

24th Annual Report 2020



S a g a r s o f t TM

SAGARSOFT (INDIA) LIMITED

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Board of Directors

Shri S. Sreekanth Reddy	Chairman - Non-Executive
Shri M. Jagadeesh	Managing Director
Shri K. Pradeep Kumar Reddy	Executive Director & CFO
Shri K. Satish Chander Reddy	Non-Executive Director
Shri K. Prasad	Independent Director
Shri N. Hari Mohan	Independent Director
Shri K. Rakesh Rao	Independent Director
Shri K. Ganesh	Independent Director
Smt. Neelima Kaushik	Independent Director

Company Secretary

Shri J.Raja Reddy

Auditors

T Mohan & Associates
(Formerly Lakshmi & Associates)
Chartered Accountants (FR No.012482S)
3-6-237, Flat #602, 603,
Lingapur La Builde Complex,
Himayat Nagar, Hyderabad-500 029

Bankers

Axis Bank Ltd.,
Banjara Hills Branch, Hyderabad

HDFC Bank Ltd.,
Lakdikapool Branch, Hyderabad

Registered Office

Plot No.111, Road No.10
Jubilee Hills, Hyderabad –500 033

Corporate Identity Number

L72200TG1996PLC023823

Registrars and Share transfer agents

M/s. KFin Technologies Private Limited
Plot No. 31-32, Selenium Building,
Tower - B, Gachibowli, Financial District,
Nanakramguda, Hyderabad - 500 032.

SAGARSOFT (INDIA) LIMITED
CIN: L72200TG1996PLC023823

NOTICE

Notice is hereby given that the 24th Annual General Meeting of the Members of Sagarsoft (India) Limited will be held on Wednesday, the 15th day of July, 2020 at 3.30 p.m. through Video Conference ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended 31st March, 2020 together with the Reports of the Directors and Auditors thereon and in this regard to pass the following resolution as an ordinary resolution:

"Resolved that the audited financial statements of the Company for the financial year ended 31st March 2020 together with the reports of the Directors and Auditors thereon be and are hereby received, considered, approved and adopted."

2. To declare dividend of Rs.1.50 per share (15%) on the equity shares of the company for the financial year ended 31st March, 2020 and in this regard to pass the following resolution as an Ordinary Resolution:

"Resolved that a dividend of Rs.1.50 per share (15%) on the 55,60,000 equity shares of Rs.10/- each of the company for the financial year ended 31st March, 2020 be and is hereby declared.

3. To re-appoint the retiring Director Shri S.Sreekanth Reddy (DIN: 00123889), who retires by rotation at the ensuing AGM and being eligible, offers himself for re-appointment and in this regard to pass the following resolution as an ordinary resolution:

"Resolved that Shri S.Sreekanth Reddy (DIN: 00123889) who retires by rotation in accordance with section 152 of the Companies Act, 2013 be and is hereby re-appointed as a director liable to retire by rotation."

4. To re-appoint the retiring Director Shri K.Satish Chander Reddy (DIN:02412539), who retires by rotation at the ensuing AGM and being eligible, offers himself for re-appointment and in this regard to pass the following resolution as an ordinary resolution:

"Resolved that Shri K.Satish Chander Reddy (DIN:02412539) who retires by rotation in accordance with section 152 of the Companies Act, 2013 be and is hereby re-appointed as a director liable to retire by rotation."

SPECIAL BUSINESS

5. To consider and if thought fit, to pass the following resolution as a special resolution:

Resolved that consent of the shareholders be and is hereby accorded pursuant to Section 180(1)(c) and any other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications thereof and any rules made thereunder for the time being in force), to the Board of Directors of the Company to borrow for the purpose of business, as and when required, from, including without limitation, any Bank and/or Financial Institution and/or NBFC and/or any body corporate/ entity/entities and/or authority/authorities and/or Director(s)/relatives of Director(s), either in rupees or in such other foreign currencies as may be permitted by law from time to time, such sum or sums of monies as they may deem necessary, notwithstanding the fact that the money to be borrowed together with the money already borrowed may exceed the

aggregate of the paid up capital of the Company, its free reserves, that is to say, reserves not set apart for any specific purpose and securities premium, provided that at any time the total outstanding amount of such borrowings, apart from temporary loans obtained from the Company's Bankers in the ordinary course of business, shall not exceed Rs.50 crores.

