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Twenty Sixth Annual Report 2019-2020

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NOTICE

Notice is hereby given that the Twenty Sixth Annual General Meeting of the members of Goldstone Technologies Limited will be held on Monday the 28th day of September, 2020 at 3.00 p.m.(IST)through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM') facility to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Standalone and Consolidated Audited Financial Statements of the Company for the year ended 31st March, 2020 together with the Directors' and Auditors' Report thereon.
2. To appoint a Director in place of Mr.Clinton Travis Caddell (DIN: 01416681) who retires by rotation and being eligible, offers himself for re-appointment

SPECIAL BUSINESS:

3. TO APPROVE GOLDSTONE TECHNOLOGIES LIMITED EMPLOYEE STOCK OPTION PLAN 2020 (GTLESOP 2020)

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 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder and in accordance with the Memorandum and Articles of Association of the Company, SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015 and any other regulations as may be required, Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 [SEBI (SBEB) Regulations], Foreign Exchange Management Act, 1999 and any other rules, circulars, notifications, guidelines issued by Reserve Bank of India and such other approvals, permissions as may be necessary and such conditions and modifications as may be prescribed imposed while granting such approvals, permissions and sanctions the consent of

Members of the Company be and is hereby accorded to the introduction and implementation of 'Goldstone Technologies Limited Employee Stock Option Plan 2020' (hereinafter referred to as the 'GTLESOP 2020' or the 'Scheme') authorizing the Board of Directors of the Company (hereinafter referred to as the 'Board' which term shall be deemed to be include Compensation Committee or any other Committee, which the Board has constituted or may constitute to exercise its powers, including the powers, conferred by this resolution) and to create, and grant from time to time in one or more tranches, not exceeding 9,00,000 (Nine Lakhs) Employee Stock Options to or for the benefit of such person(s) who are in permanent employment of the Company including any Director thereof, whether whole time or otherwise (other than Promoters of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding Equity Shares of the Company), as may be decided under GTLESOP 2020, exercisable into not more than 9,00,000 (Nine Lakhs) equity shares of face value of Rs.10/- (Rupees Ten Only) equity each fully paid up, on such terms and in such manner in accordance with the provisions of the applicable laws and the provisions of GTLESOP 2020."

"RESOLVED FURTHER THAT the equity shares so issued and allotted as mentioned hereinbefore shall rank pari passu with the then existing equity shares of the Company."

"RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division and others if any additional equity shares are issued by Company to the option grantees for the purpose of making a fair and reasonable adjustment to the options granted earlier, the ceiling on the number of options mentioned in the resolution above, shall be deemed to be increased to the extent of such additional equity shares issued."

“RESOLVED FURTHER THAT in case the equity shares of the Company are split or consolidated, then the number of shares to be allotted and the exercise price payable by the option grantees under the Scheme shall automatically stand augmented or reduced in the same proportion as the present face value of Rs.10/- (Rupees Ten Only) per equity share bears to the revised face value of the equity shares of the Company after such split or consolidation, without affecting any other rights or obligations of the said grantees.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to take requisite steps for listing of the equity shares allotted under GTLESOP 2020 on the Stock Exchanges where the equity shares of the Company are listed.”

“RESOLVED FURTHER THAT the Company shall conform to the accounting policies prescribed from time to time under the SEBI (SBEB) Regulations and Income Tax Act, 1961, Foreign Exchange Management Act, 1999 any other applicable laws and regulations to the extent relevant and applicable to the GTLESOP 2020.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized at any time to modify, change, vary alter, amend suspend or terminate the GTLESOP 2020 subject to the compliance with the applicable laws and regulations and to do all such acts, deeds, matters and things as may at its absolute discretion deems, fit, for such purpose and also to settle any issues, questions, difficulties, or doubts that may arise in this regard without being required to seek any further consent or approval of the members and further to execute all such documents, writings and to give such directions and/or instructions as may be necessary or expedient to give effect to such, modification, change, variation, alteration, amendment, suspension or termination of the GTLESOP 2020 and do all other things incidental and ancillary thereof.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, and things, as may, at its absolute discretion, deems necessary including authorizing or directing to appoint Merchant Bankers, Brokers, Solicitors, Registrars, Advertisement Agency, Compliance Officer, Investors Service Center and other Advisors, Consultants or Representatives, being incidental to the effective implementation and administration of GTLESOP 2020 as also to make applications to the appropriate authorities, Parties and the Institutions for the requisite approvals as also to initiate all necessary actions for the preparation and issue of public announcement and filing of public announcement, if required, with the SEBI/Stock Exchange(s) and all other documents required to be filed in the above connection and to settle all such questions difficulties or doubts whatsoever that may arise and take all such steps and decisions in this regard”

