



Independent Auditor's Report

To the Members of **NEWGEN COMPUTERS TECHNOLOGIES LIMITED**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of **Newgen Computers Technologies Limited** ("the Company"), which comprise the Balance Sheet as at March 31 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, 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 Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("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, 2023, its Profit, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS 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 Act 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 audit opinion on the IND AS financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the Directors report, but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Responsibility of Management for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS 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 Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements 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 Ind AS financial statements, including the disclosures, and whether the Ind AS 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, 2020 ("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 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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 with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Companies Act, 2013;
 - (h) 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, as amended in our

opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigations which would impact 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.
 - iv. (a) The management has represented that, to the best of it's knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
(b) The management has represented, that, to the best of it's knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
(c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.
 - i. The company has not declared or paid any dividend during the year in contravention of the provisions of the section 123 of the Companies Act, 2013.
2. As required by the Companies (Auditor's Report) Order, 2020 ("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-1" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

For A Kaistha & Co

Chartered Accountants

ICAI Firm Registration Number: 000983N

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CA Atul Kaistha

Proprietor

Membership Number: 080146

UDIN: 23080146BGYZZX1860

Place of Signature: New Delhi

Date: April 20, 2023

Annexure 1 referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date

Newgen Computers Technologies Limited (the “Company”)

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i)(a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (i)(a)(B) The Company has not intangible assets.
- (i)(b) All Property, Plant and Equipment were physically verified by the management in the previous year in accordance with a planned programme of verifying them once in year which is reasonable having regard to the size of the Company and the nature of its assets.
- (i)(c) Based on our examination of the sale deed/agreement of building provided to us, we report that, the title in respect buildings immovable property (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
- (i)(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2023.
- (i)(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii)(a) The Company’s business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.
- (ii)(b) The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii)(a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to [companies, firms, Limited Liability Partnerships or any other parties]. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.
- (iii)(b) During the year the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to [companies, firms, Limited Liability Partnerships or any other parties]. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.
- (iii)(c) The Company has not granted loans and advances in the nature of loans to [companies, firms, Limited Liability Partnerships or any other parties]. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.

- (iii)(d) The Company has not granted loans or advances in the nature of loans to [companies, firms, Limited Liability Partnerships or any other parties]. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.
- (iii)(e) The Company has not granted loans or advances in the nature of loans to [companies, firms, Limited Liability Partnerships or any other parties]. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.
- (iii)(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to [companies, firms, Limited Liability Partnerships or any other parties]. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- (iv) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the service in relation to logistics service etc. including services for management of warehouses & logistics and other related services.
- (vii)(a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (vii)(b) There are no dues of goods and services tax, provident fund, employees' state insurance, income tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess, goods and service tax and other statutory dues which have not been deposited on account of any dispute.
- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix)(a) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause ix(a) of the Order is not applicable to the Company.
- (ix)(b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

- (ix)(c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.
- (ix)(d) The Company did not raise any funds during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.
- (ix)(e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.
- (ix)(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- (x)(a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (x)(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi)(a) No fraud/ material fraud by the Company or no fraud / material fraud on the Company has been noticed or reported during the year.
- (xi)(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by [cost auditor/ secretarial auditor or by us] in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (xi)(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii)(a) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii)(a) of the Order are not applicable to the Company and hence not commented upon.
- (xii)(b) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii)(b) of the Order are not applicable to the Company and hence not commented upon.
- (xii)(c) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii)(c) of the Order are not applicable to the Company and hence not commented upon.
- (xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv)(a) The Company has an internal audit system commensurate with the size and nature of its business.

- (xiv)(b) No internal audit required by the Company and hence requirement to report on clause 3(xiv)(b) of the Order is not applicable to the Company.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi)(a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (xvi)(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (xvi)(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (xvi)(d) There are no other Companies part of the Group, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the current year in the immediately preceding financial year respectively.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx)(a) According to the information and explanation given to us by the management and the audit procedures performed by us, provisions of section (5) of section 135 of Companies Act, are not applicable to the company and hence not commented upon.
- (xx)(b) According to the information and explanation given to us by the management and the audit procedures performed by us, provisions of section (5) of section 135 of Companies Act, are not applicable to the company and hence not commented upon.

