250	2,754,934		4,991,184	45.07	1,503,614	690,195	-	2,193,809	2,797,375	732,636
4	Plant & Machinery	5,427,614	-		5,427,614	18.10	3,846,197	286,238	-	4,132,435	1,295,179	1,581,417
5	Lease Hold Improvement	1,568,594	-		1,568,594	25.89	696,761	225,719	-	922,480	646,114	871,833
	Total (A)	25,230,025	5,522,180	-	30,752,205		20,289,842	2,554,565	-	22,844,407	7,907,798	4,940,183
	<u>Intangible Asset</u>											
1	SoftWare	22,929,211	6,863,570		29,792,781	63.16	17,131,515	5,185,314	277,493	22,039,336	7,753,445	5,797,696
2	SoftWare	19,012,790			19,012,790	40.00	479,262	7,413,419		7,892,681	11,120,109	18,533,528
3	Trade Mark	235,600			235,600	25.89	114,203	31,431	-	145,634	89,966	121,397
	Total (B)	42,177,601	6,863,570	-	49,041,171		17,724,980	12,630,164	277,493	30,077,651	18,963,520	24,452,621
	<u>Intangible Asset Under Development</u>											
1	Work In Progress (Software)	26,231,344	16,886,460	3,964,780	39,153,024	-	-	-	-	-	39,153,024	26,231,344
	Total (C)	26,231,344	16,886,460	3,964,780	39,153,024	-	-	-	-	-	39,153,024	26,231,344
	Total (A+B+C)	93,638,970	29,272,210	3,964,780	118,946,400	-	38,014,822	15,184,729	277,493	52,922,058	66,024,342	55,624,148
	PR. YR.	65,479,403	42,103,377	13,943,810	93,638,970	-	29,124,196	8,890,626	-	38,014,822	55,624,148	36,355,207

NETWORK PEOPLE SERVICES TECHNOLOGIES LIMITED
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NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS ON 31st March, 2021

Note: 12 COMPUTATION OF DEFERED TAX ASSETS/ LIABILITES

Particulars	Amount In Rs. 31.03.2021	Amount In Rs. 31.03.2020
Net Block Of Assets As Per Companies Act As On 31/03/2021	66,024,341.77	55,624,147.86
Net Block Of Assets As Per Income Tax Act As On 31/03/2021	69,261,629.95	57,568,720.00
Difference In Block Of Assets	3,237,288.18	1,944,572.14
Add: Provison For Gratuity & Leave Encashment	7,087,525.00	5,093,667.00
Add: Rent Payable (As 19)	102,044.00	4,255.00
Net Difference	10,426,857.18	7,042,494.14
Deferred Tax Assets / (Liabilities) @ 22 %+ Surcharge+Cess	2,624,231.00	1,772,455.00

For Network People Services Technologies Limited

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Director
DIN: 06713945

Ashish Aggarwal
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DIN: 06986812

Inder Kumar Naugai
Chief Financial Officer
PAN:- ADXPN1812F

Shreya Agarwal
Company Secretary
PAN:-ATMPA6786C

32 Details Regarding Loan From Bank (Secured)

No.	Lender	Nature of facility	Loan	Amount outstanding as at March 31, 2021	Rate of interest (%)	Repayment terms	Security/ Principal Terms & conditions
1	ICICI Bank	Cash Credit	Rs. 100 Lakhs	Rs. 37.98 Lakhs	8.60%	Repayable on Demand	1.Hypothecation of entire consumable stores and spares and other movables including book-debts, bills whether documentary or clean, outstanding monies, receivable, both present and future, in a form and satisfactory to the bank. 2. Unconditional & Irrevocable Personal Guarantee of Deepak Chand Thakur and Ashish Aggarwal

NETWORK PEOPLE SERVICES TECHNOLOGIES LIMITED
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33	Related Party Transaction	
Names of Related Parties and Description of Relationship		
Sr. No.	Nature of Relationship	Name of Related Parties
1	Key Management Personnel	Deepak Chand Thakur Ashish Aggarwal Renu Shyam Sunder Vashist Inder Kumar Naugai
2.	Relatives of Key Person	Renu Aggarwal Kavita Thakur
3	Associates /Sister Concern/Enterprise	3 Dak Infra Private Limited Mousebyte Solutions Private Limited BNC Infotech Pvt. Ltd. White Warrior

Note: Related parties are identified by the Mangagemnt and relied up on by the Auditor.

Sr. No.	Nature of Transaction	Associates /Sister Concern/Enterprise	Key Management Personnel & Relatives of Such Personnel
		April 2020 to March 2021	April 2020 to March 2021
(A)	Volume of Transactions		
1	<u>Remuneration to KMP & Relatives</u> Ashish Aggarwal Deepak Chand Thakur	-- --	2,195,582 1,849,630

Sr. No.	Nature of Transaction	Associates /Sister Concern/Enterprise	Key Management Personnel & Relatives of Such Personnel
		April 2020 to March 2021	April 2020 to March 2021
2	<u>Purchase</u> Mousebyte Solutions Private Limited BNC Infotech Pvt. Ltd.	984,000 1,630,815	
3	<u>Sales</u> White Warrior	811,075	

For, Keyur Shah & Co.
Chartered Accountants
F.R.No: 141173W

Keyur Shah
Proprietor
M.No. 153774

Place: Ahmedabad
Date: 25-05-2021

For & on behalf of Board of Directors

Deepak Chand Thakur
 Director
 DIN: 06713945

Ashish Aggarwal
 Director
 Din: 06986812

Inder Kumar Naugai
 Chief Financial Officer
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