Spacenet
Enterprises India Ltd.

12TH ANNUAL REPORT 2021 - 2022

A Global Fintech Company Empowering Decentralized Finance

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SPACENET ENTERPRISES INDIA LIMITED

12TH ANNUAL GENERAL MEETING ON WEDNESDAY, 28TH SEPTEMBER, 2022 AT 02: 00 P.M. (IST) THROUGH VIDEO CONFERENCING MODE

CORPORATE INFORMATION

BOARD OF DIRECTORS
1.Mr. Dasigi Venkata Surya Prakash Rao
(Executive Director &CFO)

2.Mr. Satya Srikanth Karaturi
(Whole-time Director)

3.Mr.Suresh Tammineedi
(Executive Director)

4.Mr. Prathipati Parthasarathi
(Independent Director)

5.Mr. Chukka Siva Satya Srinivas
(Independent Director)

6.Mrs. Korpu Venkata Kali Kanaka Durga
(Woman Independent Director)

COMPANY SECRETARY
Mr. M.Chowda Reddy

STATUTORY AUDITORS
Jayesh Sanghrajka & Co LLP
Chartered Accountants
405 – 408, Hind Rajasthan Building,
Dadasaheb Phalke Road, Dadar (E),
Mumbai – 400 014.

SECRETARIAL AUDITORS
Balaramakrishna & Associates
Company Secretaries
#8-6-363/871/7,8&9/304,
Manikanta Castle,Road No.3, Mallikarjuna Colony,
Old Bowenpally,
Secunderabad - 500011, Telangana.

INTERNAL AUDITORS
M/s Navitha and Associate
Chartered Accountants
#16-2-740/75, Plot No: 26,
V.K. Dhage Nagar, Dilsukhnagar,
Hyderabad-500060,
Telangana, India.

REGISTERED OFFICE ADDRESS
Plot No.114, Survey No.66/2, Street No.03,
Raidurgam, Prasanth Hills, Gachibowli,
Nav Khalsa , Serilingampally , Ranga Reddy,
Hyderabad-500008,Telangana, India

REGISTRAR AND SHARE TRANSFER AGENT(RTA)
CIL Securities Limited
214, Raghava Ratna Towers, Chirag Ali Lane,
Hyderabad - 500 001.
Phone: +91 040-2320 3155

BANKERS
HDFC Bank, Axis Bank, Yes Bank
Bank of Baroda

BOARD COMMITTEES
Audit Committee
Nomination and Remuneration Committee
Stakeholders' Relationship Committee

CHAIRMAN OF THE BOARD COMMITTEES
Mr. Prathipati Parthasarathi
(Independent Director)

MEMBERS OF THE COMMITTEES
Mr. Chukka Siva Satya Srinivas
(Independent Director)
Mrs. Korpu Venkata Kali Kanaka Durga-
(Woman Independent Director)

SPACENET ENTERPRISES INDIA LIMITED

[CIN: L72200TG2010PLC068624]
Regd Office Address: Plot No.114, Survey No.66/2, Street No.03, Raidurgam, Prasanth Hills, Gachibowli, Nav Khalsa , Serilingampally , Ranga Reddy, Hyderabad-500008,Telangana, India,
Tel: +91-40-23540763/64, E-mail: cs@spacenetent.com: Website: http://spacenetent.com/

NOTICE OF THE 12TH ANNUAL GENERAL MEETING (AGM)

NOTICE is hereby given that the 12th Annual General Meeting (AGM) of the shareholders of Spacenet Enterprises India Limited ("The Company") will be held on Wednesday,28th September, 2022 at 02:00 PM (IST) through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") at the Registered office Address of the company situated at Plot No.114, Survey No.66/2, Street No.03, Raidurgam, Prasanth Hills, Gachibowli, Nav Khalsa, Serilingampally, Ranga Reddy, Hyderabad-500008,Telangana, India, to transact the following businesses:

ORDINARY BUSINESS:

1. TO RECEIVE, CONSIDER AND ADOPT THE AUDITED FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022, THE REPORT OF THE AUDITORS' THEREON AND THE REPORT OF THE BOARD OF DIRECTORS'

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** the audited standalone financial statements of the Company for the financial year ended March 31, 2022, together with the reports of the Board of Directors and of the Auditors thereon be and are hereby received, considered and adopted".

RESOLVED FURTHER THAT the audited consolidated financial statements of the Company for the financial year ended March 31, 2022, together with the reports of the Board of Directors and of the Auditors thereon be and are hereby received, considered and adopted".

2. TO APPOINT A DIRECTOR IN PLACE OF MR. SATYA SRIKANTH KARATURI (DIN: 07733024) DIRECTOR OF THE COMPANY, WHO RETIRES BY ROTATION AND BEING ELIGIBLE, OFFERS HIMSELF FOR RE-APPOINTMENT

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"**RESOLVED** that pursuant to Section 152 of the Companies Act 2013 and other applicable provisions, if any, Mr. Satya Srikanth Karaturi (Din: 07733024), Whole Time Director of the Company, who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company liable to retire by rotation."

SPECIAL BUSINESS:

3. TO RE-APPOINT MR. DASIGI VENKATA SURYA PRAKASH RAO (DIN: 03013165) AS AN EXECUTIVE DIRECTOR OF THE COMPANY

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"**RESOLVED THAT** pursuant to the provisions of Sections 152, 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter called "Act") and Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), the relevant provisions of the Articles of Association of the Company and all applicable guidelines issued by the Central Government from time to time, and as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors at their respective meetings held on 03rd September 2022 and subject to such other approvals, as may be necessary, approval of the Members be and is hereby accorded for the re-appointment of Mr. Dasigi Venkata Surya Prakash Rao (DIN: 03013165) as the Executive Director of the Company who shall be liable to retire by rotation, for a period of 3(Three) years w.e.f. 13th November 2022 and upon the following terms and conditions including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during his said tenure, with liberty to the Board of Directors , with further liberty to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee constituted / to be constituted by the Board) from time to time to alter the said terms and conditions of appointment and remuneration of Mr. Dasigi Venkata Surya Prakash Rao (DIN: 03013165) in the best interests of the Company and as may be permissible at law, viz.:

1. NATURE OF DUTIES:

The Executive Director shall, devote his whole time and attention to the business and operations of the Company and carry out such duties as may be entrusted to him the Board from time to time and separately communicated to him and exercise such powers as may be assigned to him with the best interests of the business of the Company.

2. TERM OF APPOINTMENT:

The term of Appointment of Mr. Dasigi venkata surya prakash rao (DIN: 03013165), as an Executive Director shall be for a period of 3 years with effect from 13th November, 2022 to 12th November,2025 Though he shall be liable to retire by rotation whilst he continues to hold office of Executive Director however, his re-appointment on retirement by rotation will not break his length of service as Executive Director.

3.REMUNERATION:

Sr.No.	Particulars	Remuneration per Anum in Rs.
1	Basic Salary	8,25,000
2	House Rent Allowance / Rent Free Accommodation	4,95,000
3	Other Allowances	3,30,000
	TOTAL	**16,50,000**

4. BENEFITS, PERQUISITES AND ALLOWANCES:

- Housing: Rent Free Accommodation or House Rent Allowance
- Medical Reimbursement for self and family as per the rules of the Company.

- Leave Travel Assistance as per the rules of the Company.
- Other perquisites as per the service rules of the Company.
- Contribution to Provident Fund, Superannuation Fund, Annuity Fund or Gratuity as per the rules Of the Company.
- Encashment of leave as per the rules of the Company.

The said perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of the Income-Tax Act, 1961 or any rules made thereunder or any statutory modification(s) or re-enactment thereof.

5. INCREMENT:
Board / Nomination and Remuneration Committee can determine the remuneration on an annual basis subject to increment not exceeding 10% p.a. of basic salary, allowances and perquisites.

6. COMMISSION/BONUS:
He shall be paid commission/ bonus as permissible under the Companies Act 2013 and as determined by the Board / Nomination and Remuneration Committee from time to time.

7. Subject as aforesaid, the Executive Director shall be governed by such other Rules as are applicable to the Senior Executives of the Company from time to time.

8. The Company has in place the Spacenet Employees Stock Option Scheme-2021 (ESOP) and as per the ESOP Scheme, Mr. Dasigi venkata surya prakash Rao will be eligible for grant of ESOPs, as may be considered by the Board/Nomination and Remuneration Committee from time to time.

9. Mr. Dasigi venkata surya prakash Rao has been granted 900000 stock options under the Spacenet Employee Stock Option Scheme-2021"

10. MINIMUM REMUNERATION:
Notwithstanding anything to the contrary herein contained, wherein any financial year during the currency of the tenure of the Executive Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of Basic Salary, benefits, perquisites and allowances, incentive remuneration and retirement benefits as specified above.
The aggregate of the remuneration and perquisites as aforesaid in any financial year shall not exceed the limit from time to time under Section 197, Section 198 and other applicable provisions of the Act and Rules made thereunder, read with Schedule V of the said Act or any statutory modification(s) or re-enactment thereof for the time being in force, or otherwise as may be permissible at law.

11. The Nomination and Remuneration Committee will review and recommend the remuneration payable to the Executive Director during the tenure of his appointment.

12. Mr. Dasigi venkata surya prakash Rao shall liable to retire by rotation.

RESOLVED FURTHER THAT Any Director and/or Company secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite E-forms with Ministry of Corporate Affairs or submission of documents with any other Regulatory authority including Stock Exchanges for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto and to settle all questions, difficulties or doubts that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.."

4. **TO CONSIDER THE CONTINUATION OF DIRECTORSHIP OF MR. PRATHIPATI PARTHA SARATHI WHO WILL ATTAIN THE AGE OF SEVENTY-FIVE (75) IN THIS FINANCIAL YEAR**

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"**RESOLVED THAT** pursuant to Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, other applicable provisions, if any, of the Companies Act, 2013 and the applicable Rules made thereunder, including any amendment(s), statutory modification(s) and/or re-enactment thereof for the time being in force, approval of the Members of the Company be and is hereby granted to Mr. Prathipati Parthasarathi (DIN 00004936), who will be attaining the age of seventy five (75) years, w.e.f. 27-10-2022 to continue to be a Non-Executive Independent Director of the Company up to 30th April, 2026 being the date of expiry of his current term of office of Director.

RESOLVED FURTHER THAT Any Director and/or Company secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite E-forms with Ministry of Corporate Affairs or submission of documents with any other Regulatory authority including Stock Exchanges for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto and to settle all questions, difficulties or doubts that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.."

5. **PAYMENT OF COMMISSION TO NON-EXECUTIVE INDEPENDENT DIRECTORS OF THE COMPANY:**

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"**RESOLVED THAT** in accordance with the provisions of Sections 149, 197, 198, Schedule V and other applicable provisions, if any, of the Companies Act, 2013, ("the Act") and the rules framed hereunder, including any statutory modification(s) or re-enactment(s) thereof for the time being in force & pursuant to Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and based on the recommendation of Nomination and Remuneration Committee and the Board of Directors, consent of the members of the Company be and is hereby accorded for the payment of commission to the Non-Executive Independent Directors of the Company for the financial year 2022-23 and subsequent years, in such amounts or proportions as the Board of Directors may from time to time deem fit, which shall not exceed 1% of the net profits of the Company as computed in the manner laid down in Section 198 of the Act.

RESOLVED FURTHER THAT such commission would be in addition to the sitting fees and reimbursement of expenses towards attending the meetings of the Board of Directors and Committees thereof.

RESOLVED FURTHER THAT Any Director and/or Company secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite E-forms with Ministry of Corporate Affairs or submission of documents with any other Regulatory authority including Stock Exchanges for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto and to settle all questions, difficulties or doubts that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution..”

6. **INCREASE IN AUTHORIZED SHARE CAPITAL OF THE COMPANY FROM Rs. 55 CRORES TO RS.125 CRORES**

To consider and, if thought fit, to pass with or without modification(s) the following resolution as a special resolution

"**RESOLVED THAT** pursuant to the provisions of Section 13 sub-section (1), read with Section 61 and 64 and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder including any amendment(s), statutory modification(s) and/or re-enactment thereof for the time being in force the approval of the Members be and is hereby accorded to increase in authorized Share Capital of the Company from Rs. 55,00,00,000/- (Rupees Fifty five Crores only) divided into 55,00,00,000 (Fifty Five Crores only) Equity Shares of Rs. 1/- (Rupee one Only) each TO Rs. 125,00,00,000/- (Rupees One Hundred and Twenty Five Crore Only) divided into 125,00,00,000 (One Hundred and Twenty Five Crore Only) Equity shares of Rs. 1/- (Rupees one only) each, by addition of Rs. 70,00,00,000/-(Rupees Seventy Crore only) divided into 70,00,00,000 (Seventy Crore only) Equity shares of Rs.1/- (Rupee one Only) each.

"**RESOLVED FURTHER THAT** pursuant to Section 64 and all other applicable provisions, if any, of the Companies Act, 2013 the existing Clause V of the Memorandum of Association of the Company relating to share capital be and is hereby altered by deleting the same and substituting in its Place the following, as new Clause V.”

V. "*The Authorized Share Capital of the Company is Rs. 125,00,00,000/- (Rupees One Hundred and Twenty-Five Crore Only) divided into 125,00,00,000 (One Hundred and Twenty Five Crore Only) Equity shares of Rs. 1/- (Rupee one only) each, with power of the company to consolidate, convert, divide, subdivide, increase, modify and reduce the capital of the company for the time being into several classes and issue any new shares with any preferential, deferred, or special rights, privileges or conditions attached thereto under the provisions of the companies Act, 2013 or any other Applicable Act(s), Rule(s) and Regulation(s) etc.”*

RESOLVED FURTHER THAT Any Director and/or Company secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite E-forms with Ministry of Corporate Affairs or submission of documents with any other Regulatory authority including Stock Exchanges for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto and to settle all questions, difficulties or doubts that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution..”

7. RATIFICATION OF “SPACENET EMPLOYEE STOCK OPTION SCHEME- 2021:

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“**RESOLVED THAT** in furtherance of and supplement to the special resolutions passed by the members of the Company at the 11th Annual General Meeting held on 24th September,2021, pursuant to provisions of Section 62(1)(b) and other applicable provisions of the Companies Act, 2013 (“the Act”), read with applicable rules, circulars, notifications issued thereunder including any statutory modification(s) or re-enactment(s) thereof for time being in force, provisions contained in the Articles of Association (“AOA”) of the Company, the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“SEBI SBEB Regulations”), as amended from time to time and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any Board Committee, including the Nomination & Remuneration Committee, which the Board has constituted to exercise its powers, including the powers, conferred by this resolution based on the recommendation of the Nomination & Remuneration Committee and the Board, “Spacenet Employee Stock Option Scheme- 2021” as approved by the shareholders of the Company at the 11th Annual General Meeting held on 24th September,2021, the consent of the members of the Company be and is hereby accorded to Ratify the alignment of the “Spacenet Employee Stock Option Scheme- 2021” with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

RESOLVED FURTHER THAT the Board of the Company be and is hereby authorized to issue and allot equity shares upon exercise of options from time to time in accordance with the “Spacenet Employee Stock Option Scheme- 2021” and pursuant to compliance of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and the shares so issued shall rank pari passu in all respects with the then existing equity shares of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to make any modifications or revisions to ““Spacenet Employee Stock Option Scheme- 2021” **“**as it may deem fit, from time to time, provided that the same is in conformity with the Companies Act 2013 and Rules made thereunder as amended, Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended, the Articles of Association of the Company and any other applicable laws, rules and regulations thereunder.

RESOLVED FURTHER THAT Any Director and/or Company secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite E-forms with Ministry of Corporate Affairs or submission of documents with any other Regulatory authority including Stock Exchanges for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto and to settle all questions, difficulties or doubts that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.."

8. APPROVAL FOR RAISING OF FUNDS THROUGH PRIVATE PLACEMENT OF EQUITY SHARES BY WAY OF QUALIFIED INSTITUTIONAL PLACEMENT (QIP):

To consider and, if thought fit, to pass with or without modification(s) the following resolution as a special resolution

"**RESOLVED THAT** in accordance with the provisions of Sections 23, 42, 62 and other applicable provisions, if any of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof for the time being in force) and rules made thereunder , as amended from time to time, Foreign Exchange Management Act, 1999, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended ('SEBI Regulations'), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations") read with the Listing Agreement entered into by the Company with the stock exchanges where the shares of the Company are listed ("Listing Agreement"), the Foreign Exchange Management (Transfer or Issue of Securities by a Person Resident Outside India) Regulations, 2000, as amended from time to time and in accordance with applicable rules, regulations, guidelines, circulars and clarifications issued by Government of India ("GOI"), Reserve Bank of India ("RBI"), Securities and Exchange Board of India ("SEBI"), enabling provisions in the Memorandum and Articles of Association of the Company and also provisions of any other applicable laws, rules and regulations (including any amendments thereto or re-enactments thereof for the time being in force) and subject to such approvals, consents, permissions and sanctions of the Securities and Exchange Board of India (SEBI), Government of India (GOI), Reserve Bank of India (RBI) and all other appropriate and/or concerned authorities, or bodies (Collectively "appropriate authorities") and subject to such conditions and modifications, as may be prescribed by any of them in granting such approvals, consents, permissions and sanctions ("requisite approvals") which may be agreed to by the Board of Directors of the Company ('Board' which term shall be deemed to include any Committee which the Board may have constituted or hereafter constitute for the time being for exercising the powers conferred on the Board by this resolution), the consent of the members be and is hereby accorded to the Board to create, offer, issue and allot fully paid up equity shares of the Company of Face Value Re. 1 (one Rupee Only) each, to Qualified Institutional Buyers ('QIB') whether members of the Company or not and whether resident or non-resident, on a private placement basis through a Qualified Institutional Placement ('QIP'), through a placement document, at such time and in one or more tranches, at such price or prices as may be determined in accordance with the provisions of Chapter VI of the SEBI Regulations and on such terms and conditions and in such manner as the Board may in its absolute discretion determine in consultation with the Lead Managers, Underwriters, Merchant Bankers, Guarantors, Financial and/or Legal Advisors, Rating Agencies/Advisors, Registrars, and all other Agencies/Advisors, provided that the total amount raised through issuance of such Securities shall not exceed INR 300 Crore (Rupees Three Hundred Crore Only).

RESOLVED FURTHER THAT in terms of Chapter VI of SEBI Regulations, the allotment of equity shares as may be decided by the Board shall be completed within 365 days from the date of this resolution or such other time as may be allowed under the SEBI Regulations from time to time, at such price being not less than the price determined in accordance with the provisions of SEBI Regulations and such equity shares issued through the QIP shall not be eligible to be sold for a period of one year from the date of allotment, except on a recognized stock exchange, or except as may be permitted from time to time under the SEBI Regulations.

RESOLVED FURTHER THAT the relevant date for determination of the floor price of the Equity Shares to be issued shall be the date of meeting in which the Board or a committee thereof decides to open the proposed issue.

RESOLVED FURTHER THAT the pricing for the issue shall be determined in compliance with principles and provisions set out in Part IV – Regulation 176 of Chapter VI of SEBI Regulations ("QIP Floor Price") and the board may, however, subject to the approval of the shareholders of the Company, offer a discount of not more than 5% (Five Percent) on the QIP Floor Price or such other discount as may be permitted under the said SEBI Regulations.

RESOLVED FURTHER THAT in accordance with Regulation 179 of SEBI Regulations, a minimum of 10% of the equity shall be allotted to mutual funds and if mutual funds do not subscribe to the said minimum percentage or part thereof, such minimum percentage or part thereof may be allotted to other QIB's and no allotment shall be made directly or indirectly to any QIB who is a promoter or any person related to the promoter of the company

RESOLVED FURTHER THAT the Equity Shares so issued shall rank pari passu including dividend entitlement with the existing Equity Shares of the Company in all respects.

RESOLVED FURTHER THAT the Equity Shares to be issued shall be listed with the stock exchanges, where the existing equity shares of the Company are listed.

RESOLVED FURTHER THAT for the purpose of giving effect to the issue, allotment, listing and trading of equity shares as above, the Board be and is hereby authorized on behalf of the company to determine the form, terms and timing of the issue(s), including the class of investors to whom the Securities are to be allotted, number of Securities to be allotted in each tranche, issue price, face value, premium amount if any in issue as the Board may in its absolute discretion deems fit and to make and accept any modifications in the proposals as may be required by the authorities involved in such issue(s) and to do all acts, deeds, matters and things and to settle any questions or difficulties that may arise in regard to the issue(s).

RESOLVED FURTHER THAT the Equity Shares to be offered and allotted shall be in a dematerialized form only.

RESOLVED FURTHER THAT for the purpose of giving effect to any offer, issue or allotment of Securities, the Board, be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose, including without limitation, the determination of the terms thereof, for entering into arrangements for managing, underwriting, marketing, listing and trading, to issue placement documents and to sign all deeds, documents and writings and to pay any fees, commission, remuneration, expenses relating thereto and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to such offer(s) or issue(s) or allotment(s) as it may, in its absolute discretion, deem fit.

RESOLVED FURTHER THAT the Board be and is hereby authorized to appoint Lead Manager(s)/Merchant Bankers/Consultants/Legal Advisors in offering of Securities and to remunerate them by way of commission, brokerage, fees or the like and also to enter into and execute all such arrangements, agreements, memoranda, documents, etc. with Lead Manager(s) and to seek the listing of such securities.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers in such manner as it may deem fit."

RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary of the Company and/or any person authorized by the Board be and are hereby jointly and severally authorized to do all such acts, deeds, matters and things, including to settle any question, difficulty or doubt that may arise and to finalize and execute all documents/Agreements/Applications and writings as may be necessary and make such filings/ applications with the regulatory authorities including the Ministry of corporate Affairs and Stock Exchanges in order to give effect to the above Resolutions."

9. TO APPROVE THE RELATED PARTY TRANSACTIONS

To consider and, if thought fit, to pass with or without modification(s) the following resolution as an ordinary resolution

"**RESOLVED THAT** pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013 (the "Act") read with Rules made thereunder, including the Companies (Meetings of Board and its Powers) Rules, 2014 and any statutory modification(s) or re-enactments thereof for the time being in force and pursuant to provisions of Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and such other approvals, permissions and sanctions as may be required, consent of the Members be and is hereby accorded to the Board of Directors of the Company (the "Board") for the related party transaction(s) and terms as mentioned in the explanatory statement for the financial year 2022-23 with "Thalassa Enterprises India Private Limited", and "Barret Commodity Traders Private Limited" related parties within the meaning of the act, and SEBI Listing Regulations.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, expedient or desirable including any negotiation /renegotiation/ modification/ ratification/ amendments to or termination thereof, of the subsisting arrangements/ transactions/ contracts or any future arrangements/ transactions/ contracts and to make or receive/pay monies or to perform all other obligations in terms of such arrangements/transaction/ contracts, and to execute all such deeds, documents, agreements, letters, instruments and writings as it may in its sole and absolute discretion deem necessary or expedient .

RESOLVED FURTHER THAT Any Director and/or Company secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite E-forms with Ministry of Corporate Affairs or submission of documents with any other Regulatory authority including Stock Exchanges for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto and to settle all questions, difficulties or doubts that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution..”

By order of the Board of Directors
For Spacenet Enterprises India Limited

Sd/-
M.Chowda Reddy
Company Secretary
Membership No.A48009

Date : 03rd September 2022
Place: Hyderabad

NOTES FOR MEMBERS:

In accordance with the provisions of the Act, read with the Rules made thereunder and General Circular nos. 14/2020 dated 8th April, 2020, 17/2020 dated 13th April, 2020, 20/2020 dated 5th May, 2020, 02/2021 dated 13th January, 2021, 21/2021 dated 14th December, 2021 and 2/2022 dated 5th May, 2022, issued by the Ministry of Corporate Affairs ("MCA") read with Circular no. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13th May, 2022 and other relevant circulars issued by the Securities and Exchange Board of India ("SEBI"), from time to time (hereinafter collectively referred to as "the Circulars"), companies are allowed to hold AGM through Video Conference ("VC") or Other Audio Visual Means ("OAVM") up-to 31st December, 2022, without physical presence of members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being convened through VC/OAVM and the venue of the AGM shall be deemed to be the registered office of the Company.

a. 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 proposed to be held pursuant to the said 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 the attendance slip are not attached to this Notice.

b. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act"), in respect of items of special business is annexed hereto.

c. As per Regulation 40 of the Listing Regulations, as amended from time to time, securities of listed companies can be transferred only in dematerialized form with effect from 1st April, 2019. Even the transmission or transposition of securities held in physical or dematerialised form shall be effected only in dematerialised form with effect from 24th January, 2022. In view of this and to eliminate all the risks associated with physical shares and for the ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. M/s. CIL Securities Ltd, 214, Raghava Ratna Towers, Chirag Ali Lane, Abids, Hyderabad-500 001. Telangana, India are the Registrar & Share Transfer Agents (RTA) of the Company. All communications in respect of share transfers, dematerialization and change in the address of the members may be communicated to the RTA by sending e mail to rta@cilsecurities.com

d. Members holding shares in the same name under different ledger folios are requested to apply for consolidation of such folios and are requested to send the relevant share certificates to the RTA/Company.

e. Corporate members intending to allow their authorised representatives to attend the meeting are requested to send to the Company, a certified copy of the Board resolution authorising their representative to attend and vote on their behalf at the meeting.

f. Members who hold shares in physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in a single name are advised, in their own interest to avail the nomination facility. Members holding shares in dematerialized form may contact their respective depository participant(s) for recording nomination in respect of their shares.

g. Members seeking any information or clarification on the accounts are requested to send their queries to the Company, in writing, at least one week before the date of the meeting. Replies will be provided in respect of such written queries at the meeting.

h. Pursuant to the directions/notifications of Securities and Exchange Board of India (SEBI) and Depositories, the demat account holders can operate their accounts if they had already provided Income Tax Permanent Account Number (PAN) either at the time of opening of the account or at any time subsequently. In case they have not furnished the PAN to the Depository Participants, such demat account holders are requested to contact their DPs with a photocopy of the PAN Card (with original PAN Card for verification), so that the frozen demat accounts would be available for operation and further consequences of non-compliance with the aforesaid directives would be obviated. SEBI, vide Circular ref.no. MRD/DOP/CIR-05/2009 dated May 20, 2009 made it mandatory to have PAN particulars for registration of physical share transfer requests. Based on the directive contained in the said circular, all share transfer requests are therefore to be accompanied with PAN details. Members holding shares in physical form can submit their PAN details to the Company / RTA.

i. Members may also note that the notice of the 12th Annual General Meeting is available on the Company's website: https://www.spacenetent.com/ All documents referred to in the accompanying notice and the statement pursuant to Section 102(1) of the Companies Act, 2013 shall be open for inspection by the Members by writing an e-mail to the Company at cs@spacenetent.com

j. In compliance with the aforesaid MCA Circulars and SEBI Circular dated 13th May, 2022, Notice of the AGM along with Annual Report 2021-22 is being sent only through electronic mode to those members whose e-mail addresses are registered with the Company / Depository Participants. Members may note that the Notice and the Annual Report 2021-22 will also be available on the Company's website at http://spacenetent.com/ on the website of the Stock Exchange National Stock Exchange of India Limited at www.nseindia.com respectively, and on the website of CDSL www.evotingindia.com.

k. To support 'Green Initiative', members who have not registered their email addresses are requested to register the same with the Company's Registrar and Share Transfer Agent/ their Depository Participants in respect of shares held in physical/electronic mode, respectively.

l. Since the AGM will be held through VC/OAVM, the Route Map is not annexed to the Notice.

m. Additional information pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to Secretarial Standards on general meetings, information in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting is furnished in the annexure and forms part of the notice. The Directors have furnished the requisite consent / declaration for their appointment / re-appointment.

n. Retirement of Directors by rotation: Mr. D.V. Prakash Rao, Executive Director of the Company, retire by rotation at the ensuing Annual General Meeting and, being eligible, offer himself for re-appointment.

CDSL E-VOTING SYSTEM – FOR E-VOTING AND JOINING AGM THROUGH VIDEO CONFERENCING (VC) OR OTHER AUDIO VISUAL MEANS (OAVM).

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming 12th AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM only.

2. 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 MCA Circulars 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 12th AGM, For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the 12th AGM will be provided by CDSL.

3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this 12th AGM, hence the proxy form and attendance slip including Route Map are not annexed to this notice, However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the 12th AGM has been uploaded on the website of the Company at http://spacenetent.com/ The Notice can also be accessed from the websites of the Stock Exchanges i.e. National Stock Exchange of India Limited at www.nseindia.com. And The 12th AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM i.e. www.evotingindia.com.

THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

1. **Book closure date:** The Register of Members and Share Transfer Books of the Company will remain closed from Thursday,22nd September,2022 to Wednesday,28th September, 2022 (both days inclusive)
2. **Cut-off date:** Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date i.e Wednesday,21st September, 2022, shall be entitled to avail the facility of remote e-voting as well as e-voting during AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only, A person who has acquired the shares and has become a member of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or e-voting during AGM by following the procedure mentioned in this part.

3. **E- Voting period:** The E- voting period begins on Friday 23rd September, 2022 at 09:00 AM(IST) and ends on Tuesday 27th September, 2022 at 05:00 PM (IST) During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Wednesday,21st September, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

4. In addition, the facility for e-voting through electronic voting system will be available during the AGM. Members attending the AGM who have not cast their vote by remote e-voting shall be eligible to cast their vote through e voting during the AGM. Members who have voted through remote e-voting shall be eligible to attend the AGM, however, they shall not be eligible to vote at the meeting. Members holding shares in physical form are requested to access the remote e-voting facility provided by the Company through CDSL.

5. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

6. Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020,** under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

8. In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the Demat account holders**, **by way of a single login credential, through their Demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

9. In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in Demat mode are allowed to vote through their Demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their Demat accounts in order to access e-Voting facility.

10. Pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method

Individual Shareholders Holding Securities In Demat Mode With **CDSL**	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders Holding Securities In Demat Mode With **NSDL**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

	3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (Holding Securities In Demat Mode) Login Through Their **Depository Participants**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in Demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	**Helpdesk details**
Individual Shareholders holding securities in Demat mode with **CDSL**	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.comor contact at toll free no 1800 22 55 33
Individual Shareholders holding securities in Demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

LOGIN METHOD FOR E-VOTING AND JOINING VIRTUAL MEETINGS FOR PHYSICAL SHAREHOLDERS AND SHAREHOLDERS OTHER THAN INDIVIDUAL HOLDING IN DEMAT FORM.

I. The shareholders should log on to the e-voting website www.evotingindia.com.

II. Click on "Shareholders" module.

III. Now enter your User ID

   a. For CDSL: 16 digits beneficiary ID,

   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

   c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

IV. Next enter the Image Verification as displayed and Click on Login.
V. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
VI. If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both Demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details **OR** Date of Birth	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your Demat account or in the company records in order to login. • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

VII. After entering these details appropriately, click on "SUBMIT" tab.

VIII. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in Demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the Demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

IX. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

X. Click on the EVSN (for the relevant) **"Spacenet Enterprises India Limited"** on which you choose to vote.

XI. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

XII. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

XIII. After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

XIV. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

XV. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

XVI. If a Demat account holder has forgotten the login password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

XVII. **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address cs@spacenetent.com , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

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

II. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.

III. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.

IV. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.

V. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

VI. 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.

VII. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker shareholder by sending their request in advance at least 10 days prior to AGM mentioning their name, Demat account number/folio number, email id, mobile number at cs@spacenetent.com The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 10 days prior to AGM mentioning their name, demat account number/folio number, email id, mobile number at cs@spacenetent.com These queries will be replied to by the company suitably by email.

VIII. Those shareholders who have registered themselves as a speaker shareholder will only be allowed to express their views/ask questions during the meeting.

IX. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

X. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the AGM.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

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 email id cs@spacenetent.com or rta@cilsecurities.com

ii. **For Demat shareholders**:- Please update your email id & mobile no. with your respective Depository Participant (DP)

iii. **For Individual Demat shareholders**:- Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

GENERAL INSTRUCTIONS:

The voting rights of the members shall be in proportion to their share in the paid up equity share capital of the Company as on the Cut-off date i.e. Wednesday,21st September, 2022

The Company has appointed Shri.Desina Balarama Krishna (Cop. No. 22414), Practicing Company Secretary, as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

The Scrutinizer, after scrutinizing the votes cast at the meeting through poll and through remote e-voting will, not later than 48 hours from the conclusion of the AGM, make a consolidated scrutinizer's report and submit the same to the Chairman.

The Voting results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company http://spacenetent.com/ and on the website of www.cdslindia.com and the same voting results shall simultaneously be communicated to the Stock Exchanges within 48 hours from conclusion of AGM.

The voting result will be announced by the Chairman or any other person authorized by him within two days of the AGM.

GENERAL INFORMATION TO THE MEMBERS AT A GLANCE:

Particulars	**Details**
Date of AGM	Wednesday,28th September, 2022
Time of AGM	02:00 PM (IST)
Mode of conducting AGM	Video Conferencing (VC) and Other Audio-Visual Means (OAVM)
Book closure date	Thursday,22nd September,2022 to Wednesday,28th September, 2022 (both days inclusive)
Cut-off date for e-voting	Wednesday,21st September, 2022
E-voting start time and date	Friday 23rd September, 2022 at 09:00 AM(IST)
E-voting end time and date	Tuesday 27th September, 2022 at 05:00 PM (IST)
Address of the Registered office & contact details of the company	Plot No.114, Survey No.66/2, Street No.03, Raidurgam, Prasanth Hills, Gachibowli, Nav Khalsa , Serilingampally , Ranga Reddy, Hyderabad-500008,Telangana, India. Tel: 04029345781 E-mail: cs@spacenetent.com Website: http://spacenetent.com/
Name, address and contact details of Registrar and Share Transfer Agent (RTA)	CIL Securities Limited 214, Raghava Ratna Towers, Chirag Ali Lane, Hyderabad - 500 001. Phone: +91 040-69011111 E-mail: rta@cilsecurities.com

ANNEXURE TO NOTICE

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 and / or Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

ITEM NO.3:

TO RE-APPOINT MR. DASIGI VENKATA SURYA PRAKASH RAO (DIN: 03013165) AS AN EXECUTIVE DIRECTOR OF THE COMPANY

Mr. Dasigi Venkata Surya Prakash Rao was appointed as Executive Director of the Company at the Annual General Meeting of the Members of the Company held on September 30, 2020, for a period of 3 years ending on 13th November,2022, Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company, at their meeting held on 03rd September, 2022 had approved the re-appointment of Mr. Dasigi Venkata Surya Prakash Rao as Executive Director of the Company for a further period of 03(Three) years commencing from 13th November,2022 on the terms and conditions and remuneration as set out in resolution no. 03 of the accompanying notice.

The other details of Mr. Mr. Dasigi Venkata Surya Prakash Rao for seeking re-appointment as required by Regulation 36(3) of the Listing Regulation and Secretarial Standard-2 are provided in this Notice.

Mr. Dasigi venkata surya prakash Rao has been granted 900000 stock options under the Spacenet Employee Stock Option Scheme-2021"

Mr. Dasigi Venkata Surya Prakash Rao has given: (i) the consent in writing to act as Director (ii) intimation that he is not disqualified under section 164(2) of the Companies Act, 2013 and (iii) a declaration to the effect that he is not debarred from holding the office of Director pursuant to any Order issued by the Securities and Exchange Board of India (SEBI).

In compliance with Section 190 of the Act, terms of service and remuneration of the above-mentioned Director would be available for inspection of the Members in electronic form at the Registered office of the Company on any working day excluding Saturdays, Sundays and Public Holidays during business hours on any working day.

After taking into consideration, the recommendation of the Nomination and Remuneration Committee, the Board is of the opinion that the re-appointment of Mr. Dasigi Venkata Surya Prakash Rao as an Executive Director will be beneficial to the Company and has recommended the Resolution at Item No. 03 of this Notice relating to the Re-appointment of Mr. Dasigi Venkata Surya Prakash Rao as an "Executive Director", liable to retire by rotation for a period of 03 years commencing from 13th November,2022, for approval of shareholders of the Company.

In case of loss or inadequacy of profits, as per Section 197, 198 of the Companies Act,2013 a company may pay remuneration within the limits prescribed under Schedule V of the Act based on its effective capital, subject to shareholders' approval vide Special Resolution which would be valid for a period of 3 years .

By complying the above The Executive Directors' remuneration would be within the said limits in case of no/inadequacy of profits during their said tenure**.**

THE STATEMENT CONTAINING ADDITIONAL INFORMATION AS REQUIRED UNDER SCHEDULE V OF THE THE COMPANIES ACT, 2013 :

I. GENERAL INFORMATION

(1) Nature of industry:

The company is engaged in the business of development of Software tools and platforms providing fast, flexible and reliable commodities trading tools and to invest, acquire and to deal in gold, and other commodities of all kinds, agricultural or otherwise, finished or unfinished goods and to take delivery and hold them as permitted under Securities Contracts Regulation Act (SCRA) 1956 and the rules made there under and also engaged in the business of Trade finance and Fin-tech and Trade Tech .

(2) Date or expected date of commencement of commercial production:

The Company was incorporated on 28/05/2010 and The Company commenced its business operations after *the date of its incorporation.*

(3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not Applicable

(4) Financial performance based on given indicators

Particulars	Standalone Financial Results	
	2021-2022	2020-2021
Revenue from operations	4054.05	997.14
Profit / (Loss) before tax	88.22	(78.57)
Profit / (Loss) after tax	76.13	(77.26)
Particulars	Consolidated Financial Results	
	2021-2022	2020-2021
Revenue from operations	4377.95	NA
Profit / (Loss) before tax	83.36	
Profit / (Loss) after tax	70.60	

(5) Foreign investments or collaborations, if any.

