

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the **23rd Annual Report** on the business and operations of the Company together with the Audited Statement of Accounts of **EXCELISOFT TECHNOLOGIES PRIVATE LIMITED** & its subsidiaries for the financial year ended March 31, 2023, along with material changes and commitments, if any, affecting the financial position of the Company, which have occurred between the financial year of the Company to which the Balance Sheet relates and the Date of this Report.

Financial Results & related compliances:

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Indian Accounting Standards and the relevant provisions of the Companies Act, 2013 ("2013 Act"). Accounting policies have been consistently applied except where a newly issued accounting standard, if initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. Management evaluates all recently issued or revised accounting standards on an ongoing basis. The Company has four subsidiary companies incorporated outside India, all of which are wholly-owned subsidiaries. The Company discloses stand-alone audited financial results annual basis.

Fiscal performance:

Key aspects of your Company's financial performance for the fiscal 2022-23 are tabulated below: (in lakhs)

	Standalone		Consolidated	
	2023	2022	2023	2022
Particulars	Current Financial Year ended 31-MAR-2023	Previous Financial Year ended 31-MAR-2022	Current Financial Year ended 31-MAR-2023	Previous Financial Year ended 31-MAR-2022
Revenue from operations	19,563.90	15,684.06	19,510.44	15,785.03
Expenses	16,776.79	13,020.32	16,727.22	13,483.73
Exceptional Items	-	-	-	-
Profit before Tax	3,045.03	2,874.03	3,061.76	2,511.59
<i>Tax Expenses:</i>				
(1) Current Tax	782.83	611.46	783.93	611.46
(2) Current Tax-MAT	-	-	-	-
(3) Deferred Tax Liability	(6.96)	398.27	(6.96)	398.27
(4) MAT Credit entitlement- current tax	-	-	-	-
Profit (Loss) for the period from continuing operations	2,269.16	1,864.30	2284.79	1,501.86

Note: Previous year figures have been regrouped wherever necessary.

Performance Overview:

During the reporting financial year, your Directors inform that there was a notable increase overall Turnover and the Company was able to maintain a healthy growth in spite of adverse global economic scenario.

Your Directors are confident in achieving higher revenue and profits in the coming years too, as the opportunities are huge and your Company is capable of exploring the same productively.

SHARE CAPITAL:

Issued and Paid-up Share Capital.

The paid-up Share Capital of the Company, as on March 31, 2023, is Rs. 1,59,36,420/- divided into 15,93,642 equity shares of Rs. 10/- each similar to the paid-up share capital as on March 31, 2022.

Dematerialization of Shares is provided to the shareholders.

The shares of the Company are under dematerialization ("Demat") category and are available for demat on National Securities Depository Limited (NSDL) and Central Depository Limited (CDSL) in India. The International Securities Identification Number (ISIN) allotted to the Company's shares is INE606N01019. Of the entire paid up shares 1,593,642 shares, 93% are in dematerialized form as at March 31, 2023.

LIQUIDITY AND CASH EQUIVALENTS:

Your Company has a loan of Rs. 11809.19 lakhs for the year ended 2023. The Company has been conservative in its investment policy over the years, maintaining a reasonably high level of cash and cash equivalents which enable the Company to completely eliminate short and medium term liquidity risks. The goal of cash management at Excel soft is to:

a. Use cash to provide sufficient working capital to manage business operations of the Company to be able to add value to all

our stakeholders and continuously enhance the same.

b. Maintain sufficient cash as reserves that will aid the Company in capturing meaningful business opportunities, including acquisitions.

c. Invest surplus funds in low-risk bank deposits, debt schemes of mutual fund and secured bonds.

TRANSFER TO RESERVES

For the financial year ended 31st March, 2023, the Company had not transferred any sum to Reserves. Therefore, your Company proposes to transfer the entire amount of profit to Profit and Loss Account of the Company.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 form part of the notes to the Financial Statements provided in this Annual Report.