Resolved Further that the Board of Directors be and is hereby authorized and empowered to arrange or settle the terms and conditions on which all such monies are to be borrowed from time to time as to, inter-alia, interest, repayment, security or otherwise howsoever as it may think fit and to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required.

6. To consider and if thought fit, to pass the following resolution as a special resolution:

Resolved that consent of the shareholders be and is hereby accorded under Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 read with the rules made thereunder to the Board of Directors of the Company to mortgage and or charge all or any of the movable and immovable properties of the Company, wherever situate, present and future, and to confer power to enter upon and to take possession of assets of the Company in certain events, in favour of Banks/ Financial Institutions/NBFCs/body Corporate/other entities/any authority(ies) to secure the term loan and other credit facilities extended or as may be extended by them to the company from time to time, together with interest, compound / additional interest at the respective agreed rates, premia on prepayment or on redemption, cost, charges, expenses and all other monies payable by the Company to the above said lenders in terms of the sanction governing such term loan(s) and credit facilities up to the limit as may be approved by the members from time to time under section 180(1)(c) of the Companies Act, 2013.

Further resolved that the Board of Directors of the Company be and is hereby authorised to finalize the documents for creating the afore said mortgage and or the charge and to do all such acts and things as may be necessary for giving effect to the above resolution.

7. To consider and if thought fit, to pass the following resolution as a special resolution:-

Resolved that pursuant to the provisions of Section 186 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification thereof for the time being in force and as may be enacted from time to time) and subject to such other approvals, consents, sanctions and permissions, as may be necessary, and the Articles of Association of the Company and all other provisions of applicable laws, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution), to give loans to any other body(ies) corporate and / or give any guarantee or provide security in connection with a loan to any other body(ies) corporate and / or acquire by way of subscription, purchase or otherwise, the securities of any body(ies) corporate upto an aggregate amount not exceeding Rs.100 crores notwithstanding that the aggregate of the loans or guarantees so far given or to be given and/ or securities so far acquired or to be acquired by the Company, may collectively exceed the limits prescribed under Section 186 of the Companies Act, 2013.

Resolved Further that the Board be and is hereby authorised to take from time to time all decisions including finalization of the terms and conditions for giving the loans,

guarantees or providing securities or for making such investments and to execute such documents, deeds, writings, papers and/or agreements as may be required and do all such further acts, deeds, matters and things, as it may in its absolute discretion, deem fit, necessary or appropriate.

8. To consider and if thought fit, to pass the following resolution as an ordinary resolution:

Resolved that pursuant to the provisions of Section 20 of the Companies Act, 2013 read with Rule 35 of the Companies (Incorporation) Rules, 2014 including any statutory modification(s) or re-enactment thereof, for the time being in force, consent of the members be and is hereby accorded to collect from every member of the Company who makes a specific request to the company to send any documents to him through a particular mode, a fee in advance as may be determined by the Board of Directors or a Committee thereof or the Registrars and Share Transfer Agents of the Company to cover the expenses involved in delivering the said documents through the mode indicated by the member.

By Order of the Board of Directors

Hyderabad,
June 15, 2020

Sd/-
J.Raja Reddy
Company Secretary
M.No. A31113

Registered Office:

Plot No.111, Road No.10
Jubilee Hills
Hyderabad – 500 033, Telangana.