The Company has not entered into any material foreign collaboration and no direct capital investment has been made in the Company

II. INFORMATION ABOUT THE APPOINTEE:

(1) Background details
Mr. Dasigi Venkata Surya Prakash Rao (DIN: 03013165), is An Executive Director and Chief Financial Officer of our Company. He holds a Master's Degree in Agriculture and also done his Post Graduate Diploma in Business Administration and He is a dynamic professional with over 22 years of rich experience in Sales, Marketing and Business Development and Business Administration in Argo Chemicals, Seeds, Tissue Culture and Bio-fertilizers.

(2) Past remuneration
He is drawing Annual Remuneration of Rs. 7, 39,200/- (Rupess Seven Lakh Thirty Nine Thousand and Two Hundred only) during the Financial Year 2021-22.

(3) Recognition or Awards
He was a gold medalist in Master's Degree in Agriculture

(4) Job profile and his suitability

He is a dynamic professional with over 22 years of rich experience in Sales, Marketing and Business Development in Argo Chemicals, Seeds, Tissue Culture and Bio-fertilizers & Trading, Strategic Management,

(5) Remuneration proposed

Sr.No.	Particulars	Remuneration per Anum in Rs.
1	Basic Salary	8,25,000
2	House Rent Allowance / Rent Free Accommodation	4,95,000
3	Other Allowances	3,30,000
	TOTAL	**16,50,000**

6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)

Remuneration paid/payable to Mr D.V.Prakash Rao, is commensurate with industry standards and Board level positions held in similar sized domestic companies, taking into consideration the responsibilities shouldered by him.

(7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other director, if any.

Besides the remuneration payable to Mr D.V.Prakash Rao, there is no other pecuniary relationship with the Company or with the managerial personnel of the Company.

III. OTHER INFORMATION:

(1) Reasons of loss or inadequate profits
As the company is under growing process incurred losses till the last financial year and started the generation of profits for the financial year ended on 31-03-2022 onwards and expecting the same growth and profits in the future also, however it may be likely that the Company may have a scenario wherein there are inadequacy of profits under the said provisions of the Act in any of the financial years during the period from the date of his re-appointment.

As a matter of abundant caution Members' approval is being sought for payment of minimum remuneration as defined in the said Resolution.

(2) Steps taken or proposed to be taken for improvement
The Company has taken various initiatives, to maintain its leadership, improve market share and financial performance. It has been aggressively pursuing and implementing its strategies to improve volumes and reduce costs.

(3) Expected increase in productivity and profits in measurable terms
With the various initiatives taken to improve performance, the Company is confident that with effective implementation of its turnaround strategy there would be substantial increase in productivity and profitability to turnaround the Company within the next 1 to 2 years.

Mr. Dasigi Venkata Surya Prakash Rao is interested in the resolution set out at Item No. 03 of the Notice. The relatives of Mr. Dasigi Venkata Surya Prakash Rao may be deemed to be interested in the resolution set out at Item No. 03 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the Directors/ Key Managerial Personnel of the Company/ their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 03 of the Notice.

The Board recommends the Special Resolution set out at item no. 3 of the Notice for approval by the members.

ITEM NO.4

TO CONSIDER THE CONTINUATION OF DIRECTORSHIP OF MR. PRATHIPATI PARTHA SARATHI WHO WILL ATTAIN THE AGE OF SEVENTY-FIVE (75) IN THIS FINANCIAL YEAR:

Based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on 30th April,2021 had appointed Mr. Prathipati Parthasarathi (DIN 00004936), as an Additional Director – Independent, pursuant to Section 161 of the Companies Act, 2013. As per the provisions of said section, Mr. Prathipati Parthasarathi (DIN 00004936), holds office as Additional Director up to the date of the forthcoming Annual General Meeting and is eligible to be appointed as an Independent Director for a term up to five years. The Company has received a declaration of independence from Mr. Mr. Prathipati Parthasarathi as per the provisions of the Companies (Amendment) Act, 2017 as well as the SEBI (Listing Obligations and Disclosure Requirements), (Amendment), Regulations, 2018.

In the opinion of the Board, Mr. Prathipati Parthasarathi (DIN 00004936), fulfils the conditions specified in the Companies Act, 2013 read with requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (Listing Regulations), for his appointment as an Independent Director of the Company. Mr. Prathipati Parthasarathi would be attaining the age of 75 years on 27th October 2022 in view of the provisions of Regulation 17 (1A) of SEBI (Listing Obligations and Disclosure Requirements), (Amendment) Regulations, 2018, for the continuation of Mr. Prathipati Parthasarathi (DIN 00004936), as a Non- Executive Independent Director from 27th October 2022 to 30th April,2026 consent of the Members is required by way of a Special Resolution.

The Company has received Notice under Section 160 of the Companies Act, 2013 from a member proposing Mr. Prathipati Parthasarathi as a candidate for office of Director of the Company.

A brief profile of Mr. Prathipati Parthasarathi as required under Regulations 36(3) of the Listing Regulations with the Stock Exchanges, is given in Annexure to this Explanatory Statement.

Having regard to his qualifications, knowledge and rich experience, in the field of Accounting, Financing, Banking, & Business Administration his appointment on the Board of the Company as an Independent Director will be in the interest of the Company.

Except Mr. Prathipati Parthasarathi, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested (financially or otherwise) in the resolution.

Copy of draft letter for appointment of Mr. Prathipati Parthasarathi as an Independent Director setting out the terms and conditions would be available for inspection at the Registered Office of the company during normal business hours on any working day, excluding Saturday and Sunday.

The Board recommends the Special Resolution set out at item no. 4 of the Notice for approval by the members.

ITEM NO.5

PAYMENT OF COMMISSION TO NON-EXECUTIVE/ INDEPENDENT DIRECTORS OF THE COMPANY:

The Nomination and Remuneration Committee and Board of Directors in its meeting held on 03rd September, 2022 respectively had approved the payment of Commission not exceeding one percent of the net profit of the Company to the Non-Executive/ Independent Directors of the Company with effect from 1st April, 2022.

In pursuance to Section 197, 198 and other relevant provisions of the Companies Act, 2013, and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors shall recommend all fees or compensation, if any, paid to non-executive Directors, including Independent Directors and shall require approval of shareholders in general meeting.

With the growing scale of the business of the Company, the role of the Non-Executive/ Independent Directors is of much importance to the Company. In view of the valuable contribution made by them towards overall engagement and their future responsibilities with the Company on various policies, strategic and governance related issues, it is proposed to pay Commission to them.

It is proposed to seek approval of the members of the Company under Section 197 of the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for payment of commission at the rate not exceeding one percent on the net profit of the Company computed in accordance with Section 198 of Companies Act, 2013.

This remuneration will be distributed as per the decision taken by the Board from time to time.

The above payment of Commission shall be over and above the sitting fees and reimbursement of expenses paid to the Non-Executive/ Independent Directors for attending the meeting of the Board/Committee thereof.

Accordingly, consent of the members is sought for passing an special resolution as set out at Item No. 05 of the Notice for payment of commission to Non-Executive Directors of the Company.

All the Non-Executive/ Independent Directors of the Company and their relatives are concerned/interested in the resolution set out at Item No. 05 of the Notice. Other than this none of the directors, key managerial personnel or any of their relatives, are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 05 of the Notice.

The Board recommends the Resolution at Item No. 05 for approval of the shareholders by way of Special resolution

ITEM NO.6

INCREASE IN AUTHORIZED SHARE CAPITAL OF THE COMPANY FROM Rs. 55 CRORES TO RS.125 CRORES

It is proposed by the Board of Directors of the company vide Board Meeting dated 03rd September,2022 to increase authorized capital of the company from Rs. 55,00,00,000/- (Rupees Fifty-five Crores only) divided into 55,00,00,000 (Fifty-Five Crores only) Equity Shares of Rs. 1/- (Rupee one Only) each TO Rs. 125,00,00,000/- (Rupees One Hundred and Twenty-Five Crore Only) divided into 125,00,00,000 (One Hundred and Twenty-Five Crore Only) Equity shares of Rs. 1/- (Rupees one only) each, by addition of Rs. 70,00,00,000/-(Rupees Seventy Crore only) divided into 70,00,00,000 (Seventy Crore only) Equity shares of Rs.1/- (Rupee one Only) each in order to meet further issue of capital by the company in future.

As per the provisions of Sections 13 of the Companies Act, 2013, a Company can alter the Share Capital Clause of its Memorandum of Association with the consent of Shareholders by passing a special Resolution and it would be necessary to amend Clause V of the Memorandum of Association.

Accordingly The Resolution seeks approval of Members to increase the Share Capital and to amend the said Clause.

The Board recommends the Special Resolution set out at Item No 06 of the AGM Notice for approval by the Members.

None of the Directors or Key Managerial Personnel of the Company and/or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No.06 of the Notice.

ITEM NO.7

RATIFICATION OF "SPACENET EMPLOYEE STOCK OPTION SCHEME- 2021:

The Board at their Meeting held on 30th April, 2021 Approved "Spacenet Employee Stock Option Scheme- 2021" ("The Scheme") subject to approval of shareholders of the company with a view to attract, retain and motivate employees of the Company.

Members at their 11th Annual General Meeting held on 24th September,2021 also approved "Spacenet Employee Stock Option Scheme- 2021" ("The Scheme") under erstwhile Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

Accordingly the company filed the In principal Application with the National Stock Exchange of India Ltd and stock exchange approved and granted In principal Approval Directing the company to get the ratification by the shareholders of the company in the ensuing AGM/ EGM/postal ballot to align the "Spacenet Employee Stock Option Scheme- 2021" with SEBI (Share based Employee Benefits and Sweat Equity) Regulations, 2021 which are in force now, since erstwhile Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 are repealed.

In this regard the company has also made an intimation and notification to the all the shareholders of the company vide Letter dated 18th January, 2022 stating that "Spacenet Employee Stock Option Scheme- 2021" will be aligned with the with SEBI (Share based Employee Benefits and Sweat Equity) Regulations, 2021 and the same will be ratified by the shareholders at the ensuing AGM/ EGM/postal ballot, whichever is conducted first.

in order to align the "Spacenet Employee Stock Option Scheme- 2021" under new Regulations SEBI (Share based Employee Benefits and Sweat Equity) Regulations, 2021 which are in force the Board is seeking shareholders Ratification to align the "Spacenet Employee Stock Option Scheme- 2021" with the new Regulations i.e. SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

The said Ratification is not prejudicial to the interests of the employees/ directors of the Company and the current grantees of the Company.

The Board of Directors, at its meeting held on 03rd September,2022 approved the proposal for ratification by the shareholders of the company to align the "Spacenet Employee Stock Option Scheme- 2021" with SEBI (Share based Employee Benefits and Sweat Equity) Regulations, 2021.

Key Variation in the "Spacenet Employee Stock Option Scheme- 2021"

The details of the key variation proposed to the ESOP Scheme are provided below:

Existing Provision	Proposed Revised Provision
The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended.	The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as amended

Except the above variation, all the clauses, details, terms of the Spacenet Employee Stock Option Scheme- 2021" will remains the same and The Company also confirms that the "Spacenet Employee

Stock Option Scheme- 2021" is in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

The Board recommends the Special Resolution set out at Item No.07 of the Notice for approval by the Members

ITEM NO.8

APPROVAL FOR RAISING OF FUNDS THROUGH PRIVATE PLACEMENT OF EQUITY SHARES BY WAY OF QUALIFIED INSTITUTIONAL PLACEMENT (QIP):

The Company requires adequate capital to meet the needs of growing business. While it is expected that the internal generation of funds would partially finance the need for capital, the raising of funds through QIP route would be another source of funds to raise a part of the funding requirements for the said purposes as well as for such other corporate purposes as may be permitted under applicable laws through the issue of appropriate securities as defined in the resolution.

The funds to be raised through QIP route are planned to be deployed to meet working capital of the company or to reduce debt of the Company, this will pave the way for the Company to improve the cash position and also will improve the ability of the Company for higher borrowings from the Banks in future if required.

A Qualified Institutional Placement (QIP) of the shares of the Company would be less time consuming and more economical method than other modes of raising capital.

Accordingly, the Company may issue securities by way of a QIP in terms of Chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ('SEBI Regulations').

These securities will be allotted only to Qualified Institutional Buyers (QIBs) as per the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

The resolution proposed is an enabling resolution and the exact price, proportion and timing of the issue of the securities will be decided by the Board (which term shall be deemed to include any Committee which the Board may have constituted or hereafter constitute for the time being for exercising the powers conferred on the Board by the resolution) based on an analysis of the specific requirements after consulting all the concerned.

Therefore, the proposal seeks to confer upon the Board the absolute discretion to determine the terms of issue in consultation with the Lead Managers to be appointed for the Issue.

As per Chapter VI of the SEBI Regulations, an issue of securities on QIP basis shall be made at a price not less than the average of the weekly high and low of the closing prices of the related shares quoted on the stock exchange/s during the two weeks preceding the "relevant date." ("QIP Floor Price")

The Board may, at its absolute discretion, issue equity shares at a discount of not more than five percent or such other discount as may be permitted under applicable regulations to the 'QIP Floor Price' as determined in terms of the SEBI Regulations, subject to Section 53 of the Companies Act, 2013 and rules made thereunder.

The equity shares, if any, allotted on the issue shall be fully paid up and shall rank in all respects pari-passu with the existing Equity Shares of the Company.

The Board recommends the Special Resolution set out at Item No.08 of the Notice for approval by the Members

ITEM NO.09

TOAPPROVE THE RELATED PARTY TRANSACTIONS

To ensure stability of Trade contracts, your Company proposes to enter into transaction(s) with its Related Parties as defined/ within the meaning of the Companies Act, 2013 and Regulations of the SEBI Listing Regulations, in the financial year 2022-23.

As per SEBI Listing Regulations a transaction with a related party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds rupees one thousand crores or ten per cent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity, whichever is lower.

The Company may enter into the transactions with the related parties within the meaning of Section 2(76) of the Companies Act, 2013 read with the Companies (Meetings of the Board and its Powers) Rules, 2014 and SEBI Listing Regulations, for an aggregate maximum amount not exceeding, for the financial year 2022-23 by Rs.100 Crores (Rupees Hundred Crores only) which would be more than 10% of the audited annual consolidated turnover of the Company, for the previous financial year 2021-22.

Pursuant to Rule 15 of the Companies (Meetings of Board and its Powers) Rules 2014 as amended to date, and as per SEBI Listing Regulations particulars of the transaction, etc., are as under:

i.	**Name of the Related Party**	Thalassa Enterprises Private Limited	Barret Commodity Traders Private Limited
ii.	**nature of relationship;**	Subsidiary Company	Common Directors Entity
iii.	**Nature, Type, material terms and particulars of the proposed transaction**	Transactions as specified under Section 188 of companies act,2013 as per proposed trade contracts	Transactions as specified under Section 188 of companies act,2013 as per proposed trade contracts
iv.	**Tenure of the proposed transaction**	Financial Year 2022-23	Financial Year 2022-23
v.	**Value of proposed transaction**	Rs.50,00,00,000/- (Rupees Fifty Crores only)	Rs.50,00,00,000/- (Rupees Fifty Crores only)
vi.	**The percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year**	11.59%	11.59%
vii.	**Justification as to why the RPT is in the interest of the listed entity**	Since it is in the ordinary course of business & in order to ensure stability of Trade contracts.	Since it is in the ordinary course of business & in order to ensure stability of Trade contracts.
viii.	**A copy of the valuation or other external party report, if any such report has been relied upon**	Not Applicable	Not Applicable
ix.	**name of the director or key managerial personnel who is related, if any;**	1. Mr. Dasigi Venkata Surya Prakash Rao 2. Mr.Satya Srikanth Karaturi 3. Mr.Suresh Tammineedi	1. Mr.Satya Srikanth Karaturi 2. Mr. Chukka Siva Satya Srinivas (Common Directors)

		4. Mr. Chukka Siva Satya Srinivas 5. Mrs.Korpu Venkata Kali Kanaka Durga (Common Directors)	
x.	**any other information relevant**	NIL	NIL

In the opinion of the Board, the transactions/ contracts/ arrangements by the Company with the above party are in the ordinary course of business and at an arm's length basis.

However, considering the fact that the value of contracts/ arrangements/ transactions with the aforesaid related parties during the financial year 2022-23 may be material as defined under Listing Regulations hence it is proposed to seek the approval of members for the aforesaid arrangements/ contracts/ transactions for the financial year 2022- 23.

It is pertinent to note that no related party shall vote to approve this Resolution whether the entity is a related party to the particular transaction or not.

except the common directors as mentioned above None of the Directors and Key Managerial Personnel or their relative are, in any way, concerned or interested, financially or otherwise, in the resolution set out in Item No. 09 of the Notice.

The Board recommends the Ordinary Resolution set out in Item No. 09 of the Notice for approval by the members.

Annexure-1

Details of Directors seeking appointment / re-appointment at the Annual General Meeting (Pursuant to Regulation 36(3) of the SEBI (LODR) Regulations-2015 and Secretarial Standards on General Meetings)

Name of the Director	Mr. Satya Srikanth Karaturi
DIN	07733024
Date of Birth	18-02-1970
Category	Whole Time Director.
Date of first Appointment	14-02-2017
Educational Qualification	He holds a Bachelor's Degree in Arts.
Terms & Conditions of Re-Appointment along with Remuneration sought to be paid	Being reappointed as a Director liable to retire by rotation and all other terms of his appointment including remuneration as Executive Director shall remain same.
Expertise in Specific Functional areas and Experience	Information Technology, Software modules, Financial Technology.
Directorships in other Companies	1. Thalassa Enterprises Private Limited (Previously Stampede Enterprises Private Limited) 2. Barret Commodity Traders Private Limited 3. Spacenet IFSC Private Limited
Membership / Chairmanships of committees of Other Boards (other than the Company)	NIL
Membership / Chairmanships of committees of the Company)	NIL
Shareholding in the Company as on 31.03.2022	3483
Relationship between Directors inter-se/ Manager and KMPs	NA
Number of Meetings of the Board attended during the year	10

Name of the Director	Mr.DasigiVenkata SuryaPrakash Rao
DIN	03013165
Date of Birth	11-08-1969
Category	Executive Director
Date of first Appointment	13-11-2019
Terms & Conditions of Re-Appointment along with Remuneration sought to be paid	Proposed to be re-appointed as Executive Director for a period of three years commencing from 13th November,2022 Proposed remuneration: as mentioned in the Resolution forming part of Notice Last drawn remuneration: refer Report on Corporate Governance.
Expertise in Specific Functional **areas and Experience**	He is a dynamic professional with over 22 years of rich experience in Sales, Marketing and Business Development in Argo Chemicals, Seeds, Tissue Culture and Bio-fertilizers & Trading, Strategic Management,
Educational Qualification	He holds a Master's Degree in Agriculture and also done his Post Graduate Diploma in Business Administration
Directorships in other Companies	1. Kling enterprises India limited 2. Thalassa Enterprises Private Limited (Previously Stampede Enterprises Private Limited) 3. Spacenet IFSC Private Limited
Membership / Chairmanships of committees of Other Boards (other than the Company)	NIL
Membership / Chairmanships of committees of the Company)	NIL
Shareholding in the Company as on 31.03.2022	407754
Relationship between Directors inter-se/ **Manager and KMPs**	NA
Number of Meetings of the Board attended during the year	10

Name of the Director	Mr.Prathipati Partha sarathi
DIN	03013165
Date of Birth	27-10-1948
Category	Non-Executive- Independent Director
Date of First Appointment	30-04-2021
Educational Qualification	B.Com., CAIIB
Terms & Conditions of Re-Appointment along with Remuneration sought to be paid	He will be attaining the age of seventy five (75) years, w.e.f. 27-10-2022 in order to continue to be a Non-Executive Independent Director of the Company up to 30th April, 2026(being the date of expiry of his current term of office of Director) seeking shareholders' approval by way of passing special resolution. Being a Non-Executive Independent Director, he is entitled to sitting fee for each Meeting of Board / Committee attended by him. Further, he is also entitled to profit based commission, as decided by the Board from time to time. For last drawn remuneration, please refer remuneration details provided in the Report on Corporate Governance.
Expertise in Specific Functional areas and Experience	Finance, Accountancy, Banking sector & company's Business Development model.
Directorships in other Companies	1. Citi Port Financial Services Limited 2. Nexzen Bio Energy Private Limited
Membership / Chairmanships of committees of Other Boards (other than the Company)	03
Membership / Chairmanships of committees of the Company)	03
Shareholding in the Company as on 31.03.2021	NIL
Relationship between Directors inter-se/ Manager and KMPs	NA
Number of Meetings of the Board attended during the year	08

DIRECTORS' REPORT

Dear Shareholders,

Your directors are pleased to present the 12th Annual Report along with the Audited Financial Statements of your Company for the financial year ended on 31st March, 2022.

FINANCIAL PERFORMANCE SUMMARY:

The financial results and performance of your Company for the year ended on 31st March, 2022 on Standalone and consolidated basis is summarized below:

A.Standalone Basis: **(Rs.in Lakh)**

Particulars	Standalone Financial Results	
	2021-2022	2020-2021
Revenue from operations	4054.05	997.14
Total expenses	3965.83	1075.71
Profit / (Loss) before tax	88.22	(78.57)
Tax expense		
-Current tax	13.76	-
-Deferred tax	(1.67)	(1.31)
Profit / (Loss) after tax	76.13	(77.26)
Paid up equity share capital (face value of Rs.1/-each)	5303.58	1581.58
Earnings per share - par value of Rs. 1 per share		
Basic	0.03	0.5
Diluted	0.03	0.5

Financial Highlights:

For the financial year ended March31, 2022, your Company had reported total income of Rs. 4054.05 Lakhs as against Rs. 997.14 Lakh during the previous financial year ended March31, 2021

The Company incurred a Net Profit of Rs. 76.13 Lakh as against Net Loss of Rs. 77.26 Lakh during the previous financial year ended March, 2021.

B.Consolidated basis: **(Rs.in Lakh)**

Particulars	Consolidated Financial Results	
	2021-2022	2020-2021
Revenue from operations	4377.95	NA
Total expenses	4,294.59	
Profit / (Loss) before tax	83.36	
Tax expense		
-Current tax	13.76	
-Deferred tax	(1.00)	
Profit / (Loss) after tax	70.60	
Paid up equity share capital (face value of Rs.1/-each)	5303.58	

Earnings per share - par value of Rs. 1 per share		
Basic	0.03	
Diluted	0.03	

Financial Highlights:

For the financial year ended March31, 2022, your Company had reported total income of Rs. 4377.95 Lakhs and incurred a Net Profit of Rs. 70.60 Lakhs.

The Consolidated Financial Statements of your Company for the FY 2020-21 need not to prepare as there is no subsidiary company to the company

The Consolidated Financial Statements of your Company for the FY 2021-22 are prepared in compliance with the applicable provisions of the Companies Act, 2013 ('the Act'), Indian Accounting Standards ('Ind AS') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the same shall also be forms part of this Annual Report.

STATE OF AFFAIRS / COMPANY'S PERFORMANCE

Your company is engaged in the business of development of Software tools and platforms providing fast, flexible and reliable commodities trading tools and to invest, acquire and to deal in gold, and other commodities of all kinds, agricultural or otherwise, finished or unfinished goods and to take delivery and hold them as permitted under Securities Contracts Regulation Act (SCRA) 1956 and the rules made there under and also engaged in the business of Trade finance and Fintech and Trade Tech .

DIVIDEND:

The Board of Directors of your company, after considering holistically the relevant circumstances have decided that it would be prudent, not to recommend any Dividend for the year under review."

TRANSFER OF AMOUNT TO GENERAL RESERVE:

Board of Directors of your company has decided not to transfer any amount to the Reserves for the year under review."

LISTING OF SHARES:

The shares of the company are listed on National Stock Exchange of India Limited (NSE). The listing fee for the year 2021- 22 has already been paid to the NSE within the time limit as specified by the stock exchange.

SHARE CAPITAL:

Authorised Share capital:

The Authorised Share capital of the company as on March 31, 2022 was Rs.55,00,00,000/- divided into 55,00,00,000 Equity shares of Rs. 1/- each as compared to Rs. 50,00,00,000 divided into 50,00,00,000 equity shares of Rs.1/- each as on March 31, 2021.

During the year under review the company increased the authorised share capital of the company from from Rs.. 50,00,00,000/- (Rupees Fifty Crores only) divided into 50,00,00,000 (Fifty Crores only) Equity Shares of Rs.. 1/- (Rupees one Only) each TO Rs.55,00,00,000/- (Rupees Fifty-Five Crore Only) divided into 55,00,00,000 (Fifty-Five Crore Only) Equity shares of Rs. 1/- (Rupees one only) each, by addition of Rs. 5,00,00,000/-(Rupees Five Crore only) divided into 5,00,00,000 (Five Crore only) Equity shares of Rs. 1/- (Rupees one Only) each.

Issued, Subscribed and paid-up capital:

The paid-up Equity share capital of the company as on March 31, 2022 was Rs.53,03,58,374/- divided into 53,03,58,374 Equity shares of Rs. 1/- each as compared to Rs. 15,81,58,374 divided into 15,81,58,374 equity shares of Rs.1/- each as on March 31, 2021.

The increase of Rs. 37,22,00,000/- in the paid up share capital of the company during the Financial Year 2021-22 was on account of issuance of 37,22,00,000equity shares on preferential basis pursuant to compliance of section 62(3) of Companies Act,2013 and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, ("SEBI ICDR Regulations.)

During the year under review, your Company has not issued any shares with differential voting rights.

EMPLOYEE STOCK OPTION PLANS:

During the year, the company had granted 55,20,000 (Fifty Five Lakh Twenty Thousand only) Employee Stock Options at an exercise price of Rs .01/- (Rupee One Only) per option to the Eligible Employees of the Company under the "Spacenet Employee Stock Option Scheme-2021". as Determined by the Nomination and Remuneration Committee in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and complied all these Regulations.

PUBLIC DEPOSITS:

Your Company has neither accepted nor renewed any fixed deposits from the public within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 and as such no principal or interest was outstanding as on the date of the Balance sheet during the financial year under review.

CORPORATE GOVERNANCE

The Company will continue to uphold the true spirit of Corporate Governance and implement the best governance practices.

A report on Corporate Governance pursuant to the provisions of Corporate Governance Code stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of the Annual Report and Full details of the various board committees are also provided therein along with Auditors' Certificate regarding compliance of conditions of corporate governance is enclosed as **Annexure 'I'.**

MANAGEMENT DISCUSSION & ANALYSIS:

Pursuant to the provisions of Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a report on Management Discussion & Analysis is enclosed as **Annexure '2'.**

AUDITORS:

Statutory Auditors:

At the 11th Annual General Meeting held on 24th September, 2021, the members approved the appointment of M/s Jayesh Sanghrajka and Co LLP., Chartered Accountants, (Firm Registration No: 104184W/W100075), as Statutory Auditors of the company who shall hold office from the conclusion of 11th Annual General Meeting till conclusion of the 16th Annual General Meeting of the company for a term of consecutive Five (5) years.

The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the ensuing AGM.

Internal Auditors:

The Internal Auditors are submitting their reports on quarterly basis and performing the duties of internal auditors of the company and their report is reviewed by the audit committee from time to time.

The Board of Directors based on the recommendation of the Audit Committee have appointed M/s. Navitha & Associates, Chartered Accountants (Registration No. 012026S) as Internal Auditors of the Company at the board meeting held on 12-11-2020 and continuing till On 30th June,2022

On 30th June,2022 M/s. Navitha & Associates, Chartered Accountants (Registration No. 012026S) as Internal Auditors of the Company Tendered their Resignation from the office of Internal Auditors w.e.f. 30th June,2022 due to their pre occupation.

Cost Auditors:

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 are not applicable for the business activities carried out by the Company.

Secretarial Auditors:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has Re-appointed Desina Balarama Krishna, Company Secretary in Practice CP No. 22414 as Secretarial Auditors to undertake the Secretarial Audit of the Company for the FY 2021-22,

Statutory Auditors' Report:

The statutory auditors' report do not contain any qualifications, reservations or adverse remarks. During the year, the statutory auditors have not reported any instances of frauds committed in the Company by its Officers or Employees to the Audit Committee under section 143(12) of the Companies Act.

Secretarial Auditors' Report

The Secretarial Audit Report in Form MR-3 is annexed herewith as '**Annexure-3'** to this Board report. During the year, the Secretarial auditors have not reported any instances of frauds committed in the Company by its Officers or Employees to the Audit Committee under section 143(12) of the Companies Act.

The secretarial auditors' report do not contain any qualifications, reservations or adverse remarks except the following reporting

The Company has received a letter from National Stock Exchange (NSE) dated 24th May, 2021 imposing a fine of Rs. 11,800 (Rs. 10,000 = Fine; Rs. 1,800 = IGST) under Regulation 29 of the Securities and Exchange Board of India(Listing Obligations and Disclosure Requirements) Regulations, 2015 with respect to Prior Intimation of Board Meeting.

The company has paid the same and complied the said regulation by placing before the Board and intimating the same to NSE and thereafter the board has taken utmost care while giving intimations to the stock exchanges.

The board discussed the above at their board meetings and initiated various measures not happened the same and decided to take utmost care while giving intimations to the stock exchanges and the same discussions also intimated to the stock exchange also

Annual Secretarial Compliance Report

The Company has undertaken an audit for the Financial Year ended 31 March 2022 for all applicable compliances as per the Securities and Exchange Board of India Regulations and Circulars/Guidelines issued thereunder.

The Annual Secretarial Compliance Report issued by Mr. D. Blarama Krishna CP No. 22414 has been submitted to the Stock Exchanges within 60 days of the end of the Financial Year 2022.

BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL (KMP)

The Board of directors of the Company has an optimum combination of Executive, Non-Executive and Independent Directors with one-woman Independent Director.

The Board of the Company is duly constituted. None of the directors of the company is disqualified under the provisions of the Companies Act, 2013 (the 'Act') or under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Declaration by independent directors

The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, that he/ she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Certificate on Non- Disqualification of Directors pursuant to Regulation 34(3) and Schedule V Para C clause 10 (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this Annual Report.

Registration of Independent Directors in Independent Directors Databank

All the Independent Directors of your Company have been registered and are members of Independent Directors Databank maintained by the Indian Institute of Corporate Affairs (IICA).

Appointments:

Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors have appointed Mr. Prathipati Parthasarathi (DIN: 00004936) as an Independent Director of the Company in their meeting held on 30th April,2021 who holds office for a term of five consecutive years from 30th April, 2021.

Re-appointments:

In accordance with the provisions of Section 152 of the Companies Act, 2013, Mr. Satya Srikanth Karaturi (DIN: 07733024) retires by rotation and being eligible, offers himself for re-appointment.

Pursuant to the provisions of regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 on General Meetings issued by ICSI, brief particulars of the directors proposed to be appointed/ re-appointed are provided as an annexure to the notice convening the AGM.

Resignations:

During the year under review, Mr.Srinivasa Rao Tatipaka (DIN: 02449906), Whole-time Director of the Company tendered his resignation from the office of Director with effect from 30th April, 2021.

Key Managerial Personnel (KMP):

Following are the are Key Managerial Personnel of the Company in accordance with the provisions of Section(s) 2(51), and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

1. Mr.Satya Srikanth Karaturi- Whole Time Director
2. Mr. Dasigi Venkata Surya Prakash Rao- Executive Director & CFO
3. Mr. M.Chowda Reddy- Company Secretary & Compliance Officer

Directors and Officers Insurance ('D&O'):

As per the requirements of Regulation 25(10) of the SEBI Listing Regulations, the Company need not to take 'D and O insurance for its Directors and members of the Senior Management since it is applicable to only 500 listed entities whereas the company is on the top 2000 listed entities.

Number of Board Meetings during the Year:

During the FY 2021-2022, Ten (10) meetings of the board were held, the details of which have been disclosed in the corporate governance report, which forms part of the Board's report. The maximum interval between any two meetings did not exceed 120 days, as prescribed by the Companies Act, 2013.

Independent Directors' Meeting

The Independent Directors met on 14th March, 2022, without the attendance of Non-Independent Directors and members of the Management. The Independent Directors reviewed the performance of non-independent directors and the Board as a whole; the performance of the Chairperson 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 that is necessary for the Board to effectively and reasonably perform their duties.

COMMITTEES OF THE BOARD:

As required under the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as on March 31, 2022, the Board has the following committees:

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

During the year, all recommendations made by the committees were approved by the Board.

A detailed note on the composition of the committees and meetings held during the year and attendance of its members are provided in the Corporate governance report which forms part of the Board's report.

Policy on Directors' Appointment and Remuneration and Other Details

The Company's policy on directors' appointment and remuneration and other matters provided in section 178(3) of the Act have been disclosed in the corporate governance report, which forms part of this directors' report.

ANNUAL EVALUATION OF BOARD AND ASSESSMENT

The company believes that formal evaluation of the board and of the individual directors, on an annual basis, is a potentially effective way to respond to the demand for greater board accountability and effectiveness. For the company, evaluations provide an ongoing means for directors to assess their individual and collective performance and effectiveness. In addition to greater board accountability, evaluation of board members helps in:

- More effective board processes
- Better collaboration and communication
- Greater clarity with regard to members' roles and responsibilities and
- Improved Chairman - Managing Director – Board relations;

By focusing on the board as a team and on its overall performance, the company ensures that communication and overall level of participation and engagement also improves.

In order to facilitate the same, the board undertook a formal board assessment and evaluation process during FY 2021-22. The board evaluation was performed after seeking inputs from all the directors and included criteria such as the board composition and structure, effectiveness of board processes, information and functioning as provided by the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India.

The Leadership, Nomination & Remuneration Committee has overall stewardship for the process. The evaluation process covers the following aspects:

- Peer and self-evaluation of Directors;
- Evaluation of the performance and effectiveness of the board;
- Evaluation of the performance and effectiveness of Board Committees;
- Evaluation of the performance of the KMP
- Feedback on management support to the Board;

The evaluation process elicits responses from the directors in a judicious manner - ranging from Composition and induction of the board to effectiveness and governance.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS

The Company's policy on directors' appointment and remuneration and other matters provided in section 178(3) of the Act have been disclosed in the corporate governance report, which forms part of this directors' report.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134(5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, confirm that:

a) in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the company for that period;
c) they have 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) they have prepared the annual accounts on a going concern basis;
e) they have laid down internal financial controls to be followed by the company and such internal financial controls are adequate and operating effectively;
f) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY:

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial disclosures.

COMPLIANCE WITH ICSI SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETINGS

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India (The ICSI) and that such systems are adequate and operating effectively. During the year under review, the Company has complied with secretarial standards issued by the Institute of Company Secretaries of India Such as SS-1 & SS-2.

CORPORATE SOCIAL RESPONSIBILITY:

The provisions of Companies Act, 2013 regarding Corporate Social Responsibility are not attracted to the company, yet the Company has been over the years, pursuing as part of its corporate philosophy, an unwritten CSR policy voluntarily which goes much beyond mere philanthropic gestures and integrates interest, welfare and aspirations of the community with those of the Company itself in an environment of partnership for inclusive development.

VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Company has a Whistle Blower Policy framed to deal with instance of fraud and mismanagement, if any in the Group. The Policy provides for adequate safeguards against victimization of employees who avail the mechanism and also provides for direct access to the Chairman of the Audit Committee.

EXTRACT OF ANNUAL RETURN:

In accordance with section 92(3) of the Companies Act, 2013, a copy of the annual return in the prescribed format as on 31 March 2022 is available on the Company's website at http://spacenetent.com/

POLICY ON MATERIAL SUBSIDIARIES:

The Policy on Material Subsidiaries as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as approved by the Board is uploaded on the website of your Company which may be accessed at https://www.spacenetent.com/Investor-Relations.html

CHANGE IN THE NATURE OF BUSINESS:

There has been no change in the nature of business of the Company during the year under review.

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND:

Pursuant to the provisions of Section 124 (5) of the Companies Act, 2013, No amount which remained unclaimed for a period of seven years has been transferred by the Company to the Investor Education and Protection Fund established by the Central Government during the financial year 2021-22.

TRANSFER OF UNCLAIMED SHARES TO INVESTOR EDUCATION AND PROTECTION FUND:

Pursuant to the provisions of Section 124 of the Companies Act, 2013, No shares in respect of which dividend has not been paid or claimed for seven consecutive years were transferred by the Company in the name of Investor Education and Protection Fund during the financial year 2021-22.

PARTICULARS OF EMPLOYEES:

The statement of Disclosure 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 provided in "**Annexure – 4".**

BUSINESS RESPONSIBILITY REPORT:

A Business Responsibility Report as per Regulation 34 of the Listing Regulations, detailing various initiatives taken by the Company on the environmental, social and governance is not applicable to the company during the financial year 2021-22 under review.

HUMAN RESOURCES:

Your Company considers its Human Resources as the key to achieve its objectives. Keeping this in view, your Company takes utmost care to attract and retain quality employees. The employees are sufficiently empowered and conducive work environment propels them to achieve higher levels of performance. The unflinching commitment of the employees is the driving force behind the Company's vision. Your Company appreciates the spirit of its dedicated employees.

PREVENTION OF INSIDER TRADING:

The company has adopted a code of conduct for prevention of Insider Trading with a view to regulate trading in securities by the directors, KMP s and designated employees of the company. The code requires pre-clearance for dealing in the company's securities and prohibits the dealing in securities of the company while in possession of unpublished price sensitive information in relation to the company. The Board and the designated employees have confirmed compliance with the code.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARINGS AND OUTGO:

The company has no activities relating to Conservation of Energy, Technology Absorption.