4. TO APPROVE INCREASE IN REMUNERATION OF MR. PAVAN CHAVALI (DIN: 08432078), WHOLE TIME 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 Section, 196, 197, 198, and 203 read with Schedule-V and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) (including any statutory modifications or re-enactment(s) thereof, for the time being in force) and the Companies (Appointment and Remuneration) Rules, 2014, the articles of association and such other consents and permissions as may be necessary, as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company, the consent and ratification of the members be and is hereby accorded for the revision in

remuneration payable to Mr. Pavan Chavali (DIN. 08432078), Whole-time Director of the Company with effect from 01st September 2020 for his present term of remaining period of 1 (One) year, on the following terms and conditions:

1. Salary

Salary of Rs. 2,37,500/- (Rupees Two Lakhs Thirty-Seven Thousand five hundred only) per month.

2. Perquisites

The following perquisites will be provided in addition to salary:

Category A

1. Housing: House Rent Allowance at Rs. 95,000/- (Rupees Ninety-Five thousand only) per month.
2. Other allowances for Maintenance, Leave travel, Conveyance, Subscription to Professional Journals and Medical costs not exceeding Rs. 82,367/- (Rupees Eighty-Two thousand three hundred and sixty seven only) per month.

Category B

Company's contribution towards Provident Fund and payment of Gratuity as per applicable laws. Company's contribution towards Medical Insurance Policy for self and family as per the Company Policy.

Up to an amount of Rs. 5,00,000/- (Rupees Five Lakhs Only) per annum as variable pay depending on individual and company performance parameters as per the rules framed by the Company in this regard.

"RESOLVED FURTHER THAT the tenure of Mr. Pavan Chavali, as Whole Time Director of the Company for a period of 2(Two) years with effect from 23rd May, 2019, as approved by the members by way of Special Resolution passed at the 25th Annual General Meeting of the Company held on 26th September, 2019 shall remain unchanged.

"RESOLVED FURTHER THAT the aggregate sum of remuneration and perquisites in any financial year shall be governed by the limits prescribed from time to time under Section 197 and 198 of the Companies Act, 2013 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and if in any financial year during the tenure of office of Mr. Pavan Chavali, the Company has no profits or its profits are inadequate, he will be paid as aforementioned remuneration by way of salary and perquisites as minimum remuneration subject to applicable provisions of Schedule V to the Companies Act, 2013 read with Rule 7 of the Companies (Appointment and Remuneration) Rules, 2014."

"RESOLVED FURTHER THAT the Board of Directors (including any Committee of Directors) be and are hereby authorized to alter or vary the terms and conditions of the said appointment so as not to exceed the limits specified in Section 197 read with Schedule V or other applicable provisions, if any, of the Companies Act, 2013 or any other amendments thereto, as may be agreed between the Board and Mr. Pavan Chavali."

"RESOLVED FURTHER THAT any of the Directors or the Company Secretary of the Company be and is hereby severally authorized to perform all such acts and deeds as may be necessary, proper or expedient to give effect to this resolution."

**BY ORDER OF THE BOARD
For GOLDSTONE TECHNOLOGIES
LIMITED**

Sd/-
Thirumalesh T
Company Secretary

Place: Secunderabad
Date :25.08.2020

NOTES:-

1. As the Members are aware, In view of the global outbreak of the Covid-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its General Circular dated May 5, 2020 read with General Circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as 'MCA Circulars') permitted holding of the Annual General Meeting ('AGM' or 'Meeting') through Video Conferencing ('VC') facility or other audio visual means ('OAVM'), without the physical presence of the Members at a common venue.