NOTES:

1. In view of the Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated 5th May, 2020 read with circulars dated 8th April, 2020 and 13th April, 2020 (collectively referred to as "MCA Circulars") permitted holding of the Annual General Meeting of companies through Video Conferencing or Other Audio Visual Means ("VC / OAVM"), without physical presence of the Members at a common venue.
2. In compliance with applicable provisions of the Companies Act, 2013 ("the Act") read with the MCA Circulars and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the 24th Annual General Meeting of the Company is being conducted through Video Conferencing ("VC") (hereinafter referred to as "AGM" or "e-AGM"). In accordance with the Secretarial Standard -2 on General Meeting issued by the Institute of Company Secretaries of India (ICSI) read with Guidance/ Clarification dated 15th April, 2020 issued by ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed Venue of the e-AGM.
3. e-AGM: The Company has appointed KFin Technologies Private Limited, Registrars and Transfer Agents, to provide Video Conferencing facility for the e-AGM and the attendant enablers for conducting of the e-AGM.
4. 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 who may or may not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC, physical attendance of Members has been dispensed with. Further as per the MCA Circulars, the facility for appointment of proxies by the Members will not be available for the e-AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

5. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act") setting out material facts concerning the special business under Item Nos. 5 to 8 of the accompanying Notice, is given in the annexure 1. The Board of Directors of the Company at its meeting held on 27th May, 2020 considered that the special business under Item Nos. 5 to 8, being considered unavoidable, be transacted at the 24th AGM of the Company.
6. The relevant details required to be given under Regulation 26(4) and 36(3) of Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of directors seeking re-appointment at this AGM are given in the Annexure-2.
7. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/ Authorization etc., authorizing its representative to attend the e-AGM on its behalf and to vote either through remote e-voting or during the e-AGM. The said Resolution/Authorization should be sent electronically through their registered email address to the Scrutinizer at bssass99@gmail.com with a copy marked to evoting@kfinitech.com and company's email id at info@sagarsoft.in.
8. The Company's Registrar and Transfer Agents for its Share Registry Work (Physical and Electronic) is KFin Technologies Private Limited having office at Selenium Tower B, Plot number 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana – 500032.
9. **Attending e-AGM:** Member will be provided with a facility to attend the e-AGM through video conferencing platform provided by KFin Technologies Private Limited. Members may access the same at <https://evoting.karvy.com> by clicking "e-AGM - Video Conference & Streaming" and access the shareholders'/ members' login by using the remote e-voting credentials which shall be provided as per Note No.20 below. Kindly refer note no.19 below for detailed instruction for participating in e-AGM through Video Conferencing.
10. The Members can join the e-AGM 15 minutes before and after the scheduled time of the commencement of the AGM by following the procedure mentioned in the Notice.
11. As per the MCA Circular up to 1000 members will be able to join the e-AGM on a first-come-first-served basis. However, this restriction shall not apply to 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.
12. A member's log-in to the Video Conferencing platform using the remote e-voting credentials shall be considered for record of attendance of such member for the e-AGM and such member attending the meeting will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
13. Remote e-Voting: Pursuant to the provisions of Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of Listing Regulations, and the MCA Circulars, the Company is providing facility of remote e-voting to its Members through Company's Registrar and Transfer Agent KFin technologies Private Limited. Kindly refer Note no.20 below for detailed instruction for remote-voting.
14. **Voting during the AGM:** Members who are present at the e-AGM through VC and have not cast their vote on resolutions through remote e-voting may cast their vote during the e-AGM through the e-voting system provided by KFin Technologies Private Limited in the Video Conferencing platform during the e-AGM. Kindly refer Note no. 21 below for instruction for e-voting during the AGM.
15. The Company has fixed Wednesday, 8th July, 2020 as the cut-off date for identifying the Members who shall be eligible to vote through remote e-voting facility or for participation and voting in the e-AGM. 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 shall be entitled to vote on the resolutions through the facility of Remote e-Voting or participate and vote in the e-AGM.