DIVIDEND:

To strengthen the long-term prospects and ensuring sustainable increase in revenue, it is important for your Company to evaluate various opportunities in which your Company operates. Keeping in mind expansion activities, conservation of funds is of vital importance. Your Directors do not recommend any dividend for the year ended 31st March, 2023.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The Company during the FY 2015-16 declared Interim Dividend. The Dividend amount Rs. 60,487/- towards 384 equity shares is not encashed by the shareholder. Since the unclaimed dividend amount was outstanding for the period more than 7 years, the same is due to be transferred to the Investor Education & Protection Fund.

FIXED DEPOSITS:

Your Company has neither invited nor accepted any fixed deposit from the public within the meaning of Chapter V of the Companies Act, 2013 made there under and, as such, no amount of principal or interest was outstanding on the date of the Balance Sheet and also on the date of this Report.

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION OF THE COMPANY BETWEEN THE END OF FINANCIAL YEAR 2018 AND DATE OF THIS REPORT

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of the report.

CHANGE IN THE NATURE OF BUSINESS

Your Directors are optimistic about Company's business and hopeful of better performance with increased revenue in next year. There has been no change in the nature of business of the Company.

REVIEW OF BUSINESS & OUTLOOK

Business Development

Both new customer acquisitions and new partnerships were part of our business development activity in the year 2022-23.

New customer accounts have been added from different geographical markets. Significant wins are from the North America, Mexico, India, Malaysia and Australian markets.

Efficient mining has ensured increase in the revenues from big ticket customers in North America, United Kingdom, India and Middle East markets.

Our relationship with Key customers has strengthened further. In various market(s), we have extended our work with Educational Publisher customers to newer areas such as Big Data and Analytics. New customers have been added in the Asia Pacific markets as well.

We entered into new strategic partnerships with companies in the USA, Vietnam and Philippines.

R&D AND PRODUCT DEVELOPMENT INITIATIVES

In the year 2022-23, we have continued to invest in the enhancements of our products with innovative features and functionality. We constantly put in efforts to innovate and continuously demonstrate thought leadership in the domain of technology education and learning.

Our efforts continued in building the K12 Education Solutions – curriculum solutions, projects and beyond-the-curriculum learning event.

SUBSIDIARY COMPANIES

Your Company has four wholly owned subsidiaries across the globe.

The following table provides a list of all these subsidiaries as on March 31, 2023:

Name of Subsidiary	Location	Date of Incorporation
Excelsoft Technologies Pte Ltd	Singapore	12-Jun-2003

[Formerly known as Imfinity Pte Ltd]		
Freedom to Learn Limited	United Kingdom	02-Nov-2011
Meteor Online Learning Limited	United Kingdom	02-Dec-2009
Excelsoft Technologies Inc.	USA	29-Aug-2012

There has been no material change in the nature of the business of the subsidiaries.

A statement containing the salient features of the financial statement of our subsidiaries in the prescribed form AOC 1 is provided as **ANNEXURE A** to this Directors' Report. The statement also provides the details of performance, financial position of each of the subsidiaries.

QUALITY MANAGEMENT:

Quality is never an Accident. It is always the result of High Intension, Sincere Effort, Intelligent Direction and Skilful Execution. Your Company is aware of the importance of absolute quality in delivering products and services to Customers to win their acclamations, loyalty, and ultimately leading to a Positive Branding. Keeping the trend of absolute Quality Management in Company, it has further strengthened the quality policy already established and made aware to all the personnel connected with completing the task with a sense of accuracy, quality and perfection.

Your directors also believe that skill at all levels of our teams needs to be continuously sharpened because it is the employees who are responsible for the maintenance and enhancement of the quality. For this teams are trained through various technical seminars and peer

knowledge-share sessions, besides participation in seminars, contributing articles etc.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis.

Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013, in the prescribed Form AOC-2, is appended as **ANNEXURE B** to the Board's Report.

PARTICULARS OF EMPLOYEES:

In terms of the provisions of Section 197 (12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules are provided in the Annual Report.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and a statement containing the names of every employee employed throughout the financial year and in receipt of remuneration of INR 60 lakh or more, or employed for part of the year and in receipt of remuneration of INR 5 lakh or more a month, under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is appended as **ANNEXURE C** to the Board's report.