Further, the Securities and Exchange Board of India ('SEBI') vide its Circular dated May 12, 2020 ('SEBI Circular') has also granted certain relaxations in line with the MCA Circulars. In compliance with the provisions of the Companies Act, 2013 ('the Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and MCA Circulars, the 26th AGM of the Company is being held through VC/ OAVM on Monday, September 28, 2020 at 03.00 p.m. (IST). The deemed venue for the 26th AGM will be at the Registered Office of the Company situated at 9-1-83 & 84, Amarchand Sharma Complex, S.D. Road, Secunderabad - 500 003, Telangana, India.

- 2. PURSUANT TO THE PROVISIONS OF THE ACT, MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC/OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS AND THE SEBI CIRCULAR, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP**

AND ROUTE MAP OF THE AGM VENUE ARE NOT ANNEXED TO THIS NOTICE.

3. The relative Explanatory Statement pursuant to section 102 of the Companies Act, 2013 (Act) in respect of the business under Item No. 3 & 4 in the Notice, is annexed hereto. The relevant details as required under regulation 36 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI) in respect of persons seeking appointment / reappointment at this AGM are also annexed
4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The Members will be able to view the proceedings on the Central Depository Services (India) Limited ("CDSL") e-Voting website at <https://www.evotingindia.com>. The facility of participation at the AGM through VC/ OAVM will be made available to atleast 1000 members on first come first served basis. However, 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. are allowed to attend the AGM without restriction on account of first come first served basis. The detailed instructions for joining the Meeting through VC/OAVM forms part of this Notes.
5. Institutional Investors, who are Members of the Company, are encouraged to attend the 26th AGM through VC/OAVM mode and vote electronically. Corporate Members intending to appoint their authorised representatives pursuant to Sections 112 and 113 of the Act, as the case may be, to attend the AGM through VC/OAVM or to vote through remote e-voting, are requested to send a certified copy of the

Board Resolution to the Scrutinizer by e-mail at sprathapacs@gmail.com with a copy marked to cs@goldstonetech.com

6. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
7. In line with the MCA Circular dated May 5, 2020 and SEBI Circular dated May 12, 2020, the Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/ Registrar & Share Transfer Agent (RTA)/ Depositories. The Notice convening the 26th AGM has been uploaded on the website of the Company at www.goldstonetech.com and may also be accessed from the relevant section of the websites of the Stock Exchanges i.e. BSE Limited and the National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The Notice is also available on the website of CDSL at www.evotingindia.com.
8. The Register of Members and the Share Transfer Books of the Company will be closed from Tuesday, September 22, 2020 to Monday, September 28, 2020 (both days inclusive).
9. As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company's Registrar and Transfer Agent, M/s. Aarthi Consultants Private Limited, 1-2-285, Domalguda, Hyderabad, Telangana, India- 500029 Email Id: info@aarthiconsultants.com, Web: www.aarthiconsultants.com ("RTA" or "Registrar") for assistance in this regard.

10. Members are also requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone /mobile numbers, PAN, registering of nomination, power of attorney registration, Bank Mandate details, etc. to Registrar/their DPs. Further, Members may note that SEBI has mandated the submission of PAN by every participant in securities market.

11. Nomination facility: As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them.

Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH- 13. If a Member desires to cancel the earlier nomination and record a fresh nomination, he may submit the same in Form SH-14 through their registered email id. Members are requested to submit the said form to their respective DPs in case the shares are held in electronic form and to the Registrar at info@aarthiconsultants.com with a copy marked to cs@goldstonetech.com in case the shares are held in physical form, quoting your folio no.

12. Consolidation of Physical Share Certificates: Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or Registrar, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
13. Members who wish to inspect the relevant documents referred to in the Notice can send an e-mail to cs@goldstonetech.com from their registered e-mail id by mentioning their DP ID & Client ID/Physical Folio Number.
14. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are

also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DPs and holdings should be verified from time to time.

15. Details of Unclaimed Shares: The company doesn't have any shares remaining unclaimed in the unclaimed suspense account.