(xxi) There are no qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the company. Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable.

For A Kaistha & Co.
Chartered Accountants
ICAI Firm Registration Number: 000983N

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CA Atul Kaistha
Proprietor
Membership Number: 080146
UDIN: 23080146BGYZZX1860

Place of Signature: New Delhi
Date: April 20, 2023

ANNEXURE “2” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF NEWGEN COMPUTERS 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 Newgen Computers Technologies Limited. (“the Company”) as of March 31, 2023 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these 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 over financial reporting with reference to these 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 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 auditor’s judgement, 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 over financial reporting with reference to these financial statements.

Meaning of Internal Financial Controls Over Financial Reporting with Reference to these Financial Statements

A company's internal financial control over financial reporting with reference to these 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 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 Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these 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 financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these 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, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at March 31, 2023, 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 A Kaistha & Co
Chartered Accountants
ICAI Firm Registration Number: 000983N

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CA Atul Kaistha
Proprietor
Membership Number: 080146
UDIN: 23080146BGYZZX1860

Place of Signature: New Delhi
Date: April 20, 2023

Newgen Computers Technologies Limited

Notes to the financial statements for the period 1st April 2022 to 31st March 2023

1. Background

Newgen Computers Technologies Limited (hereinafter referred to as 'Newgen Computers' or the 'Company') is to develop, install and maintain, export, import, purchase sell or purchase and otherwise deal in computer hardware, peripherals, software and other related equipment and otherwise as dealers, and representative for all types of computer hardware, peripherals, software and other related equipments.

2. Significant accounting policies

a) Basis of Preparation

The financial statements of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company, with effect from 1 April 2016, has adopted Indian Accounting Standards (the 'Ind AS') notified under the Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standards) (Amended) Rules, 2016. For all periods up to and including the year ended 31st March 2017, the Company prepared its financial statements in accordance with accounting standards as prescribed under Section 133 of the Companies Act, 2013 (the 'Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 (referred to as 'Indian GAAP').

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

These financial statements have been prepared under the historical cost convention on the accrual basis, except for certain financial instruments & Provisions which are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

b) Current - Non Current classification

All assets and liabilities are classified into current and non-current as per company normal accounting cycle.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- 1) it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- 2) it is held primarily for the purpose of being traded;
- 3) it is expected to be realised within 12 months after the reporting date; or
- 4) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- 1) it is expected to be settled in the company's normal operating cycle;
- 2) it is held primarily for the purpose of being traded;
- 3) it is due to be settled within 12 months after the reporting date; or
- 4) the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity Instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.



c) Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Examples of such estimates include provisions of future obligation under employee retirement benefit plans, estimated useful life of fixed assets, provision for doubtful debts and loans and advances and provision for income-tax. Actual results could differ from these estimates. Any revisions to estimates are recognised prospectively in current and future periods.

d) Tangible fixed assets

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Examples of such estimates include provisions of future obligation under employee retirement benefit plans, estimated useful life of fixed assets, provision for doubtful debts and loans and advances and provision for income-tax. Actual results could differ from these estimates. Any revisions to estimates are recognised prospectively in current and future periods.

e) Depreciation and amortisation

During the financial year 2014-15, the method of depreciation had been changed from Written down value (WDV) to straight line method (SLM) for all tangible and intangible assets. The policy had been changed to reflect the pattern in which economic benefits of the assets are consumed based on historical and future expected use and therefore results in presentation of financial results in a more appropriate manner.

f) Revenue recognition

Rental income from Building given on operating lease is recognised on a straight-line basis over the lease term which is irrespective of pattern in which benefit derived from the use of the leased asset.

g) Other Income

Interest income is recognised on time proportion basis taking into account the amount outstanding and the rate applicable.

h) Employee Benefits

No provision of retirement benefits of employees such as leave encashment, gratuity has been made during the year by the company. The same shall be accounted for as and when arises.

i) Provisions, contingent liabilities and contingent assets

A provision is recognised when the Company has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and reliable estimate can be made of the amount of the obligation. A contingent liability is disclosed where there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. The Company does not recognise assets which are of contingent nature. However, if it has become virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the financial statements of the period in which the change occurs.

j) Income Tax

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid/ payable to them taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, at the reporting date in the countries where the Company operates and generates taxable income. Current income tax is charged at the end of reporting period to profit & loss. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.



