

**33rd ANNUAL REPORT
2019-2020**

**PFL INFOTECH
LIMITED**

Technology For Next Generation.....

BOARD OF DIRECTORS

Sri P. Amresh Kumar
Sri Abhinandan Jain
Ms. Sujana Kadium

Chairman & Managing Director
Director
Independent Women Director

Company Identification No.
L72200TG1993PLC007005

BANKERS:

HDFC Bank
Begumpet Branch
Hyderabad - 500 016.

AUDITORS :

S L R & Associates
8-3-960/3, Ground Floor
Raghava Nilayam, Srinagar Colony
Hyderabad - 500 073.

REGISTERED OFFICE:

6-2-941, Flat No. 201, IIIrd Floor
Moghal's Emami Mansion,
Chintalbasti Road Khairatabad,
Hyderabad-500 004, Telangana. India

**PFL INFOTECH LIMITED
6-2-941, FLAT NO. 201, IIIRD FLOOR
MOGHAL'S EMAMI MANSION, CHINTALBASTI ROAD
KHAIRATABAD, HYDERABAD-500 004
TELANGANA, INDIA**

NOTICE

Notice is hereby given that the 33rd Annual General Meeting of the Members of M/s. PFL Infotech Limited will be held on 26th September 2020 at 11.00 a.m. through Video Conference ('VC') / Other Audio Visual Means ('OAVM') to transact the following business:

ORDINARY BUSINESS

1. ADOPTION OF AUDITED ACCOUNTS AND REPORTS

To receive, consider and adopt the Balance Sheet as at **31st March, 2020** and Profit and Loss a/c for the year ended, as on that date and the Directors' Report and Auditor's Report thereon.

2. RE-APPOINTMENT OF DIRECTOR

To appoint a director in place of Ms Sujana Kadium who retires by rotation and is eligible for reappointment.

3. APPOINTMENT OF AUDITORS

To appoint Statutory Auditors and fix their remuneration and for this purpose to consider and, if thought fit to pass with or without modification(s) the following resolution as an ordinary resolution:

" **RESOLVED THAT S L R & Associates**, Chartered Accountants, Hyderabad, Firm Registration No 015874S be and are hereby appointed as Auditors of the Company to hold the office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting at a remuneration to be fixed by the Board of Directors in consultation with the Auditors. "

BY THE ORDER OF THE BOARD
For PFL INFOTECH LIMITED
Sd/-

PLACE: HYDERABAD
DATE: 02-09-2020

P.AMRESH KUMAR
Chairman & Managing Director

PARTICULARS OF DIRECTORS SEEKING RE-APPOINTMENT (AGENDA NO 2) AS REQUIRED TO BE FURNISHED UNDER THE SECRETARIAL STANDARD ON GENERAL MEETINGS / REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.**AGENDA NO 2**

| | |
|--|---------------------------|
| NAME | MS SUJANA KADIAM |
| AGE | 37 |
| DIN | 07167872 |
| Qualification | MBA (FINANCE AND HR) |
| Experience | FINANCE & ADMINISTRATION |
| Current remuneration (last drawn remuneration) | SITTING FEE |
| Date of first appointment on the Board | 31 MARCH 2015 |
| Shareholding in the Company | NIL |
| Relationship with other Directors, Manager and other Key Managerial Personnel of the Company | TRANSGENE BIOTECH LIMITED |
| Number of meetings of the Board attended during the year | 4 |

NOTES:

1. In view of the prevailing COVID-19 pandemic across the country and restrictions on the movements apart from social distancing, restriction of gatherings, travel restrictions and other preventive advisories being issued by the Government from time to time, Ministry of Corporate Affairs (“MCA”), vide it’s circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as “MCA Circulars”), permitted the companies to hold their Annual General Meeting (“AGM”) through video conferencing (“VC”) or other audio visual means (“OAVM”) for the calendar year 2020 without the physical presence of the shareholders at a common venue. Accordingly, in compliance with the provisions of the Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circulars, the AGM of the Company is being held through VC / OAVM. Pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020, physical attendance of the Members to the AGM venue is not required and annual general meeting (AGM) 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.
2. In compliance with the aforesaid MCA Circulars and the Securities and Exchange Board of India (“SEBI”) circular dated May 12, 2020 (hereinafter referred to as “SEBI Circular”), owing to the difficulties involved in dispatching of physical copies of the Annual Report

for the financial year 2019-20 including financial statements (along with Board's Report, Auditor's Report or other documents required to be attached therewith), Notice of the AGM along with the Annual Report for the financial year 2019-20 is being sent only through electronic mode to those shareholders whose email addresses are registered with the Company/ Depositories/ Registrar and Share Transfer Agent of the Company. Shareholders may note that this Notice along with Annual Report for the financial year 2019-20 will also be available on the website of the Company at www.pflinfotech.in and website of the Stock Exchanges i.e. BSE Limited at www.bseindia.com

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 for 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. Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 ("Act"), in respect of the Special Business to be transacted at the AGM is annexed hereto.
5. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting. Hence the Proxy Form, Attendance Slip and Route Map are not annexed with this AGM Notice.
6. 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 the Circulars issued by the Ministry of Corporate Affairs 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 AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.
7. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.pflinfotech.in. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and the AGM Notice is also available

on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

8. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
9. As per the provisions of Section 103 of the Act, shareholders attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum.
10. The Company has appointed Mr. S.S.Marathi, Practicing Company Secretary, (Membership No. FCS 1989 /CP 1937), to act as the Scrutiniser for scrutinising the e-voting process in a fair and transparent manner.
11. Pursuant to Section 113 of the Act, Corporate shareholders are required to send the scanned copy (in PDF or JPG format) of the certified Board Resolution / Authority Letter from its governing body, as the case may be, authorising their representative(s) to attend this AGM through VC / OAVM and vote on their behalf through remote e-voting or at the AGM, by email from their registered email addresses to the Scrutiniser through e-mail to spcspl@gmail.com, with a copy marked to bsshyd@bigshareonline.com or pflinfotech@gmail.com
12. The Register of Members and Share Transfer Books of the Company will remain closed from September 24, 2020 to September 26th, 2020, both days inclusive, for annual closing and for determining the entitlement of the shareholders to the final dividend for the financial year 2019-20, if any.
13. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. SEBI has also mandated that the requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialised form with a depository except in the cases of transmission or transposition of securities. In view of above, shareholders holding shares in physical form are requested to open a demat account with a Depository Participant (DP) and deposit their physical shares with such DP and get their shares demat at the earliest to avoid any kind of inconvenience.
14. Details as per Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Directors seeking appointment/ re-appointment at the Annual General Meeting, forms an integral part of the Notice.
15. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements shall be available for inspection by the Members on the website of the Company upto the date of AGM.