Further, the details of employees posted outside India can be made available on request.

HUMAN RESOURCE MANAGEMENT

Given the knowledge-intensive nature of your Company's activities, human resources are among its most critical assets. Company's ongoing endeavour has been towards being an employee friendly organization which in turn will have a positive impact on the employee's motivation, morale and there by their contribution towards the larger goal of the organization to be the " Best in Class" by increased productivity, improved quality and continue to add business value and enhanced customer satisfaction. In order to achieve the above various activities and various initiatives were taken up keeping in mind the entire life cycle of an employee starting from recruitment to exit, some of the initiatives implemented during the year under review, were;

Learning & Development:

- a. Focused interventions to cater to the developmental needs arising out of structured performance feedback, took a successful step towards 360° (BH/Manager + Associate + Trainer + Customer) approach of collaboration while identifying learning & developmental needs.
- b. Role based Training introduced to ensure inclusivity at all levels & significant increase in 1-on-1 coaching.

Talent Acquisition:

- a. Improvement in recruitment operations effectiveness through better data management and analytics & Up-skilling of Talent Acquisition team's efficiency in terms of sourcing profiles

on a daily basis, quality of interactions with candidates through constant mentoring and L & D interventions, effective delegation thereby creating opportunities for higher responsibilities.

- b. Efforts to build well rounded professional panellists through "Art of interviewing" sessions / workshops mandated for all panellists resulting in better evaluations, quality hiring and brand building.

The efforts have shown some visible outcomes in terms of employee's participation in the initiatives & events and overall morale of the employees. As also lead to retain high-calibre talent across its various lines of business and in all key corporate functions.

INTERNAL CONTROL – SYSTEMS & PROCEDURES:

Your Company prepares and maintains its accounts fairly and accurately and in accordance with the accounting and financial reporting standards which represent the generally accepted guidelines, principles, standards, laws and regulations.

The Company has a well-defined Internal Control Systems & Standards that is/are adequate and commensurate with the size, complexity and nature of business. Clear roles, responsibilities and authorities coupled with internal information systems ensure appropriate information flow to facilitate effective monitoring. We have always believed that transparency, system and controls are important factors in the success and growth of any organization.

Adequate controls are established to achieve:

- effectiveness and efficiency in operations;
- optimum utilization of resources;
- reliability of financial reporting; and

→ effective monitoring and compliance with applicable laws, rules and regulations.

CODE OF BUSINESS CONDUCT & ETHICS – CORPORATE GOVERNANCE:

We pursue our business objectives with integrity and in strict compliance with the law. This is the right thing to do and it makes good business sense. By acting with integrity, we earn the trust of our customers, shareholders, co-workers, regulators, suppliers and the communities in which we live and work – those whose trust we need to be successful.

For your Company, the Corporate governance is a multi-faceted subject. It advocates your Company the important task of adopting accountability with the fiduciary duty of implementing the policies, mechanisms that are required to ensure good behaviour and protect shareholders. One more important factor for drawing the attention of the management is the economic efficiency which helps your Company to optimize economic results, with strong emphasis on shareholders welfare.

With a view to develop a good corporate governance practices within your Company, your management utilizes the services of external experts to conduct auditing, due diligence and training.

Thus, your Company has implemented the corporate governance policy suitable for its size and operations, and ensures that it complies with all the qualities enumerated above and high standard of corporate governance is always maintained.

MEETINGS OF THE BOARD OF DIRECTORS

The Board during the FY 22-23 met 11 times and the gap between two board meetings did not exceed 120 days. The meetings were held on 5th May 2022, 4th August 2022, 5th September 2022, 11th October 2022, 17th October 2022, 23rd November 2022, 2nd January 2023, 16th January 2023, 21st January 2023, 24th March 2023, and 28th March 2023 respectively.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