16. The Register of Members and Transfer Book of the Company will be closed from 9th July, 2020 to 15th July, 2020 (both days inclusive).
17. In compliance with the aforesaid MCA Circulars and SEBI Circular dated 12th May, 2020, Notice of the e-AGM along with the Annual Report for the financial year ended on 31st March, 2020 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. The Notice calling the AGM and the Annual Report has been uploaded on the website of the Company at www.sagarsoft.in. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com. The same is also available on the website of KFin Technologies Private Limited at the website address <https://evoting.karvy.com/>.
18. **Procedure for registering the email addresses and obtaining the Annual Report, e-AGM notice and e-voting instructions by the shareholders whose email addresses are not registered with the Depositories (in case of shareholders holding shares in Demat form) or with RTA (in case the shareholders holding shares in physical form).**
 - i. Those members who have not yet registered their email addresses are requested to get their email addresses registered by following the procedure given below:
 - a. Members holding shares in demat form can get their e-mail ID registered by contacting their respective Depository Participant.
 - b. Members holding shares in physical form may register their email address and mobile number with Company's Registrar and Share Transfer Agent, KFin Technologies Private Limited by sending an e-mail request at the email ID **einward.ris@kfintech.com** along with signed scanned copy of the request letter providing the email address, mobile number, self-attested PAN copy and copy of share certificate for registering their email address and receiving the Annual report, AGM Notice and the e-voting instructions
 - ii. Those members who have not registered their email and in consequence the Annual Report, Notice of e-AGM and e-voting notice could not be served, may temporarily get their email address and mobile number provided with the Company's Registrar and Share Transfer Agent, KFin Technologies Private Limited by clicking the link: <https://karisma.kfintech.com/emailreg> for sending the same. Shareholders are requested to follow the process as guided to capture the email address and mobile number for sending the soft copy of the Annual Report, Notice of e-AGM and e-voting instructions along with the User ID and Password. In case of any queries, shareholder may write to einward.ris@kfintech.com.
 - iii. Those members who have registered their e-mail address, mobile nos., postal address and bank account details are requested to validate/update their registered details by contacting the Depository Participant in case of shares held in electronic form or by contacting KFin Technologies Private Limited, the Registrar and Share Transfer Agent of the Company, in case the shares held in physical form.
19. **Instructions to the Members for attending the e-AGM through Video Conference.**
 - i. Attending the e-AGM: Member will be provided with a facility to attend the e-AGM through video conferencing platform provided by KFin Technologies Private Limited. Members may access the same at <https://evoting.karvy.com/> by clicking 'e-AGM Video Conference and Streaming' and login by using the remote e-voting credentials. The link for e-AGM will be available in 'shareholders/members' login where the EVENT and the Name of the Company can be selected.
 - ii. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the instructions provided in remote e-Voting in Note No. 20 below.
 - iii. Members are encouraged to join the Meeting through Laptops with Google Chrome for better experience.

- iv. Further Members will be required to allow access to the Camera, if any, and are requested to use Internet with good speed to avoid any disturbance during the meeting
- v. Please note that participants using Mobile Devices or Tablets or Laptops and are accessing the internet 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.
- vi. **Submission of Questions / queries prior to e-AGM:**
 - a) Members desiring any additional information with regard to Accounts/ Annual Reports or has any question or query are requested to write to the Company Secretary on the Company's investor email-id i.e. info@sagarsoft.in at least 2 days before the date of the e-AGM so as to enable the Management to keep the information ready. Please note that, members questions will be answered only if they continue to hold the shares as of cut-off date.
 - b) Alternatively, shareholders holding shares as on cut-off date may also visit [https:// evoting.karvy.com](https://evoting.karvy.com) and click on the tab "Post Your Queries Here" to post their queries/ views/questions in the window provided, by mentioning their name, demat account number/folio number, email ID, mobile number. The window shall be activated during the remote e-voting period and shall be closed 24 hours before the time fixed for the e-AGM.
- vii. **Speaker Registration before e-AGM:** In addition to above speaker registration may also be allowed during the remote e-voting period. Shareholder who wish to register as speakers are requested to visit <https://evoting.karvy.com/> and click on 'Speaker Registration' during this period. Shareholders shall be provided with a 'queue number' before the e-AGM. Shareholders are requested to remember the same and wait for their turn to be called by the Chairman of the meeting during the Question Answer Session. Due to limitations of transmission and coordination during the e-AGM, the Company may have to dispense with or curtail the Speaker Session, hence shareholders are encouraged to send their questions etc. in advance as provided in note no. 19(vi) above.
- viii. Members who wish to inspect the Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of Companies Act, 2013 and Register of Contracts or arrangements in which directors are interested maintained under section 189 of the Companies Act, 2013, can send an email to info@sagarsoft.in.