16. Procedure for obtaining the Annual Report, AGM Notice and e-voting instructions by the shareholders whose email addresses are not registered with the depositories or with RTA on physical folios: Members who have not registered their email addresses and in consequence the Annual Report including Notice of AGM and e-voting instructions could not be serviced, may get their email address and mobile number registered with the Company's Registrar and Share Transfer Agent, M/s. Bigshare Services Private Limited. Shareholders are requested to follow the process as guided to capture the email address and mobile number for sending the soft copy of the notice and e-voting instructions along with the User ID and Password. In case of any queries, shareholder may write to bsshyd@bigshareonline.com.

Alternatively, members may send an e-mail request at the email id bsshyd@bigshareonline.com along with scanned copy of the signed copy of the request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for obtaining the Annual Report, Notice of AGM and the e-voting instructions.

17. Voting through electronic means (Remote E-Voting):

The businesses as set out in the Notice may be transacted through electronic voting system and the Company will provide a facility for voting through electronic means. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM (remote e-voting) will be provided by NSDL.

(i) 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 from time to time and Regulation 44 of the SEBI Listing Regulations, the Members are provided with the facility to cast their vote electronically through the e-voting services provided by NSDL, on all the resolutions set forth in this Notice.

(ii) The "cut-off date" for determining the eligibility for voting either through remote electronic voting system is fixed as Saturday, September 19, 2020.

The e-voting period commences on Wednesday, September 23rd 2020 at 9.00 a.m. IST and ends on Friday, September 25, 2020 at 5.00 p.m. IST. During this period, a person whose name is recorded in the Register of Members or in the Register of Beneficiary Owners maintained by the depositories, as on the cut-off date, shall be entitled to avail the facility of remote e-voting. The remote-voting module shall be disabled by NSDL for voting thereafter. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast 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 during the AGM.

Only those Members whose names are recorded in the Register of Members of the Company as on the cut-off date shall be entitled to vote. If a person was a Member on the date of the Book Closure date as aforesaid but has ceased to be a Member on the cut-off date, he/she shall not be entitled to vote. Such person should treat this notice for information purpose only.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-

The remote e-voting period begins on September 23, 2020 at 09:00 A.M. and ends on September 25, 2020 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is: |
|---|---|
| a) For Members who hold shares in demat account with NSDL. | 8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****. |
| b) For Members who hold shares in demat account with CDSL. | 16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12***** |
| c) For Members holding shares in Physical Form. | EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |

If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.

How to retrieve your ‘initial password’?

- (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you

from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

- (ii) **If your email ID is not registered, please follow steps mentioned below in process** for those shareholders whose email ids are not registered

If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:

- a) Click on “Forgot User Details/Password?”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- b) Physical User Reset Password?” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.

Now, you will have to click on “Login” button.

After you click on the “Login” button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.

5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to spcspl@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide 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 pflinfotech@gmail.com / bsshyd@bigshareonline.com.

In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to pflinfotech@gmail.com / bsshyd@bigshareonline.com.

Alternatively member may send an e-mail request to evoting@nsdl.co.in for obtaining User ID and Password by providing the details mentioned in Point (1) or (2) as the case may be.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be 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 in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.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 EVEN of Company will be displayed. 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 remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. 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.

5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request mentioning their name, demat account number/folio number, email id, mobile number at (company email id).
6. Shareholders who would like to express their views/have questions may send their questions in advance by September 23, 2020 mentioning their name demat account number/folio number, email id, mobile number at pflinfotech@gmail.com / bsshyd@bigshareonline.com. The same will be replied by the company suitably. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
7. The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e., Saturday, September 19, 2020. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories on the cut-off-date only shall be entitled to avail the facility of voting, either through remote e-voting or voting at the Meeting through electronic voting system. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC / OAVM but shall not be entitled to cast their vote
8. The Scrutiniser shall, after the conclusion of voting at the AGM, first count the votes cast during the meeting and thereafter, count the votes cast through remote e-voting and shall submit a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or any officer of the Company so authorised by the Board. Result of the voting shall be declared forthwith, but within 48 hours from the conclusion of the AGM. The results declared along with the Scrutinizer's report, will be posted on the website of the Company www.pflinfotech.in and will be communicated to the Stock Exchange, where the Company's shares are listed.
9. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of AGM.
10. Members are requested to quote their Registered Folio No. on all correspondence(s) with the Company.
11. Click on the EVEN No: 114034 for the relevant Company, i.e, PFL Infotech Limited on which you choose to vote.

DIRECTOR'S REPORT

To
The Members

Your Directors take pleasure in presenting before you the Thirty Third Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2020.

Financial Highlights**(Rs. In Lakhs)**

| Particulars | 2019-2020 | 2018-2019 |
|---|-----------|-----------|
| Net Sales / Income | 27.29 | 0.00 |
| Total Expenditure | 236.96 | 4.06 |
| Gross Operating Profit | -209.66 | -4.06 |
| Prior Period Income (FY 2018-19) | 26.31 | 0.00 |
| Interest and Finance charges | 0.00 | 0.00 |
| Depreciation | 0.00 | 0.00 |
| Profit before Tax / loss | -183.35 | -4.06 |
| Provision for Tax | 6.29 | 0.00 |
| Net Profit / Loss | -189.64 | -4.06 |
| Paid-up Equity share capital | 747.81 | 747.81 |
| Reserves Excluding Revaluation Reserves | -54.15 | 43.49 |
| Earnings Per Share | -0.25 | -0.05 |

OPERATIONS

The company could not carry on its trading operations due to paucity of funds. The company incurred a net loss of Rs.189.64 Lakhs for the year as against Rs.26.31 Lakhs profit in the previous year.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, corporate governance report with auditors' certificate thereon and management discussion and analysis are attached, which form part of this report "**Annexure –A**".

CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION

Your Company has taken adequate steps to adhere to all the stipulations laid down under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A report on Corporate Governance is included as part of this Annual Report as "**Annexure – B**".

PFL INFOTECH LIMITED

Certificate from the Statutory Auditors of the company M/s. **S L R & ASSOCIATES**, Chartered Accountants confirming compliance with the conditions of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is included as part of this report as “**Annexure C**”

LISTING WITH STOCK EXCHANGES

The Company’s Shares are listed on BSE Limited, Mumbai.

DEMATERIALISATION OF SHARES

99.45% of the company’s paid up Equity Share Capital is in dematerialized form as on 31st March, 2020 and the balance 0.55 % is in physical form. The Company’s Registrars are M/S Big Share Services Pvt Ltd, 306, Right Wing, 3rd Floor, Amrutha Ville, Opp. Yashoda Hospital, Raj Bhavan Road, Somajiguda, Hyderabad, Telangana-500 082.

DIRECTORS

Ms Sujana Kadium retires at the ensuing Annual General Meeting and being eligible offers herself for reappointment.

BOARD MEETINGS

The Board during the financial year 2019-20 met 4 (four) times. Detailed information regarding the meetings of the Board is included in the report on Corporate Governance, which forms part of the Board’s Report.

BOARD EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance, Board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015 (“SEBI Listing Regulations”).

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board and the Nomination and Remuneration Committee (“NRC”) reviewed the performance of the individual directors on the basis of criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the

Chairman was also evaluated on the key aspects of his role.