Foreign Exchange earnings and Outgo during the year under review, as given below:

Particulars	For the Year ended 31st, March-2022 (Rs.in lakhs)	For the Year ended 31st, March-2021 (Rs.in lakhs)
Foreign Exchange Earnings	101.36	543.94
Foreign Exchange outgo	74.50	690.31

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

During the year under review there are no orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

MATERIAL CHANGES AND COMMITMENTS:

During the year under review the company converted the unsecured Loan Amounts of Rs.37,22,00,000/- into fully paid Equity shares of Rs.1/- each and Allotted 37,22,00,000 equity shares to Lenders pursuant to compliance of 62(3) of Companies Act,2013 and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, ("SEBI ICDR Regulations.)

Post the aforesaid allotment, the Issued, Subscribed and Paid-up Share Capital of the Company has been increased from 15,81,58,374 Equity Shares of Rs.1/- each fully paid-up to 53,03,58,374 Equity Shares of Rs.1/- each fully paid-up.

The Result of the above conversion boost up the financial performance of the company by creating a good and positive net worth of the company and reduced the debt burden and also retain the funds with the company in the form of equity capital and where that resulted the company to come out of the purview GSM Stages to Regular Trading of script of the company on stock exchange and enhanced the value addition to the wealth of all stakeholders of the company.

GREEN INITIATIVE IN CORPORATE GOVERNANCE

The Ministry of Corporate Affairs (MCA) has undertaken green initiative in Corporate Governance by allowing paperless compliances by the Companies and permitted the service of Annual Reports and documents to the shareholders through electronic mode subject to certain conditions and the Company continues to send Annual Reports and other communications in electronic mode to the members who have registered their email addresses with the Company/RTA.

HOLDING, SUBSIDIARY, JOINT VENTURES (JV) AND ASSOCIATE COMPANIES:

As per the provisions of Sections 129 of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, a separate statement containing the salient features of the Financial Statements of the Subsidiary Companies/Associate Companies/JV in Form AOC-1 and is enclosed as **Annexure 5'.**

RELATED PARTY TRANSACTIONS

The company has complied with the provisions of section 188(1) of the Act dealing with related party transactions. Information on transactions with related parties pursuant to section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 are given in Form AOC-2 and is enclosed as **Annexure 6'.**

RISK MANAGEMENT

During the financial year under review the company need not to constitute a Risk Management Committee and formulated a policy on the Risk Management in accordance with the Companies Act, 2013 and Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to frame, implement and monitor the risk management plan for the Company

INSURANCE

All properties and insurable interests of the Company have been fully insured.

DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR:

Neither any application was made nor are any proceedings pending under the IBC, 2016 during the year Ended on 31st March, 2022.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Particulars of loans given, investments made, guarantees given and securities provided as per the provisions of Sections 186 of the Companies Act, 2013 along with the purpose for which the loan, guarantee, or security is proposed to be utilised by the recipient are provided in the Financial Statements of the company forms part of this annual report.

CEO'S DECLARATION:

Pursuant to the provisions of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations,2015, a declaration by the Managing Director & CEO/Whole Time Director of the company declaring that all the members of the board and the senior management personnel of the company have affirmed compliance with the Code of Conduct of the company .

The CEO/CFO certification to the board pursuant to Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of Corporate Governance Report.

DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF:

The Company has not made any such valuation during the FY 2022.

POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORK PLACE:

Your Company strongly supports the rights of all its employees to work in an environment, free from all forms of harassment. The Company has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at workplace The policy aims to provide protection to Employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where Employees feel secure.

The Company has not received any complaint on sexual harassment during the year 2021-2022

DISCLOSURE REQUIREMENTS-POLICIES

The Policies adopted by the Company as per statutory and governance requirements are as follows and the same policies are Uploaded on website of the Company at http://spacenetent.com/

1. Board Diversity Policy
2. Business-Responsibility-Policy
3. Code of Fair Disclosure of Unpublished Price Sensitive Information
4. Code on Prohibition of Insider Trading

5. Code-of-Conduct-or-Directors-and-Senior-Management
6. Familiarization-Programme-for-Independent-Directors
7. Nomination & Remuneration Policy
8. Policy-on-Preservation-of-Documents-and-Archival
9. Policy-on-related-party-transactions
10. Terms and code for of Independent Directors
11. Whistle-Blower-Policy
12. Policy on Prevention, Prohibition and Redressal of Sexual Harassment at workplace
13. Policy for Determination of Material Subsidiary
14. Policy for Determination of Materiality of Events & Information

ACKNOWLEDGMENTS:
Your Directors take this opportunity to express their sincere appreciation to the shareholders, customers, bankers, suppliers and other business associates for the excellent support and cooperation extended by them.

Your Directors gratefully acknowledge the ongoing co-operation and support provided by the Central and State Governments, Stock Exchanges, SEBI, RBI and other Regulatory Bodies.

For Specenet Enterprises India Limited

Sd/-
Satya Srikanth Karaturi
Whole Time Director
DIN: 07733024

For Specenet Enterprises India Limited

Sd/-
Dasigi Venkata Surya Prakash Rao
Executive Director
DIN: 03013165

Date: 03-09-2022
Place: Hyderabad

Annexure-1

REPORT ON CORPORATE GOVERNANCE

This Corporate Governance Report For the Financial year ended on March 31, 2022 has been issued and Reported in compliance with the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendment thereof and forms a part of the Report of the Directors to the Members of the Company.

In order to comply with Regulation 34 read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the report containing the details of Corporate Governance of the Company is as follows:

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is about meeting our strategic goals responsibly and transparently, while being accountable to our stakeholders. Spacenet Enterprises India Limited ("the Company") is equipped with a robust framework of corporate governance that considers the long-term interest of every stakeholder as we operate with a commitment to integrity, fairness, equity, transparency, accountability and commitment to values. The framework lays down procedures and mechanisms for enhancing leadership for smooth administration and productive collaboration among employees, value chain, community, investors and the Government.

- Courage, Trust and Commitment are the main tenets of our Corporate Governance Philosophy
- Courage: We shall embrace new ideas and businesses.
- Trust: We shall believe in our employees and other stakeholders.
- Commitment: We shall stand by our promises and adhere to high standard of business.

The Company believes that sustainable and long- term growth of every stakeholder depends upon the judicious and effective use of available resources and consistent endeavour to achieve excellence in business along with active participation in the growth of society, building of environmental balances and significant contribution in economic growth.

The company conduct business and strengthen our relationships in a manner that is dignified, distinctive and responsible. We adhere to Ethical Standards to ensure integrity, transparency, independence and accountability in dealing with all stakeholders.

Therefore, we have adopted various codes and policies to carry out our duties in an ethical manner. Some of the codes and policies are as follows

- Code of Conduct for Board of Directors and Senior Management;
- Code of Conduct for Prohibition of Insider Trading;
- Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI);
- Policy on Related Party Transactions;
- Policy for determination of Materiality of Events /Information;
- Remuneration Policy for Directors, Key Managerial Personnel, Members of Senior Management and other Employees of the Company;
- Familiarization Programme for Independent Directors;
- Board Diversity Policy
- Vigil Mechanism/Whistle Blower Policy;
- Policy for Preservation of Documents/Archival Policy;

BOARD OF DIRECTORS

The "Board", being the trustee of the Company, responsible for the establishment of cultural, ethical and accountable growth of the Company, is constituted with a high level of integrated knowledgeable and committed professionals. The Board provides strategic guidance and independent views to the Company's senior management while discharging its fiduciary responsibilities.

Composition of the Board

The Company has a balanced board with optimum combination of Executive and Non-Executive Directors, including independent Directors, which is in conformity with Regulation 17 and 17A of the Listing Regulations read with section 149 of the Companies Act, 2013 and plays a crucial role in Board processes and provides independent judgment on issues of strategy and performance. As on 31st March, 2022, board comprises 6 (Six) Directors out of which 3 (Three) Directors are Executive Directors and remaining 3 (Three) are Non-Executive Independent Directors.

In the opinion of the Board, all the Independent Directors are independent of the management and satisfy the criteria of independence as defined under the Companies Act, 2013 and the SEBI Listing Regulations.

None of the Independent Directors have any other material pecuniary relationship or transaction with the Company, its Promoters, or Directors or Senior Management which, in their judgement, would affect their independent except sitting fees.

All Independent Directors have provided their annual declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations. They have also given declaration under Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014 as amended, confirming compliance with Rule 6(1) and (2) of the said Rules that their names are registered in the databank as maintained by the Indian Institute of Corporate Affairs ("IICA").

In terms of the provisions of the Act and the SEBI Listing Regulations, the Directors of the Company had submitted necessary disclosures regarding the positions held by them on the Board and/ or the Committees of other companies with changes therein, if any, on a periodical basis.

On the basis of such disclosures, it is confirmed that as on March 31, 2022, none of the Directors of the Company holds Directorship positions in more than twenty (20) companies [including ten (10) public limited companies and seven (7) listed companies]; holds Executive Director position and serves as an Independent Director in more than three (3) listed companies; and is a Member of more than ten (10) Committees and/ or Chairperson of more than five (5) Committees, across all the Indian public limited companies in which they are Directors.

None of the Directors of the Company are related to each other.

The composition of the Board is in conformity with the Regulation 17 of the SEBI Listing Regulations

The composition of the Board of Directors and the number of Directorships and Committee positions held by them as on 31st March, 2022 are as under:

Sr. No	Name and Designation (DIN) of Director	Category	No. of other Directorships held (Other than SPACENET)	No. of Board Committees (Other than SPACENET) in which Chairman / Member	
				Chairman	Member
1	Mr. Dasigi Venkata Surya Prakash Rao (DIN: 03013165)	Executive Director	3	-	-

2	Mr.Satya Srikanth Karaturi (DIN: 07733024)	Executive (Whole time Director)	3	-	-
3	Mr.Suresh Tammineedi Director (DIN: 00952079)	Executive Director	2	-	-
4	Mr.Prathipati Partha sararthi (DIN: 00004936)	Non Executive (Independent Director)	2	3	-
5	Mr. Chukka Siva Satya Srinivas (DIN: 07177166)	Non Executive (Independent Director)	4	-	-
6	Mrs.Korpu Venkata Kali Kanaka Durga (DIN: 08640661)	Non Executive (Independent Director)	1	-	-

Note:

- During the FY 2021-22 under review, Mr. Tatipaka Srinivas , Whole-Time Director of the Company resigned from the office of Director with effect from 30th April, 2021.
- During the FY 2021-22 under review, Mr.Prathipati Partha sararthi , Independent Director of the Company Appointed as Director of the company with effect from 30th April, 2021.

BOARD MEETINGS AND PROCEDURE

The internal guidelines for Board / Committee meetings facilitate the decision making process at the meetings of the Board/Committees in an informed and efficient manner.

Board Meetings are governed by structured agenda. All major agenda items are backed by comprehensive background information to enable the Board to take informed decisions.

The Company Secretary in consultation with the Senior Management prepares the detailed agenda for the meetings.

Agenda papers and Notes on Agenda are circulated to the Directors, in advance, in the defined Agenda format. All material information are being circulated along with Agenda papers for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the Agenda, the same is tabled before the meeting with specific reference to this effect in the Agenda. In special and exceptional circumstances, additional or supplementary item(s) on the Agenda are permitted. Frequent and detailed deliberation on the agenda provides the strategic roadmap for the future growth of the Company.

Minimum 4 (four) pre-scheduled Board meetings are held every year. Apart from the above, additional Board meetings are convened by giving appropriate notice to address the specific needs of the Company.

Detailed presentations are made at the Board / Committee meetings covering finance, major business segments and operations of the Company, all business areas of the Company including business opportunities, business strategy and the risk management practices before taking on record the quarterly / half yearly / annual financial results of the Company.

The required information as enumerated in Part A of Schedule II to SEBI Listing Regulations is made available to the Board of Directors for discussions and consideration at every Board Meetings. The Board periodically reviews compliance reports of all laws applicable to the Company as required under Regulation 17(3) of the SEBI Listing Regulations.

The important decisions taken at the Board / Committee meetings are communicated to departments concerned promptly. Action taken report on the decisions taken at the meeting(s) is placed at the immediately succeeding meeting of the Board / Committee for noting by the Board / Committee.

10 (Ten) Board Meetings were held during the financial year 2021-22. The Company has held at least one Board meeting in every quarter and the gap between two meetings did not exceed one hundred and twenty days. The necessary quorum was present in all the meetings. Leave of absence was granted to the concerned directors who could not attend the respective board meeting on request. The dates on which the Board Meetings were held during FY 2021-22 are as follows:

Sr. No.	Date of Board meeting
1	22-04-2021
2	30-04-2021
3	28-06-2021
4	27-07-2021
5	13-08-2021
6	27-08-2021
7	12-11-2021
8	17-12-2021
9	24-01-2021
10	14-02-2021

All the meetings of the Board during the FY 2021-22 as mentioned above were held through Physical mode as well as Virtual Mode and the details of attendance of Directors at the Board Meetings and at the last Annual General Meeting are as under:

Date of the Board Meeting	Mr. Dasigi Venkata Surya Prakash Rao	Mr. Suresh Tammineedi	Mr.Satya Srikanth Karaturi	Mr. Chukka Siva Satya Srinivas	Mrs.Korpu Venkata Kali Kanaka Durga	Mr.Prathipati Partha Sarathi
22-04-2021	Yes	Yes	Yes	Yes	Yes	NA
30-04-2021	Yes	Yes	Yes	Yes	Yes	NA
28-06-2021	Yes	Yes	Yes	Yes	Yes	Yes
27-07-2021	Yes	Yes	Yes	Yes	Yes	Yes
13-08-2021	Yes	Yes	Yes	Yes	Yes	Yes
27-08-2021	Yes	Yes	Yes	Yes	Yes	Yes
12-11-2021	Yes	Yes	Yes	Yes	Yes	Yes
17-12-2021	Yes	Yes	Yes	Yes	Yes	Yes
24-01-2021	Yes	Yes	Yes	Yes	Yes	Yes

14-02-2021	Yes	Yes	Yes	Yes	Yes	Yes
Attendance at Last AGM	Yes	Yes	Yes	Yes	Yes	Yes
% of attendance	100	100	100	100	100	100

During the FY 2021-22 under review Mr. Srinivasa Rao Tatipaka is eligible to attend the only one meeting held on 22-04-2021 where he did not participated at that meeting and granted leave of absence and there after he tendered his resignation from the office of director w.e.f 30-04-2021.

During the FY 2021-22 under review, Mr.Prathipati Partha Sarathi Appointed as Independent director w.e.f 30-04-2021 and eligible to attend the board meetings held after his appointment only.

During the year, the Board of Directors accepted all recommendations of the Committees of the Board, which were statutory in nature and required to be recommended by the Committee and approved by the Board of Directors. Hence, the Company is in compliance of condition of clause 10(j) of schedule V of the SEBI Listing Regulations.

Details of other listed entities where the Directors of the Company are directors, as on 31st March, 2022, are as under:

Sr.No	Name and Designation of Director	Name of other Listed entities in which the concerned Director is a Director	Category of Directorship
1.	Mr. Dasigi Venkata Surya Prakash Rao Director (DIN: 03013165)	-	-
2.	Mr.Satya Srikanth Karaturi Whole time Director Director (DIN: 07733024)	-	-
3.	Mr.Suresh Tammineedi Director (DIN: 00952079)	-	-
4.	Mr.Prathipati Partha sarathi Director DIN: 00004936	Citi Port Financial Services Limited	Independent Director & Chairman of the 1. Audit Committee 2. Nomination & remuneration Committee 3. Stakeholder Relationship Committee
5.	Mr. Chukka Siva Satya Srinivas Director (DIN: 07177166)	-	-
6.	Mrs.Korpu Venkata Kali Kanaka Durga Director (DIN: 08640661)	-	-

Disclosure of relationship between directors inter se:

None of the Directors are related to each other

Number of shares and convertible instruments held by non-executive directors:

Except below mentioned, none of the non-Executive Directors hold any equity shares

S.No	Name and designation of the Director	No. of Shares held
1	Mr.Prathipati Partha sararthi	NIL
2	Mr. Chukka Siva Satya Srinivas	NIL
3	Mrs.Korpu Venkata Kali Kanaka Durga	142081

Web link where details of familiarization programmes imparted to Independent directors:

A formal familiarization programme was conducted about the amendments in the Companies Act, 2013, Rules prescribed thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Periodic presentations are made by Senior Management, Statutory and Internal Auditors at the Board/Committee meetings on business and performance updates of the Company, global business environment, business risks and its mitigation strategy, impact of regulatory changes on strategy etc. It is the general practice of the Company to notify the changes in all the applicable laws from time to time to the Board of Directors regularly.

The Company has a familiarisation programme for Independent Directors with regard to their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, the business models of the Company etc., and the same is available on the website of the Company http://spacenetent.com/

List of core skills/expertise/competencies identified by the board of directors:

The Company requires skills, expertise and competencies in the areas of strategy, finance, accounting, Information Technology, Software modules, Financial Technology, Trading, Strategic Management, Trading, Strategic Management, Management, Finance, Corporate Governance and operations of the Company's businesses to efficiently carry on its core businesses such as Trading, Information Technology, Software modules, Financial Technology, Management, Finance, Marketing, Imports & Exports & Corporate Governance,

The Board comprises of qualified members who bring in the required skills, expertise and competence as mentioned above which allow them to make effective contributions to the Board and its committees. The members of the Board are committed to ensure that the Company is in compliance with the highest standards of corporate governance.

List of skills/competencies required in relation to business operations	Names of Directors having such skills/competencies
Information Technology, Software modules, Financial Technology	Mr.Satya Srikanth Karaturi
Trading, Strategic Management,	Mr. Dasigi Venkata Surya Prakash Rao
Marketing, Imports & Exports	Mr. Suresh Tammineedi
Management, Finance, Corporate Governance	Mr.Prathipati Partha sararthi Mr. Chukka Siva Satya Srinivas

	Mrs.Korpu Venkata Kali Kanaka Durga

The current composition of your Company's Board includes directors with core industry experience and has all the key skills and experience mentioned above

Confirmation that in the opinion of the board, the independent directors fulfil the conditions specified in these regulations and are independent of the management:

The Board of Directors be and is hereby confirm that in the opinion of the Board, the Independent Directors fulfil the conditions specified by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and they are independent of the management

Detailed reasons for the resignation of an independent director who resigns before the expiry of his /her tenure along with a confirmation by such director that there are no other material reasons other than those provided:

During the FY 2021-22 No independent director resigned before the expiry of his /her tenure.

COMMITTEES OF THE BOARD

The Board Committees play a vital role in ensuring sound Corporate Governance practices. The Committees are constituted to handle specific activities and ensure speedy resolution of the diverse matters. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles under which are considered to be performed by members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The minutes of the meetings of all the Committees are placed before the Board for review. As on date, the Board has established the following Committees.

A. Audit Committee

B. Nomination and Remuneration Committee

C. Stakeholders' Relationship Committee

Audit Committee

The Company has a qualified and Independent Audit Committee comprising of 3 Independent Directors, constituted in accordance with Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013.

The Committee is empowered with the powers as prescribed under the said Regulation 18 and Section 177 of the Companies Act, 2013.

The Committee also acts in terms of reference and directions if any, given by the Board from time to time.

(a) Brief description of terms of reference

The terms of reference of the Audit Committee are as per Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, read with Section 177 of the Companies Act, 2013 and includes such other functions as may be assigned to it by the Board from time to time.

i) Powers of the Audit Committee includes:

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

ii) Role of the Audit Committee includes:

Oversight of Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.

- Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of auditors and fixation of audit fee and approval of payment to statutory auditors for any other services rendered by them.
- Reviewing, with the management, the annual financial statements before submission to the Board for Approval, with particular reference to:

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.

- Changes, if any, in accounting policies and practices and reasons for the same.
- Major accounting entries involving estimates based on the exercise of judgment by management
- Significant adjustments made in the financial statements arising out of audit findings
- Compliance with listing and other legal requirements relating to financial statements
- Disclosure of any related party transactions
- Review of draft Auditors Report, in particular qualifications / remarks / observations made by the Auditors on the financial statements-

Review of internal audit reports relating to internal control weaknesses.

- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- Review, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
    - Approval or any subsequent modification of transactions of the listed entity with related parties
- Review of the financial statements of subsidiary Companies
- Scrutiny of inter-corporate loans and investments
- Valuation of undertakings or assets of the listed entity, wherever it is necessary
- Evaluation of internal financial controls and risk management systems
- look into the reasons for substantial defaults in the payment to the shareholders (in case of non-payment of declared dividends) and creditors
- Reviewing, with the management, auditor's independence, performance of statutory and internal auditors, adequacy of the internal control systems

- 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.

- Reviewing the risk management policies, practices and 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

- Discussion with internal auditors of any significant findings and follow up there on;

- 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;

- 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;

- To review the functioning of the whistle blower mechanism;

- Approval of appointment of chief financial officer after assessing the qualifications, experience and Background, etc. of the candidate;

- Carrying out any other function as is mentioned in the terms of reference of the audit committee

- Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing.

- Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders Authority to investigate into any matter in relation to the items specified in sub-section (4) of Section 177 of the Companies Act, 2013 or referred to it by the Board and for this purpose shall have power to obtain professional advice from external sources and have full access to information contained in the records of the Company

- Appointment of registered valuers

- Reviewing the reports/ certificates placed before it as mandated by the statutory authorities or as required Under policies framed by the Company from time to time.

- Ascertaining and ensuring that the Company has an adequate and functional vigil mechanism and for ensuring that the interest of a person, who uses such a mechanism, are not prejudicially affected on account of such use, as and when applicable and reviewing the functioning of whistle blower mechanism;

- Any other matters/ authorities / responsibilities / powers assigned as per Companies Act 2013 and Rules Made thereunder, as amended from time to time

- The Committee mandatorily reviews information including internal audit reports related to internal control weakness, management discussion and analysis of financial condition and result of operations, statement Of significant related party transactions, appointment and removal of the auditors and such other matters as prescribed from time to time.

Review of Information by Audit Committee:

1. The Management discussion and analysis of financial condition and results of operations;

2. Statement of significant related party transactions submitted by management;

3. Management letters / letters of internal control weaknesses issued by the statutory auditors;

4. Internal audit reports relating to internal control weaknesses;

5. The appointment, removal and terms of remuneration of the Chief Internal Auditor; and

6. Statement of deviations:

a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s).

b) Annual statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice.

COMPOSITION & MEETINGS, ATTENDANCE OF THE AUDIT COMMITTEE

The details of the Audit Committee Composition & meetings attended by its members as on 31st March, 2022 are given below:

Sr. No	Name	Designation	Category of Director	Number of meetings held during FY 2021-22	
				Held	Attended
1	Mr.Prathipati Partha saranthi	Chairman	Non-Executive & Independent	7	6
2	Mr. Chukka Siva Satya Srinivas	Member	Non-Executive & Independent	7	7
3	Mrs.Korpu Venkata Kali Kanaka Durga	Member	Non-Executive & Independent	7	7

During the FY 2021-22 under review, Mr.Prathipati Partha Sarathi Appointed as Independent director w.e.f 30-04-2021 and eligible to attend the board/Committe meetings held after his appointment only.

The Audit Committee of the Company comprises majority of Independent Directors which enables a complete independent review of financial reporting process and internal control mechanism by the Committee in more transparent way to further strengthen the confidence of all stakeholders especially the minority shareholders.

All members of the Audit Committee have accounting and financial management knowledge

The Company Secretary acts as the Secretary of the Audit Committee.

The Chairman of the Audit Committee attended the last Annual General Meeting (AGM) held on 24th September, 2021 to answer shareholders' queries.

During the financial year 2021-22, 07 (Seven) meetings of the Audit Committee were held

The dates on which the Audit Committee Meetings were held during FY 2020-21 are as follows:

Sr. No.	Date of Audit Committee meeting
1	22-04-2021
2	28-06-2021

3	13-08-2021
4	27-08-2021
5	12-11-2021
6	17-12-2021
7	14-02-2021

The intervening gap between two meetings did not exceed one hundred and twenty days.

NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee has been formed in compliance of Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to Section 178 of the Companies Act, 2013.

Brief description of terms of reference:

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

Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.

- Formulation of criteria for evaluation of Independent Directors and the Board.
- Devising a policy on Board diversity.
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment, remuneration and removal.

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.

- Recommendation of fee / compensation if any, to be paid to Non-Executive Directors, including Independent Directors of the Board.
- Recommend to the board, all remuneration, in whatever form, payable to Senior Management Personnel.

The Company has adopted a policy relating to the remuneration for Directors, Key Managerial Personnel and other employees of the Company which is disclosed on the website of the Company http://spacenetent.com/

Meeting, Attendance & Composition of the Nomination & Remuneration Committee

The details of the composition of the Nomination & Remuneration Committee meeting and attendance by its members as on 31st March, 2022 are given below:

Sr. No	Name	Designation(s)	Category of Director	Number of meetings held during FY 2021-22	
				Held	Attended
1	Mr.Prathipati partha sarathi	Chairman	Non-Executive & Independent	4	3
2	Mr. Chukka Siva Satya Srinivas	Member	Non-Executive & Independent	4	4

3	Mrs.Korpu Venkata Kali Kanaka Durga	Member	Non-Executive & Independent	4	4

During the FY 2021-22 under review, Mr.Prathipati Partha Sarathi Appointed as Independent director w.e.f 30-04-2021 and eligible to attend the board/Committe meetings held after his appointment only.

During Financial Year 2021-22, 04 (Four) meeting of the Nomination & Remuneration Committee were held

The dates on which the Nomination & Remuneration Committee Meetings were held during FY 2021-22 are as follows:

Sr. No.	Date of Nomination & Remuneration Committee meeting
1	30-04-2021
2	27-08-2021
3	17-12-2021
4	24-01-2022

The Quorum of the Committee is of two members.

The Board of Directors review the Minutes of the Nomination & Remuneration Committee Meetings at its subsequent Board Meetings.

The Company Secretary of the company acts as a Secretary to the Committee

Performance Evaluation Criteria for Independent Directors

The performance evaluation criteria for independent directors is determined by the Nomination and Remuneration committee.

Independent Directors are evaluated based on below mentioned criteria

i. their general understanding of the Company's business dynamics
ii. global business and social perspective
iii. professional ethics, integrity and values
iv. Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

The Nomination and Remuneration Committee laid down criteria for performance evaluation of all the Directors on the Board and recommended the same for evaluating the performance of each and every Director.

Board evaluates the performance of Independent Directors annually based on their participation at the Board and Committee meetings conducted during the year and the Nomination and Remuneration Committee Your recommends the appointment/re-appointment of the Independent Directors by assessing the role played by them in all the meetings they attended.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee has been formed in compliance of Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to Section 178 of the Companies Act, 2013 comprising of 3 Independent Directors

Terms of reference

The terms of reference of the Stakeholders Relationship Committee are as under:

Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

ii) Review of measures taken for effective exercise of voting rights by shareholders.

iii) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.

iv) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

v) Performing various functions relating to the interests of shareholders/investors of the Company as may be required under the provisions of the Companies Act, 2013, Listing Agreement with the Stock Exchanges and regulations/guidelines issued by the SEBI or any other regulatory authority. In order to expedite the process and for effective resolution of grievances/complaints, the Committee has delegated powers to the Registrar and Share Transfer Agents i.e., M/s. CIL SECURITIES LIMITED, to redress all complaints/grievances/enquiries of the shareholders/investors. It redresses the grievances/ complaints of shareholders/investors under the supervision of Company Secretary & Compliance Officer of the Company.

The Committee, along with the Registrars and Share Transfer Agents of the Company follows the policy of attending to the complaints, if any, within seven days from the date of its receipt.

As mandated by SEBI, the Quarterly Reconciliation of Share Capital Audit, highlighting the reconciliation of total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) vis-à-vis the total issued and listed capital is being carried out by a Practicing Company Secretary. This Audit confirms that the total issued and paid up capital is in agreement with the total number of shares held in physical and dematerialized form with NSDL and CDSL.

As on 31st March, 2022, 530358367 Equity Shares of Rs. 01/- each representing 99.99% of the total no. of Shares are in dematerialized form.

Compliance As per Rule 6 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') read with Section 124 of the Companies Act, 2013: **NOT APPLICABLE**

Compliance As required under Section 124 of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') : **NOT APPLICABLE**

Composition, Meetings and Attendance of Stakeholders' Relationship Committee

The details of the Stakeholders' Relationship Committee meeting attended by its members as on 31st March, 2022 are given below:

Sr. No	Name	Designation(s)	Category of Director	Number of meetings held during FY 2021-22	
				Held	Attended
1	Mr.Prathipati Partha sarathi	Chairman	Non-Executive & Independent	4	3
2	Mr. Chukka Siva Satya Srinivas	Member	Non-Executive & Independent	4	4

3	Mrs.Korpu Venkata Kali Kanaka Durga	Member	Non-Executive & Independent	4	4

During the FY 2021-22 under review, Mr.Prathipati Partha Sarathi Appointed as Independent director w.e.f 30-04-2021 and eligible to attend the board/Committe meetings held after his appointment only.

The Quorum of the Committee is of two members.

The Board of Directors review the Minutes of the Stakeholders' Relationship Committee Meetings at its subsequent Board Meetings.

During Financial Year 2021-22, 04 (Four) meeting of the Nomination & Remuneration Committee were held

The dates on which the Stakeholders' Relationship Committee Meetings were held during FY 2021-22 are as follows:

Sr. No.	Date of Stakeholders' Relationship Committee meeting
1	22-04-2021
2	30-09-2021
3	17-12-2021
4	24-01-2022

Name and designation of the compliance officer:
Mr. M.Chowda Reddy , Company Secretary of the company is appointed as the Compliance Officer of the Company.

Redressal of Investor Grievances
Stakeholders Relationship Committee specifically look into various aspects of interest of shareholders, and other security holders.

The Board has authorised the Company Secretary, who is also the Compliance Officer, to approve share Transfers/transmission and comply with other formalities in relation thereto.

There were no pending transfers as on 31st March, 2022.

All investor complaints, which cannot be settled at the level of the Compliance Officer, will be placed before the Committee for final settlement.

Number of shareholders' complaints received during the financial year2021-22: NIL

Number of complaints not solved to the satisfaction of shareholders: NA

Number of pending complaints: NIL

REMUNERATION OF DIRECTORS

All pecuniary relationship or transactions of the non-executive directors
Non-Executive Directors including Independent Directors are entitled to sitting fee for the Board and Committee meetings attended by them and Commission not exceeding 1% of the net profits of your Company computed in the manner laid down in Section 198 of the Companies Act, 2013, which is approved by the shareholders.

a) Criteria of making payments to non-executive directors

Keeping in view the size, scale and complexity of the Company's operations and the level of involvement of the non-executive directors in the supervision and control of your Company and their guidance for the growth of the Company as members of the Board and also as Chairman or Members of the relevant Committees of the Board, the Board and Shareholders decided that such remuneration/commission should be commensurate with their roles which have undergone significant qualitative changes.

b) Disclosures with respect to remuneration (in addition to disclosures required under the Companies Act, 2013):

i. All elements of remuneration package of individual directors summarized under major groups, such as salary, benefits, bonuses, stock options, pension etc for the FY 2021-22:

Sr. No	Name of the Non-Executive Director	Sitting fees paid for the FY 2021-22 In Rs.	Commission for the FY 2021-22 In Rs.
1	Mr.Prathipati Partha sarathi	NIL	NIL
2	Mr. Chukka Siva Satya Srinivas	NIL	NIL
3	Mrs.Korpu Venkata Kali Kanaka Durga	NIL	NIL

Details of Remuneration/salary, commission and other benefits to Executive Directors

Sr. No	Name of the Executive Director	Salary paid for the FY 2021-22 In Rs.	Perquisites and Allowances	Commission as % of profit FY 2021-22 In Rs.
1	Mr. Dasigi Venkata Prakash Rao	7.39	NIL	NIL
2	Mr.Satya Srikanth Karaturi	7.02	NIL	NIL
3	Mr.Suresh Tammineedi	9	NIL	NIL

Mr.Srinivasa Rao tatipaka has been paid remuneration of Rs.7.02 lakh during his tenure in the FY 2021-22 and resigned from the office of the director w.e.f.30th April, 2021

ii) Details of fixed component and performance linked incentives, along with the performance criteria:

No Director is paid any fixed component nor performance linked incentives.

(iii) Service contracts, notice period, severance fees:

A separate contract of employment was entered with each of the Executive Directors with terms and conditions of appointment as per the HR Policy of the Company and approved by the Board.

(iv) Stock option details, if any including issue at a discount as well as the period over which accrued and over which exercisable:

During the financial year the company granted Employee stock options to the executive directors of the company in the following manner under "Spacenet Employee Stock Option Scheme-2021" convertible into Equity shares of Rs.01/- (Rupees One Only) of the company pursuant to the provisions of Companies Act, 2013 and Rules made thereunder and in accordance with the Regulations of SEBI (Share Based Employee Benefits And Sweat Equity) Regulations, 2021

Sr. No	Name of the Executive Director	No of Options Granted
1	Mr. Dasigi Venkata Prakash Rao –Executive Director	900000
2	Mr.Satya Srikanth Karaturi-Whole Time Director	700000
3	Mr.Suresh Tammineedi- Executive Director	400000

Options granted under SPACENET Employee Stock Option Scheme 2021 shall vest over a period of 04 (Four) years in the Following Manner:

Vesting Period	Vesting proportion
End of one year from the date of grant	60% of options granted
End of two years from the date of grant	15% of options granted
End of three years from the date of grant	15% of options granted
End of Four years from the date of grant	10% of options granted

GENERAL BODY MEETINGS:

Annual General Meetings (AGMs) for the financial year ended 31st March, 2021 and 31st March,2020 were held through Video Conferencing (VC)/Other Audio-Visual Means (OAVM) mode Pursuant to MCA & SEBI Circulars and details regarding time and special resolutions passed in the respective AGMs are as tabled below:

Financial Year Ended	Date-Day-Time- Venue	Special Resolutions passed at the AGMs by the Shareholders
31st March, 2021	Date: 24-09-2021 Day: Friday Time: 04:00PM (IST) Venue: At Regd Office of the company Plot No.114, Survey No.66/2, Raidurgam, Prasanth Hills, Gachibowli, Nav Khalsa, Serilingampally, Ranga Reddy, Hyderabad-500008,Telangana, IndiaHeld through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM")	1. To amend the main objects clause of the memorandum of association (MOA) of the Company 2.Increase In Authorized Share Capital Of The Company From ₹.50,00,00,000/- (Rupees Fifty Crores Only) To ₹. 55,00,00,000/- (Rupees Fifty Five Crore Only) 3. Adoption Of New Set Of Memorandum Of Association (Moa) Under The Provisions Of The Companies Act, 2013 Alteration Of The Articles Of Association (AOA) Of The Company 4. Approval of spacenet employee stock option scheme- 2021: 5. To approve conversion of loan into equity: 6. Authorising The Board Of Directors Of The Company To Make Offer(S) Or Invitation For Subscription Of Equity Shares And/or Issuance Of Depository Receipts Including ADR And GDR Or Bonds Including FCCB Or Securities Convertible Into Equity Shares Or Non-Convertible Debt Instruments Along With Warrants Or Any Combination Thereof Aggregating Up-to An Amount Not Exceeding ₹ 750 Crores Including

		Premium By Way Of (QIP) /Preferential Allotment/ Issue Of Depository Receipts Or Issue Of FCCB Or Such Other Permissible Mode Or Combinations Thereof: 7.Authorising the board of directors of the company for application of listing of Securities of the company on main board of bse and london stock exchange and any Other international stock exchanges: 8. Authorising The Board Of Directors Of The Company To Give Any Loan/ Guarantee Or Provide Security And Acquire By Way Of Subscription, Purchase Or Otherwise, Securities Of Any Other Body Corporate Aggregating Upto An Amount Not Exceeding ₹ 250,Crore Under Section 186 Of The Companies Act, 2013
31st March, 2020	Date: 30-09-2020 Day: Wednesday Time: 11.30 AM (IST) Venue: At Regd Office of the company Royal Pavilion Apartment, H.No. 6-3-787, Flat No. 1003, Block - A, Ameerpet, Hyderabad -500016, Telangana, India Held through Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”)	No Special Resolution was passed at the AGM.
31st March, 2019	Date: 28-09- 2019 Day: Saturday Time: 11.00 AM (IST) Venue: Senior Citizen Hall 2nd Floor, Beside S.R.K Raju community hall, Madhura Nagar, Hyderabad - 500038, Telangana	To approve material related party transactions

Whether any special resolution passed last year through postal ballot – details of voting pattern: NIL

Person who conducted the postal ballot exercise: NA

Whether any special resolution is proposed to be conducted through postal ballot: NO

Procedure for postal ballot: NA

DIVIDEND HISTORY (EQUITY SHARES): During Financial Year 2021-22, The Board has not recommended any Dividends

MEANS OF COMMUNICATION

(a) Quarterly results:

The quarterly, half-yearly and annual results of the Company were published by your Company in the newspapers within 48 hours from the conclusion of the Board meeting. Annual reports with audited financial statements are sent to the shareholders through permitted mode.

(b) Newspapers wherein results normally published:

The results are normally published by your Company in the newspapers (Financial Express) in English version, circulating in the whole of India and in regional newspaper (Andhra Prabha) in the vernacular language in all editions.

(c) Any website, where displayed:

The results are also displayed on your Company's website: http://spacenetent.com/

(d) Whether it also displays official news releases:

Official press releases/ news are sent to the Stock Exchanges i.e. National Stock Exchange of India Limited and BSE Limited, where the shares of your Company were listed and the same are hosted on the website of your Company.

(e) Presentations made to institutional investors or to the analysts:

The presentations to institutional investors or to the analysts are covered in your Company's website and will be intimated to the Stock Exchanges.