Deferred Tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at reporting date.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

k) Earnings per share

The Company reports basic and diluted earnings / (loss) per equity share in accordance with Indian Accounting Standard (Ind AS-33), "Earnings Per Share". The basic and dilutive earnings / (loss) per share is computed by dividing the net profit / (loss) attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year. Dilutive earnings per share is computed and disclosed after adjusting the effects of all dilutive potential equity shares, if any, except when the results will be anti-dilutive.

l) Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.



NEWGEN COMPUTERS TECHNOLOGIES LIMITED

Balance Sheet as at 31st March 2023

(All amounts are in thousands of Indian Rupees, unless otherwise stated)

	Note	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
Property, plant and equipment	7	2,660.91	2,735.10
Other non-current assets	8	844.16	806.24
Total non-current assets		3,505.07	3,541.34
Current assets			
Financial assets			
Cash and cash equivalents	9	4,370.78	3,923.13
Other current assets	10	-	37.80
Total current assets		4,370.78	3,960.92
TOTAL ASSETS		7,875.85	7,502.27
EQUITY AND LIABILITIES			
Equity			
Share capital	3	2,100.00	2,100.00
Other equity			
Retained earnings	4	5,575.11	5,117.21
Total equity attributable to the owners of the Company		7,675.11	7,217.21
Total equity		7,675.11	7,217.21
Current liabilities			
Other current liabilities	5	129.50	285.06
Provisions	6	71.24	-
Total current liabilities		200.74	285.06
Total Liabilities		200.74	285.06
TOTAL EQUITY AND LIABILITIES		7,875.85	7,502.27

Summary of significant accounting policies

2

The accompanying notes are an integral part of the Standalone Financial Statements

As per our report of even date

For A Kaistha & Co.

Chartered Accountants

Firm Registration No.: 000983N

*For and on behalf of the Board of Directors of
Newgen Computers Technologies Limited*

Atul Kaistha
Atul Kaistha
Proprietor
Membership No.: 080146
UDIN: 23080146BGYZX1860



Place: New Delhi
Date: 20-04-2023

Divakar Nigam
Divakar Nigam
Director
DIN: 00263222

T.S. Varadarajan
T.S. Varadarajan
Director
DIN: 00263115

Place: New Delhi
Date: 20-04-2023

Place: New Delhi
Date: 20-04-2023

NEWGEN COMPUTERS TECHNOLOGIES LIMITED
Statement of Profit and Loss for the year ended 31st March 2023

(All amounts are in thousands of Indian Rupees, unless otherwise stated)

	Note	For the year ended 31 March 2023	For the year ended 31 March 2022
Income			
Revenue from operations		-	-
Other income	11	834.15	890.33
Total income		834.15	890.33
Expenses			
Depreciation and amortisation expense	12	74.19	74.19
Other expenses	13	134.59	888.57
Total expenses		208.78	962.76
Profit before tax		625.37	-72.43
Tax expense			
Current tax		167.47	174.86
Income tax expense		167.47	174.86
Profit for the year		457.90	-247.29
Profit attributable to:			
Owners of the company		457.90	-247.29
Profit for the year		457.90	-247.29
Total comprehensive income attributable to:			
Owners of the company		457.90	-247.29
Total comprehensive income for the year		457.90	-247.29
Earnings per equity share			
Nominal value of share INR 10 (31 March 2023: INR 10)			
Basic earning per share		2.18	(1.18)
Diluted earning per share		2.18	(1.18)

Summary of significant accounting policies 2

The accompanying notes are an integral part of the Financial Statements
As per our report of even date attached