In a separate meeting of independent Directors, performance of non-independent directors, performance of the board as a whole and performance of the Chairman was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent Directors, at which the performance of the Board, its committees and individual directors was also discussed.

INDEPENDENT DIRECTORS

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, Directors of your Company hereby state and confirm that:

- a) In the preparation of the annual accounts for the year ended **31st March, 2020**, the applicable accounting standards have been followed along with proper explanation relating to 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 the same period;
- c) The directors have 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) They have prepared the annual accounts on a going concern basis;
- e) They have laid down internal financial controls in the company that are adequate and were operating effectively.
- f) They have devised proper systems to ensure compliance with the provisions of all applicable laws and these are adequate and are operating effectively.

DEPOSITS

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

RISK MANAGEMENT POLICY OF THE COMPANY

The Company has formulated and adopted a risk management policy at its Board Meeting. As per the policy, the management continues to review and assess the risk and also the steps for mitigating the same.

CORPORATE SOCIAL RESPONSIBILITY

The provisions of Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility do not apply to the company.

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 has been disclosed in the corporate governance report, which forms part of the directors' report.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The details in respect of internal financial control and their adequacy are included in the Management Discussion & Analysis, which forms part of this report.

AUDITORS' REPORT AND SECRETARIAL AUDITORS' REPORT:

Auditors' Report

The Statutory Auditors in their report have opined that the company has not been able to recover the unsecured loans given to some parties and the interest thereon.

Your Directors are making several efforts in this regard and are confident that the same would be recovered.

SECRETARIAL AUDIT REPORT

The secretarial auditors have commented that the company has not appointed Company Secretary.

Your Directors are making every effort to comply with the same at the earliest.

COST AUDITORS AND THEIR REPORT

The company is not required to comply with this requirement since the company is not engaged in any manufacturing activities.

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

- (A) The operations of the company are not power intensive nevertheless the company continues its efforts to minimize energy wherever practicable by economizing on the use of power at the offices.

| | | |
|-----|---------------------------|-----|
| (B) | Technology absorption | NIL |
| (C) | Foreign exchange earnings | NIL |
| (D) | Foreign exchange outflow | NIL |

RELATED PARTY TRANSACTIONS

There were no transactions which have been entered into with related parties of the Directors or the Key Managerial Personnel of the company.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT-9 is annexed herewith as “**Annexure - E**”

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The particulars of loans, guarantees and investments have been disclosed in the financial statements.

OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

There are no women employees in the company. However, the Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

REMUNERATION RATIO OF THE DIRECTORS / KEY MANAGERIAL PERSONNEL (KMP) / EMPLOYEES

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Companies (Particulars of Employees) Rules, 1975 are not applicable since the directors are not drawing any salary from the company as the company does not have any operations. The directors are paid sitting fee only for attending board meetings. The details of the sitting fee and other perks are mentioned in the corporate governance report.

ACKNOWLEDGEMENTS

Your Directors take this opportunity to express their sincere thanks and place on record their appreciation of the continued assistance and co operation extended to the company by its bankers, government and semi government departments, customers, marketing agents and suppliers and in particular Shareholders for the confidence reposed in the company. Your directors also thank all the employees of the company for their dedicated service.

Place: Hyderabad

Date:02-09-2020

For and on behalf of the Board of Directors
For **PFL Infotech Limited**

Sd/-

(P. Amresh Kumar)
Chairman & Managing Director

DETAILS OF UNCLAIMED SHARES

The Company is required to open an unclaimed suspense account with a depository participant and transfer all the unclaimed share certificates of members after giving three reminders.

All the voting rights on unclaimed shares shall remain frozen till the rightful owner of such shares claims the shares.

As on March 31, 2020 your Company has no equity shares in the unclaimed suspense account.

| S.N o. | Particulars | Remarks |
|-------------------|---|----------------|
| 1. | Total number of shareholders and the outstanding shares in the suspense account lying as on 31.03.2020 | Nil |
| 2. | Number of shareholders who approached listed entity for transfer of shares from suspense account during the year; | Nil |
| 3. | Number of shareholders to whom shares were transferred from suspense account during the year; | Nil |
| 4. | Aggregate number of shareholders and the outstanding shares in the suspense account lying as on 31.03.2020 | Nil |

ANNEXURE - A

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

The financial statements are in conformity with the requirements of the Companies Act, 2013 and the Accounting Standards issued by the Central Government. The Management of the Company accepts responsibility for the integrity and objectivity of these financial statements, as well as, for estimates and judgments relating to matters not concluded by the year-end. The management believes that the financial statements reflect fairly the form and substance of transactions and reasonably presents the company's financial condition, and results of operations. To ensure this, the Company has installed a system of internal controls, which is reviewed, evaluated and updated on an ongoing basis. Our auditors have conducted audits to provide reasonable assurance that the company's established policy and procedures have been followed. However, there are inherent limitations that should be recognized in weighing the assurances provided by any system of internal controls. These financial statements have been audited by M/s. S L R & ASSOCIATES , Chartered Accountants, Hyderabad, the Statutory Auditors of the Company.

OPPORTUNITIES, THREATS, RISKS & CONCERNS

Since the company is carrying on only trading operations it does not perceive any threats, risks and concerns for its business.

However, the company is still in the process of selecting a business which can contribute to the profitability of the company and add value to the stakeholders.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The company has an adequate system of internal financial controls.

DISCLAIMER

Some of the statements in this Management Discussion & Analysis, describing the Company's objectives, projections, estimates and expectations may be "forward looking statements" within the meaning of applicable laws and regulations. Actual results might differ substantially from those expressed or implied. Important developments that could affect the Company's operation including changes in the industry structure, significant changes in political and economic environment in India, tax laws, import duties, litigation and labour relations.

Place: Hyderabad

Date:02-09-2020

By the order of the board
For **PFL Infotech Limited**

Sd/-

(P. Amresh Kumar)
Chairman & Managing Director

ANNEXURE – B**CORPORATE GOVERNANCE REPORT****1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

The Company is always making efforts for improving the Corporate Governance practices in the company.

2. BOARD OF DIRECTORS

The constitution of the Board is given below:

| NAME OF THE DIRECTOR | STATUS | NO. OF OTHER PUBLIC DIRECTORSHIPS (*) | NO. OF BOARD COMMITTEE POSITION HELD IN OTHER PUBLIC LIMITED COMPANIES |
|----------------------|------------------------------|---------------------------------------|--|
| P. Amresh Kumar | Chairman & Managing Director | 0 | 0 |
| Abhinandan Jain | Independent Director | 1* | 1 |
| Ms. Sujana Kadium | Independent Director | 1 | 1 |

(*) This excludes Directorships in Indian Private Limited Companies, membership of Managing Committees of various Chambers / bodies.

3. AUDIT COMMITTEE

An Audit Committee of the Company was constituted. The said committee comprises of two directors Mr. P Amresh Kumar and Ms.Sujana.