GENERAL SHAREHOLDER INFORMATION

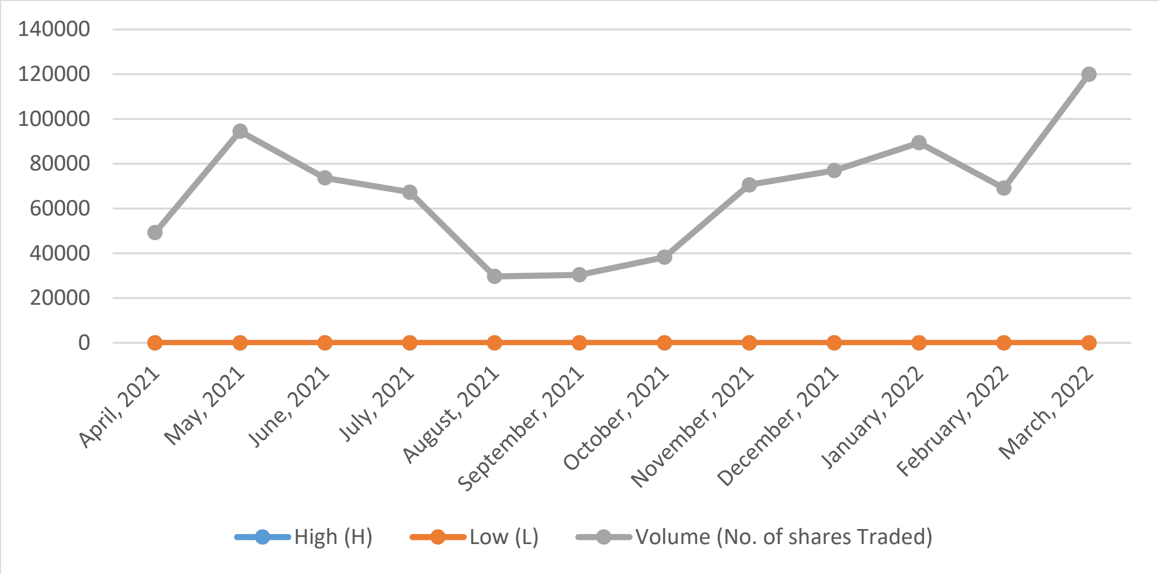
The 12th Annual General Meeting of your company will be held on 28th day of September, 2022 at 02:00 P.M. through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM"), for details, please refer to the Notice of the AGM.

Company Registration	CIN: L72200TG2010PLC068624
Registered Office Address & Address for correspondence	Plot No.114, Survey N o.66/2, Street No.03, Raidurgam, Prasanth Hills, Gachibowli, Nav Khalsa , Serilingampally , Ranga Reddy, Hyderabad-500008,Telangana, India
Mail:	info@spacenetent.com cs@spacenetent.com
Ph;	040- 48579444, 040- 48578444
Website:	http://spacenetent.com/
Financial Calendar	1st April, 2022 to 31st March, 2023
dividend payment date	NA
Results for the quarter ending	
30th June 2021	13-08-2021
30th September 2021	12-11-2021
31st December 2021	14-02-2022
31st March 2022	27-05-2022
12TH AGM Date	Wednesday, 28th September, 2022
Date of Book closure	Thursday,22nd September,2022 to Wednesday,28th September, 2022 (both days inclusive)
Record Date/ Cut-off date for e-voting	Wednesday,21st September, 2022

Dividend Payment Date	NA
Listing on Stock Exchanges	National Stock Exchange of India Ltd 'Exchange Plaza' 5th Floor, Plot No. C/1, G-Block, Bandra-Kurla Complex, Bandra(E), MUMBAI - 400051
Stock Code/Symbol	SPCENET
ISIN	INE970N01027
The Listing fees for the year 2022-23	Paid to National Stock Exchange of India Ltd
Depositories:	1.National Securities Depository Limited (NSDL) Trade World, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400013. 2.Central Depository Services (India) Limited (CDSL) 25th Floor, A Wing, Marathon Futurex, Mafatlal Millis Compound, NM Joshi Marg, Lower Parel (E), Mumbai - 400013
Registrar & Transfer Agent (RTA)	CIL Securities Limited 214, Raghava Ratna Towers, Chirag Ali Lane, Hyderabad - 500 001.,Phone: +91 040-2320 3155 E-mail: rta@cilsecurities.com

Market Price Data: High, Low during each month in Financial Year 2021-22.
High, low during each month and trading volumes of the Company's Equity Shares during the last financial Year 2021-22 at the National Stock Exchange of India Limited (NSE) are as under:

Month	NSE		
	High (H)	**Low (L)**	**Volume (No. of shares Traded)**
April, 2021	1.80	1.70	**49280**
May, 2021	1.85	1.75	**94510**
June, 2021	1.85	1.85	**73649**
July, 2021	1.95	1.80	**67306**
August, 2021	1.95	1.95	**29729**
September, 2021	2.10	1.95	**30430**
October, 2021	2.10	2.10	**38284**
November, 2021	2.10	2.10	**70597**
December, 2021	2.10	2.10	**76950**
January, 2022	2.20	2.10	**89354**
February, 2022	2.30	2.20	**69119**
March, 2022	**2.30**	**2.30**	**119958**



Share price performance in comparison to broad-based indices

Particulars	SPACENET Share Price (in ₹)	NIFTY
As on 1 April 2021	1.75	14,798.40
As on 31 March 2022	2.30	17,464.75
Changes (%)	76.08	18.02

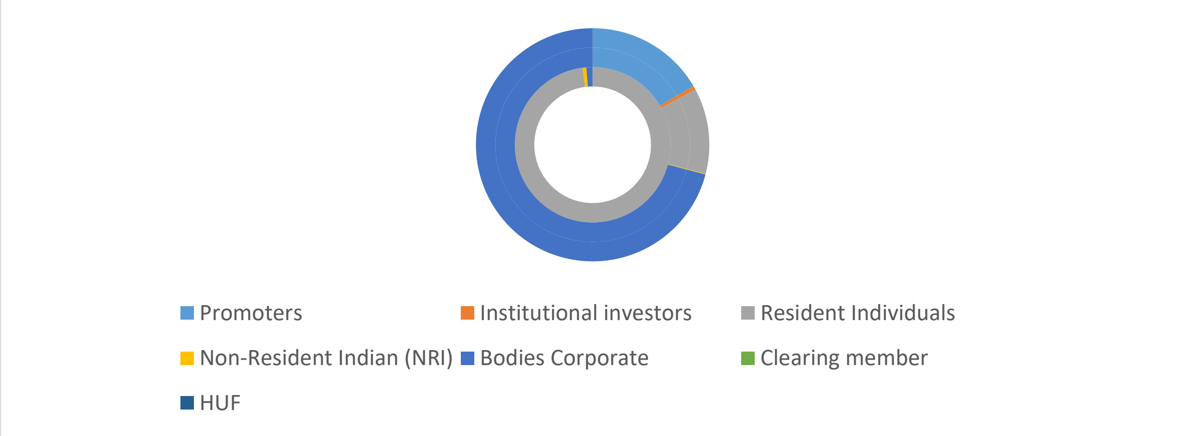
The Distribution of Shareholding as on 31st March, 2022 is as follows:

Number of shares Category	Number of shareholders		Equity Shares held in each category	
	Holders	% Held	Total No. of Shares	% Held
1 to 500	12142	69.91	2236158	**0.42**
501 to 1000	2202	12.68	1909456	**0.36**
1001 to 2000	1250	7.20	1998106	**0.38**
2001 to 3000	516	2.97	1350516	**0.25**
3001 to 4000	241	1.39	881261	**0.17**
4001 to 5000	240	1.38	1157807	**0.22**
5001 to 10000	341	1.96	2616746	**0.49**
10001 to 530358374	435	2.50	518208324	**97.71**
TOTAL	**17367**	**100**	**530358374**	**100**

Shareholding Pattern as on 31st March, 2022 is as follows:

Category	No of Shareholders	No. of Shares held	(%) of holding
Promoters	6	88104371	**16.61**
Institutional investors	1	2832492	**0.53**
Resident Individuals	16654	62980931	**11.87**
Non-Resident Indian (NRI)	127	472797	**0.09**
Bodies Corporate	221	375966633	**70.89**

Clearing member	0	0	**0**
HUF	2	1150	**0**
Total	17,011	53,03,58,374	100



Dematerialization of shares and liquidity:
The shares of the Company are under compulsory demat trading. The Company has made necessary arrangements with NSDL and CDSL for demat facility, 99.99% of the Company's Shares are dematerialised as on 31st March, 2022

Securities suspended from trading:
During the FY 2021-22 the scrip "SPCENET" is under Graded Surveillance Measure (GSM) Stages, however w.e.f. june 21st 2022 the scrip of the company is trading on regular basis.

Outstanding GDRs/ ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity:
The Company has not issued any GDRs/ADRs/warrants or any other convertible instruments during the FY 2021-22

Share Transfer System:
The Share transfers are effected within 15 days from the date of lodgement for transfer, Transmission sub-division, Consolidation, renewal etc., if the documents are in order in all respects, in line with Schedule VII to the Listing Regulations and such modified share Certificates are delivered to the shareholders immediately.

Transfer of unpaid/unclaimed to Investor Education & Protection Fund: NOT APPLICABLE

Dematerialization of Shares and Liquidity:
The Equity Shares of the Company are tradable in compulsory dematerialized segment of the Stock Exchanges and are available in depository system of National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

Listing of Debt Securities: NOT APPLICABLE

Debenture Trustees (for privately placed debentures): NOT APPLICABLE

Commodity Price Risk/Foreign Exchange Risk and Hedging:

In the ordinary course of business, the Company is exposed to risks resulting from exchange rate fluctuation and interest rate movements. It manages its exposure to these risks through derivative financial instruments. The Company's Treasury Team ensures appropriate financial risk governance framework for the Company through appropriate policies and procedures and that financial risks are identified, measured and managed.

Major Plant Locations: NOT APPLICABLE

The shareholders may address their communications / suggestions / grievances / queries to:

1.	**M.Chowda Reddy** **Company Secretary & Compliance Officer** **SPACENET ENTERPRISES INDIA LIMITED** **Plot No.114, Survey No.66/2, Street No.03, Raidurgam, Prasanth Hills, Gachibowli, Nav Khalsa , Serilingampally , Ranga Reddy,** **Hyderabad-500008,Telangana, India.** **Tel: 040 48579444, 040 48578444** **E-mail: cs@spacenetent.com** **Website: http://spacenetent.com/**	**2.**	**CIL Securities Limited (RTA)** **214, Raghava Ratna Towers,** **Chirag Ali Lane,** **Hyderabad - 500 001.** **Phone: +91 040-2320 3155** **E-mail: rta@cilsecurities.com**

Credit Rating: NOT APPLICABLE

Secretarial Audit & other Audits & Compliance Certificate:
The Company obtained following certificate(s)/Reports from CS Desina Balarama Krishna (Cop. No. 22414), Practicing Company Secretary, Hyderabad,

I. confirming compliance with the conditions of Corporate Goverance as stipulated under SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 is attached to the Directors' Report and forms part of this 12th Annual Report.

II. None of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority is attached to the Directors' Report and forms part of this 12th Annual Report.

III. Secretarial Audit Report of the Company for the year 2021-22. Their Audit Report confirms that the Company has complied with the applicable provisions of the Companies Act 2013 and the Rules made there under, SEBI Listing Regulations and other laws applicable to the Company. The Secretarial Audit Report forms part of the Directors' Report.

IV. Pursuant to Regulation 40(9) of the SEBI Listing Regulations, certificates have been issued on a half- yearly basis, certifying due compliance of share transfer formalities by the Company.

V. Carry out a quarterly Reconciliation of Share Capital Audit, to reconcile the total admitted capital with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) and the total issued and listed capital. The audit confirms that the total issued/ paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with NSDL and CDSL).

OTHER DISCLOSURES

Disclosure on materially significant related party transactions:

All related party transactions entered into during the financial year were on an arm's length basis and were in the ordinary course of business. The details of Related Party Transactions are disclosed in financial section of this Annual Report. The Company has developed a policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions.

The Policy on Related Party Transactions as approved by the Board is uploaded on the website of the Company http://spacenetent.com/

Details of non-compliance

The Company has complied with all the requirements of the Stock Exchanges as well as the regulations and guidelines prescribed by the Securities and Exchange Board of India (SEBI).

Penalties or strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years. Are as follows:

Sr.No	Period of payment	Fine Amount	Regulation under which Fine Levied for non-compliance
*1	31-March-2019	Rs. 84960/-	Reg. 6(1) of SEBI LODR-2015
**2	30th April-2021	Rs. 10000/-	Reg. 29 of SEBI LODR-2015

*The company paid the above mentioned fine levied by stock exchange for non-compliance of Reg. 6(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to non-appointment of compliance officer, however the company appointed the compliance officer later and complied the same regulation.

** The company paid the above mentioned fine levied by stock exchange under Reg. 29 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating delay compliance of disclosure of board meeting intimation , however the company ensured the same compliance and placed the SOP Fine letter issued by the NSE before the board and board took note of the same and taken appropriate measures in order to ensure in time compliance.

Whistle Blower Policy:

The Company has adopted a whistle blower policy and has established the necessary vigil mechanism for employees and directors to report concerns about unethical behaviour. No person has been denied access to the chairman of the audit committee.

The Whistle Blower Policy of the Company is also posted on the website of the Company http://spacenetent.com/

THE COMPANY HAS COMPLIED WITH THE MANDATORY REQUIREMENTS OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015. THE STATUS OF COMPLIANCE WITH THE DISCRETIONARY REQUIREMENTS UNDER REGULATION 27(1) OF SEBI LISTING REGULATIONS ARE AS UNDER:

Discretionary Requirements:

Discretionary Requirements:

Your Company has adopted / complied with the discretionary requirements specified in Part E of Schedule II as detailed below:

i. The Board: Maintenance of Office to the Non-executive Chairperson at the Company's expense:
This is not applicable as the Chairperson of the Company is an Executive Director.

ii. Shareholders' rights: All the quarterly financial results are placed on the Company's Website: http://spacenetent.com/, apart from publishing the same in the Newspapers also submitting to BSE and NSE.

iii. Modified opinion(s) in audit report: There are no modified opinions in the Audit Reports.

iv. Separate Posts of Chairman and the Managing Director or the CEO: The Office of (i) Chairman (ii) Managing Director/Whole-Time Director are held by different persons.

v. Reporting of internal auditor: The Internal auditor reports to the Chairman of the Audit Committee directly.

Web link where policy for determining 'material' subsidiaries is disclosed

The Policy on Material Subsidiaries as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as approved by the Board is available on the website of your Company which may be accessed at http://spacenetent.com/

Web link where policy on dealing with related party transactions;

The particulars of transactions between your Company and its related parties are set out at Notes to financial statements.

However these transactions are not likely to have any conflict with the Company's interest. The Policy on materiality of Related Party Transactions and on dealings with Related Party Transactions as approved by the Board is uploaded on the website of your Company and the weblink is http://spacenetent.com/

Disclosure of commodity price risks and commodity hedging activities

In the ordinary course of business, the Company is exposed to risks resulting from exchange rate fluctuation and interest rate movements. It manages its exposure to these risks through derivative financial instruments.

The Company's Treasury Team ensures appropriate financial risk governance framework for the Company through appropriate policies and procedures and that financial risks are identified, measured and managed.

Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):-

During the FY 2021-22 the company has not raised any funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)

However During the year under review the company converted the unsecured Loan Amounts of Rs.37,22,00,000/- into fully paid Equity shares of Rs.1/- each and Allotted 37,22,00,000 equity shares to Lenders pursuant to compliance of 62(3) of Companies Act,2013 and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, ("SEBI ICDR Regulations.)

A certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority has been enclosed as separately to this report.

Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year- There are no such instances during the year and the Board considered and accepted the recommendations of all the Committees.

Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part:

During the FY 2021-22 the company paid total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is Rs. 9.03 lakhs

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at workplace as per the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. The policy aims to provide protection to Employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where Employees feel secure. The Company has not received any complaint on sexual harassment during the FY2021-22.

a. number of complaints filed during the financial year -NIL
b. number of complaints disposed of during the financial year -NA
c. number of complaints pending as on end of the financial year-NA

Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount':

During the year under review there are no 'Loans and advances in the nature of loans to firms/companies in which directors are interested.

Non-compliance of any requirement of corporate governance report, with reasons thereof:

All the corporate governance requirements are complied with

The corporate governance report shall also disclose the extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted

Discretionary Requirements:

Your Company has adopted / complied with the discretionary requirements specified in Part E of Schedule II as detailed below:

i. The Board: Maintenance of Office to the Non-executive Chairperson at the Company's expense:
This is not applicable as the Chairperson of the Company is an Executive Director.

ii. Shareholders' rights: All the quarterly financial results are placed on the Company's Website: http://spacenetent.com/, apart from publishing the same in the Newspapers also submitting to BSE and NSE.

iii. Modified opinion(s) in audit report: There are no modified opinions in the Audit Reports.

iv. Separate Posts of Chairman and the Managing Director or the CEO: The Office of (i) Chairman (ii) Managing Director/Whole-Time Director are held by different persons.

v. Reporting of internal auditor: The Internal auditor reports to the Chairman of the Audit Committee directly.

Disclosures of compliance with corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 are as follows:

Regulation	Particulars of regulations	Compliance status (Yes/No)
17	Board of directors	Yes
18	Audit committee	Yes
19	Nomination and Remuneration committee	Yes
20	Stakeholders Relationship committee	Yes
21	Risk Management committee	NA
22	Vigil mechanism	Yes
23	Related party transactions	Yes
24	Corporate Governance requirements with respect to Subsidiary of listed entity	NA
25	Obligations with respect to Independent directors	Yes
26	Obligation with respect to Directors and Senior Management	Yes
27	Other Corporate Governance requirements	Yes
46(2) (b) to (i)	Website	Yes

Code of Conduct

The Company has in place a comprehensive Code of Conduct (the Code), pursuant to Regulation 17(5) of Listing Regulations, applicable to all the senior management personnel and directors including independent directors to such extent as may be applicable to them depending on their roles and responsibilities. The Code covers duties of independent directors also gives guidance and support needed for ethical conduct of business and compliance of law.

Further a policy on obligation of directors and senior management personnel for disclosure of committee positions and commercial transitions pursuant to Regulation 26(2) (5) and (6) of Listing Regulation is in place.

All the Directors and senior management confirmed the compliance of code of conduct. The Company has posted the Code of Conduct for Directors and Senior Management on the website http://spacenetent.com/

Declaration on compliance with Code of Conduct is annexed.

Meeting of Independent Directors

During the year under review, the Independent Directors met on 14th March, 2022, inter alia, to discuss:

- Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the Meeting.

Policy for determining materiality of an event/information & for making disclosures to Stock Exchanges:

As required under Regulation 30 of the Listing Regulations, the Board of directors of the Company approved the Policy for determining materiality of an event or information and for making disclosures to Stock Exchanges which was placed on the Website of the Company http://spacenetent.com/

Preservation of Documents:

The Company adopted the policy on preservation of documents in accordance with the Regulation 9 of the Listing Regulations, which was placed on the Website of the Company http://spacenetent.com/

Corporate governance requirements with reference to Subsidiary Companies:

Mr. Chukka Siva Satya Srinivas, Mr. Korpu Venkata Kali Kanaka Durga have been appointed as Independent Directors on the Board of M/s. Thalassa Enterprises Limited, non-listed subsidiary company.

Prohibition of Insider trading:

In compliance with the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time) and to preserve the confidentiality and prevent misuse of unpublished price sensitive information, the Company has adopted a Code of Conduct for regulating, monitoring and reporting of trading by insiders.

This Code also provides for periodical disclosures from the designated Persons and their immediate Relatives as well as pre-clearance of transactions by such persons as per the thresholds mentioned in the code.

The code is applicable to Designated Persons and their immediate relatives who are likely or may reasonably be expected to have access to the unpublished price sensitive information relating to the Company and the same is being implemented as a self-regulatory mechanism.

A Code on Prohibition of Insider trading placed on the website of the company http://spacenetent.com/

Compliance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pertaining to mandatory requirements and Certificate on Corporate Governance:

As required under SEBI Listing Regulations, the Certificate on compliance of the Corporate Governance norms is attached.

Particulars about Directors proposed for appointment as well as the Directors who retire by rotation and are eligible for re-appointment indicating their shareholding in the Company have been given in the annexure attached to the Notice of this 12th Annual General Meeting.

The Managing Director / the Chief Financial Officer (CFO) have certified to the Board in accordance with Regulation 33(2)(a) of SEBI Listing Regulations pertaining to CEO/CFO certification for the Financial Year ended 31st March, 2022 and the same is annexed herewith.

Disclosures with respect to DEMAT suspense account/ unclaimed suspense account:

Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year; NIL

Number of shareholders who approached listed entity for transfer of shares from suspense account during the year; NIL

Number of shareholders to whom shares were transferred from suspense account during the year; NIL

Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year; NIL

That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares: NIL

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH COMPANY'S CODE OF CONDUCT

In terms of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that all the Board members and Senior Management Personnel of the Company have affirmed compliance with the respective Codes of Conduct, as applicable to them for the year ended 31st March, 2022.

For Specenet Enterprises India Limited

Sd/-
Satya Srikanth Karaturi
Whole Time Director
DIN: 07733024

For Specenet Enterprises India Limited

Sd/-
Dasigi Venkata Surya Prakash Rao
Executive Director
DIN: 03013165

Date: 03-09-2022
Place: Hyderabad

CERTIFICATION BY CHIEF EXECUTIVE OFFICER (CEO) / CHIEF FINANCIAL OFFICER (CFO)

We have reviewed the financial statements and the cash flow statements for the year ended 31st March, 2022 and that to the best of our knowledge and belief:

1.These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.

2.These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

3.To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2022 which are fraudulent, illegal or violation of the Company's Code of Conduct.

4.We accept responsibility for establishing and maintaining internal control system and that we have evaluated the effectiveness of the internal control system of the Company and we have disclosed to the auditors and the Audit Committee, efficiencies in the design or operation of internal control system, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

5.We further certify that we have indicated to the auditors and the Audit Committee:

a)There have been no significant changes in internal control system during the year;

b)There have been no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

c)There have been no instances of significant fraud of which we have become aware, involving management or an employee having a significant role in the Company's internal control system.

For Specenet Enterprises India Limited

Sd/-
Satya Srikanth Karaturi
Whole Time Director
DIN: 07733024

For Specenet Enterprises India Limited

Sd/-
Dasigi Venkata Surya Prakash Rao
Executive Director & CFO
DIN: 03013165

Date: 03-09-2022
Place: Hyderabad

CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS UNDER REGULATION 34(3) - SCHEDULE V - (E) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To
The Members of
Spacenet Enterprises India Limited
CIN: L72200TG2010PLC068624
Hyderabad.

I have examined the compliance of the conditions of Corporate Governance by Spacenet Enterprises India Limited ('the Company') for the year ended on March 31, 2022, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub- regulation (2) of Regulation 46 and para-C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The compliance of the conditions of Corporate Governance is the responsibility of the management of the Company. My examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the financial year ended on March 31, 2022.

I further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Sd/-
Balaramakrishna Desina
Company Secretary in Practice
M. No.: FCS 8168
C.P No.: 22414
Peer Reviewed UIN. 12019TL1988700
UDIN: F008168D000908507

Date: 03.09.2022
Place: Hyderabad.

CERTIFICATE PURSUANT TO THE PROVISIONS OF REGULATION 34(3) READ WITH SCHEDULE V PARA C CLAUSE (10) (i) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,

The Members of,
Spacenet Enterprises India Limited
CIN: L72200TG2010PLC068624
Hyderabad.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Spacenet Enterprises India Limited having CIN: L72200TG2010PLC068624 and having registered office at Plot No.114, Survey No.66/2, Raidurgam, Gachibowli, Prasanthhills, Navkhalsa, Serilingampally, Hyderabad, Rangareddi, Telangana – 500008(hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31stMarch, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of the Director	DIN	*Date of appointment as Director in the Company
01.	Mr. Prathipati Parthasarathi	00004936	30/04/2021
02.	Mr. Suresh Tammineedi	00952079	03/09/2020
03.	Mr. Dasigi Venkata Surya Prakash Rao	03013165	13/11/2019
04.	Mr. Chukka Siva Satya Srinivas	07177166	23/05/2019
05.	Mr. Satya Srikanth Karaturi	07733024	14/02/2017
06.	Mrs. Korpu Venkata Kali Kanaka Durga	08640661	18/12/2019

* The date of appointment is as per MCA portal.

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Sd/-
Balaramakrishna Desina
Company Secretary in Practice
M. No.: FCS 8168
C.P No.: 22414
Peer Reviewed UIN. 12019TL1988700
UDIN: F008168D000908485

Date: 03.09.2022
Place: Hyderabad.

Annexure-2

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

ECONOMIC OVERVIEW

INDIAN ECONOMY REVIEW – FY 2021-22:

The Indian economy recorded a significant recovery in its growth at 8.7% in FY 2021-22 from a contraction of 6.6% in the previous years, as per the latest estimates released by the National Statistical Office, Ministry of Statistics and Programme Implementation, Government of India.

As the domestic as well as global economies are on the recovery path, steep escalation in commodity prices have become a potential cause for concern with a sharp rise in inflation. Ballooning commodity prices were initially instigated by the sudden surge in demand with quick recovery in economic activity across the globe and subsequently fuelled by the elevated geopolitical tensions due to war in Ukraine. As a result of escalation in inflation, India's economic growth is expected to slow down in FY 2022-23 to 7.2%, according to the latest projections by the Reserve Bank of India in its Monetary Policy Statement FY 2022-23 released in June 2022. The slowdown is expected on account of factors like high crude oil prices and other commodity prices contributing to inflationary pressures, tightening of global financial conditions, persistence of supply-side disruptions and a significantly weaker external demand

The Indian economy reported an attractive recovery in FY 2022, its GDP rebounding from a de-growth of 7.3 per cent in FY 2021 to an estimated growth of 8.7 per cent in FY 2022. By the close of FY 2022, India was among the six largest global economies, its economic growth rate was the fastest among major economies its market size at around 1.40 billion the second most populous in the world and its rural under-consumed population arguably the largest in the world.

GROWTH OF THE INDIAN ECONOMY, FY 2022

Real GDP growth for Q-1 is 20.1%, For Q-2 is 8.4%, For Q-3 is 5.4%, For Q-4 is 4.1%,

The Indian economy was affected by the second wave of the pandemic that affected economic growth towards the fag end of the previous financial year and across the first quarter of the financial year under review. The result is that after a growth of 1.6 per cent in the last quarter of FY 21, the Indian economy grew 20.1 per cent in the first quarter of FY 2022 due to the relatively small economic base during the corresponding period of the previous year.

India's monsoon was abundant in 2021 as the country received 99.32% of a normal monsoon, lower though than in the previous year. The estimated production of rice and pulses was of 127.93 million tonnes and 26.96 million tonnes respectively. The total oilseeds production of the country recorded a volume of 371.47 million tonnes. Moreover, based on the spatial and temporal distribution of the 2021 monsoon rainfall, the agricultural gross value added (GVA) growth in FY2022 was anticipated to be 3-3.5%. The country's manufacturing sector grew an estimated 12.5 per cent, the agriculture sector 3.9 per cent, mining and quarrying by 14.3%, construction by 10.7% and electricity, gas and water supply by 8.5% in FY 2021-22

There were positive features of the Indian economy during the year under review.

India got the highest annual FDI inflow of USD 83.57 billion in FY2021-22, a validation of the global investing confidence in India's growth story. The Government approved 100% FDI for insurance intermediaries and increased FDI limit in the insurance sector from 49% to 74% in the Union Budget 2021-22.

In 2021, India was the largest recipient of global remittances. The country received USD 87 billion during 2021, with the US being the largest source (20%).

India's foreign exchange reserves stood at an all-time high of USD 642.45 billion as on September 3, 2021, crossing USD 600 billion in forex reserves for the first time.

India reported improving Goods and Services Tax (GST) collections month-on-month in the second half of 2021-22 following the relaxation of the lockdown, validating the consumption-driven improvement in the economy. The country recorded its all-time highest GST collections in March 2022 at H1.42 lakh Crore, which was 15% higher than the corresponding period in 2021

India ranked 62 in the 2020 World Bank's Ease of Doing Business ranking. The country received positive FPIs in 2021 as the country ranked fifth among the world's top leading stock markets with a market capitalisation of $3.21 trillion in March 2022.

Retail inflation in March at 6.95 per cent was above the RBI's tolerance level of 6 per cent but fuel prices played no part in this surge. Retail inflation spiked to a 17-month high in March 2022, above the upper limit of the RBI's tolerance band for the third straight month.

Key policy announcements of Union Budget 2021-22:
India is promoting digital economy and Fintech, technology-enabled development, energy transition and climate action. To achieve this longer-term objective, with appropriate short-term goals, leading proposals included:

- The fiscal deficit has been projected to remain elevated, while still maintaining a glide path of gradual lowering
- Enhancing Ease of Doing Business by digitising manual processes and interventions and integrating Central and State-level systems
- 75 Digital Banks to be set up in 75 Districts to ensure that digital banking reaches every nook and corner of the country
- transformation-oriented initiatives 5G spectrum auctions to open the door for digital
- The finance minister also used the forum to propose India's own digital currency

INDUSTRY STRUCTURE AND DEVELOPMENT

Indian Commodity Markets
Indian commodity derivatives markets witnessed mixed trends in Trading & Clearing activity in FY 2021-22 with a rise in terms of value but fall in terms of volume (number of contracts). Trading and Clearing in commodity derivatives rose in value terms by about 9% to ₹ 100.3 lakh crore, while it fell in volume terms by about 11.9% to about 20.2 crore contracts which included Futures, Options and Index Futures traded and cleared across all exchanges. Unlike in the global markets, Indian commodity Futures witnessed an increase in trading and clearing activity in energy commodities in both volume and value terms, as evident in Table 1 and Table

Nevertheless, trading in Options contracts picked up significantly in FY 2021-22. Options trading and clearing both in terms of volume and value increased by more than 3 times to 458 lakh contracts and ₹ 28.1 lakh crore of notional turnover respectively in FY 2021-22. The sharp increase in activity in Options was primarily due to manifold increase in Options in the energy segment. Further, trading and clearing in Options in precious metals also witnessed a steep increase by about 27% in value and 41% in volume terms

Indian commodity derivatives market has remained on a steady growth path during the last year or so, despite the frequent disruptions from the Covid-19 pandemic and the resultant lockdowns. Notwithstanding the uncertainty resulting from the emerging new variants of Covid-19 and the operational constraints from lockdowns, India's commodity derivatives market has remained resilient and expanded its scope with successful launch of new products, backed by supportive regulatory and robust trading systems. Rapid vaccination drives have helped in containing the spread of the pandemic, helping in lifting lockdowns and returning to normalcy in economic activities across the country.

Global economic recovery though still perceived to be uneven, has provided the necessary boost for trade in commodities, particularly those in the energy and industrial metals segments, during the last one year, owing to rise in demand across the globe.

Indian commodity markets also witnessed a surge in energy and base metal prices as the global volatility trends percolated to domestic markets. Consequently, trade volumes in energy and base metals derivative segments increased as stakeholders in these commodities sought to hedge their risk exposure using derivatives traded on domestic exchanges.

FINANCIAL SERVICES & FIN-TECH INDUSTRY

In recent times, India's mature and well-diversified financial sector has been expanding rapidly on the strength of Technology, policy and regulatory facilitation. There has been an influx of new entities and the range of offerings and geographic reach have been increasing too.

FICCI characterised India's financial sector as one of the fastest growing sectors in the economy, pointing out that it has witnessed increased private sector activity, including an explosion of foreign banks, insurance companies, mutual funds, and venture capital and investment institutions.

Today, the financial services industry in India comprises new-age Fin-tech start-ups and payment banks, in addition to more conventional entities like commercial banks, insurance companies, non-banking financial companies, co-operatives, pension funds, mutual funds and other smaller financial entities.

There have been various initiatives by the government, RBI, SEBI and other regulators, to ensure that the Indian financial sector evolves into a strong, transparent and resilient system that meets the financial needs of individuals as well as enterprises, across the country.

Competition has played a role in the development of the sector too. With the introduction of several new instruments and products as well as the entry of new players, even existing players have had to upgrade their product offerings and distribution channels.

Financial intermediaries are also moving to internationally acceptable norms and this has given a fillip to the development and modernisation of the financial sector

As a fallout of the pandemic, all segments of the financial services industry were pushed to innovate and adopt technology in products and services, processes and operations and for customer connect. A wave of digital transformation swept over the industry and with it, every Indian with a smartphone and internet connectivity gained access digitally to a range of products and services including application of loans, completing e-KYC, opening bank accounts, etc.

Going forward, the key engines that will drive the Indian financial services industry forward will be:

- Growing demand on account of rising incomes
- Overall economic growth Innovation and customisation in products and services

- Policy support, which can facilitate greater efficiency and Transparency in every segment
- Greater financial inclusion of both individuals and enterprises, which have hitherto been outside the net of the formal financial sector.

DIGITAL TECHNOLOGY ROLE IN THE FIN-TECH INDUSTRY

Over the years, India's financial sector landscape has become more digital, making it more accessible and friction-free for users. According to a report by Niti Aayog, titled 'Connected Commerce: Creating a Roadmap for a Digitally Inclusive Bharat', India is seeing an increasing digitalisation of financial services, with consumers shifting from cash to cards, wallets, apps, and UPI, thanks largely to the advent of Fin-tech companies and availability of economical internet connectivity and smartphones.

The growth and expansion of the Fin-tech ecosystem in India is being aided by a number of factors, including the growing availability of smartphones, increased internet access, and high-speed connectivity.

Through specialised software and algorithms, Fin-tech companies have been enabling the financial sector to manage their operations, processes and customer interfaces.

More importantly, they have addressed critical structural issues afflicting Indian financial services to enable increased outreach, improved customer experiences, reduced operational friction and greater adoption and usage of the digital channels.

Looking ahead, the opportunity for Fin-tech lies in expanding the market, shaping customer behaviour, and effecting long term changes in the financial industry.

A report by Boston Consulting Group and FICCI report, titled 'India Fin-tech: A $100 billion Opportunity' states that India is well-positioned to achieve a Fin-tech sector valuation of US$ 150-160 billion by 2025, implying a US$ 100 billion in incremental value creation potential.

To achieve this goal, India's Fin-tech sector will need investments of US$ 20-25 billion over the next few years, according to the report.

Niti Aayog foresees India emerging as the hub of digital financial services globally, with solutions like UPI growing tremendously and being hailed as instrumental in bringing affordable digital payment solutions to the last mile.

SPACENET OUTLOOK

Spacenet enterprises India Limited is engaged in the business of development of Software tools and platforms providing fast, flexible and reliable commodities trading tools and to invest, acquire and to deal in gold, and other commodities of all kinds, agricultural or otherwise, finished or unfinished goods and to take delivery and hold them as permitted under Securities Contracts Regulation Act (SCRA) 1956 and the rules made there under.

Further the company will Build, Invest, Support and unlock the value of Fin-tech Companies Powering Trade-Fi Solutions & Trade-Fi Services.

Trade finance has historically been a specialist financing type, the specialist knowledge has led to specialised traders who have a knowledge of re-selling or transferring the commodity risk and the company

- Leverage the technology and specialist approach in structured trade and commodity market
- Focus to build Block chain powered trade finance and commodity trade finance solutions
- Work with all Global/Domestic factoring limits
- Work with all major trade insurers to Hedge risk
- Cover Forex Risk, we arrange Import/Export supply chain finance
- Offer Buyers Credit/Suppliers Credit from major Banks
- Complete Supply chain cycle
- Work with the best Commodity companies, Traders, Bankers, Industries, Insurers, Re-insurers and power the whole supply chain financing in order to maintain client confidence
- Registered and work with all the RBI approved Fintech TREDS platforms
  Insure all our trade receivables with Top tier Trade credit insurance companies transferring the Risk to Insurers/Re-insurers.

OPPORTUNITIES

Given the slew of reforms being witnessed in the commodity derivatives market, your Company sees a number of opportunities coming it's way and has the potential to reap the benefits thereof as and when they present themselves. A number of these opportunities are arising from positive policy action directed at the growth and Development of the commodity derivatives market.

In February 2022, SEBI had released a Consultation Paper for allowing Foreign Portfolio Investors (FPIs) in the commodity derivatives market. SEBI Board has approved FPIs participation in commodity derivative market and soon SEBI will be issuing guidelines in this regard. When this important category of institutional participants is allowed in India's commodity derivatives market, this can enhance the depth in the market and also inject much-needed liquidity in the far-month contracts.

Invoice discounting/ Bill discounting platforms:

97% of the SMEs in India experienced late payment on the Invoices. 56% of Indian MSME are dealing with working capital issues due to the late payment on their invoices. Invoice discounting is a source of working capital finance for the seller of goods on credit. Bill discounting is an arrangement whereby the seller recovers an amount of sales bill from the financial intermediaries before it is due. Such intermediaries charge a fee for the service. This practice of discounting bills globally is much more prevalent than we think and has been a recognized mode of alternative financing in the developed nations. With the changing time, a need for seamless working capital flow has been identified on a global level.

Bill discounting is becoming the best form of getting working capital as there are no collaterals, and it is cost-effective and time-efficient. It also gives the added benefit of using the hidden items in balance sheet, such as receivables, to get the much needed cash. And with SMEs emerging on a daily basis, bill discounting and its advantages have become the need of the hour. The gap between the funding requirement in India and the availability is as wide as Rs 2.9 trillion! So obviously, a need arose to bridge the gap. Since traditional banking systems weren't able to keep up with the pace of changing trends, alternative financing solutions such as invoice discounting came up to solve the working capital issues

Invoice discounting/ bill discounting is an alternative way of lending. Invoice discounting is the practice of using a company's unpaid accounts receivable as collateral for a loan, which is issued by a finance company.

Your company is focusing to be an aggregator in this field and your company have good access to corporate companies and will connect the Banks & NBFCs to get the working capital funding for MSME's/SME's and small vendors.

The market size of Indian invoice discounting market is around USD 100 billion.