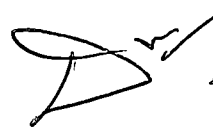
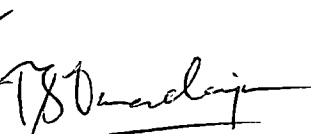
For A Kaistha & Co.
Chartered Accountants
Firm Registration No.: 000983N

Atul Kaistha
Proprietor
Membership No.: 080146
UDIN: 23080146BGYZX1860

Place: New Delhi
Date: 20-04-2023

*For and on behalf of the Board of Directors of
Newgen Computers Technologies Limited*

Diwakar Nigam
Director
DIN: 00263222

T.S. Varadarajan
Director
DIN: 00263115

Place: New Delhi
Date: 20-04-2023

Place: New Delhi
Date: 20-04-2023

NEWGEN COMPUTERS TECHNOLOGIES LIMITED

Cash flow statements for the year ended 31 March 2023

(All amounts are in thousands of Indian Rupees, unless otherwise stated)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Cash flow from operating activities		
Profit before tax from continuing operations	625.37	-72.43
Profit before tax	625.37	-72.43
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation/ amortization on continuing operation	74.19	74.19
Miscellaneous expenditure written off	0.00	774.39
Interest expense	5.09	23.44
Interest (income)	-42.15	-42.99
Operating profit before working capital changes	662.50	756.60
Movements in working capital :		
Increase/ (decrease) in other current liabilities	-155.56	130.96
Increase/ (decrease) in short term provisions	0.00	-98.66
Decrease / (increase) in loans and advances	0.00	-16.14
Cash generated from / (used in) operations	506.94	772.76
Direct taxes paid (net of refunds)	-54.21	-174.86
Net cash flow from/ (used in) operating activities (A)	452.73	597.90
Cash flows from investing activities		
Net cash flow from/ (used in) investing activities (B)	0.00	0.00
Cash flows from financing activities		
Interest paid	-5.09	-23.44
Net cash flow from/ (used in) in financing activities (C)	-5.09	-23.44
Net increase/(decrease) in cash and cash equivalents (A + B + C)	447.65	574.46
Cash and cash equivalents at the beginning of the year	3,923.13	3,348.67
Cash and cash equivalents at the end of the year	4,370.78	3,923.13
Components of cash and cash equivalents		
Cash on hand	0.00	0.00
Cheques/ drafts on hand	0.00	0.00
With banks- on current account	4,370.78	3,923.13
Total cash and cash equivalents	4,370.78	3,923.13
Significant accounting policies : Note No. 2		

The accompanying notes are an integral part of the Standalone Financial Statements
As per our report of even date

For A Kaistha & Co.
Chartered Accountants
Firm Registration No.: 000983N



Atul Kaistha
Proprietor
Membership No.: 080146
UDIN: 23080146BGYZX1860

Place: New Delhi
Date: 20-04-2023

For and on behalf of the Board of Directors of
Newgen Computers Technologies Limited

Diwakar Nigam
Director
DIN: 00263222

Place: New Delhi
Date: 20-04-2023

T.S. Varadarajan
Director
DIN: 00263115

Place: New Delhi
Date: 20-04-2023

NEWGEN COMPUTERS TECHNOLOGIES LIMITED
Notes to the Financial Statement as at 31st March, 2023

(All amounts are in thousands of Indian Rupees, unless otherwise stated)

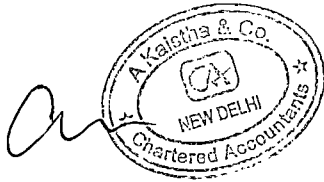
	As at March 31, 2023	As at March 31, 2022
3 Share Capital		
Authorized		
Equity Share Capital		
500000 (Previous year 500000) Equity Shares of Rs. 10 each	5,000.00	5,000.00
Issued		
Equity Share Capital		
210000 (Previous year 210000) Equity Shares of Rs. 10 each	2,100.00	2,100.00
Subscribed & fully paid share capital		
Equity Share Capital		
210000 (Previous year 210000) Equity Shares of Rs. 10 each	2,100.00	2,100.00
Total	<u>2,100.00</u>	<u>2,100.00</u>
Details of shares held by shareholders holding more than 5% of the aggregate Shares in the Company		
Equity Shares		
Newgen Software Technologies Limited	210000 (100%)	210000 (100%)
4 Retained earnings		
At the beginning of the year	5,117.21	5,364.51
Add: Profit for the year	<u>457.90</u>	<u>-247.29</u>
Total	<u>5,575.11</u>	<u>5,117.21</u>
5 Other current liabilities		
Expense Payable	29.50	29.50
Due from Related Party	100.00	255.56
Total	<u>129.50</u>	<u>285.06</u>