TERMS OF REFERENCE

The terms of reference of the Audit Committee include:

- To review the internal control systems
- To review Quarterly and Half-yearly results
- To review the accounting and financial policies and practices
- To review reports furnished by the internal and statutory auditors, and ensure that suitable follow-up action is taken.

During the financial year ended 31st March 2020, four meetings of the Committee were held on
29th May, 2019, 14th August, 2019, 13th November, 2019 and 11th February, 2020.

The attendance of each member of the Committee is given below:

| NAME OF THE DIRECTOR | NO. OF MEETINGS ATTENDED |
|----------------------|--------------------------|
| P Amresh Kumar | 4 |
| Sujana Kadium | 4 |

4. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee comprising of Mr. P Amresh Kumar and Mr. Abhinandan Jain have been assigned the work of redressal of investors / Shareholders complaints along with approval of share transfer, sub-division / consolidation of shares, etc. The Committee oversees the performance of Registrar and Share Transfer Agents and recommends measures for overall improvement of the quality of investor services. The Share Transfers / Transmissions approved by the committee are placed at the Board Meeting from time to time.

COMPLIANCE OFFICER

The company is in the process of appointing a Compliance Officer.

5. REMUNERATION OF DIRECTORS

The details of remuneration paid to Directors are given below:

| NAME OF THE DIRECTOR | RELATIONSHIP WITH OTHER DIRECTORS | SITTING FEE (Rs.) | SALARY & PERK (Rs.) | TOTAL (Rs.) |
|----------------------|-----------------------------------|-------------------|---------------------|-------------|
| P Amresh Kumar | None | 0/- | 0/- | 0/- |
| Abhinandan Jain | None | 0/-- | 0/-- | 0/-- |
| M. A. Zameer | None | 5000/- | 0/- | 10,000/-- |
| Sujana Kadium | None | 5000/-- | 0/- | 20,000/-- |
| Total | | | | 30,000/- |

6. BOARD MEETINGS AND ATTENDANCE AT BOARD MEETINGS, ANNUAL GENERAL MEETINGS

The Board of Directors of the company met four Times. Meetings were held on **29th May, 2019, 14th August, 2019, 13th November, 2019 and 11th February, 2020.**

The company placed before the Board the annual operating plans and budgets and

performance of the company from time to time.

The attendance at the Board Meeting and Annual General Meetings was as under:

| NAME OF THE DIRECTOR | ATTENDANCE AT ANNUAL GENERAL MEETING | ATTENDANCE AT BOARD MEETINGS |
|----------------------|--------------------------------------|------------------------------|
| P Amresh Kumar | YES | 4 |
| Abhinandan Jain | NO | 2 |
| M. A. Zameer | YES | 2 |
| Sujana Kadium | YES | 4 |

7. (A) GENERAL BODY MEETINGS

The Last three Annual General Meetings were held as per the details given below:

| YEAR | DATE | TIME | VENUE |
|---------|---------------------------------|------------|--|
| 2016-17 | 25 th September 2017 | 11.00 A.M. | # 201 Moghal Emami Mansion, Khairatabad, Hyderabad, Telangana. |
| 2017-18 | 28 th September 2018 | 11.30 A.M. | # 201 Moghal Emami Mansion, Khairatabad, Hyderabad, Telangana. |
| 2018-19 | 27 th September 2019 | 11.00 A.M. | # 201 Moghal Emami Mansion, Khairatabad, Hyderabad, Telangana. |

(B) POSTAL BALLOT

During the year ended **31st March, 2020**, no resolution was passed by the Company's shareholders requiring voting by postal ballot. At the ensuing Annual General Meeting also, there is no resolution proposed to be passed through postal ballot.

8. DISCLOSURES

Disclosures on materially significant related party transactions i.e., transactions of the Company of material nature, with its Promoters, the directors or the Management, their subsidiaries or relatives, etc., that may have potential conflict with the interests of the company at large.

During the year, there were no transactions of material nature with the Directors or the Management or the subsidiaries or relatives that had potential conflict with the interests of the company.

9. AUDITORS CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

A Certificate from the Auditors is enclosed along with this report. *****

SHAREHOLDER'S INFORMATION

| | | |
|---|---|--|
| A | Registered Office | PFL Infotech Ltd. # 6-2-941, Flat No. 201, IIIrd Floor Moghal's Emami Mansion, Chintalbasti Road Khairatabad, Hyderabad-500 004, |
| B | Annual General Meeting | |
| | Date & Time | 26th September 2020 at 11.00 AM |
| | Venue | PFL Infotech Limited # 6-2-941, Flat No. 201, IIIrd Floor Moghal's Emami Mansion, Chintalbasti Road Khairatabad, Hyderabad-500 004, |
| C | Financial Calendar | |
| | Financial Reporting for | |
| | Quarter ending June, 30 2019 | Second week of August 2019 |
| | Quarter ending September, 30 2019 | Second week of November 2019 |
| | Quarter ending December, 31 2019 | Second Week of February 2020 |
| | Quarter ending March 31, 2020 | Last week of July 2020 |
| | Annual General meeting for FY ended 31 st March 2020 | 26th September 2020 at 11.00 AM |
| D | Date of Book Closure | 24-09-2020 to 26-09-2020 |
| E | Dividend Payment Date | Not Applicable |
| F | Listing on Stock Exchange | Bombay Stock Exchange Limited P J Towers, Dalal Street Mumbai – 400 001. |
| G | BSE Stock Code | 531769 |
| H | Stock Market Data | The company's shares were regularly traded on The Bombay Stock Exchange Limited till 09 Mar 2020, thereafter the trading in the shares was suspended due to penal reasons i.e., for non-payment of the Annual Listing Fee for the year 2018-19 and 2019-20. The 52 week high low has been Rs.10.90 and Rs.4.21 respectively. |
| I | Registrar and Share Transfer Agents | Bigshare Services Pvt Ltd. 306, Right Wing, Amrutha Ville, Opp. Yashoda Hospital, Somajiguda, Raj Bhavan Road, Hyderabad - 500082. |
| J | Share Transfer System | Generally the shares have been transferred and returned in 30 days from the date of receipt, so long as the documents have been clear in all respects. |

PFL INFOTECH LIMITED

| | | |
|---|-------------------------------------|--|
| K | Stakeholders Relationship Committee | The Committee generally meets once in a fortnight. |
| L | Investor Relations | The Company has good investor relations. |

M) Distribution of shareholding as on 31st March 2020.

| Share holding of nominal value of | | | Share holders | | Share Amount | |
|-----------------------------------|-----|-----------|---------------|------------|-----------------|---------------|
| Rs. | Rs. | | Number | % to total | (In Rs.) | % to total |
| (1) | | | (2) | (3) | (4) | (5) |
| 1 | -- | 5,000 | 1266 | 65.19 | 1487070 | 2.00 |
| 5,001 | -- | 10,000 | 224 | 11.53 | 1992400 | 2.66 |
| 10,001 | -- | 20,000 | 138 | 7.11 | 2098000 | 2.80 |
| 20,001 | -- | 30,000 | 60 | 3.09 | 1506630 | 2.01 |
| 30,001 | -- | 40,000 | 37 | 1.90 | 1339870 | 1.80 |
| 40,001 | -- | 50,000 | 29 | 1.50 | 1369730 | 1.83 |
| 50,001 | -- | 1,00,000 | 80 | 4.12 | 5717720 | 7.65 |
| 1,00,001 | -- | And above | 108 | 5.56 | 59269580 | 79.25 |
| Tota | | | 1942 | 100 | 74781000 | 100.00 |