The small and medium enterprises are discounting bills worth more than Rs 1,200 crore a month as they try to improve their working capital needs with the Non-Banking Finance Companies holding back from lending.

So the need for an aggregator who can connect the buyer with multiple investors is added advantage and your company has initiated for a successful aggregator in the invoice/bill discounting markets.

THREATS

Cybersecurity Threats

Cyber security threat is increasingly becoming critical with new threats that seek to exploit any vulnerability in the systems of Exchanges and Clearing Corporations. In view of such threats, your Company is continuously monitoring, evaluating and implementing various security solutions for early identification, detection, quick protection, response and recovery from all such cyber-attacks.

The financial services landscape in India is largely controlled by banks and NBFCs.

The role of private banks has been crucial and the government's role in issuing new banking licenses was an important inflection point.

However, there is still a huge gap between demand and supply of finance, especially for small and mid-sized companies. Of course, lending against collateral is one way to solve it, but the time to disperse fund and availability of collaterals, are always a burden to MSME vendors and small service Business to regulate the working capital.

As the bill /invoice discounting business is an emerging and new arena it definitely take some time to understand by all range of business entities.

Impact from Covid-19 Pandemic

The pandemic Covid-19 and associated lockdowns have posed some challenges to the normal operations of your Company during the last two years. While the threat has ebbed at present and large-scale vaccination against the virus is aiding the fight against this global challenge, emergence of new strains of the virus or strains which are resistant to the vaccines, may derail the normalization process. Such an emergence may require different measures to address the resulting impact on the Clearing Corporation's operations or the precautions needed to prevent the spread of the contagion.

As the financial services sector becomes increasingly digital-oriented, like any other digitally transformed sector or industry, it becomes vulnerable to breaches in cyber security and data privacy.

As the fine line between Fintech and financial services blurs and competition increases.

Lastly, any unforeseen externality, or crisis can impact the sector, with the impacts on various units based on their preparedness and the strength of their Business Continuity plans.

SEGMENT–WISE PERFORMANCE.

Your company is engaged in the business of development of Software tools and platforms providing fast, flexible and reliable commodities trading tools and to invest, acquire and to deal in gold, and other commodities of all kinds, agricultural or otherwise, finished or unfinished goods and to take delivery and hold them as permitted under Securities Contracts Regulation Act (SCRA) 1956 and the rules made there under and also engaged in the business of Trade finance and Fin-tech.

Financial performance & Operational performance

Financial performance & Operational performance of your Company for the year ended on 31st March, 2022 on Standalone and consolidated basis is summarized below:

A.Standalone Basis: **(Rs.in Lakh)**

Particulars	Standalone Financial Results	
	2021-2022	2020-2021
Revenue from operations	4054.05	997.14
Total expenses	3965.83	1075.71
Profit / (Loss) before tax	88.22	(78.57)
Tax expense		
-Current tax	13.76	-
-Deferred tax	(1.67)	(1.31)
Profit / (Loss) after tax	76.13	(77.26)
Paid up equity share capital (face value of Rs.1/-each)	5303.58	1581.58
Earnings per share - par value of Rs. 1 per share		
Basic	0.03	0.5
Diluted	0.03	0.5

Financial Highlights:

For the financial year ended March31, 2022, your Company had reported total income of Rs. 4054.05 Lakhs as against Rs. 997.14 Lakh during the previous financial year ended March31, 2021 and the The Company incurred a Net Profit of Rs. 76.13 Lakh as against Net Loss of Rs. 77.26 Lakh during the previous financial year ended March, 2021.

B.Consolidated basis: **(Rs.in Lakh)**

Particulars	Consolidated Financial Results	
	2021-2022	2020-2021
Revenue from operations	4377.95	NA
Total expenses	4,294.59	
Profit / (Loss) before tax	83.36	
Tax expense		
-Current tax	13.76	
-Deferred tax	(1.00)	
Profit / (Loss) after tax	70.60	
Paid up equity share capital (face value of Rs.1/-each)	5303.58	
Earnings per share - par value of Rs. 1 per share		
Basic	0.03	
Diluted	0.03	

Financial Highlights:

For the financial year ended March31, 2022, your Company had reported total income of Rs. 4377.95 Lakhs and incurred a Net Profit of Rs. 70.60 Lakhs.

The Consolidated Financial Statements of your Company for the FY 2020-21 need not to prepare as there is no subsidiary company to the company

The Consolidated Financial Statements of your Company for the FY 2021-22 are prepared in compliance with the applicable provisions of the Companies Act, 2013 ('the Act'), Indian Accounting Standards ('Ind AS') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the same shall also be forms part of this Annual Report.

RISKS AND CONCERNS

Business risks:

The Covid-19 pandemic continues to be a potential business risk for your Company impacting clearing-related activities due to the associated prolonged periods of lockdowns. Restrictions in physical movement of people and commodities can lead to reduced trading activity and consequently, less demand for clearing even in the current year. Delivery-related activities, including warehousing, assaying and logistics can particularly be affected. There are direct and hidden costs associated with high employee attrition, such as the cost and time expended in recruitment and training of new employees, apart from the loss of accumulated skills and knowledge of the exiting employee. Such costs can result in loss of revenue and potential opportunities.

Market risks:

India's commodity derivatives market is impacted by domestic and global economic conditions. Geopolitical upheavals can produce destabilization factors which can adversely affect trading sentiments among market participants. For instance, the war in Ukraine has resulted in supply disruptions in commodities leading to significant volatilities in commodity prices during the CY 2022.

Besides, recurring waves of pandemic Covid-19, especially as witnessed in China in CY 2022, remain a cause for concern for global commodity markets with possibility of potential disruption to economic activity, thereby leading to fall in commodity prices in FY 2022-23.

In addition, disruptions in benchmark global exchanges or trading hubs, which cause disruptions in the process of price discovery of international commodities, can lead to commensurate destabilisation in the local markets which use their prices for reference

In turn, the disruption can lower the confidence of market participants to trade on the Exchange, affecting its volumes, thereby affecting clearing volumes of the Clearing Corporation.

Risks from Technology:

Your Company is dependent for technology on third party vendors for services that are important to its business. As such, any interruption in or cessation of an important supply or service by any third party can have an adverse effect on its business and operations. Any failure to keep pace with industry standards in technology and respond to participant preferences can also have an adverse effect on the business and operations.

Besides, your Company has commenced the process of migrating to a new technology platform, availing the services of a new technology service provider. Any improper, unplanned or delayed migration to the new platform can have consequent negative impact on any or some of the operational aspects.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Board of Directors of your Company has put in place various internal controls systems to be followed by your Company to ensure that the internal control mechanisms are adequate and effective. The Board has also put in place state-of-the-art technology and has automated most of the key areas of operations and processes to minimize human intervention.

The design, implementation and maintenance of adequate internal financial controls are such that it operates effectively and ensures the accuracy and completeness of the accounting records and their presentation gives a true and fair view of the state of affairs of your Company and are free from material misstatements, whether due to error or fraud.

The operational processes are adequately documented with comprehensive and well defined SOPs which also include the financial controls in the form of maker and checker with separate individuals.

The Board with a view to ensure transparency, has also formulated various policies and has put in place appropriate internal controls for the procurement of services, fixed assets, monitoring income streams, investments and financial accounting.

Internal control measures include adherence to systemic controls, information security controls as well as role based/ need based access controls. Further, the existing systems and controls are periodically reviewed for change management in the situations of introduction of new processes / change in processes, change in the systems, change in personnel handling the activities etc.

The Audit Committee of your Company, comprising majority of Independent Directors periodically reviews and recommends the unaudited quarterly financial results and annual audited financial statements of your Company to the Board for its approval. Further, all related party transactions are placed before the Audit Committee and are reviewed by it after deliberations.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES

Your Company continues to attract, retain and nurture talented workforce in its endeavour to be an employer of choice. Cultural integration being an integral part of management philosophy,

Your Company believes that employees form an integral part of the organization for sustained growth and strive to create a work environment that fosters high performance culture. In today's competitive world, equity based compensation is considered to be an integral part of employee compensation Across sectors which enables alignment of personal goals of the employees with organizational objectives by participating in the ownership of the Company through share-based compensation scheme/plan.

Your Company fully recognizes the same and therefore wants its employees to participate and share the fruits of growth and prosperity along with the Company and intends to reward, attract, motivate and retain employees and Senior management of the Company for their high level of individual performance and for their efforts to improve the financial performance of the Company with the objective of achieving sustained growth of the Company and creation of shareholders value by aligning the interests of the eligible employees with the long-term interests of the Company.

With the above objective, the Board of Directors of your Company is implementing "SPACENET Employee Stock Option Scheme 2021'

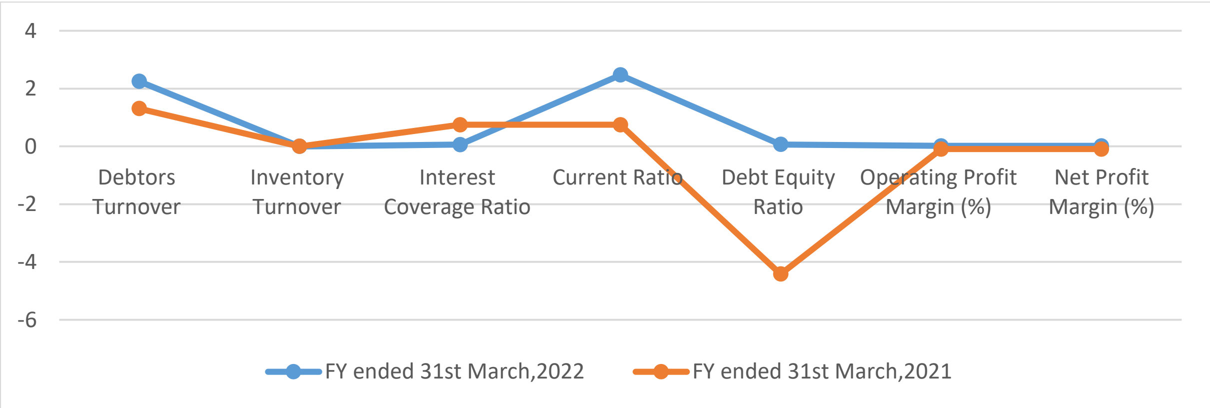
Under "SPACENET Employee Stock Option Scheme 2021" the eligible employees shall be granted employee Stock Options in the form of Options which will be exercisable into equity shares of the Company.

Your Company believes in the safeguarding health of the employees and hence during the COVID-19 Pandemic last year, your company took a health insurance policy for the employees in case they undergo hospitalisation. Also Work from home option was given to employees whenever necessary

DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS AND RETURN ON NETWORTH:

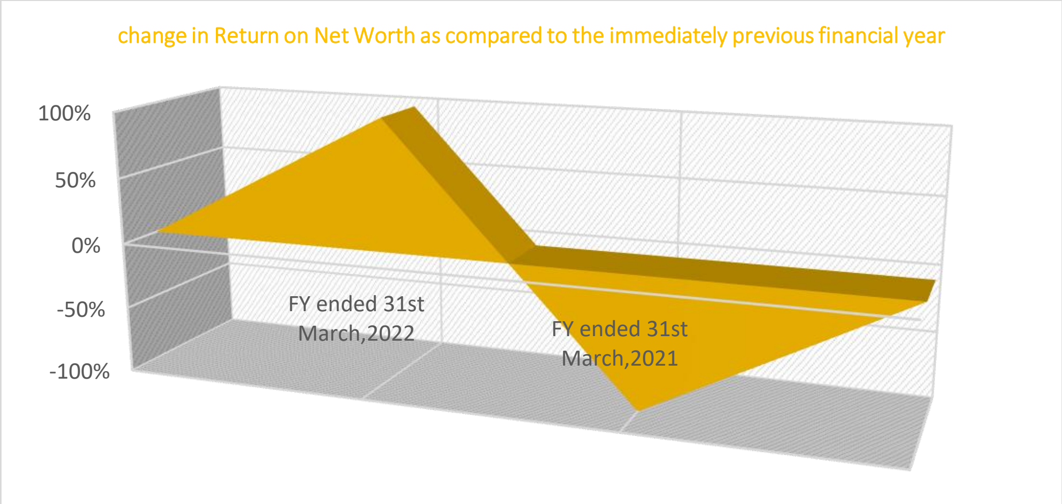
Pursuant to amendment made in Schedule V to the SEBI Listing Regulations, details of significant changes in Key Financial Ratios and any changes in Return on Net Worth of the Company (on standalone basis) including explanations therefor are given below:

Particulars	FY ended 31st March, 2022	FY ended 31st March, 2021	Changes between Current FY & Previous FY	Explanation (in case any change of 25% or more as compared to the immediately previous financial year)
Debtors Turnover	2.25	1.31	0.94	No change of 25% or more as compared to the immediately previous financial year
Inventory Turnover	-	-	-	
Interest Coverage Ratio	0.06	0.75	(0.69)	
Current Ratio	2.47	0.75	1.72	
Debt Equity Ratio	0.07	(4.42)	4.49	
Operating Profit Margin (%)	0.02	(0.09)	0.11	
Net Profit Margin (%)	0.02	(0.09)	0.11	



Details of any change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation thereof: -

Return on Net Worth for the FY 2021-22 is Rs. 2.22 lakhs
Return on Net Worth for the FY 2020-21 is Rs. (20.92) lakhs



During the Financial Year 2021-22, the Company has allotted 37,22,00,000 Equity shares of the face value of INR 1 each fully paid up at an issue price of INR 1 per Equity share for INR Rs. 37,22,00,000 and during the year the company generated a profit of Rs. 76.13 lakhs against loss for the FY 77.26 lakhs hence there is a change in in Return on Net Worth as compared to the immediately previous financial year.

CAUTIONARY STATEMENT

In this annual report some future developments which are expected to be implemented have been given. This has been done with a view to help investors better understand the Company's future prospects and make informed decisions while interacting with the Exchange. This annual report and other written and oral statements made from time to time may contain such forward looking statements based on management's current plans and assumptions. It cannot be guaranteed that any forward-looking statement will be realised, although, we believe, we have been prudent in our plans and assumptions. Achievement of future results is subject to risks, uncertainties and inaccurate assumptions. Should 'known' or 'unknown' risks or uncertainties materialise, or should the underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Investors should bear this in mind when they consider forward-looking statements. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

For Specenet Enterprises India Limited

Sd/-
Satya Srikanth Karaturi
Whole Time Director
(DIN: 07733024)

For Specenet Enterprises India Limited

Sd/-
DasigiVenkata Surya Prakash Rao
Executive Director
(DIN: 03013165)

Date:03-09-2022
Place: Hyderabad

Annexure-3

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31St MARCH 2022
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

Spacenet Enterprises India Limited
CIN: L72200TG2010PLC068624
Hyderabad.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Spacenet Enterprises India Limited (hereinafter called "the Company").

Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Spacenet Enterprises India Limited books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, Ihereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by Spacenet Enterprises India Limited for the financial year ended on 31st March 2022, according to the provisions of:

   1.1. The Companies Act, 2013 (the Act) and the rules made thereunder;

   1.2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

   1.3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

   1.4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

   1.5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

      1.5.1. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

      1.5.2. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

      1.5.3. The Securities and Exchange Board of India (Issue of Capital and DisclosureRequirements) Regulations, 2018: During the year under review, the company has converted its loan into equity which is exempt under Regulation 158 (1)

(a) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018

1.5.4. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

1.5.5. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; [Not Applicable since the company has no such cases]

1.5.6. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

1.5.7. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;[Not Applicable since the company has no such cases]and

1.5.8. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; [Not Applicable since the company has no such cases]

2. I have also examined compliance with the applicable clauses of the following:

   2.1. Secretarial Standards issued by The Institute of Company Secretaries of India.
   2.2. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3. The Company is a member of the Multi Commodity Exchange and engaged in the business of trading and clearing activities. Accordingly, the following Industry specific Acts are applicable to the Company, in view of the Management and as per the Guidance Note issued by the ICSI. Based on the explanation given, there are adequate system and process in the Company to monitor and ensure the compliance of following sector specific law, rule, regulation and guidelines.

   2.3. Securities Contracts Regulation Act (SCRA) 1956.

3. I further report that:

   3.1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
   3.2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
   3.3. Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.
   3.4. There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

4. I further report that during the audit period there were following specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards:

- The Company has converted some of its loan into equity as per the terms and conditions as set out in the loan agreement.

- The Company has received a letter from National Stock Exchange (NSE) dated 24th May, 2021 imposing a fine of Rs. 11,800 (Rs. 10,000 = Fine; Rs. 1,800 = IGST) under Regulation 29 of the Securities and Exchange Board of India(Listing Obligations and Disclosure Requirements) Regulations, 2015 with respect to Prior Intimation of Board Meeting. The company has paid the same and complied the said regulation by placing before the Board and intimating the same to NSE and thereafter the board has taken utmost care while giving intimations to the stock exchanges.

Sd/-
Balaramakrishna Desina
Company Secretary in Practice
M. No.: FCS 8168
C.P No.: 22414
Peer Reviewed UIN. 12019TL1988700
UDIN: F008168D000908474

Date: 03.09.2022
Place: Hyderabad.

Note: This letter is to be read with our letter of even date, which is annexed, and form an integral part of this report.

ANNEXURE TO SECRETARIAL AUDIT REPORT

To,

The Members,
Spacenet Enterprises India Limited,
CIN:L72200TG2010PLC068624
Hyderabad.

SUBJECT: My Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices followed, provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the Management. My examination was limited to the verification of procedures.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Sd/-
Balaramakrishna Desina
Company Secretary in Practice
M. No.: FCS 8168
C.P No.: 22414
Peer Reviewed UIN. 12019TL1988700
UDIN: F008168D000908474

Date: 03.09.2022
Place: Hyderabad.

Annexure-4

The ratio of the remuneration of each director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Sr. No	Requirement	Disclosure	Ratio/%
1.	The ratio of the remuneration of each Director to the median remuneration of the employees for the financial year	**Executive Directors** 1. Mr. Dasigi Venkata Surya Prakash Rao 2. Mr.Satya Srikanth Karaturi 3. Mr.Suresh Tammineedi 4.Mr. Srinivasa Rao Tatipaka **Non-Executive Director/ Independent director** 1. Mr.Prathipati Partha sararthi 2. Mr. Chukka Siva Satya Srinivas 3. Mrs.Korpu Venkata Kali Kanaka Durga	2.54 2.41 3.09 1.0 NA NA NA
2	The percentage increase in remuneration of each Director, CFO, CEO/WTD, CS in the financial year	**Executive Directors** 1. Mr. Dasigi Venkata Surya Prakash Rao 2. Mr.Satya Srikanth Karaturi 3. Mr.Suresh Tammineedi **Non-Executive Director/ Independent director** 1. Mr.Prathipati Partha sararthi 2. Mr. Chukka Siva Satya Srinivas 3. Mrs.Korpu Venkata Kali Kanaka Durga **CFO, CEO/WTD and CS** 1. Mr. Dasigi Venkata Surya Prakash Rao-CFO 2. Mr.Satya Srikanth Karaturi-WTD 3.Mr. M.Chowda Reddy-CS	72.24% NA 78.33% NA NA NA NA NA 49%
3	The percentage increase in the median remuneration of employees in the financial year	The median remuneration of the employees in the financial year was Increased by 51.71%.	
4	The number of permanent employees on the rolls of the Company	The Company had 21 employees on the rolls as on March 31, 2022.	
5	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the	In Financial Year 2021-22, there is an average increase of 94.32 %. in the remuneration other than managerial personnel and 25% increase in the remuneration of managerial personnel.	

	percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration		
6	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes it is confirmed	

Note:

>There is no remuneration paid to Independent Director and Non-Executive Director during the FY 2021-22

>Mr. Satya Srikanth Karaturi continuing as Executive Director (Whole-Time Director) w.e.f. 30th April,2021 only hence comparisons are not possible.

>Mr. Tatipaka Srinivasa Rao continued as Executive Director (Whole-Time Director) till 30th April,2021 only and resigned from the office of director w.e.f. 30th April,2021

> Mr. M.Chowda Reddy Appointed as Company Secretary w.e.f. 03rd September,2021 only

> Mr. Dasigi Venkata Surya Prakash Rao drawing Remuneration for the office of Executive director only and not drawing any remuneration for holding the post of Chief Financial Officer.

>WTD - Whole Time Director, CFO - Chief Financial Officer, CS - Company Secretary

For Specenet Enterprises India Limited

Sd/-
Satya Srikanth Karaturi
Whole Time Director
(DIN: 07733024)

For Specenet Enterprises India Limited

Sd/-
DasigiVenkata Surya Prakash Rao
Executive Director
(DIN: 03013165)

Date:03-09-2022
Place: Hyderabad

Annexure-5

FORM AOC- 1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 ofCompanies Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or Joint ventures

Part A Subsidiaries

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

1. S. No: 1
2. Name of the subsidiary: Thalassa Enterprises Private Limited
3. The date since when subsidiary was acquired: 21-12-2021
4. Reporting period for the subsidiary concerned, if different from the holding company's reporting period: 01-04-2021 to 31-03-2022
5. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries: INR
6. Share capital: Rs. 12,57,00,000
7. Reserves and surplus: Rs. (8,18,76,112)
8. Total assets:Rs. 16,08,30,664
9. Total Liabilities:Rs. 16,08,664
10. Investments: Nil
11. Turnover: Rs. 14,15,18,038
12. Profit/(Loss) before taxation:. (Rs 28,74,879)
13. Provision for taxation: Rs.67,640
14. Profit/(loss) after taxation: (Rs. 29,42,519)
15. Proposed Dividend: Nil
16. Extent of shareholding (in percentage): 60.14 %

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations: Spacenet Enterprises IFSC Private Limited
2. Names of subsidiaries which have been liquidated or sold during the year: Nil

Part B Associates and Joint Ventures : NIL

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

Name of Associates or Joint Ventures	Name 1	Name 2	Name 3
1. Latest audited Balance Sheet Date			
2. Date on which the Associate or JointVenture was associated or acquired			
3. Shares of Associate or Joint Ventures held by the company on the year end			
No.			
Amount of Investment in Associates or Joint Venture			
Extent of Holding (in percentage)		NA	
4. Description of how there is significantinfluence			
5. Reason why the associate/Jointventure Is not consolidated.			
6. Net worth attributable to shareholdingas per latest audited Balance Sheet			
7. Profit or Loss for the year			
i. Considered in Consolidation			
ii. Not Considered in Consolidation			

1. Names of associates or joint ventures which are yet to commence operations.
2. Names of associates or joint ventures which have been liquidated or soldduring the year.

Note: This Form is to be certified in the same manner in which the Balance Sheetis to be certified.

For Specenet Enterprises India Limited

Sd/-
Satya Srikanth Karaturi
Whole Time Director
(DIN: 07733024)

For Specenet Enterprises India Limited

Sd/-
Dasigi Venkata Surya Prakash Rao
Executive Director
(DIN: 03013165)

Date:03-09-2022
Place: Hyderabad

Annexure-6

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 for the Financial Year 2020-21

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 transaction under third proviso thereto.

Details of contracts or arrangements or transactions not at Arm's length basis.: NIL

Details of contracts or arrangements or transactions at Arm's length basis.

Name of the Related party	Relationship	Nature of/contract/ Transactions	Balance Outstanding as on 01-04-2021	Transactions during the FY 2021-22	Balance Outstanding as on 31st March 2022
Barret Commodity Traders Private Limited	Entity in which Directors/KMP are common	Trade receivables	411.78	-	1,252.82
		Sales	-	1,495.32	-
		Received against sales	-	654.28	-
		Advance given	-	41.41	15.00
		Received against advance given	-	26.41	1,252.82
Kling Trading India Private Limited	Entity controlled by Promoter/promoter group	Repayment of loan	-	323.41	-
		Loan received	-	10.00	-
		Outstanding loan received	351.61	-	38.20
Kling Enterprises India Limited	Entity in which Directors/KMP are common	Trade receivables	47.51	-	-
		Receipt against receivables	-	47.51	-
Thalassa Enterprises India Private Limited (Previously Stampede Enterprises India Private Limited)	Subsidiary company	Trade payables	35.74	-	879.77
		Purchases	-	1,447.24	-
		Payment of trade payables	-	603.21	-
		Advance given	-	3,467.80	-
		Receipt against advance given	-	3,467.80	-
		Investment		756.00	756.00
Mrs Usha Rani Meenavalli	Promoter	Repayment of loan	-	436.80	-
		Outstanding loan received	436.80	-	-
		Rent	-	8.90	-
		Advisory services	1.53	19.80	1.55

Venkata Srinivas Meenavalli	Promoter	Repayment of loan	-	539.88	-
		Outstanding loan received	553.45	-	13.58
		Advisory services	1.53	19.80	1.49

Duration of the contracts/arrangements/transaction:

Inter-company contracts entered into with the related parties as amended and as going on from 01-04-2021 to 31-03-2022

Salient terms of the contracts or arrangements or transaction including the value, if any:

As mentioned in Trade contracts entered into with the related parties.

Date of approval by the Board:

All the transaction were entered into on arm-length basis and in the ordinary course of business and also approved by the Audit Committee.

Amount paid as advances, if any : NIL

For Specenet Enterprises India Limited

Sd/-
Satya Srikanth Karaturi
Whole Time Director
(DIN: 07733024)

For Specenet Enterprises India Limited

Sd/-
DasigiVenkata Surya Prakash Rao
Executive Director
(DIN: 03013165)

Date:03-09-2022
Place: Hyderabad

INDEPENDENT AUDITOR'S REPORT

To the Members of
Spacenet Enterprises India Limited
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of Spacenet Enterprises India Limited ("the company"), which comprise the Balance Sheet as at March 31, 2022, 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 standalone financial statements including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, 2022, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on the that date.

Basis for opinion

We conducted our audit of standalone financial Statement 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 standalone financial statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the 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 opinion on the standalone financial statements.

Emphasis of Matter

We draw attention to Note 6 of the Standalone Financial Statements, which states that the Honourable NCLT, Hyderabad Bench passed an order vide dated January 5, 2021 approving the Scheme of Arrangement (Demerger) between Kling Enterprises India Limited (Transferor Company) and Spacenet Enterprises India Limited (Transferee Company). The trade receivable of INR 574.85 Lakhs from Arlen Trading Private Limited which was taken over by the Company from Kling Enterprises India Limited through the scheme of demerger is outstanding for a period of more than one year. The management has confirmation and assurance from the Arlen Trading Private Limited about the realisation of this receivable. Accordingly. the management has not made the provision for expected credit loss for the said receivable balance.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements for the financial year ended March 31, 2022. We have determined that there are no key audit matters to communicate in our report.

Other Matter

The standalone financial statements of the Company for the year ended March 31, 2021 were audited by a predecessor auditor who expressed an unmodified opinion on those standalone financial statement in his audit report dated June 28, 2021.

Information other than the Standalone financial statements and Auditor's Report Thereon

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

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

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

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

Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance 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 Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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 Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 We have sought and obtained all the information 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 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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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 Standalone 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, 2022 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

   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 has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note 31 to the Standalone Financial Statements.

ii. The Company did not have any long-term contracts including derivative contract 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 its 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 persons or entities, 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 its knowledge and belief, no funds have been received by the company from any persons or entities, 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 the audit procedures that were 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 (a) and (b) contain any material misstatement.

v. The company has not declared or paid any dividend during the year.

For Jayesh Sanghrajka & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 104184W/W100075

Sd/-
Pritesh Bhagat
Designated Partner
Membership No. 144424
UDIN: 22144424AJTWNB5789

Place: Mumbai
Date: May 27, 2022

Annexure 1

To the Independent Auditors' Report of even date on the Standalone Financial Statements of Spacenet Enterprises India Limited

(Referred to in paragraph 1, under 'Report on Other Legal and Regulatory Requirements' section of our Report of even date)

i. In respect of the Company's Property, Plant and Equipment:

(a) (A)The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B)The Company has maintained proper records showing full particulars of intangible assets.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its property, plant and equipment by which all Property, plant and equipment are verified in a phased manner over a period of two years. In accordance with this programme, Property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the Company does not have any immovable property. Accordingly, clause 3(i)(c) of the Order is not applicable to the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment (including Right-of-use assets) or intangible assets during the year ended March 31, 2022.

(e) According to the information and explanations given to us, 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. In respect of the company's inventory:

(a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable, and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of INR 5 crore in aggregate from bank during the year on the basis of security of current assets of the Company. The Company is not required to file quarterly returns/statements with such bank. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.

iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided guarantee or granted any loans or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. The Company has made investment in three companies during the year.

(a) The Company has not provided any loans or advances in the nature of loans or stood guarantee or provided security to any other entity during the year. Accordingly, clause 3(iii)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of the investment made are, prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans, secured or unsecured during the year. Accordingly, clause 3(iii)(c) of the Order is not applicable to the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans, secured or unsecured during the year. Accordingly, clause 3(iii)(d) of the Order is not applicable to the Company.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans, secured or unsecured during the year. Accordingly, clause 3(iii)(e) of the Order is not applicable to the Company.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans, secured or unsecured during the year. Accordingly, clause 3(iii)(f) of the Order is not applicable to the Company.

iv. According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 Further, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in relation to investments made.

v. The Company has not accepted any deposits during the year to which the provisions of section 73 to 76 of the Companies Act, 2013 and Companies (Acceptance of deposits) Rules, 2014 apply. According to the information and explanation given to us no order has been received from Company Law Board, National Company Law Tribunal or Reserve Bank of India or any court or tribunal by the Company.

vi. According to the information and explanations given to us, the maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Accordingly, clause 3(vi) of the Order is not applicable to the Company.

vii. The Company does not have liability in respect of Sales tax, Service tax, Duty of excise and Value added tax during the year since effective July 1, 2017, these statutory dues has been subsumed into GST.

(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess and other material statutory dues have generally been regularly deposited with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of GST, Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess and other material statutory dues were in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

(b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

Name of the Statute	Nature of Dues	Period to which amount relates	Amount (INR in Lakhs)	Forum where the dispute is pending
Income Tax Act 1961	Income Tax	AY 2012-13	29.71	Commissioner of Income Tax
Income Tax Act 1961	Income Tax	AY 2014-15	15.16	Commissioner of Income Tax

viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.

ix. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) According to the information and explanations given to us by the management, the Company has not obtained any term loans. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds have been raised on short-term basis by the Company. Accordingly, clause 3(ix)(d) of the Order is not applicable.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(e) of the Order is not applicable.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable

x. In respect of money raised:

(a) As per information and explanation given to us, the company has not raised any monies by way of Initial Public Offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3 (x) (b) of the Order is not applicable to the company.

(b) As per information and explanation given to us, and based on examination of the records, The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, paragraph 3 (x) (b) of the Order is not applicable to the company.

xi. In respect of frauds:

(a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As per information and explanation given to us by the management, no whistle blower complaints were received during the year.

xii. In our opinion and explanation given to us, the company is not Nidhi company and the Nidhi Rules, 2014 not applicable to it, Accordingly, paragraph 3 (xii) of the order is not applicable to the company.

xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable Indian accounting standards.

xiv. In respect of Internal Audit:

(a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable

(d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

xvii. Accordingly, information and explanation given to us, and based on the audit procedure performed and the representation obtained from the management, the Company has not incurred cash losses during the financial year covered by our audit and incurred cash losses of INR 87.82 Lakhs in the immediately preceding financial year.

xviii. There has been a resignation of the statutory auditor during the year. We have communicated and obtained No objection from the previous auditor for our appointment as statutory auditors of the Company .

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation 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 the 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. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not meeting the applicability threshold of Section 135 of the Companies Act, 2013. Accordingly, clauses 3(xx) of the Order are not applicable.

For Jayesh Sanghrajka & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 104184W/W100075

Sd/-
Pritesh Bhagat
Designated Partner
Membership No. 144424
UDIN: 22144424AJTWNB5789

Place: Mumbai
Date: May 27, 2022

Annexure 2

To the Independent Auditors' Report of even date on the Standalone Financial Statements of Spacenet Enterprises India 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 with reference to Standalone Financial Statements of Spacenet Enterprises India Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these Standalone 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 Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. 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 with reference to these standalone 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 with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone 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 Company's internal financial controls with reference to these standalone financial statements.

Meaning of Internal Financial Controls with reference to these Standalone Financial Statements

A company's internal financial controls with reference to standalone 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 controls with reference to standalone 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone 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 with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial control with reference to standalone 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 with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2022, 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 issued by the ICAI.

For Jayesh Sanghrajka & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 104184W/W100075

Sd/-
Pritesh Bhagat
Designated Partner
Membership No. 144424
UDIN: 22144424AJTWNB5789

Place: Mumbai
Date: May 27, 2022

Spacenet Enterprises India Limited
Standalone Balance Sheet as at March 31, 2022

INR in Lakhs

	Notes	As at 31-Mar-22	As at 31-Mar-21
Assets			
Non-current assets			
Property, plant and equipment	3	9.91	4.49
Other Intangible assets	4	52.06	5.26
Financial assets			
Investment	5	1,396.63	-
Trade receivable	6	-	1,277.17
Other financial assets	7	-	0.24
Deferred tax assets (net)	15	2.98	1.31
Other non-current assets	8	3.83	3.86
		1,465.41	**1,292.33**
Current assets			
Financial assets			
Trade receivables	6	2,272.28	10.78
Cash and cash equivalents	9	358.48	42.13
Bank balances other than cash and cash equivalent	9	195.00	-
Other financial assets	7	552.59	30.83
Other current assets	8	11.80	6.30
		3,390.15	**90.04**
Total assets		**4,855.56**	**1,382.37**
Equity and liabilities			
Equity			
Equity share capital	10	5,303.58	1,581.58
Other equity	11	(1,874.63)	(1,950.94)
Total equity		**3,428.96**	**(369.36)**
Non-current liabilities			
Financial liabilities			
Borrowings	12	51.78	1,632.37
Long term provisions	14	2.04	-
		53.82	**1,632.37**
Current liabilities			
Financial liabilities			
Borrowings	12	186.71	-
Trade payables	16		
i) total outstanding dues of micro enterprises and small enterprises		879.77	35.74
ii) total outstanding dues of creditors other than micro enterprises and small enterprises		226.59	7.44
Other financial liabilities	13	7.61	-
Other current liabilities	17	57.38	75.10
Provisions	14	14.73	1.08
		1,372.79	**119.36**
Total liabilities		**1,426.61**	**1,751.72**
Total equity and liabilities		**4,855.56**	**1,382.37**

The accompanying notes form an integral part of the Standalone financial statements
As per our report of even date

For Jayesh Sanghrajka & Co. LLP
Chartered Accountants
ICAI Firm registration number: 104184W/W100075

Pritesh Bhagat
Designated Partner
Membership No.: 144424

Place: Mumbai
Date: May 27, 2022

For and on behalf of the Board of Directors of
Spacenet Enterprises India Limited
CIN: L72200TG2010PLC068624

DVS Prakash Rao Executive Director & Chief Financial Officer DIN: 03013165	Satya Srikanth Karaturi Whole Time Director Director DIN: 07733024
Suresh Tammineedi Executive Director DIN: 00952079	M. Chowda Reddy Company Secretary M.No. A48009
Place: Hyderabad Date: May 27, 2022	Place: Hyderabad Date: May 27, 2022

Spacenet Enterprises India Limited
Statement of Standalone profit and loss for the year ended March 31, 2022

INR in Lakhs except per share data

	Notes	31-Mar-22	31-Mar-21
Income			
Revenue from operations	18	4,005.04	871.11
Other income	19	49.01	126.03
Total Income		**4,054.05**	**997.14**
Expenses			
Purchase of traded goods	20	3,684.25	861.28
Employee benefits expense	21	98.30	49.47
Finance costs	22	1.76	19.04
Depreciation and amortisation expense	23	12.15	10.13
Other expenses	24	169.37	135.79
Total expenses		**3,965.83**	**1,075.71**
Profit / (Loss) before exceptional items and tax		**88.22**	**(78.57)**
Exceptional items		-	-
Profit / (Loss) before tax		**88.22**	**(78.57)**
Tax expenses			
Current tax		13.76	-
Deferred tax charge/ (credit)		(1.67)	(1.31)
Income tax expense		**12.09**	**(1.31)**
Profit / (Loss) for the year		**76.13**	**(77.26)**
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:		-	-
Re-measurement gains/ (losses) on defined benefit plan		0.18	-
Income tax effect		-	-
Other comprehensive income for the year, net of tax		**0.18**	**-**
Total comprehensive income for the year		**76.31**	**(77.26)**
Earnings per equity share (in INR) [nominal value of INR 1 per shar (Previous year - INR 1 per share)]	30		
Basic and Diluted		0.03	(0.05)

The accompanying notes form an integral part of the Standalone financial statements

For Jayesh Sanghrajka & Co. LLP
Chartered Accountants
ICAI Firm registration number: 104184W/W100075

Pritesh Bhagat
Designated Partner
Membership No.: 144424

Place: Mumbai
Date: May 27, 2022

For and on behalf of the Board of Directors of
Spacenet Enterprises India Limited
CIN: L72200TG2010PLC068624

DVS Prakash Rao Executive Director & Chief Financial Officer DIN: 03013165	Satya Srikanth Karaturi Whole Time Director Director DIN: 07733024
Suresh Tammineedi Executive Director DIN: 00952079	M. Chowda Reddy Company Secretary M.No. A48009
Place: Hyderabad Date: May 27, 2022	Place: Hyderabad Date: May 27, 2022

Spacenet Enterprises India Limited
Statement of Standalone Cash Flows for the year ended March 31, 2022

INR in Lakhs

	31-Mar-22	31-Mar-21
Operating activities		
Profit / (Loss) before tax	**88.22**	**(78.57)**
Adjustments to reconcile loss before tax to net cash flows:		
Depreciation on property, plant and equipment	12.15	10.13
Net foreign exchange differences	0.00	-
Profit/(Loss) on sale of property, plant and equipment(net)	-	0.36
Sundry balances writtern back/off	(35.86)	-
Finance income	(12.47)	-
Finance costs	1.76	19.04
Working capital adjustments:		
(Increase)/ decrease in trade receivables	(949.32)	(1,242.03)
(Increase)/ decrease in financial assets	(521.21)	25.82
(Increase)/ decrease in other assets	(5.47)	(1.03)
Increase/ (decrease) in trade payables	1,063.18	(85.22)
Increase/ (decrease) in others financial liabilities	-	-
Increase/ (decrease) in provisions	2.12	(0.69)
Increase/ (decrease) in other liabilities	(17.67)	43.17
	(374.57)	(1,309.02)
Income tax paid (net of refund)	-	-
Net cash flows from operating activities (A)	**(374.57)**	**(1,309.02)**
Investing activities		
Purchase of property, plant and equipment	0.73	-
Sale of property, plant and equipment	-	1.60
Fixed Assets transferred on account of merger	-	(12.38)
Purchase of intangible assets	(57.90)	-
Bank Balance other than cash and cash equivalent	(195.00)	-
Investment made in subsidairy & others	(1,396.63)	-
Interest received	12.15	-
Net cash flows used in investing activities (B)	**(1,636.65)**	**(10.78)**
Financing activities		
Proceeds from borrowings, net*	2,328.93	108.19
Capital infusion on account of merger	-	1,091.40
Issue of share capital*	-	-
Capital reserve on account of merger	-	174.34
Interest paid (gross)	(1.37)	(19.04)
Net cash flows used in financing activities (C)	**2,327.56**	**1,354.89**
Net increase/ (decrease) in cash and cash equivalents	316.35	35.09
Cash and cash equivalents at the beginning of the year (refer note 9)	42.13	7.04
Cash and cash equivalents at the end of the year (refer note 9)	**358.48**	**42.13**

*During the Financial Year 2021-22, the Company has allotted 37,22,00,000 Equity shares of the face value of INR 1 each fully paid up at an issue price of INR 1 per Equity share in lieu of and against the conversion of Unsecured Loans of INR 3,722 Lakhs into Equity Share Capital.