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

- **In case shares are held in physical form:** please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), selfattested scanned copy of PAN card, self-attested scanned copy of Aadhaar Card, by email to the RTA at info@arthiconsultants.com with a copy marked to cs@goldstonetech.com
- **In case shares are held in demat form:** please provide DP ID-Client ID (8 digit DP ID + 8 digit Client ID or 16 digit Beneficiary ID), name, client master or copy of consolidated account statement, selfattested scanned copy of PAN card, self-attested scanned copy of Aadhaar Card. by email to the RTA at info@arthiconsultants.com with a copy marked to cs@goldstone tech.com.
- The RTA/Company shall co-ordinate with CDSL and provides the login credentials to the above mentioned Shareholders.

17. Remote e-Voting before/during the AGM:

- i). Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of Listing Regulations (as amended) and the MCA Circulars, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at

the AGM. For this purpose, the Company has entered into an agreement with CDSL for facilitating voting through electronic means, as the authorised agency. The facility of casting votes by a Member using remote e-Voting system as well as remote e-Voting during the AGM will be provided by CDSL.

- ii). Members of the Company holding shares either in physical form or in electronic form as of the close of business hours **on Monday, 21st September, 2020 i.e. cut-off date** may cast their vote by remote e-Voting. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting before the AGM as well as remote e-Voting during the AGM.
- iii). Any person who acquires shares of the Company and becomes a Member of the Company after the dispatch of the Notice and holding shares as on the cut-off date i.e. as of the close of business hours on Monday, 21st September, 2020, may obtain a copy of AGM Notice by sending a request to info@arthiconsultants.com or can also be downloaded from the Company's website www.goldstonetech.com and participate in remote e-voting or e-voting at AGM by following the instructions provided herein.
- iv). The remote e-Voting period commences **on Thursday, 24th September, 2020 at 9.00 a.m. (IST) and ends on Sunday, 27th September, 2020 at 5.00 p.m. (IST)**. The remote e-Voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. The voting rights of the Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the cut-off date.

- v). Members will be provided with the facility for voting through electronic voting system during the VC/ OAVM proceedings at the AGM and Members participating at the AGM, who have not already cast their vote by remote e-Voting, will be eligible to exercise their right to vote at the end of discussion on the resolutions on which voting is to be held, upon announcement by the Chairperson. Members who have cast their vote on resolution(s) by remote e-Voting prior to the AGM will also be eligible to participate at the AGM through VC/OAVM but shall not be entitled to cast their vote on such resolution(s) again.
 - vi). The remote e-Voting module on the day of the AGM shall be disabled by CDSL for voting 15 minutes after the conclusion of the Meeting.
 - vii). M/s.Prathap Satla & Associates, Practicing Company Secretaries, Hyderabad have been appointed as the Scrutinizer(s) to scrutinize the e-voting process in a fair and transparent manner and they have communicated their willingness to be appointed and will be available for same purpose.
 - viii). The Scrutiniser will submit his report to the Chairperson or to any other person authorised by the Chairperson after completion of the scrutiny of the e-Voting (votes cast during the AGM and votes cast through remote e-Voting), not later than 48 hours from the conclusion of the AGM. The result declared along with the Scrutiniser's report shall be communicated to the Stock Exchanges on which the Company's shares are listed and will also be displayed on the Company's website at www.goldstonetech.com.
- 18. Instructions for attending the AGM through VC/OAVM:**
- a). Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/ members login where the EVSN of the Company is displayed.
 - b). Members may join the Meeting through Laptops, Smartphones, Tablets and iPads for better experience. Further, Members will be required to use Internet with a good speed to avoid any disturbance during the Meeting. Please note that participants connecting from Mobile Devices or Tablets or through Laptops 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 glitches.
 - c). Members who would like to express their views/ask questions as a speaker at the Meeting may pre-register themselves by sending a request from their registered e-mail address mentioning their names, DP ID and Client ID/folio number, PAN and mobile number at cs@goldstonetech.com **before 3.00 p.m. (IST) on Tuesday, 22nd September, 2020**. Only those Members who have preregistered themselves as a speaker will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
 - d). Members are encouraged to submit their questions in advance with regard to the financial statements or any other matter to be placed at the 26th AGM, from their registered e-mail address, mentioning their name, DP ID and Client ID number/folio number and mobile number, to reach the Company's e-mail address at cs@goldstonetech.com **before 3.00 p.m. (IST) on Tuesday, 22nd September, 2020**. Such questions by the Members shall be suitably replied by the Company.
 - e). Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.