N) SHAREHOLDING PATTERN FOR THE QUARTER ENDED: 31.03.2020

| Sl. no | Category | No. of Shares held | Percentage Of Shareholding |
|----------|---|-----------------------|----------------------------|
| A | Promoter's Holding | | |
| 1 | Promoters Indian Promoters: P.Amresh Kumar (Managing Director) P.Srikanth Foreign Promoters: | 483230 2500 NIL | 6.46% 0.03 % NIL |
| 2 | Persons acting in concert | | |
| | Sub-Total | 485730 | 6.50 % |
| B | Public Share Holding – Institutions | | |
| 3 | Institutional investors / Venture Capital Funds | NIL | NIL |
| A | Mutual Funds and UTI(Govt. Financial Institutions) | NIL | NIL |
| B | Banking, Financial Institutions/Insurance Companies(Central/ State Government Institutions/Non-Government Institutions) | NIL | NIL |
| C | Foreign Institutional Investor | NIL | NIL |
| | Sub-Total | 0 | 0 % |
| | Public Share Holding – Non-Institutions | | |
| 4 | Others | | |
| a. | Private corporate Bodies | 876583 | 11.72 % |
| b. | Indian Public | 5836628 | 78.06 % |
| | Any other (Clearing Member) | 194174 | 2.60 % |

PFL INFOTECH LIMITED

| | | | |
|----|------------------------------------|----------------|-----------------|
| | Any other (Hindu Undivided Family) | 60671 | 0.81 % |
| c. | NRIs/OCBs | 22914 | 0.30 % |
| d. | Any other (Trusts) | 1400 | 0.01 % |
| | Sub-Total | | |
| | Grand Total | 7478100 | 100.00 % |

O) DEMATERIALISATION OF SHARES AND LIQUIDITY AS ON 31ST MARCH 2019

Out of the total shareholding of 74,78,100 equity shares 99.45 % of equity shares are in dematerialized form.

P) OUTSTANDING GDRS/ADRS/WARRANTS OR ANY OTHER CONVERTIBLE INSTRUMENT

Company has not issued any GDRs/ ADRs/ Warrants or any other convertible instruments or any issue (public issue, right issue, preferential issue etc.) which are likely to have impact on Equity Share Capital of the Company.

Q) REGISTERED OFFICE AND ADDRESS FOR CORRESPONDENCE

PFL Infotech Limited

6-2-941, Flat No. 201, IIIrd Floor
Moghal's Emami Mansion,
Khairatabad, Hyderabad-500 004.
Telangana, India

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

PFL INFOTECH LIMITED

6-2-941, Flat No. 201, IIIrd Floor
Moghal's Emami Mansion,
Khairatabad, Hyderabad-500 004.
Telangana, India

ANNEXURE - C

ANNEXURE TO THE REPORT OF THE DIRECTORS
CERTIFICATE FROM AUDITORS REGARDING COMPLIANCE OF
CONDITIONS OF CORPORATE GOVERNANCE

To The Board of Directors of
PFL INFOTECH LIMITED

We have read the report of the Board of Directors on Corporate Governance and have examined the relevant records relating to the compliance conditions of Corporate Governance of PFL INFOTECH LIMITED (the company) for the year ended **31-03-2020** as stipulated in Clause 15(2) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 of the said company with the stock exchanges.

The compliance of the conditions of the corporate governance is the responsibility of the management. Our examination conducted in the manner described in the guidance note on certification of corporate governance issued by the Institute of Chartered Accountants of India was limited to procedure and implementation thereof adopted by the company for ensuring compliance with the conditions of corporate governance. Our examination was neither an audit nor was it conducted to express an opinion on the financial statement of the company.

In our opinion and to the best of our information and explanations given to us and on the basis of our examination described above, the company has complied with the conditions of corporate governance as stipulated in the above mentioned Listing Regulations.

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

For S L R & Associates,
Chartered Accountants
FRN : 015874S

Place: Hyderabad
Date:02-09-2020

Sd/-
Satya Akash sure
Partner Mem No: 236372

ANNEXURE - D

Form MR-3

SECRETARIAL AUDIT REPORT

[Pursuant to section 204(1) of the Companies Act, 2013 and
Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2020

To
The Members of
M/s. PFL Infotech Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. PFL Infotech Limited (hereinafter called "**the Company**").

Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon. Based on our verification of the Company's 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, we hereby report that in our opinion, the company has, during the financial year commencing from **1st April, 2019** and ended on **31st March, 2020**, complied with the statutory provisions listed hereunder and also that the Company has proper Board process and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. PFL Infotech Limited ("The Company") for the financial year ended on 31st March, 2020, according to the provisions of:
 - i. The Companies Act, 2013 (the Act) and the rules made thereunder for specified sections notified and came into effect from 12th September, 2013 and sections and Rules notified and came into effect from 1st April, 2014 ;
 - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
 - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment, and External Commercial Borrowings (not applicable during the audit period);
 - v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a. SEBI (Listing obligations and disclosures requirements) regulation, 2015;

- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- c. 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;

vi. Other applicable laws including the following:

- i) Income Tax Act, 1961

2. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act) were not applicable to the Company during the audit period:

- i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- ii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- iii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- iv. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- v. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
- vi. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

3. We have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India to the extent applicable under the provisions of Companies Act, 2013

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

4. We further report that:

- (a) 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 year under review were carried out in compliance with the provisions of the Companies Act, 2013.

- (b) 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 of the meeting.
- (c) Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.
5. We further report that there are adequate systems and processes in the Company with the size and operation of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
6. We further report that the company :
- i) has not appointed a Company Secretary and Compliance Officer;
 - ii) Has not paid the Annual Listing Fee to the stock exchange;
 - iii) Trading in the shares has been suspended by the Bombay Stock Exchange.
 - iv) Has not paid Income Tax for the years 2015-16, 2016-17, and 2017-18.

Place: Hyderabad,
Date:01-09-2020
UDIN: F001989B000646512

For MARTHI & CO,
Company Secretaries
Sd/-
S S MARTHI
PROPRIETOR
FCS 1989, CP 1937

Annexure – A to Secretarial Audit Report of even date

To the Members of M/s. PFL Infotech Limited

Our Secretarial Audit Report (Form MR-3) of even date for the financial year ended March 31, 2020 is to be read along with this letter.