The accompanying notes form an integral part of the Standalone financial statements
As per our report of even date

For Jayesh Sanghrajka & Co. LLP
Chartered Accountants
ICAI Firm registration number: 104184W/W100075

Pritesh Bhagat
Designated Partner
Membership No.: 144424

Place: Mumbai
Date: May 27, 2022

For and on behalf of the Board of Directors of
Spacenet Enterprises India Limited
CIN: L72200TG2010PLC068624

DVS Prakash Rao Executive Director & Chief Financial Officer DIN: 03013165	Satya Srikanth Karaturi Whole Time Director Director DIN: 07733024
Suresh Tammineedi Executive Director DIN: 00952079	M. Chowda Reddy Company Secretary M.No. A48009
Place: Hyderabad Date: May 27, 2022	Place: Hyderabad Date: May 27, 2022

Spacenet Enterprises India Limited
Statement of changes in equity for the year ended March 31, 2022

a. Equity share capital

	No. of Shares	INR in Lakhs
Equity shares of INR 1 each issued, subscribed and fully paid		
At April 1, 2020	4,90,18,590	490.18
At March 31, 2021	15,81,58,374	1,581.58
At March 31, 2022	**53,03,58,374**	**5,303.58**

b. Other equity *

For the year ended March 31, 2022

INR in Lakhs

	Attributable to equity holders of the Company			
	Reserves and Surplus			Total
	Capital Reserve	General Reserve	Retained earnings	
As at April 1, 2021	174.34	1,206.82	(3,332.10)	(1,950.94)
Profit / (Loss) for the year			76.13	76.13
Other comprehensive income				
Re-measurement gains/ (losses) on defined benefit plans			0.18	0.18
Total comprehensive income	**174.34**	**1,206.82**	**(3,255.79)**	**(1,874.63)**
At March 31, 2022	**174.34**	**1,206.82**	**(3,255.79)**	**(1,874.63)**

For the year ended March 31, 2021

	Attributable to equity holders of the Company			
	Reserves and Surplus			Total
	Capital Reserve	General Reserve	Retained earnings	
As at April 1, 2020	-	1,206.82	(3,254.84)	(2,048.02)
Changes during the period	174.34	-		
Profit / (Loss) for the year			(77.26)	(77.26)
Other comprehensive income				
Re-measurement gains/ (losses) on defined benefit plans			-	-
Total comprehensive income	**174.34**	**1,206.82**	**(3,332.10)**	**(1,950.94)**
At March 31, 2021	**174.34**	**1,206.82**	**(3,332.10)**	**(1,950.94)**

*Also refer note 11

The accompanying notes form an integral part of the Standalone financial statements
As per our report of even date

For Jayesh Sanghrajka & Co. LLP
Chartered Accountants
ICAI Firm registration number: 104184W/W100075

Pritesh Bhagat
Designated Partner
Membership No.: 144424

Place: Mumbai
Date: May 27, 2022

For and on behalf of the Board of Directors of
Spacenet Enterprises India Limited
CIN: L72200TG2010PLC068624

DVS Prakash Rao
Executive Director & Chief Financial Officer
DIN: 03013165

Satya Srikanth Karaturi
Whole Time Director
Director
DIN: 07733024

Suresh Tammineedi
Executive Director
DIN: 00952079

M. Chowda Reddy
Company Secretary
M.No. A48009

Place: Hyderabad
Date: May 27, 2022

Place: Hyderabad
Date: May 27, 2022

Spacenet Enterprises India Limited
Notes to the Standalone financial statements for the year ended March 31, 2022

1 Corporate information

The standalone financial statements comprise financial statements of Spacenet Enterprises India Limited ("the Company") for the year ended March 31, 2022. The Company is a Company domiciled in India and incorporated under the provisions of Companies Act applicable in India on May 28, 2010. Its shares are listed on recognised stock exchange of India, the National Stock Exchange of India Limited. The registered office of the Company is located at Plot No.114, Survey No.66/2, Raidurgam Gachibowli, Prasanthhills, Navkhalsa, Serilingampally, Hyderabad Rangareddi, 500008, Telangana.

The company is primarily engaged in trading of commodities and providing Information technology related services.

The standalone financial statements are approved for issue by the Company's Board of Directors on May 27, 2022.

2 Significant Accounting Policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the standalone financial statement.

These financial statements have been prepared in Indian Rupee which is also the functional currency of the Company and all values are rounded to the Lakhs, except when otherwise indicated. These financial statements have been prepared on historical cost basis, except for certain financial assets and liabilities which are measured at fair value or amortised cost at the end of each reporting period, as explained in the accounting policies below.

2.2 Significant accounting judgements, estimates and assumptions

The preparation of the Company's standalone financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Critical accounting estimates

i. Taxes

Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the same can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

ii. Provisions and Contingent Liability

The timing of recognition and quantification of the liability (including litigations) requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

2.3 Current versus non-current classification

The Company presents assets and liabilities in the standalone balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

i. Expected to be realised or intended to be sold or consumed in normal operating cycle,
ii. Held primarily for the purpose of trading,
iii. Expected to be realised within twelve months after the reporting period, or
iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

i. It is expected to be settled in the company's normal operating cycle;
ii. It is held primarily for the purpose of being traded;
iii. It is due to be settled within twelve months after the reporting date; or
iv. The company does not have an unconditional right to defer settlement of the liability for at least twelve 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.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non current assets and liabilities.

Operating cycle for current and non-current classification

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The company has taken Operating cycle to be twelve months.

2.4 Fair value measurement of financial instruments

The Company measures financial instruments, such as, Investments at fair value at each balance sheet date using valuation techniques. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

a) In the principal market for the asset or liability, or

b) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
Level 1 - Quoted (unadjusted) market prices in active markets
for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable For assets and liabilities that are recognised in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For assets and liabilities that are recognised in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing catogarisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.5 Property, Plant and Equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Any trade discounts and rebates are deducted in arriving at the purchase price. Such cost includes the cost of replacing part of the plant and equipment. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Gains or losses arising from derecognition of Property, plant and equipment 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.

2.6 Intangible asset

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period with the affect of any change in the estimate being accounted for on a prospective basis. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset 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.

2.7 Depreciation and Amortization

Depreciation on Property, plant and equipment is provided on the straight-line basis over the useful lives of assets specified in Schedule II to the Companies Act, 2013.

Software being intangible asset is amortised on straight-line basis over a period of 5 years.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. The amortization period and the amortization method are reviewed at least at each financial year end.

2.8 Impairment of Financial and Non-Financial Assets

The impairment provisions for Financial Assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

In case of non-financial assets, assessment of impairment indicators involves consideration of future risks. Further, the company estimates asset's recoverable amount, which is higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

2.9 Revenue Recognition

The Company derives revenues primarily from IT services comprising software development and related services, and trading in commodities.

Revenue from operation

Revenues from customer contracts are considered for recognition and measurement when the contract has been approved by the parties, in writing, to the contract, the parties to contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. Revenue is recognized upon transfer of control of promised products or services ("performance obligations") to customers in an amount that reflects the consideration the Company has received or expects to receive in exchange for these products or services ("transaction price"). When there is uncertainty as to collectability, revenue recognition is postponed until such uncertainty is resolved.

Contract balances

i. Trade receivables

The amounts billed on customer for work performed and are unconditionally due for payment i.e. only passage of time is required before payment falls due, are disclosed in the balance sheet as trade receivables.

ii. Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration or is due from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier).

Contract liabilities are recognised as revenue when the Company performs under the contract.

Interest income

Interest income from a financial assets is recognised using effective interest rate method.

Dividend

Dividend income is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

2.10 Taxes on income

Current income tax

Tax expense for the year comprises current and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the standalone statement of profit and loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

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). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly 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 liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

i. When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

ii. In respect of taxable temporary differences associated with investments in subsidiary and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:
i. When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

ii. In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

All other acquired tax benefits realised are
recognised in
profit or loss.

2.11 Earnings Per Share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity share holders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as fresh issue, bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per equity share is computed by dividing the net profit attributable to the equity shares holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

2.12 Leases

Where the Company is lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use asset

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

The right-of-use assets are also subject to impairment.

ii) Lease Liabilities

At the commencement date of the lease, the company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

2.13 Foreign currencies transactions and translation

The Company's financial statements are presented in Indian Rupee, which is also the Company's functional currency.

In preparing the financial statements, transactions in the currencies other than the Company's functional currency are recorded at the rates of exchange prevailing on the date of transaction. At the end of each reporting period, monetary items denominated in the foreign currencies are re-translated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items are measured in terms of historical cost in a foreign currency are not retranslated.
Exchange differences arising on the retranslation or settlement of other monetary items are included in the statement of profit and loss for the period.

2.14 Cash and Cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

2.15 Employee benefits

Defined benefit plans

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on Projected Unit Credit Method made at the end of the financial year. Actuarial gains and losses for both defined benefit plans are recognized in full in the period in which they occur in the statement of OCI.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the standalone balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. Past service costs are recognised in profit or loss on the earlier of:
• The date of the plan amendment or
curtailment, and
• The date that the Company recognises
related restructuring costs

Termination benefits

The Company recognizes termination benefit as a liability and an expense when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the termination benefits fall due more than 12 months after the balance sheet date, they are measured at present value of future cash flows using the discount rate determined by reference to market yields at the balance sheet date on government bonds.

Compensated Absences

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated advances are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Remeasurement gains/losses on defined benefit plans are immediately taken to the Statement of Profit & Loss and are not deferred.

2.16 Provisions and Contingencies

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain.

The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A provision for onerous contracts is recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the standalone financial statements.

Provisions and contingent liability are reviewed at each balance sheet.

2.17 Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds including interest expense calculated using the effective interest method, finance charges in respect of assets acquired on finance lease. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset until such time as the assets are substantially ready for the intended use or sale. All other borrowing costs are expensed in the year in which they occur.

2.17 Related party transactions

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the period-end are unsecured and settlement occurs in cash or credit as per the terms of the arrangement. Impairment assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

2.18 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets
Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset Subsequent measurement of financial assets: All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification financial assets.

Following are the categories of financial instrument:
a) Financial assets at amortised cost
b) Financial assets at fair value through other comprehensive income (FVTOCI)
c) Financial assets at fair value through profit or loss (FVTPL)

a) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost using the effective interest rate method if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial assets at fair value through other comprehensive income (FVTOCI)

Debt financial assets measured at FVOCI:

Debt instruments are subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Equity Instruments designated at FVOCI:

On initial recognition, the Company makes an irrevocable election on an instrument-by-instrument basis to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments, other than equity investment which are held for trading. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments

c) Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading. Other financial assets such as unquoted Mutual funds are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

a) the rights to receive cash flows from the asset have expired, or
b) the Company has transferred its rights to receive cash flows from the asset, and
  i. the Company has transferred substantially all the risks and rewards of the asset, or
  ii. the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss ('ECL') model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits, trade receivables and bank balance

b) Financial assets that are debt instruments and are measured at FVTOCI.

c) Financial guarantee contracts which are not measured as at FVTPL.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:
i) All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument ii) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss. In the balance sheet, ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Offsetting:
Financial assets and financial liabilities are offset and the net amount is reported in the standalone balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously

Financial liabilities
Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings.

Subsequent measurement
The measurement of financial liabilities depends on their classification, as described below:
Financial liabilities at fair value through profit or loss
Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Gains or losses on liabilities held for trading are recognised in the profit or loss.
Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Spacenet Enterprises India Limited
Notes to the Standalone financial statements for the year ended March 31, 2022

3 Property, plant and equipment

INR in Lakhs

	Plant and machinery	Computers	Furniture and fixtures	Vehicles	Office equipment	Total
Cost or valuation						
At April 1, 2020	3.13	31.09	1.63	6.88	0.35	43.08
Additions	-	-	-	-	-	-
Adjustment	-	-	-	-	-	-
Disposals	-	-	-	(2.10)	-	(2.10)
At March 31, 2021	**3.13**	**31.09**	**1.63**	**4.78**	**0.35**	**40.98**
Additions	-	1.93	-	-	4.55	6.48
Disposals	-	-	-	-	-	-
At March 31, 2022	**3.13**	**33.02**	**1.63**	**4.78**	**4.90**	**47.46**
Depreciation and impairment						
At April 1, 2020	0.03	31.09	0.06	4.87	0.01	36.06
Depreciation charge for the year	0.32	-	0.17	0.05	0.04	0.57
Impairment	-	-	-	-	-	-
Disposals	-	-	-	(0.14)	-	(0.14)
At March 31, 2021	**0.34**	**31.09**	**0.23**	**4.78**	**0.05**	**36.49**
Depreciation charge for the year	0.48	0.22	0.16	-	0.20	1.05
Disposals	-	-	-	-	-	-
At March 31, 2022	**0.82**	**31.31**	**0.39**	**4.78**	**0.25**	**37.54**
Net Book value						
At March 31, 2021	**2.78**	**-**	**1.41**	**-**	**0.30**	**4.49**
At March 31, 2022	**2.31**	**1.70**	**1.25**	**-**	**4.66**	**9.91**

4 Other Intangible assets

INR in Lakhs

	Computer Software	Total
Cost or valuation		
At April 1, 2020	5.35	5.35
Additions	12.37	12.37
Adjustment	-	-
Disposals	-	-
At March 31, 2021	**17.72**	**17.72**
Additions	57.90	57.90
Disposals	-	-
At March 31, 2022	**75.62**	**75.62**
Amortization and impairment		
At April 1, 2020	2.90	2.90

Amortization charge for the year	9.56	9.56
Impairment	-	-
Disposals	-	-
At March 31, 2021	**12.46**	**12.46**
Amortization charge for the year	11.10	11.10
Disposals	-	-
At March 31, 2022	**23.56**	**23.56**
Net Book value		
At March 31, 2021	**5.26**	**5.26**
At March 31, 2022	**52.06**	**52.06**

Spacenet Enterprises India Limited
Notes to the Standalone financial statements for the year ended March 31, 2022

5 Investment

INR in Lakhs

		31-Mar-22	31-Mar-21
	Non-current investments:		
	Investments carried at amortised cost		
	Unquoted equity shares		
	Investment in Subsidiary		
	75,60,000 (March 31, 2021- Nil) equity share of Thalassa Enterprises Private Limited (refer note 25)	756.00	-
	Investment in others		
	62,500 (March 31, 2021- Nil) equity share of Billmart Fintech Private Limited	250.63	-
	Unquoted preference shares		
	39,00,000 (March 31, 2021- Nil) 0.01% Cumulative Optionally Convertible Redeemable Preference Shares of Nashviille Infra Services Limited	390.00	-
	Total investments carried at amortised cost	**1,396.63**	**-**
	Aggregate amount of unquoted investments	1,396.63	-
	Aggregate value of quoted investment	-	-
	Aggregate market value of quoted investment	-	-

6 Trade receivable

INR in Lakhs

	Current		Non Current	
	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
Trade receivables	1,019.46	10.78	-	817.89
Receivables from related parties (refer note 25)	1,252.82	-	-	459.28
Total Trade receivables	**2,272.28**	**10.78**	**-**	**1,277.17**
Trade receivables				
Unsecured, considered good				
-From Related Parties	1,252.82	-	-	459.28
-From Others	1,019.46	10.78	-	817.89

Trade Receivables - credit impaired	-	-	-	-
	2,272.28	10.78	-	1,277.17
Impairment Allowance (allowance for bad and doubtful debts)				
Trade Receivables - credit impaired	-	-	-	-
Total Trade receivables	**2,272.28**	**10.78**	**-**	**1,277.17**

Trade Receivables Aging Schedule

At March 31, 2022 **INR in Lakhs**

Particulars	Outstanding for following periods from due date of payments					Total
	Less than 6 months	6 months - 1 year	1- 2 years	2- 3 years	More than 3 years	
Undisuputed trade-receivables - considered good	1,697.43	-	-	574.85	-	2,272.28
Undisuputed trade-receivables - which have significant increase in credit risk	-	-	-	-	-	-
Undisuputed trade-receivables - credit impaired	-	-	-	-	-	-
Disuputed trade-receivables - considered good	-	-	-	-	-	-
Disuputed trade-receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disuputed trade-receivables - credit impaired	-	-	-	-	-	-
Total	**1,697.43**	**-**	**-**	**574.85**	**-**	**2,272.28**

At March 31, 2021 **INR in Lakhs**

Particulars	Outstanding for following periods from due date of payments					Total
	Less than 6 months	6 months - 1 year	1- 2 years	2- 3 years	More than 3 years	
Undisuputed trade-receivables - considered good	665.59	-	622.36	-	-	1,287.95
Undisuputed trade-receivables - which have significant increase in credit risk	-	-	-	-	-	-
Undisuputed trade-receivables - credit impaired	-	-	-	-	-	-
Disuputed trade-receivables - considered good	-	-	-	-	-	-
Disuputed trade-receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disuputed trade-receivables - credit impaired	-	-	-	-	-	-
Total	**665.59**	**-**	**622.36**	**-**	**-**	**1,287.95**

*The Honourable NCLT, Hyderabad Bench passsed an order vide dated January 5, 2021 approving the Scheme of Arrangement (Demerger) between Kling Enterprises India Limited (Transferor Company) and Spacenet Enterprises India Limited (Transferee Company). The trade receivable of INR 574.85 Lakhs from Arlen Trading Private Limited which was taken over by the Company from Kling Enterprises India Limited through the scheme of demerger is outstanding for a period of more than one year. The management has confirmation and assurance from the Arlen Trading Private Limited about the realisation of this receivable. Accordingly. the management has not made the provision for expected credit loss for the said receivable balance.

7 Other financial assets

INR in Lakhs

	Current		Non-current	
	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
Others				
Security deposits	4.20	-	-	0.24
Interest accrued on fixed deposits	0.31	-	-	-
Advance to employee	0.50	10.00	-	-
Trade advance to related party (refer note 25)	15.00	-	-	-
Others	532.58	20.83	-	-
	552.59	**30.83**	**-**	**0.24**

8 Other assets

INR in Lakhs

	Current		Non-current	
	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
Prepaid expenses	0.39	-	-	0.11
Balances with statutory/ government authorities	11.26	6.30	3.83	3.75
Advance to suppliers	0.15	-	-	-
	11.80	**6.30**	**3.83**	**3.86**

9 Cash and cash equivalents

INR in Lakhs

	31-Mar-22	31-Mar-21
Cash and cash equivalents		
Balances with banks:		
– On current accounts	349.18	42.07
– Deposits with less than three months maturity	9.25	-
Cash on hand	0.05	0.06
Cash and cash equivalents Balances with banks:	**358.48**	**42.13**
Bank balance other than cash and cash equivalents		
– Deposits with maturity for more than 3 months but less than 12 months	195.00	-
	195.00	**-**
Less: Amount disclosed under non-current financial assets	-	-
	553.48	**42.13**

Cash and cash Equivalents Balances with banks:

Short-term deposits are made for varying periods of between seven day and three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

INR in Lakhs

	31-Mar-22	31-Mar-21
Balances with banks:		
– On current accounts	349.18	42.07
– Deposits with less than three months maturity	9.25	-
Cash on hand	0.05	0.06
	358.48	**42.13**

Changes in liabilities arising from financing activities :

INR in Lakhs

Particulars	Non-current borrowings	Current borrowings (including current maturities)	Total
Balance as at April 1, 2020	1,524.18	-	1,524.18
Cash inflows	108.19	-	108.19
Cash Outflows	-	-	-
Others	-	-	-
Net debt as at March 31, 2021	**1,632.37**	**-**	**1,632.37**
Cash inflows	3,627.57		3,627.57
Cash Outflows	(1,485.35)		(1,485.35)
Others*	(3,722.81)	-	(3,722.81)
Net debt as at March 31, 2022	**51.78**	**-**	**51.78**

*During the year, the Company has allotted 37,22,00,000 Equity shares of the face value of INR 1 each fully paid up at an issue price of INR 1 per Equity share in lieu of and against the conversion of Unsecured Loans of INR 3,722 Lakhs into Equity Share Capital. Interest of INR 0.81 Lakhs on such loans is waived off.

Break up of financial assets carried at amortised cost

INR in Lakhs

	31-Mar-22	31-Mar-21
Trade receivables (refer note 6)	2,272.28	10.78
Other financial assets (refer note 7)	552.59	552.59
Cash and bank balances (refer note 9)	553.48	42.13
Total financial assets carried at amortised cost	**3,378.35**	**605.50**

Spacenet Enterprises India Limited
Notes to the Standalone financial statements for the year ended March 31, 2022

10 Equity share capital

Authorised Share Capital

	No. of Shares	INR in Lakhs
At April 1, 2020	**50,00,00,000**	**5,000**
Increase/(decrease) during the year	-	-
At March 31, 2021	**50,00,00,000**	**5,000**
Increase/(decrease) during the year	5,00,00,000	500
At March 31, 2022	**55,00,00,000**	**5,500**

During the year ended March 31, 2022, the authorised share capital was increased by INR 500 Lakhs i.e 5,00,00,000 Equity shares of INR 1 each.

Terms/ rights attached to equity shares
The Company has only one class of equity shares having par value of INR 1 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Issued equity capital

	No. of Shares	INR in Lakhs
Equity shares of INR 1 each issued, subscribed and fully paid		
At April 1, 2020	**4,90,18,590**	**490.18**
Changes during the period	10,91,39,784	1,091.40
At March 31, 2021	**15,81,58,374**	**1,581.58**
Changes during the period	37,22,00,000	3,722.00
At March 31, 2022	**53,03,58,374**	**5,303.58**

"During the Financial Year 2021-22, the Company has allotted 37,22,00,000 Equity shares of the face value of INR 1 each fully paid up at an issue price of INR 1 per Equity share in lieu of and against the conversion of Unsecured Loans of INR 3,722 into Equity Share Capital in compliance with the provisions of Section 62(3) of the Companies Act, 2013 and Regulation 158(1)(a) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018"

Equity shares allotted as fully paid-up pursuant to scheme of arrangement without payment being received in cash
10,91,39,784 equity shares were issued during the financial year 2020-21 pursuant to scheme of arrangement between Kling Enterprises India Limited and the Company vide order passed by Honorable National Company Law Tribunal, Hyderabad Bench, Hyderabad-1 dated. January 5, 2021.

Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	31-Mar-22		31-Mar-21	
	No of Shares	Holding percentage	No of Shares	Holding percentage
Equity shares of INR.1 each fully paid up				

Meenavalli Usha Rani	-	-	8,79,49,119	55.61%
Matis Enterprise Private Limited	12,92,00,000	24.36%	-	-
Sri Matha Meenavalli	4,14,68,173	7.82%	-	-
Realstone Trading Company Private Limited	3,00,00,000	5.66%	-	-
Black Hawk Properties Private Limited	3,00,00,000	5.66%	-	-

Details of Shares held by promoters

As at March 31, 2022

Promoter Name	No. of Shares at the beginnning of the year	Change during the year	No. of shares at the end of year	% age of Total Shares	% change during the year
Equity shares of INR.1 each fully paid up					
Meenavalli Krishna Mohan	80,786	2,00,00,000	2,00,80,786	3.79%	3.74%
M V Lakshmi	74,466	-	74,466	0.01%	-0.03%
Meenavalli Usha Rani	8,79,49,119	(8,14,68,173)	64,80,946	1.22%	-54.39%
Uma Kuna Reddy*	26,68,852	(26,68,852)	-	0.00%	-1.69%
Sri Matha Meenavalli	-	4,14,68,173	4,14,68,173	7.82%	7.82%
Meenavalli Ganesh	-	2,00,00,000	2,00,00,000	3.77%	3.77%
Total	**9,07,73,223**	**(26,68,852)**	**8,81,04,371**	**16.61%**	**-40.78%**

*During the Financial year 2021-22, Mrs. Umakuna Reddy promoter of the company has been Re-classified as public category shareholder vide NSE approval dated June 10, 2021, hence her shareholding is not shown in promoter category as on March 31, 2022 and the same is shown in the public category shareholder of the Company.

As at March 31, 2021

Promoter Name	No. of Shares at the beginnning of the year	Change during the year	No. of shares at the end of year	% age of Total Shares	% change during the year
Equity shares of INR.1 each fully paid up					
Meenavalli Krishna Mohan	80,786	-	80,786	0.05%	-
M V Lakshmi	74,466	-	74,466	0.05%	-
Meenavalli Usha Rani	64,80,946	8,14,68,173	8,79,49,119	55.61%	42.39%
Uma Kuna Reddy	26,68,852	-	26,68,852	1.69%	
Total	**93,05,050**	**8,14,68,173**	**9,07,73,223**	**57.39%**	**42.39%**

Note: As per records of the Company, including its register of shareholders/ members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares.

11 Other equity

INR in Lakhs

	31-Mar-22	31-Mar-21
Capital Reserve		
Balance at the beginning of the year	174.34	-

Changes during the period	-	174.34
Closing balance	**174.34**	**174.34**
General Reserve		
Balance at the beginning of the year	1,206.82	1,206.82
Changes during the period	-	-
Closing balance	**1,206.82**	**1,206.82**
Deficit in the statement of profit and loss		
Balance at the beginning of the year	(3,332.10)	(3,254.84)
Profit / (Loss) for the year	76.13	(77.26)
Other comprehensive income		
Re-measurement gains/ (losses) on defined benefit plans	0.18	-
Net deficit in the statement of profit and loss	**(3,255.79)**	**(3,332.10)**
Total other equity	**(1,874.63)**	**(1,950.94)**

Spacenet Enterprises India Limited
Notes to the Standalone financial statements for the year ended March 31, 2022

12 Borrowings

INR in Lakhs

	31-Mar-22	31-Mar-21
Non-current borrowings		
Unsecured loans		
Unsecured loans from Promoters and relatives	51.78	1,341.87
Others	-	290.50
Total non-current borrowings	**51.78**	**1,632.37**

During the Financial Year 2021-22, the Company has allotted 37,22,00,000 Equity shares of the face value of INR 1 each fully paid up at an issue price of INR 1 per Equity share in lieu of and against the conversion of Unsecured Loans of INR 3,722 Lakhs into Equity Share Capital.

Terms of Non-current borrowings:
Unsecured loans from Promoters and relatives bears interest in the range of 8% to 12% per annum.

Current borrowings		
Loan repayable on demand (from Bank)		
Gold metal loan from ICICI bank	186.71	-
Total current borrowings	**186.71**	**-**

Terms of Current borrowings:
1. Fund based Gold metal loan facility of INR 200 Lakhs has been sanctioned by ICICI bank vide sanction letter dated October 11, 2021 for manufacture of jewellery to be sold in domestic markets / exported.
2. Interest is stipulated for each drawal at the time of drawdown on notional value of gold, linked to international gold lease rate.Interest is payable on monthly basis. Additional interest of 6M MCLR + 4% is payable over and above the applicable interest rate.
3. The loan is secured against fixed deposits and repayable on demand.

Spacenet Enterprises India Limited
Notes to the Standalone financial statements for the year ended March 31, 2022

13 Other financial liabilities

INR in Lakhs

	31-Mar-22	31-Mar-21
Current		
Interest accrued and due on borrowings	0.40	-
Payable to capital creditors	7.21	-
Total other current financial liabilities	**7.61**	**-**

14 Provisions

INR in Lakhs

	Short term		Long term	
	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
Provision for employee benefits				
-Provision for gratuity (refer note 28)	0.00	-	0.95	-
-Provision for leave benefits (refer note 29)	0.02	-	1.09	-
Provision for Income Tax	13.76	-	-	-
Provision for expenses	0.95	1.08	-	-
	14.73	**1.08**	**2.04**	**-**

15 Deferred tax assets (net)

INR in Lakhs

	31-Mar-22	31-Mar-21
Deferred tax liabilities	-	-
Gross deferred tax liabilities	**-**	**-**
Deferred tax assets		
Difference between carrying amounts of property, plant and equipment in financial statement and the income tax return	20.82	-
On account of provision for gratuity & leave encashment	0.54	-
On account of unabsorbed depreciation and carried forward losses *	27.48	-
Gross deferred tax assets	**48.84**	**-**
Net deferred tax Asset	**48.84**	**-**
Net deferred tax Asset recognised*	**2.98**	**1.31**

*Deferred tax asset is recognised to the extent of the probability of taxable profits in future periods.

16 Trade payables

INR in Lakhs

	31-Mar-22	31-Mar-21
Trade payables		
- Total outstanding dues of micro enterprises and small enterprises (refer note 25 & 26)*	879.77	35.74
- Total outstanding dues of creditors other than micro enterprises and small enterprises	226.59	7.44
	1,106.36	**43.18**

*Payable to Subsidiary Company Thalassa Enterprises Private Limited

Trade Payable Aging Schedule
As at March 31, 2022

INR in Lakhs

Particulars	Outstanding for following periods from due date of payments *				Total
	Less than 1 year	1- 2 years	2- 3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	879.77	-	-	-	879.77
Total outstanding dues of creditors other than micro enterprises and small enterprises	226.59	-	-	-	226.59
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Total	**1,106.36**	**-**	**-**	**-**	**1,106.36**

As at March 31, 2021

INR in Lakhs

Particulars	Outstanding for following periods from due date of payments *				Total
	Less than 1 year	1- 2 years	2- 3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	35.74	-	-	35.74
Total outstanding dues of creditors other than micro enterprises and small enterprises	7.44	-	-	-	7.44
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Total	**7.44**	**35.74**	**-**	**-**	**43.18**

17 Other liabilities

INR in Lakhs

	31-Mar-22	31-Mar-21
Advance from customers	32.65	60.90
Payable towards statutory dues	3.13	1.94
Payable to employees*	8.50	4.70
Creditors for expenses	13.10	7.56
	57.38	**75.10**

*includes Directors remuneration payable INR 1.96 Lakhs (P.Y INR 1.70 Lakhs)

Breakup of financial liabilities carried at amortised cost

INR in Lakhs

	31-Mar-22	31-Mar-21
Borrowings (refer note 12)	51.78	1,632.37
Other financial liabilities (refer note 13)	7.61	-
Trade payables (refer note 16)	1,106.36	43.18
Total financial liabilities carried at amortised cost	**1,165.75**	**1,675.55**

Spacenet Enterprises India Limited
Notes to the Standalone financial statements for the year ended March 31, 2022

18 Revenue from operations

INR in Lakhs

	31-Mar-22	31-Mar-21
Sale of Products		
Income from Sale of Commodities	1,830.16	871.11
Income from Sale of Bullion	2,093.26	-
Sale of Services		
Income from Sale of Data Feed Services	58.85	-
Income from Sale of IT Services	22.77	-
	4,005.04	**871.11**

18.1 Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue (other than rental income) from contracts with customers by timing of transfer of goods or services.

Timing of transfer of goods or services

INR in Lakhs

	31-Mar-22	31-Mar-21
Revenue from goods or services transferred to customers at a point in time	4,005.04	871.11
Revenue from goods or services transferred over time	-	-
	4,005.04	**871.11**

19 Other income

INR in Lakhs

	31-Mar-22	31-Mar-21
Creditors/provisions no long required	0.05	112.03
Interet on fixed deposits	12.47	14.00
Interest on Loan waived off	0.80	-
Gain on futures and options	0.69	-
Bad debts Recovered	35.00	-
	49.01	**126.03**

20 Purchase of traded goods

INR in Lakhs

	31-Mar-22	31-Mar-21
Purchase of Commodities	1,646.35	861.28
Purchase of Bullion	2,037.90	-
	3,684.25	**861.28**

21 Employee benefits expense

INR in Lakhs

	31-Mar-22	31-Mar-21
Salaries, wages and bonus*	85.30	43.97
Contribution to provident and other funds	8.12	2.12
Gratuity expense (refer note 28)	1.05	-
Leave Encashment (refer note 29)	1.19	-
Staff welfare expenses	2.64	3.38

	98.30	**49.47**

*includes Directors remuneration of INR 24.58 Lakhs (P.Y INR 17.81 Lakhs)

22 Finance costs

INR in Lakhs

	31-Mar-22	31-Mar-21
Interest on borrowing	1.76	19.04
Total finance costs	**1.76**	**19.04**

23 Depreciation and amortisation expense

INR in Lakhs

	31-Mar-22	31-Mar-21
Depreciation on property, plant and equipment	1.05	0.57
Depreciation on intangible assets	11.10	9.56
	12.15	**10.13**

24 Other expenses

INR in Lakhs

	31-Mar-22	31-Mar-21
Power, fuel & water charges	5.80	5.67
Rent	22.70	12.00
Repairs and maintenance	6.96	2.28
Insurance	0.11	-
Rates and taxes, excluding, taxes on income	21.50	29.70
Travelling and conveyance expenses	11.58	12.98
Communication expenses	6.03	1.65
Legal and professional fees (includes payment to auditor)*	89.08	55.03
Advertisement charges	1.72	0.78
Bank charges	0.40	2.45
SBLC charges	-	7.99
Printing and stationery	1.06	0.55
Exchange difference (Net)	0.73	0.43
Loss on futures and options	-	1.65
Loss on sale of property, plant and equipment (net)	-	0.36
Loading and unloading charges	-	0.65
Miscellaneous expenses	1.70	1.62
	169.37	**135.79**

*** Payment to auditor**

INR in Lakhs

	31-Mar-22	31-Mar-21
As auditor:		
Audit fee [including for Limited review]	7.25	1.50
Tax audit fee	0.75	-
In other capacity:		
Other services	0.73	0.50
	8.73	**2.00**

The disaggregation of changes to OCI by type of reserve in equity is shown below:

During the year ended March 31, 2022 **INR in Lakhs**

	Retained earnings
Re-measurement gains/ (losses) on defined benefit plans	0.18
	0.18

During the year ended March 31, 2021 **INR in Lakhs**

	Retained earnings
Re-measurement gains/ (losses) on defined benefit plans	-
	-

Spacenet Enterprises India Limited
Notes to the Standalone financial statements for the year ended March 31, 2022

25 Related party transactions

a) The following table provides the name of the related party and the nature of its relationship with the Company:

Subsidiaries

Spacenet IFSC Private Limited	Wholly owned subsidiary w.e.f. December 21, 2021
Thalassa Enterprises Private Limited ("Formerly known as Stampede Enterprises India Private Limited")	Subsidiary w.e.f. December 21, 2021

Key Managerial Personnel (KMP)

Suresh Tammineedi	Executive Director
Satya Srikanth Karaturi	Whole Time Director
Dasigi Venkata Surya Prakash Rao	Executive Director and Chief Financial Officer
Chowda Medam Reddy	Company Secretary
Srinivasa Rao Tatipakka	Whole Time Director (resigned w.e.f April 30, 2021)
Kakkera Srikrishna	Whole Time Director (resigned w.e.f December 10, 2020)
Kiran Koduri	Company Secretary (resigned w.e.f May 30, 2020)
Anshul Gupta	Company Secretary (resigned w.e.f September 3, 2021)

Enterprises over which Key Managerial Personnel are able to exercise significant influence

Kling Enterprises India Limited
Barret Commodity Traders Private Limited
Equippp Social Impact Technologies Limited ("Formerly known as Praseed India Limited")

b) Details of the transactions with the related parties:

INR in Lakhs

Name of the Related party	Relationship	Nature of Transactions	31-Mar-22		31-Mar-21	
			Transactions during the year	Outstanding at the end of the year	Transactions during the year	Outstanding at the end of the year
Thalassa Enterprises Private Limited	Subsidiary Company	Purchase	1,106.32	-	-	-
		Trade payable	259.60	879.77	92.66	35.74
		Investment	756.00	756.00	-	-
Kling Enterprises India Limited	Enterprises over which Key Managerial Personnel are able to	Net of advance given / (received)	-	-	4.12	-
		Trade receipts	-	-	(21.10)	-

	exercise significant influence	Trade receivable	47.51	-	18.77	47.51
Barret Commodity Traders Private Limited	Enterprises over which Key Managerial Personnel are able to exercise significant influence	Sales	1,451.76	-	-	-
		Net of advance given / (received)	15.00	15.00	(31.22)	-
		Trade receipts	-	-	(4.93)	-
		Trade receivable	610.72	1,252.82	416.71	411.78
Suresh Tammineedi	Executive Director	Director Remuneration	9.00	0.73	7.35	0.73
Satya Srikanth Karaturi	Whole Time Director	Director Remuneration	7.02	0.62	-	-
Dasigi Venkata Surya Prakash Rao	Executive Director & CFO	Director Remuneration	7.39	0.62	5.55	0.53
Srinivasa Rao Tatipakka	Whole Time Director	Director Remuneration	1.17	-	4.91	0.44
Chowda Medam Reddy	Company Secretary	Salary	8.93	0.76	4.57	0.67
Kiran Koduri	Company Secretary	Salary	-	-	1.30	-
Anshul Gupta	Company Secretary	Salary	-	-	0.55	-

26 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

	Particulars		INR in Lakhs
		31-Mar-22	31-Mar-21
	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
	Principal amount due to micro and small enterprises	879.77	35.74
	Interest due on above	-	-
	The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-

	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

Spacenet Enterprises India Limited
Notes to the Standalone financial statements for the year ended March 31, 2022

27 Segment Information

The Company is primarily engaged in trading of commodities and providing information technology related services and hence disclosing information as per requirements of Ind AS 108 "Operating Segments" is not applicable.