NEWGEN COMPUTERS TECHNOLOGIES LIMITED
Notes to the Financial Statement as at 31st March, 2023

(All amounts are in thousands of Indian Rupees, unless otherwise stated)

		As at March 31, 2023	As at March 31, 2022
6 Short-term provisions			
Others(Income Tax Provisions)		71.24	-
Total		<u>71.24</u>	<u>-</u>
8 Other Non Current Assets			
Long term deposits with banks with maturity period more than twelve months		806.45	768.01
Interest Accrued on Fixed Deposit		37.71	38.23
Total		<u>844.16</u>	<u>806.24</u>
9 Cash and cash equivalents			
Balances with banks			
<i>In Current Accounts</i>		4,370.78	3,923.13
Total		<u>4,370.78</u>	<u>3,923.13</u>
10 Other current assets			
Income Tax Assest		-	37.80
Total		<u>-</u>	<u>37.80</u>



Newgen Computers Technologies Limited

Notes to the financial statements for the year ended 31st March 2023

(All amounts are in thousands of Indian Rupees, unless otherwise stated)

7 Property, plant and equipment

Asset description	Gross block						
	As at 01 April 2021	Additions	Deletions/ adjustments	As at 31 March 2022	Additions	Deletions/ adjustments	As at 31 March 2023
Buildings	4,685.87	-	-	4,685.87	-	-	4,685.87
Total	4,685.87	-	-	4,685.87	-	-	4,685.87

Asset description	Accumulated Depreciation						
	As at 01 April 2021	For the year 2021	On deletions/ adjustments	As at 31 March 2022	Dep/Adjustments for the year*	On deletions/ adjustments#	As at 31 March 2023
Buildings	1,876.58	74.19	-	1,950.77	74.19	-	2,024.96
Total	1,876.57	74.19	-	1,950.77	74.19	-	2,024.96

Asset description	Net block		
	As at 31 March 2022		As at 31 March 2023
Buildings	2,735.10		2,660.91
Total	2,735.09		2,660.91

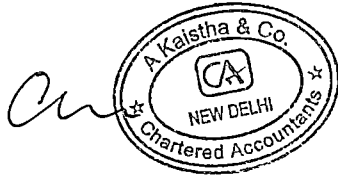


NEWGEN COMPUTERS TECHNOLOGIES LIMITED

Notes to the Financial Statement as at 31st March, 2023

(All amounts are in thousands of Indian Rupees, unless otherwise stated)

	For the year ended March 31, 2023	For the year ended March 31, 2022
11 Other Income		
Rent	792.00	792.00
Balance Written off- Creditors	-	55.34
Interest Income	42.15	42.99
Total	834.15	890.33
12 Depreciation and Amortisation expenses		
Depreciation on Tangible assets	74.19	74.19
	74.19	74.19
13 Other Expenses		
Interest	5.09	23.44
Custody Fee	-	5.90
Audit Fees	29.50	29.50
Rent Expense	100.00	-
Amount write off for TDS Refund	-	9.68
Amount write off for advance given	-	820.05
Total	134.59	888.57



Newgen Computers Technologies Limited
Notes to the financial statements for the period ended 31st March, 2023
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