1. The Company's management is responsible for maintenance of secretarial records and compliance with the provisions of corporate and other applicable laws, rules, regulations and standards. Our responsibility is to express an opinion on the secretarial records produced for our audit.
2. We have followed such audit practices and processes as we considered appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records.
3. While forming an opinion on compliance and issuing this report, we have also considered compliance related action taken by the Company after March 31, 2020 but before the issue of this report.
4. We have considered compliance related actions taken by the Company based on independent legal / professional opinion obtained as being in compliance with law.
5. We have verified the secretarial records furnished to us on a test basis to see whether the correct facts are reflected therein. We also examined the compliance procedures followed by the Company on a test basis. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
6. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
7. We have obtained the Management's representation about compliance of laws, rules and regulations and happening of events, wherever required.
8. Our 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.

Place: Hyderabad,
Date: 01-09-2020
UDIN : F001989B000646512

For MARTHI & CO,
Company Secretaries
Sd/-
S S MARTHI
PROPRIETOR
FCS 1989, CP 1937

ANNEXURE - E
Form No. MGT-9EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31ST MARCH
2020

*[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the
Companies (Management and Administration) Rules, 2014]*

I. REGISTRATION AND OTHER DETAILS:

| | | |
|-------------|---|--|
| i. | CIN | L72200TG1993PLC007005 |
| ii. | Registration Date | 22-09-1993 |
| iii. | Name of the Company | PFL INFOTECH LIMITED |
| iv. | Category / Sub-Category of the Company | Company Limited by shares and Indian Non - Government Company |
| v. | Address of the Registered office and contact details | # 6-2-941, Flat No. 201, IIIrd Floor Moghal's Emami Mansion, Chintal basti Road, Khairatabad, Hyderabad-500 004, Phone: 9666699809 |
| vi. | Whether listed company | Yes |
| vii. | Name, Address and Contact details of Registrar and Transfer Agent, if any | Bigshare Services Pvt Ltd. 306, Right Wing, Amrutha Ville, Opp. Yashoda Hospital, Somajiguda, Raj Bhavan Road, Hyderabad. 500082. Phone :91-40-2337 4967 2337 0295 |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

| Sr. No. | Name and Description of main products / services | NIC Code of the Product/ service | % to total turnover of the company |
|---------|--|----------------------------------|------------------------------------|
| 1 | NIL | NIL | NIL |

III .PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

| | And Address Of The Company | CIN/GLN | Holding/ Subsidiary /Associate | % of shares held | Applicable Section |
|--|----------------------------|---------|--------------------------------|------------------|--------------------|
| | NIL | | | | |
| | | | | | |

III.SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Share Holding

| Category of Shareholders | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year | | | | % Change during the year |
|-------------------------------|---|----------|--------|-------------------|---|----------|--------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoter | | | | | | | | | |
| <i>1) Indian</i> | | | | | | | | | |
| a) Individual/ HUF | 485730 | 0 | 485730 | 6.50 | 485730 | 0 | 485730 | 6.50 | NIL |
| b) Central Govt | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| c) State Govt(s) | | | | | | | | | |
| d) Bodies Corp | | | | | | | | | |
| e) Banks / FI | | | | | | | | | |
| f) Any Other | | | | | | | | | |
| Sub-total(A)(1):- | 485730 | 0 | 485730 | 6.50 | 485730 | 0 | 485730 | 6.50 | NIL |
| <i>2) Foreign</i> | | | | | | | | | |
| g) NRIs-Individuals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NIL |
| h) Other-Individuals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NIL |
| i) Bodies Corp. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NIL |
| j) Banks / FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NIL |
| k) Any Other.... | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NIL |
| Sub-total (A)(2):- | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NIL |
| B. Public Shareholding | | | | | | | | | |
| <i>1. Institutions</i> | | | | | | | | | |
| a) Mutual Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NIL |
| b) Banks / FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NIL |
| c) Central Govt | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NIL |
| d) State Govt(s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NIL |
| e) Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NIL |
| f) Insurance Companies | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NIL |

PFL INFOTECH LIMITED

| | | | | | | | | | |
|---|---------|-------|---------|-------|---------|-------|---------|-------|--------|
| g) FIIs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NIL |
| h) Foreign Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NIL |
| i) Others (specify) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NIL |
| Sub-total (B)(1) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | NIL |
| 2. Non Institutions | | | | | | | | | |
| a) Bodies Corp. (i) Indian (ii) Overseas | 1097126 | 0 | 1097126 | 14.67 | 876583 | 0 | 876583 | 11.72 | 2.95% |
| b) Individuals (i) Individual shareholders holding nominal share capital upto Rs. 2 lakh | 1934958 | 40820 | 1975778 | 26.42 | 1903784 | 40820 | 1944604 | 26.00 | 0.42 % |
| (ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh | 3878401 | 0 | 3878401 | 51.86 | 3892024 | 0 | 3892024 | 52.05 | 1.34 % |
| c) Others(Specify) Resident Indians | 23110 | 0 | 23110 | 0.31 | 22914 | 0 | 22914 | 0.31 | 0.03 % |
| ii) Clearing Members | 17955 | 0 | 17955 | 0.24 | 194174 | 0 | 194174 | 2.60 | 0.04 % |
| III) HUF | 0 | 0 | 0 | 0 | 60671 | 0 | 60671 | 0.81 | 0.81 % |
| IV) TRUSTS | 0 | 0 | 0 | 0 | 1400 | 0 | 1400 | 0.30 | 0.30 % |
| Sub-total (B)(2) | 6951550 | 40820 | 6992370 | 93.50 | 6951550 | 40820 | 6992370 | 93.50 | 0 |
| Total Public Shareholding (B)=(B)(1)+ (B)(2) | 6951550 | 40820 | 6992370 | 93.50 | 6951550 | 40820 | 6992370 | 93.50 | 0 |
| C. Shares held by Custodian for GDRs & ADRs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand Total (A+B+C) | 7437280 | 40820 | 7478100 | 100 | 7437280 | 40820 | 7478100 | 100 | 0 |

Shareholding of Promoters

| Sr. No | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | |
|--------|--------------------|---|----------------------------------|--|-------------------------------------|----------------------------------|--|---|
| | | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | % change in share holding during the year |
| 1. | P.Amresh Kumar | 483230 | 6.46 | 0 | 483230 | 6.46 | 0 | 0 |
| 2. | P. Srikanth | 2500 | 0.03 | 0 | 2500 | 0.03 | 0 | 0 |
| | Total | 485730 | 6.50 | 0 | 485730 | 6.50 | 0 | 0 |

ii. Change in Promoters' Shareholding (please specify, if there is no change)

| | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---|---|----------------------------------|---|----------------------------------|
| | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| At the beginning of the year | 485730 | | | |
| Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase (e.g. allotment / transfer / bonus/ sweat equity etc): | N I L | | | |
| At the End of the year | 485730 | | | |