28 Gratuity and other post-employment benefit plans

INR in Lakhs

Particulars	**31-Mar-22**	**31-Mar-21**
Define beneift plan	0.96	-
Non-current	0.95	-
Current	0.00	-

Employees are entitled to a benefit equivalent to fifteen days' last drawn salary for each completed year of service in line with the Payment of Gratuity Act, 1972 subject to a maximum of INR 20 Lakhs. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service. The Company has funded the liability as on March 31, 2022.

Following figures are as per the actuarial valuation carried out by an independent actuary as at the Balance Sheet date:

Changes in the projected benefit obligation and fair value of plan assets:

INR in Lakhs

	31-Mar-22	**31-Mar-21**
Change in projected benefit obligation		
Obligation at beginning of the year	0.38	-
Past Service cost	-	-
Interest cost	0.02	-
Current Service cost	0.65	0.38
Benefits directly paid	-	-
Liability transfer	-	-
Actuarial (gain)/loss (through OCI)	-	-
Obligation at end of the year	**1.05**	**0.38**
Present value of projected benefit obligation at the end of the year	1.05	0.38
Net liability recognised in the balance sheet	**1.05**	**0.38**
Re-measurement (gains)/ losses in OCI		
Actuarial (gain) / loss due to financial assumption changes	-	-
Actuarial (gain) / loss due to experience adjustments	-	-
Actuarial (gain) / loss due to demographic assumption changes	-	-
Actuarial (gain) / loss arising from actual vs Expected	0.10	-
Total expenses routed through OCI	**0.10**	**-**
Present Value of Obligation at end of year	**0.95**	**0.38**
Expenses recognised in statement of profit and loss		
Current Service cost	0.65	0.38
Interest cost (net)	0.02	-
Gratuity cost	0.67	0.38
Net gratuity cost	**0.67**	**0.38**

Bifurcation of Net Liability		
Current Liability	0.00	0.00
Non-Current Liability (Long Term)	0.95	0.38
Total Loability	**0.95**	**0.38**
Actuarial Assumptions		
Principal Financial Assumptions	**31-Mar-22**	**31-Mar-21**
Discount rate	6.84%	6.68%
Future salary increases	5.00%	5.00%
Demographic Assumptions	**31-Mar-22**	**31-Mar-21**
Morality Rate (% of IALM 06-08)	100.00%	100.00%
Withdrawal Rate (Per annum)	3.00%	3.00%

A quantitative sensitivity analysis for significant assumption and its impact on projected benefit obligation are as follows:

INR in Lakhs

Particulars	**31-Mar-22**		**31-Mar-21**	
Defined Benefit Obligation (Base)	0.96	6.84%	0.38	6.68%
	Decrease	**Increase**	**Decrease**	**Increase**
Discount Rate (-/+1%)	1.03	0.89	0.41	0.35
(% Changes Campare to base)	7.75%	-6.84%	7.99%	-6.94%
Salary Growth Rate (-/+1%)	0.86	1.07	0.33	0.44
(% Changes Campare to base)	-10.42%	12.08%	-11.96%	14.55%
Attrition Rate (-/+1%)	0.91	1.00	0.36	0.40
(% Changes Campare to base)	4.53%	4.33%	-5.99%	5.35%
Morality Rate (-/+1%)	0.96	0.96	0.38	0.38
(% Changes Campare to base)	-0.13%	0.12%	-0.12%	0.12%

Please note that the sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlieely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

There is no change in the method of valuation forthe prior period. Forchange in as sumptions please refer Actuarial assumptions above , where assumptions for prior period, if applicable, are given.

The following payments are expected contributions to the projected benefit plan in future years (From Employer):

INR in Lakhs

Particulars	**31-Mar-22**	**31-Mar-21**
Within the next 12 months	-	-
Between 2 and 5 years	0.17	0.11
Between 6 and 10 years	0.26	0.10
Beyond 10 years	0.53	0.17
Total expected payments	0.96	0.38
Contributions likely to be made for next one year	0.68	0.51

29 Leave Encashment and other post-employment benefit plans

INR in Lakhs

Particulars	**31-Mar-22**	**31-Mar-21**
Define beneift plan	**1.11**	**0.48**
Non-current	1.09	0.48
Current	0.02	0.00

Following figures are as per the actuarial valuation carried out by an independent actuary as at the Balance Sheet date:

Explanation of Amounts in Financial Statements: The valuation results for the defined benefit EL plan are produced in the tables below:

INR in Lakhs

	31-Mar-22	**31-Mar-21**
Change in projected benefit obligation		
Obligation at beginning of the year	0.48	-
Past Service cost	-	-
Interest cost	0.03	-
Current Service cost	0.68	0.48
Benefits directly paid	-	-
Liability transfer	-	-
Actuarial (gain)/loss (through OCI)	-	-
Obligation at end of the year	**1.19**	**0.48**
Present value of projected benefit obligation at the end of the year	1.19	0.48
Net liability recognised in the balance sheet	**1.19**	**0.48**
Re-measurement (gains)/ losses in OCI		
Actuarial (gain) / loss due to financial assumption changes	-	-
Actuarial (gain) / loss due to experience adjustments	-	-
Actuarial (gain) / loss due to demographic assumption changes	-	-
Actuarial (gain) / loss arising from actual vs Expected	0.09	-
Total expenses routed through OCI	**0.09**	**-**
Present Value of Obligation at end of year	**1.10**	**0.48**
Expenses recognised in statement of profit and loss		
Current Service cost	0.68	0.48
Interest cost (net)	0.03	-
Gratuity cost	0.71	0.48
Net gratuity cost	**0.71**	**0.48**
Bifurcation of Net Liability		
Current Liability	0.02	0.00
Non-Current Liability (Lomg Term)	1.09	0.48
Total Loability	**1.11**	**0.48**
Actuarial Assumptions		
Principal Financial Assumptions	**31-Mar-22**	**31-Mar-21**
Discount rate	6.84%	6.68%
Future salary increases	5.00%	5.00%
Demographic Assumptions	**31-Mar-22**	**31-Mar-21**

Morality Rate (% of IALM 06-08)	100.00%	100.00%
Withdrawal Rate (Per annum)	3.00%	3.00%

A quantitative sensitivity analysis for significant assumption and its impact on projected benefit obligation are as follows:

INR in Lakhs

Particulars	**31-Mar-22**		**31-Mar-21**	
Defined Benefit Obligation (Base)	1.11	6.84%	4.81	6.68%
	Decrease	**Increase**	**Decrease**	**Increase**
Discount Rate (-/+1%)	1.19	1.04	0.52	0.45
(% Changes Campare to base)	7.20%	-6.36%	8.07%	-7.00%
Salary Growth Rate (-/+1%)	1.00	1.23	0.42	0.55
(% Changes Campare to base)	-9.58%	11.06%	-12.21%	14.95%
Attrition Rate (-/+1%)	1.06	1.15	0.45	0.51
(% Changes Campare to base)	-4.05%	3.89%	-6.18%	5.50%
Morality Rate (-/+1%)	1.10	1.11	0.48	0.48
(% Changes Campare to base)	-0.12%	0.11%	-0.12%	0.12%

Please note that the sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlieely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.
There is no change in the method of valuation forthe prior period. Forchange in as sumptions please refer Actuarial assumptions above , where assumptions for prior period, if applicable, are given.

The following payments are expected contributions to the projected benefit plan in future years (From Employer):

INR in Lakhs

Particulars	**31-Mar-22**	**31-Mar-21**
Within the next 12 months	0.02	-
Between 2 and 5 years	0.25	0.14
Between 6 and 10 years	0.28	0.12
Beyond 10 years	0.56	0.22
Total expected payments	1.11	0.48

Contributions likely to be made for next one year : depends on the then salary profile and leave days

Spacenet Enterprises India Limited
Notes to the Standalone financial statements for the year ended March 31, 2022

30 Earnings per share ['EPS']

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders (after adjusting for interest on the convertible debentures) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity Shares.

The following table reflects the income and share data used in the basic and diluted EPS computations:

INR in Lakhs

Particulars	31-Mar-22	31-Mar-21
Profit / (Loss) attributable to equity shareholders	76.13	(77.26)
Effect of dilution	-	-
Profit / (Loss) attributable to equity holders adjusted for the effect of dilution	76.13	(77.26)
Weighted average number of equity shares for basic and diluted EPS (No.) *		
Effect of dilution	22,64,80,018	15,81,58,374
Weighted average number of equity shares adjusted for the effect of dilution (No.)	22,64,80,018	15,81,58,374

* includes 6,83,21,644 (37,22,00,000*67/365) shares issued on conversion of unsecured loan as at March 31, 2022 .

31 Contingent liabilities and commitments

INR in Lakhs

Particulars	31-Mar-22	31-Mar-21
Contingent liabilities		
Claims against the Company, not acknowledged as debts *	44.88	40.32
Commitments		
The estimated amount of contracts, net of advances remaining to be executed on capital account and not provided for	-	-
	44.88	**40.32**

*In relation to following income tax matters under dispute, the management of the Company is confident that the matters would be decided in their favour. Accordingly no provision has been made in the books in relation to such matters.

Name of the Statute	Nature of Dues	Period to which amount relates	Amount INR in Lakhs	Forum where the dispute is pending
Income Tax Act 1961	Income Tax	AY 2012-13	29.72	Commissioner of Income Tax
Income Tax Act 1961	Income Tax	AY 2014-15	15.16	Commissioner of Income Tax
Total			**44.88**	

32 Earnings and expenditure in foreign currency (on accrual basis)

Earnings in foreign currency		**INR in Lakhs**
Particulars	**31-Mar-22**	**31-Mar-21**
Sales	101.36	543.94
	101.36	**543.94**

Expenditure in foreign currency		**INR in Lakhs**
Particulars	**31-Mar-22**	**31-Mar-21**
Purchases	74.50	690.31
	74.50	**690.31**

Spacenet Enterprises India Limited
Notes to the Standalone financial statements for the year ended March 31, 2022

33 Fair value measurements

The carrying value of financial instruments by categories is as follows:

INR in Lakhs

Particulars	31-Mar-22			31-Mar-21		
	At Cost	Fair value through profit or loss	At Amortised Cost	At Cost	Fair value through profit or loss	At Amortised Cost
Financial assets						
Investments	-	-	1,396.63	-	-	-
Trade receivables	-	-	2,272.28	-	-	1,287.95
Cash and cash equivalents	-	-	358.48	-	-	42.13
Bank balance other than cash and cash equivalents	-	-	195.00	-	-	-
Other financials assets	-	-	552.59	-	-	31.07
Total	**-**	**-**	**4,774.98**	**-**	**-**	**1,361.15**
Financial liabilities						
Borrowings	-	-	238.49	-	-	1,632.37
Trade payables	-	-	1,106.36	-	-	43.18
Other financial liabilities	-	-	7.61	-	-	-
Total	**-**	**-**	**1,352.46**	**-**	**-**	**1,675.55**

Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities

INR in Lakhs

Particulars	31-Mar-22				31-Mar-21			
	Carrying amount	Fair value			Carrying amount	Fair value		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Financial assets								
Measured at cost/ amortised cost/fair value through profit and loss								
Investments at cost	1,396.63	-	-	-	-	-	-	-
Trade receivables	2,272.28	-	-	-	1,287.95	-	-	-
Cash and cash equivalents	358.48	-	-	-	42.13	-	-	-
Bank balance other than cash and cash equivalents	195.00	-	-	-	-	-	-	-
Other financials assets	552.59	-	-	-	31.07	-	-	-
	4,774.98	**-**	**-**	**-**	**1,361.15**	**-**	**-**	**-**
Assets for which fair								

value are disclosed								
Investment properties	-	-	-	-	-	-	-	-
	-	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Financial liabilities								
Measured at amortised cost								
Borrowings	238.49	-	-	-	1,632.37	-	-	-
Trade payables	1,106.36	-	-	-	43.18	-	-	-
Other financial liabilities	7.61	-	-	-	-	-	-	-
	1,352.46	**-**	**-**	**-**	**1,675.55**	**-**	**-**	**-**

Notes:
Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
Level 2 inputs are inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3 inputs are unobservable inputs for the asset or liability.

There have been no transfers between the levels during the period.

Financial instruments carried at amortised cost such as trade receivables, other financial assets, borrowings, trade payables and other financial liabilities are considered to be same as their fair values, due to short term nature.

For financial assets & liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Spacenet Enterprises India Limited
Notes to the Standalone financial statements for the year ended March 31, 2022

34 Financial risk management objectives and policies

The Company’s principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support Company's operations. The Company’s principal financial assets include trade and other receivables and cash and cash equivalents and other bank balances that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company’s senior management oversees the management of these risks. The Company’s senior management advises on financial risks and the appropriate financial risk governance framework for the Company. The Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company’s policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

A Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans, borrowings and security deposits.

B Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities (short term bank deposits). The Company only deals with parties which has good credit rating / worthiness given by external rating agencies or based on companies internal assessment.

C Liquidity risk

Liquidity risk refers to the risk that the Company can not meet its financial obligation. The objective of liquidity risk management is to maintain sufficient liquidity and ensured that funds are available for use as per requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserves borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Spacenet Enterprises India Limited
Notes to the Standalone financial statements for the year ended March 31, 2022

35 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans & borrowings, less cash and cash equivalents.

Gearing ratio

The gearing ratio at the end of the reporting period was as follows:

INR in Lakhs

	31-Mar-22	**31-Mar-21**
Borrowings (refer note 12)	238.49	1,632.37
Less: Cash and cash equivalents (refer note 9)	553.48	42.13
Net debt	791.97	1,674.50
Equity share capital (refer note 10)	5,303.58	1,581.58
Other equity (refer note 11)	(1,874.63)	(1,950.94)
Total capital	3,428.96	(369.36)
Capital and net debt	**4,220.93**	**1,305.14**
Gearing ratio	18.76%	128.30%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2022 and March 31, 2021.

Spacenet Enterprises India Limited
Notes to the Standalone financial statements for the year ended March 31, 2022

36 Share Based Payments

The Company has Employee Stock Options Scheme i.e ESOP - 2021 under which options have been granted at exercise price to be vested from time to time. The grant date is February 21, 2022. Considering the management's estimate of employees leaving and materiality of expenses, no impact has been given in current financial year as per IND AS 102 "Share Based Payments".

37 Standards issued but not effective

There were no standards issued but not effective at the time of issuance of the Company's financial statements, hence the disclosure is not applicable.

38 Significant event after the reporting period

There were no significant adjusting event that accrued subsequent to the reporting period which may require an adjustment to the balance sheet.

39 Corporate social responsibility (CSR)

As per Section 135 of the Companies Act, 2013, a company does not meeting the applicability threshold, and hence no need to spend on corporate social responsibility (CSR) activities.

40 Code of Social Security

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

41 Ratio Analysis

Ratio	31-Mar-22	31-Mar-21	% change
Current ratio	2.47	0.75	1.72
Debt- Equity Ratio	0.07	(4.42)	4.49
Debt Service Coverage ratio	0.06	0.75	(0.69)
Return on Equity ratio	0.05	0.08	(0.03)
Inventory Turnover ratio	-	-	-
Trade Receivable Turnover Ratio	2.25	1.31	0.94
Trade Payable Turnover Ratio	6.41	10.04	(3.63)
Net Capital Turnover Ratio*	1.99	(29.72)	31.70
Net Profit ratio	0.02	(0.09)	0.11
Return on Capital Employed	0.01	(0.02)	0.03
Return on Investment	0.06	-	0.06

* Net Capital turnover ration is increased primarily due to increase in turnover, current assets and current liabilities.

41.1 Formula for computation of ratios are as follows:

Ratio	Numerator	Denominator
Current ratio	Current Assets	Current Liabilities
Debt- Equity Ratio	Total Debt	Shareholder's Equity
Debt Service Coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments
Return on Equity ratio	Net Profits after taxes –	Average Shareholder's Equity

	Preference Dividend	
Inventory Turnover ratio	Cost of goods sold	Average Inventory
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables
Net Capital Turnover Ratio*	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities
Net Profit ratio	Net Profit	Net sales = Total sales - sales return
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability
Return on Investment	Interest (Finance Income)	Investment

42 Other Statutory Information

1. The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property under Benami Transactions (Prohibition) Act, 1988 (45of 1988).

2. The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

3. The Company does not have any charges or satisfaction yet to be registered with ROC beyond the statutory period.

4. The Company do not have any transactions with Crypto Currency or Virtual Currency where the Company has traded or invested in Crypto Currency or Virtual Currency during the year.

5. The Company has not advanced or loaned or invested funds to any other persons or entities, 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 has not received any fund from any persons or entities, 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 Funding Party (Ultimate Beneficiaries) or
(b) Provide any guarantee, security or the like on
behalf of the Ultimate Beneficiaries.

7. The Company does not have any 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.

43 Prior year comparatives

The figures of the previous year have been regrouped/reclassified, where necessary, to conform with the current year's classification.

44 Approval of Financial Statements

The financial statements were approved for issue by the Board of Directors on May 27, 2022.

As per our report of even date

For Jayesh Sanghrajka & Co. LLP
Chartered Accountants
ICAI Firm registration number:
104184W/W100075

Pritesh Bhagat
Designated Partner
Membership No.:
144424

Place: Mumbai
Date: May 27, 2022

For and on behalf of the Board of Directors of
Spacenet Enterprises India Limited
CIN: L72200TG2010PLC068624

DVS Prakash Rao Executive Director & Chief Financial Officer DIN: 03013165	Satya Srikanth Karaturi Whole Time Director Director DIN: 07733024
Suresh Tammineedi Executive Director DIN: 00952079	M. Chowda Reddy Company Secretary M.No. A48009
Place: Hyderabad Date: May 27, 2022	Place: Hyderabad Date: May 27, 2022

INDEPENDENT AUDITOR'S REPORT

To the Members of
Spacenet Enterprises India Limited
Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of Spacenet Enterprises India Limited (hereinafter referred to as "the Holding Company") and it subsidiary (the Holding Company and its subsidiary together referred to as "the Group") comprising of the consolidated Balance Sheet as at March 31, 2022, the consolidated Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the Consolidated financial statements including a summary of significant accounting policies and other explanatory information (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 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 consolidated state of affairs of the Group as at March 31, 2022, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on the that date.

Basis for opinion

We conducted our audit of Consolidated financial Statement 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 Consolidated 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 opinion on the Consolidated financial statements.

Emphasis of Matter

We draw attention to Note 6 of the Consolidated Financial Statements, which states that the Honourable NCLT, Hyderabad Bench passed an order vide dated January 5, 2021, approving the Scheme of Arrangement (Demerger) between Kling Enterprises India Limited (Transferor Company) and Spacenet Enterprises India Limited (Transferee Company). The trade receivable of INR 574.85 Lakhs from Arlen Trading Private Limited which was taken over by the Company from Kling Enterprises India Limited through the scheme of demerger is outstanding for a period of more than one year. The management has confirmation and assurance from the Arlen Trading Private Limited about the realisation of this receivable. Accordingly. the management has not made the provision for expected credit loss for the said receivable balance.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements for the financial year ended March 31, 2022. We have determined that there are no key audit matters to communicate in our report.

Information other than the Consolidated financial statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report but does not include the Consolidated Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated 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 Consolidated 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.

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

Responsibilities of Management for the Consolidated Financial Statements

The Holding 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 Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group 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. The respective Board of Directors of the companies included in the Group are 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 Statements 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 companies included in the Group are responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also 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 Act, we are also responsible for expressing our opinion on whether the Holding 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 Group'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 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.

We communicate with those charged with governance of the Holding Company 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

We did not audit the financial statements and other financial information of a subsidiary, included in the consolidated financial statements of the Company whose financial statements includes total assets of INR 1608.31 as at March 31, 2022 and total revenue of INR 1430.21 and net cash inflows of INR (87.94) for the year ended on that date. This financial statement and financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management, and our opinion in so far as it relates to the amounts and disclosures included in respect of subsidiary, is based solely on the report of such other auditors.

Our opinion above 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 on separate financial statements and the other financial information of subsidiary.

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, based on our audit and on the consideration of report of the other auditors on separate financial statements and other financial information of the subsidiary company, incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiary, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

   a. We/the other auditors whose report we have relied upon 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 consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors.

   c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash

Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Financial Statements.

d.

e. In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

f. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary company, none of the directors of the Group's companies incorporated in India, is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

g. With respect to the adequacy of the internal financial controls with reference to Consolidated Financial Statements of the Holding Company and its subsidiary company, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report.

h. In our opinion and based on the consideration of reports of other statutory auditors of the subsidiary incorporated in India, the managerial remuneration for the year ended March 31, 2022, has been paid/ provided by the Holding Company, its subsidiary incorporated in India to their directors in accordance with the provisions of Section 197 read with Schedule V to the Act.

i. 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 and based on the consideration of the report of the other auditors on separate financial statements and other financial information of the subsidiary, as noted in the 'Other matter' paragraph:

   i. The Consolidated Financial Statements disclose the impact of pending litigations on its consolidated financial position of the Group in its Consolidated Financial Statements – Refer Note 34 to the Consolidated Financial Statements.

   ii. The Group did not have any long-term contracts including derivative contract 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 Holding Company and its subsidiary.

   iv. a) The respective managements of the Holding Company and its subsidiary which is company incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary respectively that, to the best of its 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

Holding Company or its subsidiary to or in any other person(s) or entities, 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 respective Holding Company or its subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective managements of the Holding Company and its subsidiary which is company incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary respectively that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the respective Holding Company or its subsidiary from any person(s) or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiary 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 the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiary which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The Holding company or its subsidiary has not declared or paid any dividend during the year.

For Jayesh Sanghrajka & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 104184W/W100075

Pritesh Bhagat
Designated Partner
Membership No. 144424
UDIN: 22144424AJTWOJ1761

Place: Mumbai
Date: May 27, 2022

Annexure 1

To the Independent Auditors' Report of even date on the Consolidated Financial Statements of Spacenet Enterprises India Limited

(Referred to in paragraph 1, under 'Report on Other Legal and Regulatory Requirements' section of our Report of even date)

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:

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

For Jayesh Sanghrajka & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 104184W/W100075

Pritesh Bhagat
Designated Partner
Membership No. 144424
UDIN: 22144424AJTWOJ1761

Place: Mumbai
Date: May 27, 2022

Annexure 2

To the Independent Auditors' Report of even date on the Consolidated Financial Statements of Spacenet Enterprises India 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 Spacenet Enterprises India Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to Consolidated Financial Statements of the Holding Company and its subsidiary (the Holding Company and its subsidiaries together referred to as "the Group") which is company incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group 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 issued by the Institute of Chartered Accountants of India (ICAI). 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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Holding Company's and its subsidiary which are incorporated in India, internal financial controls with reference to Consolidated 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, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. 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 with reference to 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 with reference to Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to 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 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, 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 with reference to Consolidated Financial Statements.

Meaning of Internal Financial Controls with reference to these Consolidated Financial Statements

A company's internal financial control with reference to 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 with reference to 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to 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 with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to 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, the Group which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to Consolidated Financial Statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2022, 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 issued by the ICAI.

Other matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements of the Holding Company, in so far as it relates to one subsidiary which is company incorporated in India, is based on the corresponding reports of the auditors of such subsidiary incorporated in India.

For Jayesh Sanghrajka & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 104184W/W100075

Pritesh Bhagat
Designated Partner
Membership No. 144424
UDIN: 22144424AJTWOJ1761

Place: Mumbai
Date: May 27, 2022

Spacenet Enterprises India Limited
Consolidated Balance Sheet as at March 31, 2022

INR in Lakhs

	Notes	As at 31-Mar-22
Assets		
Non-current assets		
Property, plant and equipment	3	28.02
Goodwill on consolidation	4	489.10
Other Intangible assets	4	52.06
Financial assets		-
Investment	5	640.62
Trade receivable	6	-
Other financial assets	7	-
Deferred tax assets (net)	15	57.17
Other non-current assets	8	3.83
		1,270.80
Current assets		
Financial assets		
Trade receivables	6	2,284.19
Cash and cash equivalents	9	369.08
Bank balances other than cash and cash equivalent	9	195.00
Other financial assets	7	1,186.32
Other current assets	8	11.80
		4,046.39
Total assets		**5,317.19**
Equity and liabilities		
Equity		
Equity share capital	10	5,303.58
Other equity	11	(1,877.96)
Equity attributable to equity holders of the parent		**3,425.62**
Non-Controlling Interests	11	174.67
Total equity		**3,600.29**
Non-current liabilities		
Financial liabilities		
Borrowings	12	190.23
Long term provisions	14	2.04
		192.27
Current liabilities		
Financial liabilities		
Borrowings	12	186.71
Trade payables	16	
i) total outstanding dues of micro enterprises and small enterprises		-
ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1,010.59
Other financial liabilities	13	255.22
Other current liabilities	17	57.38
Provisions	14	14.73

		1,524.63
Total liabilities		**1,716.90**
Total equity and liabilities		**5,317.19**

The accompanying notes form an integral part of the
Consolidated financial statements
As per our report of even date

For Jayesh Sanghrajka & Co. LLP
Chartered Accountants
ICAI Firm registration number: 104184W/W100075

Pritesh Bhagat
Designated Partner
Membership No.:
144424

Place: Mumbai
Date: May 27, 2022

For and on behalf of the Board of Directors of
Spacenet Enterprises India Limited
CIN: L72200TG2010PLC068624

DVS Prakash Rao
Executive Director &
Chief Financial Officer
DIN: 03013165

Satya Srikanth Karaturi
Whole Time Director
Director
DIN: 07733024

Suresh Tammineedi
Executive Director
DIN: 00952079

M. Chowda Reddy
Company Secretary
M.No. A48009

Place: Hyderabad
Date: May 27, 2022

Place: Hyderabad
Date: May 27, 2022

Spacenet Enterprises India Limited
Statement of Consolidated profit and loss for the year ended March 31, 2022

INR in Lakhs except per share data

	Notes	As at 31-Mar-22
Income		
Revenue from operations	18	4,313.90
Other income	19	64.05
Total Income		**4,377.95**
Expenses		
Purchase of traded goods	20	4,007.44
Employee benefits expense	21	98.30
Finance costs	22	2.11
Depreciation and amortisation expense	23	16.12
Other expenses	24	170.62
Total expenses		**4,294.59**
Profit / (Loss) before exceptional items and tax		**83.36**
Exceptional items		-
Profit / (Loss) before tax		**83.36**
Tax expenses		
Current tax		13.76
Deferred tax charge/ (credit)		(1.00)
Income tax expense		**12.76**
Profit / (Loss) for the year		**70.60**
Other comprehensive income		-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:		-
Re-measurement gains/ (losses) on defined benefit plan		0.18
Income tax effect		-
Other comprehensive income for the year, net of tax		**0.18**
Total comprehensive income for the year		**70.78**
Profit for the year attributable to :		
Owners of the Company		72.80
Non-controlling interests		(2.20)
Other comprehensive income for the year attributable to :		
Owners of the Company		0.18
Non-controlling interests		-
Total comprehensive income for the year attributable to :		
Owners of the Company		72.98
Non-controlling interests		(2.20)

Earnings per equity share (in INR)	33	
Basic and Diluted		0.03

The accompanying notes form an integral part of the
Consolidated financial statements
As per our report of even date

For Jayesh Sanghrajka & Co. LLP
Chartered Accountants
ICAI Firm registration number: 104184W/W100075

Pritesh Bhagat
Designated Partner
Membership No.:
144424

Place: Mumbai
Date: May 27, 2022

For and on behalf of the Board of Directors of
Spacenet Enterprises India Limited
CIN: L72200TG2010PLC068624

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DIN: 03013165

Satya Srikanth Karaturi
Whole Time Director
Director
DIN: 07733024

Suresh Tammineedi
Executive Director
DIN: 00952079

M. Chowda Reddy
Company Secretary
M.No. A48009

Place: Hyderabad
Date: May 27, 2022

Place: Hyderabad
Date: May 27, 2022

Spacenet Enterprises India Limited
Statement of Consolidated Cash Flows for the year ended March 31, 2022

	As at 31-Mar-22
Operating activities	
Profit / (Loss) before tax	83.36
Adjustments to reconcile loss before tax to net cash flows:	-
Depreciation on property, plant and equipment	16.12
Net foreign exchange differences	0.00
Profit/(Loss) on sale of property, plant and equipment(net)	-
Sundry balances writtern back/off	(50.90)
Finance income	(12.47)
Finance costs	2.11
Non-controlling interests	(2.21)
Working capital adjustments:	-
(Increase)/ decrease in trade receivables	(1,420.69)
(Increase)/ decrease in financial assets	(677.60)
(Increase)/ decrease in other assets	(5.47)
Increase/ (decrease) in trade payables	1,760.43
Increase/ (decrease) in others financial liabilities	(296.45)
Increase/ (decrease) in provisions	2.12
Increase/ (decrease) in other liabilities	(17.67)
	(619.33)
Income tax paid (net of refund)	-
Net cash flows from operating activities (A)	**(619.33)**
Investing activities	
Purchase of property, plant and equipment	(2.35)
Sale of property, plant and equipment	-
Fixed Assets transferred on account of merger	-
Purchase of intangible assets	(54.82)
Bank Balance other than cash and cash equivalent	(195.00)
Investment made in subsidairy & others	(1,240.63)
Interest received	12.15
Net cash flows used in investing activities (B)	**(1,480.65)**
Financing activities	
Proceeds from borrowings, net*	2,328.93
Repayment of term loan from banks & financial institutions	(1.06)
Capital infusion on account of merger	-
Issue of share capital*	-
Capital reserve on account of merger	-
Share of Non-controlling interests	(2.21)
Interest paid (gross)	(1.71)
Net cash flows used in financing activities (C)	**2,323.94**
Net increase/ (decrease) in cash and cash equivalents	228.41
Cash and cash equivalents at the beginning of the year (refer note 9)	140.67
Cash and cash equivalents at the end of the year (refer note 9)	**369.08**

*During the Financial Year 2021-22, the Holding Company had allotted 37,22,00,000 Equity shares of the face value of INR 1 each fully paid up at an issue price of INR 1 per Equity share in lieu of and against the conversion of Unsecured Loans of INR 3,722 Lakhs into Equity Share Capital.

The accompanying notes form an integral part of the Consolidated financial statements
As per our report of even date

For Jayesh Sanghrajka & Co. LLP
Chartered Accountants
ICAI Firm registration number: 104184W/W100075

Pritesh Bhagat
Designated Partner
Membership No.:
144424

Place: Mumbai
Date: May 27, 2022

For and on behalf of the Board of Directors of
Spacenet Enterprises India Limited
CIN: L72200TG2010PLC068624

DVS Prakash Rao
Executive Director &
Chief Financial Officer
DIN: 03013165

Satya Srikanth Karaturi
Whole Time Director
Director
DIN: 07733024

Suresh Tammineedi
Executive Director
DIN: 00952079

M. Chowda Reddy
Company Secretary
M.No. A48009

Place: Hyderabad
Date: May 27, 2022

Place: Hyderabad
Date: May 27, 2022

Spacenet Enterprises India Limited
Statement of changes in equity for the year ended March 31, 2022

a. Equity share capital

	No. of Shares	INR in Lakhs
Equity shares of INR 1 each issued, subscribed and fully paid		
At April 1, 2021	15,81,58,374	1,581.58
At March 31, 2022	**53,03,58,374**	**5,303.58**

b. Other equity *

For the year ended March 31, 2022

INR in Lakhs

	Attributable to equity holders of the Parent			Total equity attributable to equity holders of the Company	Non Controlling Interest	Total Equity
	Reserves and Surplus					
	Capital Reserve	General Reserve	Retained earnings			
As at April 1, 2021	174.34	1,206.82	(3,332.11)	(1,950.95)		(1,950.95)
Profit / (Loss) for the year			72.81	72.81	174.67	247.48
Other comprehensive income				-		-
Re-measurement gains/ (losses) on defined benefit plans			0.18	0.18		0.18
Total comprehensive income	**174.34**	**1,206.82**	**(3,259.12)**	**(1,877.96)**	**174.67**	**(1,703.30)**
At March 31, 2022	**174.34**	**1,206.82**	**(3,259.12)**	**(1,877.96)**	**174.67**	**(1,703.30)**

*Also refer note 11
The accompanying notes form an integral part of the Consolidated financial statements
As per our report of even date

For Jayesh Sanghrajka & Co. LLP
Chartered Accountants
ICAI Firm registration number: 104184W/W100075

Pritesh Bhagat
Designated Partner
Membership No.:
144424

Place: Mumbai
Date: May 27, 2022

For and on behalf of the Board of Directors of
Spacenet Enterprises India Limited
CIN: L72200TG2010PLC068624

DVS Prakash Rao
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Executive Director
DIN: 00952079

M. Chowda Reddy
Company Secretary
M.No. A48009

Place: Hyderabad
Date: May 27, 2022

Place: Hyderabad
Date: May 27, 2022

Spacenet Enterprises India Limited
Notes to the Consolidated financial statements for the year ended March 31, 2022

1 Corporate information

The Consolidated Financial Statements comprise financial statements of "Spacenet Enterprises India Limited" ("the Holding company" or "The company") and its subsidiary (collectively referred to as "the Group") for the year ended March 31, 2022. The Holding company is a domiciled in India and incorporated under the provisions of Companies Act applicable in India on May 28, 2010. Its shares are listed on recognised stock exchange of India, the National Stock Exchange of India Limited. The registered office of the company is located at Plot No.114, Survey No.66/2, Raidurgam Gachibowli, Prasanthhills, Navkhalsa, Serilingampally, Hyderabad Rangareddi, 500008, Telangana.

The Group is primarily engaged in trading of commodities and providing Information technology related services.

The Consolidated financial statements are approved for issue by the Group's Board of Directors on May 27, 2022.

2 Significant Accounting Policies

2.1 Basis of preparation of financial statements

The Consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the Consolidated financial statement.

The Consolidated Financial Statements comprises of "Spacenet Enterprises India Limited" and "Thalassa Enterprises Private LImited" being the entity that it controls. Control is assessed in accordance with the requirement of Ind AS 110 – Consolidated Financial Statements. These Consolidated financial statements have been prepared in Indian Rupee which is also the functional currency of the Group. These financial statements have been prepared on historical cost basis, except for certain financial assets and liabilities which are measured at fair value or amortised cost at the end of each reporting period, as explained in the accounting policies below.

2.2 Significant accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods

Critical accounting estimates

a. Taxes

Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the same can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

b. Provisions and Contingent Liability

The timing of recognition and quantification of the liability (including litigations) requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

2.3 Basis of consolidation

The company consolidates all entities which are controlled by it. The company establishes control when;

it has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect the entity's returns by using its power over relevant activities of the entity.Entities controlled by the company are consolidated from the date control commences until the date control ceases.
The results of subsidiaries acquired, or sold, during the year are consolidated from the effective date of acquisition and up to the effective date of disposal, as appropriate.The financial statements of the companies are consolidated on a line-by-line basis and all inter- company transactions, balances, income and expenses are eliminated in full on consolidation.
Changes in the company's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the company's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries.
Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to shareholders of the company.

2.4 Business combinations

Business combinations have been accounted for using the acquisition method under the provisions of Ind AS 103, Business Combinations.

The purchase price in an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of acquisition, which is the date on which control is transferred to the Group. The purchase price also includes the fair value of any contingent consideration.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition. Contingent consideration is remeasured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognized in the Consolidated Statement of Profit and Loss.

The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity of subsidiaries.

Business combinations between entities under common control is accounted for at carrying value of the assets and liabilities in the Group's Consolidated financial statements.The payments related to options issued by the Group over the non-controlling interests in its subsidiaries are accounted as financial liabilities and initially recognized at the estimated present value of gross obligations. Such options are subsequently measured at fair value in order to reflect the amount payable under the option at the date at which it becomes exercisable. In the event that the option expires unexercised, the liability is derecognized.

Transaction costs that the Group incurs in connection with a business combination such as finder's fees, legal fees, due diligence fees, and other professional and consulting fees are expensed as incurred.

2.5 Current versus non-current classification

The Group presents assets and liabilities in the Consolidated balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

i. Expected to be realised or intended to be sold or consumed in normal operating cycle,
ii. Held primarily for the purpose of trading,
iii. Expected to be realised within twelve months after the reporting period, or

iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

i. It is expected to be settled in the Group's normal operating cycle;
ii. It is held primarily for the purpose of being traded;
iii. It is due to be settled within twelve months after the reporting date; or
iv. The Group does not have an unconditional right to defer settlement of the liability for at least twelve 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.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non current assets and liabilities.