14 Ratios as per Schedule III requirements

Ratio	Numerator	Denominator	Unit	31-Mar-23	31-Mar-22	% variance	Reason for variance
Current ratio	Current assets	Current liabilities	Times	21.77	13.90	56.69%	Due to increased in Cash and Bank Balances
Debt- Equity Ratio	Total Debt	Shareholder's Equity	Times	NA	NA	NA	NA
Debt Service Coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	Times	NA	NA	NA	NA
Return on Equity ratio	Net Profits after taxes – Preference Dividend	Shareholder's Equity	%	5.97%	-3.43%	-274.12%	Due to increased in PAT in current year, ratio increased
Inventory Turnover ratio	Cost of goods sold	Average Inventory	Times	NA	NA	NA	NA
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return (refer note 4 below)	Average Trade Receivable	Times	NA	NA	NA	NA
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	Times	NA	NA	NA	NA
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	Times	NA	NA	NA	NA
Net Profit ratio	Net Profit	Net sales = Total sales - sales return	%	NA	NA	NA	NA
Return on Capital Employed	Earnings before interest and taxes	Capital Employed	%	8.15%	-1.00%	-911.88%	In Last year, PBT was Negative due to written off of assets in books.
Return on Investment	Interest (Finance Income)	Average Investment	%	NA	NA	NA	NA



Newgen Computers Technologies Limited
Notes to the Financial Statement as at 31st March 2023

15 Related party transactions

a) List of related parties under common control

Nature of relationship	Name of Related party
Holding company	Newgen Software Technologies Limited
Fellow Subsidiary	Newgen Software Technologies Canada, Limited
Fellow Subsidiary	Newgen Software Technologies Pte. Limited.
Fellow Subsidiary	Newgen Software Inc.
Fellow Subsidiary	Newgen Software Technologies (UK) Limited
Fellow Subsidiary	Newgen Software Technologies PTY Limited
Fellow Subsidiary	Number Theory Software Private Limited
Fellow Subsidiary	Newgen Software Technologies LLC

b) Transactions with related parties during the year:

(Amounts are in thousands of indian rupees)

Nature of transaction	Name of related party	For the year ended 31st March 2023	For the year ended 31st March 2022
Rental Income	Newgen Software Technologies Limited	792.00	792.00
Rental Expense	Newgen Software Technologies Limited	100.00	-

c) Outstanding balances with related parties at end of the year:

(Amounts are in thousands of indian rupees)

Nature of transaction	Name of related party	For the year ended 31st March 2023	For the year ended 31st March 2022
Rental Expense	Newgen Software Technologies Limited	100.00	-

16 Additional information to the financial statements

a) Contingent liabilities NIL

b) There are no dues payable to Small Scale Industrial Undertaking. This information has been complied in respect of parties to the extent to which they could be identified as Small scale and Ancillary undertaking on the information available with the company.

c) In the opinion of the Board, all assets other than fixed assets and non-current investments do have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.

17a Disclosures under Indian Accounting Standards (Ind AS-33)

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Earnings per share		
<u>Basic</u>		
Net profit / (loss) for the year from continuing operations attributable to the equity shareholders	457.90	-247.29
Weighted average number of equity shares	2,10,000	2,10,000
Par value per share	10	10
Earnings per share from continuing operations - Basic	2.18	-1.18
<u>Diluted</u>		
The diluted earnings per share has been computed by dividing the		
Net profit / (loss) for the year attributable to the equity	457.90	-247.29
Weighted average number of equity shares - for diluted EPS	2,10,000	2,10,000
Par value per share	10	10
Earnings per share, from continuing operations, excluding	2.18	-1.18



17b As the Company has only rental income it does not consider depreciation as per Income Tax Act, 1961 when providing for Taxation, hence deferred tax is not being provided.

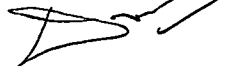
17c There is no change in contractual arrangements with holding company as such the company does not foresee any impact of Covid19 on its operations.

18 Other statutory informations

- 1 The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- 2 The Company do not have any transactions with companies struck off.
- 3 The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- 4 The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- 5 The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- 6 The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- 7 The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- 8 The Company has sanctioned working capital limits from banks on the basis of security of trade receivables and fixed deposits. The quarterly returns being filed by Company with banks are in line with the books of accounts.



Atul Kaistha
Proprietor
Membership No. 80146
UDIN: 23080146BGYZZX1860



Diwakar Nigam
Director
DIN: 00263222



T.S. Varadarajan
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