IV. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|--|--------------------|----------|-----------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | | | | |
| ii) Interest due but not paid | - | 22,41,820 | - | 22,41,820 |
| iii) Interest accrued but not paid | - | - | - | - |
| | - | - | - | - |
| Total (i+ii+iii) | - | 22,41,820 | - | 22,41,820 |
| Change in Indebtedness during the financial year | | | | |
| - Addition | - | | - | - |
| - Reduction | - | 678000 | - | 678000 |
| Net Change | | | | |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | - | 15,63,820 | - | 15,63,820 |
| ii) Interest due but not paid | | | | |
| iii) Interest accrued but not due | | | | |
| Total (i+ii+iii) | - | 15,63,820 | - | 15,63,820 |

V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and /or Manager

| Sl. No. | Particulars of Remuneration | Name of MD/WTD/ Manager | | | | Total Amount |
|---------|--|-------------------------|--|-----|--|--------------|
| 1. | Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961 | NIL | | NIL | | NIL |
| 2. | Stock Option | NIL | | NIL | | NIL |
| 3. | Sweat Equity | NIL | | NIL | | NIL |
| 4. | Commission - as % of profit - others, specif | NIL | | NIL | | NIL |
| 5. | Others, please specify | NIL | | NIL | | NIL |
| 6. | Total (A) | NIL | | NIL | | NIL |
| | Ceiling as per the Act | | | | | |

B. Remuneration to other directors:

| Sl. No. | Particulars of Remuneration | Name of MD/WTD/ Manager | | | | Total Amount |
|---------|--|-------------------------|--|--|--|--------------|
| | <u>Independent Directors</u> · Fee for attending board committee meetings · Commission · Others, please specify | Nil | | | | Nil |
| | Total (1) | | | | | |
| | <u>Other Non-Executive Directors</u> · Fee for attending board committee meetings · Commission · Others, please specify | Nil | | | | Nil |
| | Total (2) | | | | | |
| | Total (B)=(1+2) | Nil | | | | Nil |
| | Total Managerial Remuneration | | | | | |
| | Overall Ceiling as per the Act | | | | | |

C. Remuneration to Key Managerial Personnel Other Than MD /Manager /WTD

| Sl. no. | Particulars of Remuneration | Key Managerial Personnel | | | |
|---------|--|--------------------------|-----------------------|-----|-------|
| | | CEO | Company Secretary | CFO | Total |
| 1. | Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (b) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | | Not Applicable | | |
| 2. | Stock Option | | | | |
| 3. | Sweat Equity | | | | |
| 4. | Commission - as % of profit - others, specify... | | Not Applicable | | |
| 5. | Others, please specify | | | | |
| 6. | Total | | | | |

VI. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

| Type | Section of the companies Act | Brief description | Details of Penalty/ Punishment/ Compounding fees imposed | Authority[RD /NCLT/Court] | Appeal made. If any(give details) |
|-------------------------------------|------------------------------|-------------------|--|---------------------------|-----------------------------------|
| A. Company | | | | | |
| Penalty | | | | | |
| Punishment | | | | | |
| Compounding | | NIL | NIL | NIL | |
| B. Directors | | | | | |
| Penalty | | NIL | NIL | NIL | |
| Punishment | | | | | |
| Compounding | | | | | |
| C. Other Officers In Default | | | | | |
| Penalty | | NIL | NIL | NIL | |
| Punishment | | | | | |
| Compounding | | | | | |

ANNEXURE - F

CODE OF CONDUCT DECLARATION

Pursuant to 15(2) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 entered into with the stock exchange , I hereby declare that all the Board members and senior management personnel of the company have affirmed compliance with the code of conduct for the year ended March 31, 2020.

FOR AND ON BEHALF OF THE BOARD

Place: Hyderabad

Date: 02-09-2020

Sd/-

(P.AMRESH KUMAR)

CHAIRMAN & MANAGING DIRECTOR

INDEPENDENT AUDITORS' REPORT

**To:
The Members of
PFL INFOTECH LIMITED.**

Report on the Financial Statements

We have audited the accompanying Financial Statements of PFL INFOTECH LIMITED, ("the Company"), which comprise the Balance Sheet as at 31st March 2020, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 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 Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Financial Statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Financial Statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Financial Statements that give a true and fair view in order to design audit procedures that are appropriate

in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

Opinion:

In respect of unsecured loans given by the company to various parties for interest, the company is unable to recover both interest and principle from the respective parties and the interest is getting accumulated to principle every year.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by 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 31st March, 2020, its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, is in Annexure B.

2. As required by Section 143 (3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books

(c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement 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 Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors as on 31st March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2020 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 the financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

(g) 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, 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 financial statements - Refer Note 29 to the financial statements
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place: Hyderabad
Date: 29-07-2020
UDIN: 20236372AAAABR4894

For S.L.R. & Associates
Chartered Accountants
(FRN : 015874S)

sd/-
(Satya Akash Sure)
Partner
M No. 236372

Annexure – A to the Auditor’s Report

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 the financial statements of **PFL INFOTECH LIMITED, HYDERABAD** (“the Company”) as of 31st March 2020 in conjunction with our audit of the 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 with reference to the financial statements 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 company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the 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, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the 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 system with reference to the financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the financial statements included obtaining an understanding of internal financial controls with reference to the 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 judgment, 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.

Meaning of Internal Financial Controls with Reference to the Financial Statements

A company's internal financial control with reference to the 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 the 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. Provides 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 the Financial Statements

Because of the inherent limitations of internal financial controls with reference to the 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 the financial statements to future periods are subject to the risk that the internal financial control with reference to the 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, an adequate internal financial controls system with reference to the financial statements and such internal financial controls with reference to the financial statements were operating effectively as at 31 March 2020, based on the internal control with reference to the financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.L.R. & Associates
Chartered Accountants
Firm's Registration Number: 015874S
Sd\-
Satya Akash Sure(Partner)
Membership Number: 236372

Place : Hyderabad
Date : 29-07-2020

Annexure B to the Auditors' Report

of PFL Infotech Limited ("The Company") on the financial statement of the company for the year ended 31st March, 2020.

- 1) In respect of its fixed assets
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) As explained to us, the Company has only Computers in its fixed assets and they have been physically verified by the management, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
- 2) The Company does not have any manufacturing and trading activity and is primarily having investment income only in the current and previous financial years. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the company has not granted any loans as per the provisions of section 185 and 186 of the Companies Act, 2013 and hence this clause is not applicable.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- 7) In respect of statutory dues
 - 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 been generally regular in depositing undisputed statutory dues other than Income-Tax and income tax not paid as on date of filing is Rs.24,33,372 . According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2020 for a period of more than six months from the date on when they become payable.
 - b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- 8) In our opinion and according to the information and explanations given to us, the Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further

- public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
 - 11) In our opinion and according to the information and explanations given to us, no managerial remuneration has been paid by the company.
 - 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
 - 13) In our opinion and according to the information and explanations given to us, no transactions with related parties have been entered by the company during the financial year.
 - 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
 - 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
 - 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company.