Operating cycle for current and non-current classification

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Group has taken Operating cycle to be twelve months.

2.6 Fair value measurement of financial instruments

The Group measures financial instruments, such as, Investments at fair value at each balance sheet date using valuation techniques. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

a) In the principal market for the asset or liability, or

b) In the absence of a principal market, in the most advantageous
market for the asset or liability

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
Level 1 - Quoted (unadjusted) market prices in active markets
for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable For assets and liabilities that are recognised in the Consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For assets and liabilities that are recognised in the Consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing catogarisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.7 Property, Plant and Equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Any trade discounts and rebates are deducted in arriving at the purchase price. Such cost includes the cost of replacing part of the plant and equipment. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Gains or losses arising from derecognition of Property, plant and equipment 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.

2.8 Goodwill and other intangible assets

2.8.1 Goodwill

Goodwill represents the purchase consideration in excess of the Group's interest in the net fair value of identifiable assets, liabilities and contingent liabilities of the acquired entity. When the net fair value of the identifiable assets, liabilities and contingent liabilities acquired exceeds purchase consideration, the fair value of net assets acquired is reassessed and the bargain purchase gain is recognized in capital reserve. Goodwill is measured at cost less accumulated impairment losses.

2.8.2 Other intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period with the affect of any change in the estimate being accounted for on a prospective basis. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Consolidated statement of profit and loss when the asset is derecognized.

2.9 Depreciation and Amortization

Depreciation on Property, plant and equipment is provided on the straight-line basis over the useful lives of assets specified in Schedule II to the Companies Act, 2013.

Software being intangible asset is amortised on straight-line basis over a period of 5 years.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. The amortization period and the amortization method are reviewed at least at each financial year end.

2.10 Impairment of Non-Financial Assets — Property, Plant and Equipment, Goodwill and Other Intangible Assetss

The Group assesses at each reporting date as to whether there is any indication that any Property, Plant and Equipment, Goodwill and Other Intangible Assets or group of assets, called Cash Generating Units (CGU) may be impaired. If any such indication exists, the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Consolidated Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

An impairment loss is reversed in the Consolidated Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated depreciation) had no impairment loss been recognized for the asset in prior years.

2.11 Revenue Recognition

The Group derives revenues primarily from IT services comprising software development and related services, and trading in commodities.

Revenue from operation

Revenues from customer contracts are considered for recognition and measurement when the contract has been approved by the parties, in writing, to the contract, the parties to contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. Revenue is recognized upon transfer of control of promised products or services ("performance obligations") to customers in an amount that reflects the consideration the Group has received or expects to receive in exchange for these products or services ("transaction price"). When there is uncertainty as to collectability, revenue recognition is postponed until such uncertainty is resolved.

Contract balances

i. Trade receivables

The amounts billed on customer for work performed and are unconditionally due for payment i.e. only passage of time is required before payment falls due, are disclosed in the balance sheet as trade receivables.

ii. Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration or is due from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier).
Contract liabilities are recognised as revenue when the Group
performs under the contract.

Interest income

Interest income from a financial assets is recognised using effective interest rate method.

Dividend

Dividend income is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

2.12 Taxes on income

Current income tax

Tax expense for the year comprises current and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the Consolidated statement of profit and loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

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). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly 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 liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable
temporary differences, except:
i. When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

ii. In respect of taxable temporary differences associated with investments in subsidiary and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:
i. When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

ii. In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

All other acquired tax benefits realised are recognised in profit or loss.

2.13 Earnings Per Share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity share holders of the Group by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as fresh issue, bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per equity share is computed by dividing the net profit attributable to the equity shares holders of the Group by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

2.14 Leases

Where the Group is lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use asset

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

The right-of-use assets are also subject to impairment.

ii) Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

2.15 Foreign currencies transactions and translation

The Group's financial statements are presented in Indian Rupee, which is also the Group's functional currency.

In preparing the financial statements, transactions in the currencies other than the Group's functional currency are recorded at the rates of exchange prevailing on the date of transaction. At the end of each reporting period, monetary items denominated in the foreign currencies are re-translated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the retranslation or settlement of other monetary items are included in the statement of profit and loss for the period.

2.16 Cash and Cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

2.17 Employee benefits

Defined benefit plans

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on Projected Unit Credit Method made at the end of the financial year. Actuarial gains and losses for both defined benefit plans are recognized in full in the period in which they occur in the statement of OCI.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Consolidated balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. Past service costs are recognised in profit or loss on the earlier of:
• The date of the plan amendment or curtailment,
and
• The date that the Group recognises related
restructuring costs

Termination benefits
The Group recognizes termination benefit as a liability and an expense when the Group has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the termination benefits fall due more than 12 months after the balance sheet date, they are measured at present value of future cash flows using the discount rate determined by reference to market yields at the balance sheet date on government bonds.

Compensated Absences
The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated advances are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Remeasurement gains/losses on defined benefit plans are immediately taken to the Statement of Profit & Loss and are not deferred.

2.18 Provisions and Contingencies
Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain.

The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A provision for onerous contracts is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the Consolidated financial statements.

Provisions and contingent liability are reviewed at each balance sheet.

2.19 Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds including interest expense calculated using the effective interest method, finance charges in respect of assets acquired on finance lease. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset until such time as the assets are substantially ready for the intended use or sale. All other borrowing costs are expensed in the year in which they occur.

2.19 Related party transactions

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the period-end are unsecured and settlement occurs in cash or credit as per the terms of the arrangement. Impairment assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

2.20 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset Subsequent measurement of financial assets: All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification financial assets.

Following are the categories of financial instrument:
a) Financial assets at amortised cost
b) Financial assets at fair value through other comprehensive income (FVTOCI)
c) Financial assets at fair value through profit or loss (FVTPL)

a) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost using the effective interest rate method if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial assets at fair value through other comprehensive income (FVTOCI)

Debt financial assets measured at FVOCI:

Debt instruments are subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Equity Instruments designated at FVOCI:

On initial recognition, the Group makes an irrevocable election on an instrument-by-instrument basis to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments, other than equity investment which are held for trading. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

c) Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Group irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading. Other financial assets such as unquoted Mutual funds are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when:

a) the rights to receive cash flows from the asset have expired, or

b) the Group has transferred its rights to receive cash flows from the asset, and

i. the Group has transferred substantially all the risks and rewards of the asset, or

ii. the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group 's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss ('ECL') model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits, trade receivables and bank balance

b) Financial assets that are debt instruments and are measured at FVTOCI.

c) Financial guarantee contracts which are not measured as at FVTPL.

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:
i) All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument ii) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss . This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss. In the balance sheet, ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

Offsetting:

Financial assets and financial liabilities are offset and the net amount is reported in the Consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, loans and borrowings.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss
Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Group has not designated any financial liability as at fair value through profit and loss.

Gains or losses on liabilities held for trading are recognised
in the profit or loss.
Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

Loans and borrowings
This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.
This category generally applies to borrowings.

De-recognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.
Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Reclassification of financial assets
The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the

immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Spacenet Enterprises India Limited
Notes to the Consolidated financial statements for the year ended March 31, 2022

3 Property, plant and equipment

INR in Lakhs

	Plant and Machinery	Computers	Furniture and fixtures	Vehicles	Data Processing Equipments	Office equipment	Total
Cost or valuation							
At April 1, 2021	3.13	31.09	1.63	4.78	-	0.35	40.98
Acquisition of subsidiary (Note 27)	-	-	18.03	30.06	508.65	0.84	557.57
Additions	-	1.93	-	-	-	4.55	6.48
Disposals	-	-	-	-	-	-	-
At March 31, 2022	**3.13**	**33.02**	**19.66**	**34.83**	**508.65**	**5.75**	**605.03**
Depreciation and impairment							
At April 1, 2021	0.34	31.09	0.23	4.78	-	0.05	36.49
Acquisition of subsidiary (Note 27)	-	-	9.29	19.79	508.65	0.84	538.58
Depreciation charge for the year	0.48	0.22	0.35	0.70	-	0.20	1.94
Disposals	-	-	-	-	-	-	-
At March 31, 2022	**0.82**	**31.31**	**9.86**	**25.27**	**508.65**	**1.09**	**577.01**
Net Book value							
At March 31, 2022	**2.31**	**1.70**	**9.79**	**9.57**	**-**	**4.66**	**28.02**

4 Intangible assets and Goodwill

INR in Lakhs

	Goodwill on Consolidation	Computer Software	Total
Cost or valuation			
At April 1, 2021	-	17.72	17.72
Acquisition of subsidiary (Note 27)	489.10	634.28	1,123.37
Additions	-	57.90	57.90
Disposals	-	-	-
At March 31, 2022	**489.10**	**709.90**	**1,198.99**
Amortization and impairment			
At April 1, 2021	-	12.46	12.46
Acquisition of subsidiary (Note 27)	-	631.20	631.20
Amortization charge for the year	-	14.17	14.17

Disposals	-	-	-
At March 31, 2022	**-**	**657.83**	**657.83**
Net Book value			
At March 31, 2022	**489.10**	**52.06**	**541.16**

INR in Lakhs

Net book value	**As at March 31, 2022**
Goodwill on Consolidation	489.10
Other intangible assets	52.06

Acquisition during the year

Computer software include intangible assets acquired through business combination.

Spacenet Enterprises India Limited

Notes to the Consolidated financial statements for the year ended March 31, 2022

5 Investment

INR in Lakhs

	31-Mar-22
Non-current investments:	
Investments carried at amortised cost	
Unquoted equity shares	
Investment in others	
62,500 equity share of Billmart Fintech Private Limited	250.62
Unquoted preference shares	
39,00,000 0.01% Cumulative Optionally Convertible Redeemable Preference Shares of Nashviille Infra Services Limited	390.00
Total investments carried at amortised cost	**640.62**
Aggregate amount of unquoted investments	640.62
Aggregate value of quoted investment	-
Aggregate market value of quoted investment	-

6 Trade receivable

INR in Lakhs

	Current	**Non Current**
	31-Mar-22	**31-Mar-22**
Trade receivables	1,031.37	-
Receivables from related parties (refer note 25)	1,252.82	-
Total Trade receivables	**2,284.19**	**-**
Trade receivables		
Unsecured, considered good		
-From Related Parties	1,252.82	-

-From Others	1,031.37	-
Trade Receivables - credit impaired	-	
	2,284.19	**-**
Impairment Allowance (allowance for bad and doubtful debts)		
Trade Receivables - credit impaired	-	
Total Trade receivables	**2,284.19**	**-**

Trade Receivables Aging Schedule

At March 31, 2022 — **INR in Lakhs**

Particulars	**Outstanding for following periods from due date of payments**					**Total**
	Less than 6 months	**6 months - 1 year**	**1- 2 years**	**2- 3 years**	**More than 3 years**	
Undisupted trade-receivables - considered good	1,709.34	-	-	574.85	-	2,284.19
Undisupted trade-receivables - which have significant increase in credit risk	-	-	-	-	-	-
Undisupted trade-receivables - credit impaired	-	-	-	-	-	-
Disputed trade-receivables - considered good	-	-	-	-	-	-
Disputed trade-receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade-receivables - credit impaired	-	-	-	-	-	-
Total	**1,709.34**	**-**	**-**	**574.85**	**-**	**2,284.19**

*The Honourable NCLT, Hyderabad Bench passsed an order vide dated January 5, 2021 approving the Scheme of Arrangement (Demerger) between Kling Enterprises India Limited (Transferor Company) and Spacenet Enterprises India Limited (Transferee Company). The trade receivable of INR 574.85 Lakhs from Arlen Trading Private Limited which was taken over by the Company from Kling Enterprises India Limited through the scheme of demerger is outstanding for a period of more than one year. The management has confirmation and assurance from the Arlen Trading Private Limited about the realisation of this receivable. Accordingly. the management has not made the provision for expected credit loss for the said receivable balance.

7 Other financial assets

INR in Lakhs

	Current	**Non-current**
	31-Mar-22	**31-Mar-22**
Others		
Security deposits	4.20	-
Interest accrued on fixed deposits	0.31	-
Advance to employee	0.50	-
Balances with statutory/ government authorities.	19.66	
Trade advance to related party (refer note 25)	15.00	-
Others	1,146.65	-

	1,186.32	**-**

8 Other assets

INR in Lakhs

	Current	**Non-current**
	31-Mar-22	**31-Mar-22**
Prepaid expenses	0.39	-
Balances with statutory/ government authorities	11.26	3.83
Advance to suppliers	0.15	-
	11.80	**3.83**

9 Cash and cash equivalents

INR in Lakhs

	31-Mar-22
Cash and cash equivalents	
Balances with banks:	
– On current accounts	359.34
– Deposits with less than three months maturity	9.25
Cash on hand	0.48
Cash and cash equivalents Balances with banks:	**369.08**
Bank balance other than cash and cash equivalents	
– Deposits with maturity for more than 3 months but less than 12 months	195.00
	195.00
Less: Amount disclosed under non-current financial assets	-
	564.08

Cash and cash equivalents Balances with banks:
Short-term deposits are made for varying periods of between seven day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

INR in Lakhs

	31-Mar-22
Balances with banks:	
– On current accounts	359.34
– Deposits with less than three months maturity	9.25
Cash on hand	0.48
	369.08

Changes in liabilities arising from financing activities :

INR in Lakhs

Particulars	**Non-current borrowings**	**Current borrowings (including current maturities)**	**Total**
Net debt as at April 1, 2021	**1,632.37**	**-**	**1,632.37**

Loan of subsidiary as on 21st Dec, 2021	179.06		179.06
Cash inflows	3,627.57		3,627.57
Cash Outflows	(1,526.28)		(1,526.28)
Others*	(3,722.48)	-	(3,722.48)
Net debt as at March 31, 2022	**190.23**	**-**	**190.23**

*During the year, the Holding Company had allotted 37,22,00,000 Equity shares of the face value of INR 1 each fully paid up at an issue price of INR 1 per Equity share in lieu of and against the conversion of Unsecured Loans of INR 3,722 Lakhs into Equity Share Capital. Interest of INR 0.81 Lakhs on such loans is waived off and interest of INR.0.32 Lakhs acrue on loan of HDFC bank.

Break up of financial assets carried at amortised cost

INR in Lakhs

	31-Mar-22
Trade receivables (refer note 6)	2,284.19
Other financial assets (refer note 7)	1,186.32
Cash and bank balances (refer note 9)	564.08
Total financial assets carried at amortised cost	**4,034.59**

Spacenet Enterprises India Limited
Notes to the Consolidated financial statements for the year ended March 31, 2022

10 Equity share capital

Authorised Share Capital

	No. of Shares	INR in Lakhs
At April 1, 2021	**15,81,58,374**	**1,581.58**
Increase/(decrease) during the year	37,22,00,000	3,722.00
At March 31, 2022	**53,03,58,374**	**5,303.58**

During the year ended March 31, 2022, the authorised share capital was increased by INR 500 Lakh's i.e 5,00,00,000 Equity shares of INR 1 each.

Terms/ rights attached to equity shares
The Company has only one class of equity shares having par value of INR 1 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Issued equity capital

	No. of Shares	INR in Lakhs
Equity shares of INR 1 each issued, subscribed and fully paid		
At April 1, 2021	**15,81,58,374**	**1,581.58**
Changes during the year	37,22,00,000	3,722.00
At March 31, 2022	**53,03,58,374**	**5,303.58**

"During the Financial Year 2021-22, the Company has allotted 37,22,00,000 Equity shares of the face value of INR 1 each fully paid up at an issue price of INR 1 per Equity share in lieu of and against the conversion of Unsecured Loans of INR 3,722 Lakhs into Equity Share Capital in compliance with the provisions of Section 62(3) of the Companies Act, 2013 and Regulation 158(1)(a) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018"

Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	31-Mar-22	
	No of Shares	**Holding percentage**
Equity shares of INR.1 each fully paid up		
Meenavalli Usha Rani	-	-
Matis Enterprise Private Limited	12,92,00,000	24.36%
Sri Matha Meenavalli	4,14,68,173	7.82%
Realstone Trading Company Private Limited	3,00,00,000	5.66%
Black Hawk Properties Private Limited	3,00,00,000	5.66%

Details of Shares held by promoters
As at March 31, 2022

Promoter Name	No. of Shares at the beginnning of the year	Change during the year	No. of shares at the end of year	% age of Total Shares	% change during the year
Equity shares of INR.1 each fully paid up					
Meenavalli Krishna Mohan	80,786	2,00,00,000	2,00,80,786	3.79%	3.74%
M V Lakshmi	74,466	-	74,466	0.01%	-0.03%
Meenavalli Usha Rani	8,79,49,119	(8,14,68,173)	64,80,946	1.22%	-54.39%
Uma Kuna Reddy*	26,68,852	(26,68,852)	-	0.00%	-1.69%
Sri Matha Meenavalli	-	4,14,68,173	4,14,68,173	7.82%	7.82%
Meenavalli Ganesh	-	2,00,00,000	2,00,00,000	3.77%	3.77%
Total	**9,07,73,223**	**(26,68,852)**	**8,81,04,371**	**16.61%**	**-40.78%**

*During the Financial year 2021-22, Mrs. Umakuna Reddy promoter of the company has been Re-classified as public category shareholder vide NSE approval dated June 10, 2021, hence her shareholding is not shown in promoter category as on March 31, 2022 and the same is shown in the public category shareholder of the Company.

11 Other equity

INR in Lakhs

	31-Mar-22
Capital Reserve	
Balance at the beginning of the year	174.34
Changes during the year	-
Closing balance	**174.34**
General Reserve	
Balance at the beginning of the year	1,206.82
Changes during the year	-
Closing balance	**1,206.82**
Deficit in the statement of profit and loss	
Balance at the beginning of the year	(3,332.11)
Profit / (Loss) for the year	72.81
Other comprehensive income	
Re-measurement gains/ (losses) on defined benefit plans	0.18
Net deficit in the statement of profit and loss	**(3,259.12)**
Total other equity	**(1,877.96)**

11 Non-Controlling Interest

INR in Lakhs

	31-Mar-22
Equit Share Capital	501.00
Accumulated Profit/(Loss)	(326.33)
Total Non-Controlling Interest	**174.67**

Spacenet Enterprises India Limited
Notes to the Consolidated financial statements for the year ended March 31, 2022

27 Business Combination

Business combinations are accounted for using the acquisition accounting method as at the date of the acquisition, which is the date at which control is transferred to the Company. The consideration transferred in the acquisition and the identifiable assets acquired and liabilities assumed are recognised at fair values on their acquisition date. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. The Company recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis at the non-controlling interest's proportionate share of the acquired entity's identifiable net assets. Consideration transferred does not include amounts related to settlement of pre-existing relationships. Such amounts are recognised in the standalone statement of profit and loss.
Transaction costs are expensed in the standalone statement of profit and loss as incurred, other than those incurred in relation to the issue of debt or equity securities which are directly adjusted in other equity. Any contingent consideration payable is measured at fair value at the acquisition date. Subsequent changes in the fair value of contingent consideration are recognised in the standalone statement of profit and loss.

Acquisition of Thalassa Enterprises Private Limited

On December 21, 2021, the Group has acquired 60.14% of the voting shares of Thalassa Enterprises Private Limited, a non-listed company based in India.
The Group has elected to value the non-controlling interests by its proportionate share of acquiree's identifiable net assets.

Assets acquired and liabilities assumed

The fair values of the identifiable assets and liabilities of Thalassa Enterprises Private Limited as at the date of acquisition were:

INR in Lakhs

	Fair value recognised on acquisition
Assets	
Property, Plant and equipment (Note 3)	19.00
Other Intangible assets (Note 4)	3.07
Cash and cash equivalents (Note 9)	254.54
Trade receivables (Note 6)	420.32
Deferred tax asset (Note 15)	54.86
Other financial Assets (Note 7)	477.33
	1,229.13
Liabilities	
Trade payables (Note 16)	101.78
Borrowings (Note 12)	139.50
Other financial liabilities (Note 13)	544.07
	785.35
Total identifiable net assets at fair value	**443.78**
Non-controlling interest measured at proportionate share of net identifiable assets	(176.87)
Goodwill arising on acquisition (Note 4)	489.10
Purchase consideration transferred	**756.00**

The fair value of the trade receivables amounts to INR 420.32 Lakhs. None of the trade receivables is credit impaired and it is expected that the full contractual amounts can be collected.

The goodwill of INR 489.10 Lakhs comprises the value of expected synergies arising from the acquisition and a customer list, which is not separately recognised. None of the goodwill recognised is expected to be deductible for income tax purposes.

From the date of acquisition, Thalassa Enterprises Private Limited has contributed INR 1415.18 Lakhs of revenue and INR 4.85 Lakhs of loss before tax from continuing operations of the Group. If the combination had taken place at the beginning of the year, revenue from continuing operations would have been INR 1415.18 Lakhs and the loss before tax from continuing operations for the Group would have been INR 28.75 Lakhs.

Analysis of cash flows on acquisition:	**INR in Lakhs**
Transaction costs of the acquisition (included in cash flows from operating activities)	-
Net cash acquired with the subsidiary (included in cash flows from investing activities)	(756.00)
Transaction costs attributable to issuance of shares (included in cash flows from financing activities, net of tax)	-
Net cash flow on acquisition	**(756.00)**

28 Material partly owned subsidiary

Financial information of subsidiary that have material non-controlling interest is provided below:

Name	**Country of incorporation and operation**	**31-Mar-22**
Thalassa Enterprises Private Limited	India	39.86%
Information regarding non-controlling interest of Thalassa Enterprises Private Limited		
		31-Mar-22
Accumulated balance of material non-controlling interest:		174.67
Profit / (Loss) allocated to material non-controlling interest:		(2.20)

The summarised financial information of this subsidiary is provided below. This information is based on amounts before inter-company eliminations.

Summarised statement of Profit and loss for the year ended March 31, 2022:	**INR in Lakhs**
Revenue from contracts with customers	1,415.18
Other income	15.03
Total income	**1,430.21**
Purchase of traded goods	1,429.51
Finance cost	0.35
Depreciation and amortisation expense	3.96
Other expenses	1.25
Total expenses	**1,435.07**
Loss before tax	**(4.85)**
Tax Expenses	0.68
Profit for the year from continuing operations	**(5.53)**
Total comprehensive income	(5.53)
Attributable to non-controlling interests	(2.20)

Summarised Balance Sheet as at March 31, 2022	**INR in Lakhs**
Cash and cash eqvivalent (current)	10.59
Property, plant and equipments (non-current)	18.11

Deferred Tax Assets (non-current)	54.19
Trade Receivable and other financial assets (current)	1,525.41
Trade payable and other financial liabilities (current)	(1,031.62)
Borrowings (non-current)	(138.45)
Total equity	**438.24**
Attributable to:	
Equity holders of parent	263.56
Non-controlling interest	174.67

Summarised cash flow information for the year ended March 31, 2022	**INR in Lakhs**
Operating	(242.55)
Investing	(0.00)
Financing	154.60
Net increase/(decrease) in cash and cash equivalents	**(87.95)**

29 Statutory Group Information

Particulars	**Entity in the group**		**Total**
	Parent	**Subsidiary**	
	31-Mar-22	**31-Mar-22**	
Net Assets, i.e. total assets minus total liabilities			
As % of consolidated net assets	95.24%	4.76%	**100.00%**
INR in Lakhs	3,428.95	171.34	**3,600.29**
Share in profit and loss			
As % of consolidated profit and loss	107.83%	-7.83%	**100.00%**
INR in Lakhs	76.13	(5.53)	**70.60**
Share in other comprehensive income			
As % of consolidated other comprehensive income	100.00%	0.00%	**100.00%**
INR in Lakhs	0.18	-	**0.18**
Share in total comprehensive income			
As % of total comprehensive income	107.81%	-7.81%	**100.00%**
INR in Laks	76.31	(5.53)	**70.78**

30 Segment Information

The Group is engaged in trading of commodities and providing Information technology related services. Since the necessary conditions specified in Ind AS 108 are not fulfilled and also, the Chief operating decision makers do not review them separately, disclosing information as per requirement of Ind AS 108 "Operating Segment" is not required.

31 Gratuity and other post-employment benefit plans

INR in Lakhs

Particulars	**31-Mar-22**
Define benefit plan	0.96
Non-current	0.95
Current	0.00

Employees are entitled to a benefit equivalent to fifteen days' last drawn salary for each completed year of service in line with the Payment of Gratuity Act, 1972 subject to a maximum of INR 20 Lakhs. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service. The Company has funded the liability as on March 31, 2022.

Following figures are as per the actuarial valuation carried out by an independent actuary as at the Balance Sheet date:

Changes in the projected benefit obligation and fair value of plan assets:

INR in Lakhs

	31-Mar-22
Change in projected benefit obligation	
Obligation at beginning of the year	0.38
Past Service cost	-
Interest cost	0.02
Current Service cost	0.65
Benefits directly paid	-
Liability transfer	-
Actuarial (gain)/loss (through OCI)	-
Obligation at end of the year	**1.05**
Present value of projected benefit obligation at the end of the year	1.05
Net liability recognised in the balance sheet	**1.05**
Re-measurement (gains)/ losses in OCI	
Actuarial (gain) / loss due to financial assumption changes	-
Actuarial (gain) / loss due to experience adjustments	-
Actuarial (gain) / loss due to demographic assumption changes	-
Actuarial (gain) / loss arising from actual vs Expected	0.10
Total expenses routed through OCI	**0.10**
Present Value of Obligation at end of year	**0.95**
Expenses recognised in statement of profit and loss	
Current Service cost	0.65
Interest cost (net)	0.02
Gratuity cost	0.67
Net gratuity cost	**0.67**
Bifurcation of Net Liability	
Current Liability	0.00
Non-Current Liability (Long Term)	0.95
Total Loability	**0.95**

Actuarial Assumptions

Principal Financial Assumptions	**31-Mar-22**
Discount rate	6.84%
Future salary increases	5.00%
Demographic Assumptions	**31-Mar-22**
Morality Rate (% of IALM 06-08)	100.00%
Withdrawal Rate (Per annum)	3.00%

A quantitative sensitivity analysis for significant assumption and its impact on projected benefit obligation are as follows:

INR in Lakhs

Particulars	31-Mar-22	
Defined Benefit Obligation (Base)	0.96	6.84%
	Decrease	**Increase**
Discount Rate (-/+1%)	1.03	0.89
(% Changes Campare to base)	7.75%	-6.84%
Salary Growth Rate (-/+1%)	0.86	1.07
(% Changes Campare to base)	-10.42%	12.08%
Attrition Rate (-/+1%)	0.91	1.00
(% Changes Campare to base)	4.53%	4.33%
Morality Rate (-/+1%)	0.96	0.96
(% Changes Campare to base)	-0.13%	0.12%

Please note that the sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlieely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

There is no change in the method of valuation for the prior period. Forchange in as sumptions please refer Actuarial assumptions above , where assumptions for prior period, if applicable, are given.

The following payments are expected contributions to the projected benefit plan in future years (From Employer):

INR in Lakhs

Particulars	31-Mar-22
Within the next 12 months	-
Between 2 and 5 years	0.17
Between 6 and 10 years	0.26
Beyond 10 years	0.53
Total expected payments	0.96
Contributions likely to be made for next one year	0.68

Leave Encashment and other post-employment benefit
32 **plans**

INR in Lakhs

Particulars	31-Mar-22
Define benefit plan	**1.11**
Non-current	1.09
Current	0.02

Following figures are as per the actuarial valuation carried out by an independent actuary as at the Balance Sheet date:

Explanation of Amounts in Financial Statements: The valuation results for the defined benefit EL plan are produced in the tables below:

INR in Lakhs

	31-Mar-22
Change in projected benefit obligation	
Obligation at beginning of the year	0.48
Past Service cost	-
Interest cost	0.03
Current Service cost	0.68
Benefits directly paid	-
Liability transfer	-
Actuarial (gain)/loss (through OCI)	-
Obligation at end of the year	**1.19**
Present value of projected benefit obligation at the end of the year	1.19
Net liability recognised in the balance sheet	**1.19**
Re-measurement (gains)/ losses in OCI	
Actuarial (gain) / loss due to financial assumption changes	-
Actuarial (gain) / loss due to experience adjustments	-
Actuarial (gain) / loss due to demographic assumption changes	-
Actuarial (gain) / loss arising from actual vs Expected	0.09
Total expenses routed through OCI	**0.09**
Present Value of Obligation at end of year	**1.10**
Expenses recognised in statement of profit and loss	
Current Service cost	0.68
Interest cost (net)	0.03
Gratuity cost	0.71
Net gratuity cost	**0.71**
Bifurcation of Net Liability	
Current Liability	0.02
Non-Current Liability (Long Term)	1.09
Total Liability	**1.11**

Actuarial Assumptions

Principal Financial Assumptions	**31-Mar-22**
Discount rate	6.84%
Future salary increases	5.00%
Demographic Assumptions	**31-Mar-22**
Morality Rate (% of IALM 06-08)	100.00%
Withdrawal Rate (Per annum)	3.00%

A quantitative sensitivity analysis for significant assumption and its impact on projected benefit obligation are as follows:

INR in Lakhs

Particulars	**31-Mar-22**	
Defined Benefit Obligation (Base)	1.11	6.84%
	Decrease	**Increase**
Discount Rate (-/+1%)	1.19	1.04

(% Changes Campare to base)	7.20%	-6.36%
Salary Growth Rate (-/+1%)	1.00	1.23
(% Changes Campare to base)	-9.58%	11.06%
Attrition Rate (-/+1%)	1.06	1.15
(% Changes Campare to base)	-4.05%	3.89%
Morality Rate (-/+1%)	1.10	1.11
(% Changes Campare to base)	-0.12%	0.11%

Please note that the sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlieely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.
There is no change in the method of valuation forthe prior period. Forchange in as sumptions please refer Actuarial assumptions above , where assumptions for prior period, if applicable, are given.

The following payments are expected contributions to the projected benefit plan in future years (From Employer):

INR in Lakhs

Particulars	**31-Mar-22**
Within the next 12 months	0.02
Between 2 and 5 years	0.25
Between 6 and 10 years	0.28
Beyond 10 years	0.56
Total expected payments	1.11

Contributions likely to be made for next one year : depends on the then salary profile and leave days

Spacenet Enterprises India Limited
Notes to the Consolidated financial statements for the year ended March 31, 2022

33 Earnings per share ['EPS']

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders (after adjusting for interest on the convertible debentures) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity Shares.

The following table reflects the income and share data used in the basic and diluted EPS computations:

INR in Lakhs

Particulars	**31-Mar-22**	**31-Mar-21**
Profit / (Loss) attributable to equity shareholders	70.60	70.60
Effect of dilution	-	-
Profit / (Loss) attributable to equity holders adjusted for the effect of dilution	70.60	70.60
Weighted average number of equity shares for basic and diluted EPS (No.) *		
Effect of dilution	22,64,80,018	15,81,58,374
Weighted average number of equity shares adjusted for the effect of dilution (No.)	22,64,80,018	15,81,58,374

* includes 6,83,21,644 (37,22,00,000*67/365) shares issued on conversion of unsecured loan as at March 31, 2022 .

34 Contingent liabilities and commitments

INR in Lakhs

Particulars	**31-Mar-22**	**31-Mar-21**
Contingent liabilities		
Claims against the Company, not acknowledged as debts *	73.56	40.32
Commitments		
The estimated amount of contracts, net of advances remaining to be executed on capital account and not provided for	-	-
	73.56	**40.32**

*In relation to following income tax matters under dispute, the management of the Company is confident that the matters would be decided in their favour. Accordingly no provision has been made in the books in relation to such matters.

Name of the Statute	**Nature of Dues**	**Period to which amount relates**	**Amount INR in Lakhs**	**Forum where the dispute is pending**
Income Tax Act, 1961	Income Tax	AY 2012-13	29.72	Commissioner of Income Tax
Income Tax Act, 1961	Income Tax	AY 2014-15	15.16	Commissioner of Income Tax
Income Tax Act, 1961	Income Tax	AY 2018-19	28.68	Commissioner of Income Tax
Total			**73.56**	

Earnings and expenditure in foreign

35 currency (on accrual basis)

Earnings in foreign currency **INR in Lakhs**

Particulars	31-Mar-22	31-Mar-21
Sales	101.36	543.94
	101.36	**543.94**

Expenditure in foreign currency **INR in Lakhs**

Particulars	31-Mar-22	31-Mar-21
Purchases	74.50	690.31
	74.50	**690.31**

Spacenet Enterprises India Limited
Notes to the Consolidated financial statements for the year ended March 31, 2022

36 Fair value measurements

The carrying value of financial instruments by categories is as follows:

Particulars	31-Mar-22		
	At Cost	Fair value through profit or loss	At Amortised Cost
Financial assets			
Investments	-	-	640.62
Trade receivables	-	-	2,284.19
Cash and cash equivalents	-	-	369.08
Bank balance other than cash and cash equivalents	-	-	195.00
Other financials assets	-	-	1,186.32
Total	**-**	**-**	**4,675.20**
Financial liabilities			
Borrowings	-	-	376.94
Trade payables	-	-	1,010.59
Other financial liabilities	-	-	57.38
Total	**-**	**-**	**1,444.91**

Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities

Particulars	31-Mar-22			
	Carrying amount	Fair value		
		Level 1	Level 2	Level 3
Financial assets				
Measured at cost/ amortised cost/fair value through profit and loss				
Investments at cost	640.62	-	-	-
Trade receivables	2,284.19	-	-	-
Cash and cash equivalents	369.08	-	-	-
Bank balance other than cash and cash equivalents	195.00	-	-	-
Other financials assets	1,186.32	-	-	-
	4,675.20	**-**	**-**	**-**
Assets for which fair value are disclosed				
Investment properties	-	-	-	-
	-	**-**	**-**	**-**
Financial liabilities				
Measured at amortised cost				
Borrowings	376.94	-	-	-
Trade payables	1,010.59	-	-	-
Other financial liabilities	57.38	-	-	-
	1,444.91	**-**	**-**	**-**

Notes:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 inputs are inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for the asset or liability.

There have been no transfers between the levels during the period.

Financial instruments carried at amortised cost such as trade receivables, other financial assets, borrowings, trade payables and other financial liabilities are considered to be same as their fair values, due to short term nature.

They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

For financial assets & liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Spacenet Enterprises India Limited
Notes to the Consolidated financial statements for the year ended March 31, 2022

37 Financial risk management objectives and policies

The Group's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support Group's operations. The Company's principal financial assets include trade and other receivables and cash and cash equivalents and other bank balances that derive directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management advises on financial risks and the appropriate financial risk governance framework for the Group. The Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

A Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans, borrowings and security deposits.

B Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities (short term bank deposits). The Group only deals with parties which has good credit rating / worthiness given by external rating agencies or based on companies internal assessment.

C Liquidity risk

Liquidity risk refers to the risk that the Group can not meet its financial obligation. The objective of liquidity risk management is to maintain sufficient liquidity and ensured that funds are available for use as per requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserves borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Spacenet Enterprises India Limited
Notes to the Consolidated financial statements for the year ended March 31, 2022

38 Capital management

For the purpose of the Group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Parent. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, interest bearing loans & borrowings, less cash and cash equivalents.

Gearing ratio

The gearing ratio at the end of the reporting period was as follows:

INR in Lakhs

	31-Mar-22
Borrowings (refer note 12)	376.94
Less: Cash and cash equivalents (refer note 9)	564.08
Net debt	**941.02**
Equity share capital (refer note 10)	5,303.58
Other equity (refer note 11)	(1,877.96)
Non Controlling Interest (refer note 11)	174.67
Total capital	**3,600.29**
Capital and net debt	**4,541.30**
Gearing ratio	20.72%

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2022.

Spacenet Enterprises India Limited
Notes to the Consolidated financial statements for the year ended March 31, 2022

39 Share based payments

The Group has Employee Stock Options Scheme i.e., ESOP - 2021 under which options have been granted at exercise price to be vested from time to time. the grant date is February 21, 2022. Considering the management's estimate of employees leaving and materiality of expenses, no impact has been given in the current financial year as per IND AS - 102 "Share Based Payment".

40 Standards issued but not effective

There were no standards issued but not effective at the time of issuance of the Group's financial statements, hence the disclosure is not applicable.

41 Significant event after the reporting period

There were no significant adjusting event that accrued subsequent to the reporting period which may require an adjustment to the balance sheet.

42 Code of Social Security

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

43 Other Statutory Information

1. The Group does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property under Benami Transactions (Prohibition) Act, 1988 (45of 1988).

2. The Group does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

3. The Group does not have any charges or satisfaction yet to be registered with ROC beyond the statutory period.

4. The Group do not have any transactions with Crypto Currency or Virtual Currency where the Company has traded or invested in Crypto Currency or Virtual Currency during the year.

5. The Group has not advanced or loaned or invested funds to any other persons or entities, 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 Group has not received any fund from any persons or entities, 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 Funding Party (Ultimate Beneficiaries) or
(b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

7. The Group does not have any 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.

44 Prior year comparatives

This is the first year of consolidation and hence the previous year figures are not mentioned.

45 Approval of Financial Statements

The financial statements were approved for issue by the Board of Directors on May 27, 2022.

As per our report of even date

For Jayesh Sanghrajka & Co. LLP Chartered Accountants ICAI Firm registration number: 104184W/W100075	For and on behalf of the Board of Directors of Spacenet Enterprises India Limited CIN: L72200TG2010PLC068624	
Pritesh Bhagat Designated Partner Membership No.: 144424	DVS Prakash Rao Executive Director & Chief Financial Officer DIN: 03013165 Suresh Tammineedi Executive Director DIN: 00952079	Satya Srikanth Karaturi Whole Time Director Director DIN: 07733024 M. Chowda Reddy Company Secretary M.No. A48009
Place: Mumbai Date: May 27, 2022	Place: Hyderabad Date: May 27, 2022	Place: Hyderabad Date: May 27, 2022