- a. Re-appointment
 - i) In accordance with the provisions of Section 196(3)(a), Mr. M H Dhananjaya, wholetime director of the Company has attained the age of 91years. Special Resolution at the Extra-Ordinary General Meeting held on 3rd June 2019 was passed for the continuity of his office as Chairman & Whole time Director of the Company for a period of 5years. Since the re-appointment is due in the next FY, the directors propose his re-appointment at the ensuing Annual General Meeting for their approval by passing Special Resolution.
 - ii) In accordance with the provisions of Section 196 of the Companies Act, 2013, Mr. Sudhanva Dhananjaya was appointed as the Managing Director of the at the Extraordinary General Meeting held on 3rd June 2019 for the period of 5years with effect from June 19th, 2019. Since the re-appointment at the ensuing Annual General Meeting for their approval by passing Special Resolution.
- b. Appointment
During the year under review, the constitution of the Board remained the same since the last Annual General

Meeting. Therefore, the provisions of Section 161 of the Companies Act, 2013, are not applicable under the present context.

c. Resignation

The constitution of the Board remained the same since the last Annual General Meeting.

COMMITTEES OF BOARD

Disclosure of composition of audit committee and providing vigil mechanism

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2013, pertaining to Audit Committee is not applicable to the Company.

Vigil Mechanism under section 177(8) & (9) of the Companies Act, 2013 is applicable to the Company.

Company's policy on Directors' appointment, remuneration and discharge of their duties

The provisions of Section 178(1) of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 relating to constitution of Nomination and Remuneration Committee are not applicable to the Company.

Corporate Social Responsibility [CSR] Committee

In accordance with requirements of The Companies Act 2013, the Company has a Corporate Social Responsibility Committee chaired by Prof. M. H. Dhananjaya, (Chairman of the Committee), Mr. D Sudhanva, Ms. Lajwanti Sudhanva and Mr. Prashanth H M are the other members. The

Committee as examined framed and recommended a CSR Policy to the Board for adoption and instituted a transparent monitoring mechanism for ensuring implementation of the projects / activities to be undertaken by the Company.

DISCLOSURE AS REQUIRED UNDER SECTION 22 OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Our Company provides equal opportunities and is committed to creating a healthy working environment that enables our Employees to work with equality and without fear of discrimination, prejudice, gender bias or any form of harassment at workplace. Our Company has in place a Prevention of Sexual Harassment (POSH) policy in accordance with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the period, the Company has not received any complaints and hence no outstanding complaints exists during the end of the FY 22-23.

During the period no complaints were received by the Company.

RISK MANAGEMENT POLICY

The Company does not have any Risk Management Policy as the elements of risk threatening the Company's existence are very minimal.

DECLARATION BY INDEPENDENT DIRECTORS

The provisions of Section 149 for appointment of Independent Directors do not apply to the company. Hence declaration by Independent Directors does not arise.

ADDITIONAL INFORMATION TO SHAREHOLDERS

During the year under review for Mar 2023, the Company has undertaken following transactions:

AUDITORS:

Statutory Auditors

Statutory Auditors of the Company, M/s. Ramaswamy Vijayanand., Chartered Accountants, were appointed in casual vacancy in place of M/s B.N.C & Co., Chartered Accountant for FY 2022-23 in the Extra Ordinary General Meeting held on 22nd May, 2023. They will continue as auditors from conclusion of this meeting until the conclusion of the ensuing Annual General Meeting and that they shall conduct the Statutory Audit for the period ended 31st March 2023. They also expressed interest to continue as Statutory Auditors due to his other professional work.

M/s. Ramaswamy Vijayanand., Chartered Accountants have furnished a certificate of their eligibility as per Section 141 of the Companies Act, 2013 and have provided their consent for appointment as Statutory Auditors subject to approval of shareholders until the conclusion of AGM to be held in 2027.

The statutory auditors have also confirmed that they hold a valid certificate issued by the "Peer Review Board" of The Institute of Chartered Accountants of India.

Secretarial Auditor

As per provisions of Section 204 of the Companies Act, 2013 read with Rule 9 (c) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and per the latest audited

financial statements, the Company has outstanding loans or borrowings from banks exceeding one hundred crore rupees. Hence the appointment of Secretarial Auditor is applicable to the Company.

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 the Board of Directors of the Company had appointed Mr. Venkatesh Dayananda Company Secretary in Practice Bangalore to undertake the Secretarial Audit of the Company for the financial year 2022-23.