20. Instructions for members for remote e-Voting:

In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and the provisions of Regulation 44 of the Listing Regulations, the Members are provided with the facility to cast their vote remotely on all resolutions set-forth in this notice through remote e-voting platform provided by KFin Technologies Private Limited (**'remote e-voting'**). Members attending the e-AGM who have not already cast their vote by remote e-Voting shall be able to cast their vote electronically during the meeting (e-voting) when window for e-voting is activated upon instructions of the Chairman.

- i. The remote e-voting facility will be available during the following period:
 - a. Day, date and time of commencement of remote e-voting 11th July, 2020 (9.00 A.M. IST) and ends on 14th July, 2020 (5.00 P.M. IST).
 - b. Day, date and time of end of remote e-voting beyond which remote e-voting will not be allowed: 14th July, 2020 at 5:00 p.m.
- ii. Details of Website: <https://evoting.karvy.com>.
- iii. The voting rights of the Members holding shares in physical form or in dematerialized form, in respect of e-voting shall be reckoned in proportion to their share in the paid-

up equity share capital as on the cut-off date being Wednesday, 8th July, 2020. A person who is not a Member as on the cut-off date should treat Notice of this Meeting for information purposes only.

- iv. The Company is sending through email, the AGM Notice and the Annual Report to the shareholders whose name is recorded as on 12th June, 2020 in the Register of Members or in the Register of Beneficial Owners maintained by the depositories. Any person who acquires Shares of the Company and becomes Member of the Company after 12th June, 2020 being the date reckoned for sending through email, the AGM Notice & Annual Report and who holds shares as on the cut-off date i.e. Wednesday 8th July, 2020, may obtain the User Id and password in the manner as mentioned below:
 - a) If the mobile number of the Member is registered against Folio No./ DPID Client ID, the Member may send SMS:
 MYEPWD <space> 'e-Voting Event Number'
 +Folio number or DPID Client ID to +91-9212993399
 Example for NSDL: MYEPWD<SPACE>IN12345612345678
 Example for CDSL: MYEPWD<SPACE>1402345612345678
 Example for Physical: MYEPWD<SPACE>
 XXXX1234567890
 - b) If e-mail address or mobile number of the Member is registered against Folio No./ DPID Client ID, then on the home page of <https://evoting.karvy.com>, the Member may click "Forgot Password" and enter Folio No. or DPID Client ID and PAN to generate a password.
 - c) Member may call KFin Technologies Private Limited's Toll free number 1-800-3454-001.
 Member may send an e-mail request to evoting@kfintech.com.
- v. The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by KFin Technologies Private Limited upon expiry of aforesaid period.
- vi. Details of persons to be contacted for issues relating to e-voting:
 Mr. K.Raj Kumar, Senior Manager, - Corporate Registry, KFin Technologies Private Limited, Unit: Sagarsoft (India) Limited, Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032. Contact No. 040 6716 2222, Toll Free No.: 18003454001.
- vii. Details of Scrutinizer: B S S & Associates, Practicing Company Secretaries (Unique Code of Partnership Firm: P2012AP02600) has been appointed as the Scrutinizers to scrutinize the e-voting process in a fair and transparent manner.
- viii. The procedure and instructions for remote e-Voting facility are as follows:
 - a. Open your web browser during the remote e-voting period and navigate to '[https:// evoting.karvy.com](https://evoting.karvy.com)'.
 - b. Enter the login credentials (i.e. User ID and password mentioned in the email). Your Folio No. or DP ID /Client ID will be your User ID. However, if you are already registered with KFin Technologies Private Limited for e-voting, you can use your existing User ID and password for casting your vote.
 - c. After entering these details appropriately, click on "LOGIN".
 You will now reach password change menu wherein you are required to mandatorily change your login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (like *, #, @, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc., on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that