

## INDEPENDENT AUDITOR'S REPORT

To

The Members of M/s. Archana Software Limited

### **Report on the standalone financial Statements**

I have audited the accompanying financial statements of **M/s. Archana Software Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, and the Statement of Profit and Loss, Cash Flow Statement and statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's responsibility for the standalone 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 standalone financial statements, that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Ind AS and other 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; safeguarding the assets of the Company, and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility are to express an opinion on these standalone financial statements based on our audit. In Conducting our audit we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the standalone financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting

estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### **Opinion**

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 31 March 2019 and its profit and its cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143 (3) of the Act, We report that:

(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 Statement of Assets and Liabilities, 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 my 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 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164 (2) of the Act; and

Sd/-

V.PADMANABHAN. B.Com.,F.C.A  
Chartered Accountant (M.No 012385)

Place: Chennai

Date: 14.11.2019

### Annexure to the Independent Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2019, I report that:

(i) In respect of Company's fixed assets :

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a regular programme of physical verification of its fixed assets at reasonable intervals. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In my opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

c. The company do not own any immovable property on its own.

(ii) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals and no material discrepancies were noticed on such verification. The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.

(iii) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses iii(a),iii (b) and iii(c) of the order are not applicable to the Company.

(iv) The Company has not given loans, made investments, guarantees, and security covered under section 185 and 186 of the Companies Act, 2013.

(v) The Company has not accepted any deposits from the public covered under section 73 to 76 of the Companies Act, 2013.

(vi) The provision of sub section 1 of section 148 of the companies Act, 2013 regarding maintenance of cost records is not applicable to the company.

(vii) According to the information and explanations given to me, there is no amounts payable in respect of income tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.

(viii) Based on my audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to bank, financial institution and Government.

(ix) The company had not raised moneys by way of public offer or debt instruments.

(x) Based on the audit procedures performed and the information and explanations given to me, I report that no fraud by the Company or any fraud on the company by its officers or employees has been noticed or reported during the year, nor have we been informed of such case by the management.

(xi) The company had not paid or provided Managerial Remuneration and hence the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act 2013 is not applicable

(xii) The Company is not a Nidhi Company, hence not applicable

(xiii) In my opinion and according to the information and explanations given to me, the transactions with the related parties were in accordance with sections 177 and 188 of the Companies Act, 2013

(xiv) The company had not made any preferential allotment or private placement of shares or fully or partly convertibles debentures during the year under review.

(xv) The Company had not entered in to any non-cash transactions with directors or persons connected with him.

(xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Sd/-

V.PADMANABHAN. B.Com.,F.C.A  
Chartered Accountant (M.No 012385)

Place: Chennai

Date: 14.11.2019.