The Secretarial Auditor has provided their Secretarial Audit Report in MR-3 and the same is annexed to the report as **ANNEXURE D.**

EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation, or adverse remark.

The Secretarial Auditor has identified and commented that pursuant to provisions of Section 96 (1) of the Companies Act, 2013, the Annual General Meeting of the Company other than First AGM should be held within six months from the date of closing of the financial year. Accordingly, the 22nd Annual General Meeting of the Company for the FY 2021-22 should have been held on or before 30th September

2022. But the company convened its 22nd AGM on 9th February 2023 with a delay of 132 days in holding AGM.

Reply from the Directors: Subsequently to make the offence good, pursuant to Section 96 read with Section 99 of the Companies Act, 2013 made suo-moto application to the Regional Director, Southeast Region, Hyderabad by filing form GNL-1 vide SRN F61682985 dated 02nd June 2023.

SIGNIFICANT AND MATERIAL ORDERS

There are no significant or material orders passed by the Regulators or Courts or Tribunals during the FY 2022-23.

EXTRACT OF ANNUAL RETURN

In accordance with Section 134(3)(a) of the Companies Act, 2013, read with Rule 12 of the Companies (Management and Administration) Rules, 2014, an extract of Annual Return of the Company, in the prescribed Form MGT-9, is appended as **ANNEXURE E** to the Boards' Report.

DISCLAIMER:

As on the date of this Report, your Directors are not aware of any circumstances not otherwise dealt with in this Report or in the financial statements of the Company, which would render any amount stated in the Accounts of the Company misleading.

In the opinion of the Directors, no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report, which would affect substantially the results, or the operations of the Company for the financial year in respect of which this report is made.

CORPORATE RESPONSIBILITY (CSR) SOCIAL

Inclusive growth and sustainable development are strong pillars of your Company's responsible corporate citizenship and are a part of the core values and driving force for many of its initiatives. The Company believes that responsible investments in this regard will generate long term value for all the stakeholders.

The objective of CSR Policy of your Company is to support the guiding principle of "Together We Grow". Through the CSR initiatives, your Company strives to provide equitable opportunities for sustainable growth. Your Company would engage in activities whereby business further contributes to make a positive and distinguishing impact on the environment, customers, employees and other stakeholders. The objective of CSR will be achieved through concentrated and dedicated initiatives encompassing the identified core areas of Education, Health & Medical Care, Community at large and Environment.

Your Company is conscious of its duties towards the community and our planet and the coming years shall witness your Company in several CSR areas.

The Company has made the relevant provisions for CSR activities in the Books of Accounts and has allocated the money.

The Annual Report on CSR activities is provided as **ANNEXURE F** to this Directors' Report. The Company is committed to CSR and shall strive to spend the amount as provided in law.

EMPLOYEE STOCK OPTION PLAN (ESOP)

Details of ESOP as per the provisions of Companies Act, 2013 and Rules made thereunder form part of the notes to the Financial Statements provided in this Annual Report.

The Company has not issued ESOP during the FY 22-23.

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to as per Sec 134 (5) of the Companies Act, 2013, the Directors confirm that:

- a. in the preparation of the annual accounts for the financial year ended March 31, 2023, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. the Directors had 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 and loss of the Company for that period;
- c. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for

safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- d. the Directors had prepared the annual accounts on a going concern basis;
- e. the Directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f. the Directors had devised proper systems to ensure compliance with;
- g. the provisions of all applicable laws and that such systems were adequate and operating effectively.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in **ANNEXURE G** and is attached to this report.

ACKNOWLEDGEMENTS

Your Directors would like to express their appreciation for the co-operation and assistance received from the Government authorities, the financial institutions, banks, vendors, customers and shareholders. In specific, the Board would like to put on record its sincere appreciation of the commitment and contribution made by all employees of the Company.

for and on behalf of the Board of Directors of
Excelsoft Technologies Private Limited



PROF. M. H. DHANANJAYA
Chairman
DIN: 00423968



D. SUDHANVA
Managing Director
DIN:00423641

Mysore, 02nd-September-2023
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