for S L R & Associates
Chartered Accountants
Firm's Registration Number: 015874S

Sd/-

Satya Akash Sure
Partner
Membership Number: 236372

Place : Hyderabad
Date :29-07-2020

Balance Sheet as at 31st March, 2020

| Particulars | Note No | As at 31st March 2020 | As at 31st March 2019 |
|---|---------|-----------------------|-----------------------|
| | | Rs | Rs |
| Equity and Liabilities | | | |
| Shareholders' funds | | | |
| Share capital | 3 | 74,781,000 | 74,781,000 |
| Reserves and surplus | 4 | (5,415,097) | 13,549,570 |
| | | 69,365,903 | 88,330,570 |
| Share application money pending allotment | | - | - |
| Non-current liabilities | | | |
| Long-term borrowings | 5 | 1,563,820 | 2,241,820 |
| Deferred tax liabilities (Net) | 6 | - | - |
| | | 1,563,820 | 2,241,820 |
| Current liabilities | | | |
| Short term borrowings | 7 | - | - |
| Trade payables - dues of : micro and small enterprises creditors other than micro and small enterprises | 8 | - | - |
| Other current liabilities | 9 | 4,543,481 | 4,004,881 |
| Short-term provisions | 10 | - | - |
| | | 4,543,481 | 4,004,881 |
| Total of Capital and Liabilities | | 75,473,204 | 94,577,271 |
| Assets | | | |
| Non-current assets | | | |
| Fixed assets | | | |
| Tangible assets | 11 | 13,794 | 13,794 |
| Intangible assets | 11 | - | - |
| Capital work-in-progress | 11 | - | - |
| Intangible assets under development | 11 | - | - |
| Non-current investments | 12 | - | 13,500,000 |
| Long-term loans and advances | 13 | 74,285,059 | 80,260,382 |
| | | 74,298,853 | 93,774,176 |
| Current assets | | | |
| Inventories | 14 | - | - |
| Trade receivables | 15 | - | - |
| Cash and Bank Balances | 16 | 112,802 | 14,515 |
| Short-term loans and advances | 17 | 1,061,549 | 788,580 |
| Other current assets | 18 | - | - |
| | | 1,174,351 | 803,095 |

PFL INFOTECH LIMITED

| | | | |
|--|--|-------------------|-------------------|
| | | 75,473,204 | 94,577,271 |
| | | | |

The accompanying notes form an integral part of the Standalone financial statements

As per our report of even date
For S L R & Associates
Chartered Accountants
Firm's Registration Number: 015874S

Sd/-

(Satya Akash Sure)
Partner
Membership Number: 236372

Place: Hyderabad
Date:29-07-2020

Sd/-
**P.Amresh
kumar**
Director

Sd/-
**Mrs. Sujana
Kadium**
Director

Profit and Loss Statement for the year ended 31st March, 2020

(Amount in INR)

| Particulars | Note No | Current Period | Previous Period |
|--|---------|---------------------|------------------|
| | | Rs | Rs |
| Revenue | | | |
| Revenue from operations (gross) | 19 | - | - |
| | | - | - |
| Revenue from operations (net) | | - | - |
| Other income | 20 | 2,729,685 | - |
| Total | | 2,729,685 | - |
| Expenses | | | |
| Changes in inventories of Work-in-process, Finished Goods and Stock in Trade | 21 | - | - |
| Employee benefits expense | 22 | 102,000 | 205,500 |
| Finance costs | 23 | - | - |
| Depreciation and Amortisation | 11 | - | - |
| Other expenses | 24 | 23,594,273 | 200,479 |
| Total | | 23,696,273 | 405,979 |
| Profit before exceptional and extraordinary items of tax | | (20,966,588) | (405,979) |
| Exceptional items | | - | - |
| Extra Ordinary Items | | - | - |
| Prior Period Income 2018-19 | | 2,631,068 | - |
| Profit (Loss) before tax | | (18,335,520) | (405,979) |
| Tax expense: | | | |
| Current tax | | 629,147 | - |
| Less: Minimum Alternative Tax Credit Entitlement Earlier Year | | - | - |
| Deferred tax | 6 | - | - |
| Profit after tax for the year from continuing operations | | (18,964,667) | (405,979) |
| Profit/(loss) from discontinuing operations | | - | - |

PFL INFOTECH LIMITED

| | | |
|---|---------------------|------------------|
| Tax expense of discontinuing operations | - | - |
| Profit/(loss) from discontinuing operations(after tax) | - | - |
| Profit (Loss) for the period | (18,964,667) | (405,979) |
| Earnings per equity share | | |
| Basic | (2.54) | (0.33) |
| Diluted | (2.54) | (0.33) |
| Corporate Information Summary of Significant Accounting Policies | | |

The accompanying notes form an integral part of the Standalone financial statements

As per our report of even date
For S L R & Associates
Chartered Accountants
Firm's Registration Number: 015874S

Sd/-

(Satya Akash Sure)
Partner
Membership Number: 236372

Place: Hyderabad
Date:29-07-2020

For and on behalf of Board of Directors

Sd/-

Sd/-

**P.Amresh
kumar
Director**

**Mrs. Sujana
Kadium
Director**

Notes to financial statements for the year ended 31st March, 2020

Note No. 1 - Corporate Information

M/s. PFL INFOTECH LIMITED is limited company domiciled in India and incorporated under the provisions of the Companies Act 2013.

Note No. 2 - Basis Of Preparation

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 ("the Act"), read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards (Amendment)) Rules 2016 and Other provisions of the Act to the extent notified and applicable as well as applicable guidance note and pronouncements of the Institute of Chartered Accountants of India (ICAI).

These financial statements have been prepared on the historical basis, except for certain assets and liabilities which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

All assets and liabilities have been classified as current or non current as per the company's normal operating cycle and other criteria as set under Ind AS and in the schedule iii to the act. Based on the nature of services and their realisation in cash and cash equivalents, the company has ascertained its operating cycle as twelve months for the purpose of current or non current classification of assets and liabilities.

Company's financial statements are presented in Indian rupees (INR), which is also its functional currency. All amounts have been rounded off to the nearest rupee unless otherwise indicated.

Note No. 3 - ShareCapital

| Particulars | As at 31st March 2020 | | As at 31st March 2019 | |
|--|-----------------------|-------------------|-----------------------|-------------------|
| | Number of shares | Rs | Number of shares | Rs |
| Authorised: 80,00,000 Equity Shares of Rs.10/- each | 8,000,000 | 80,000,000 | 8,000,000 | 80,000,000 |
| Issued, subscribed and paid up: 74,78,100 Equity shares of Rs.10/-each fully paid up | 7,478,100 | 74,781,000 | 7,478,100 | 74,781,000 |
| Total | 7,478,100 | 74,781,000 | 7,478,100 | 74,781,000 |

a.Details of share holders holding morethan 5% of total number of shares

| Name of the Share Holder | As at 31st March 2020 | | As at 31st March 2019 | |
|--------------------------|-----------------------|-------|-----------------------|-------|
| | Number of Share held | % | Number of Share held | % |
| P Amresh Kumar | 483,230 | 6.46% | 483,230 | 6.46% |
| Asha Sanjay Shah | 729,950 | 9.76% | 729,950 | 9.76% |
| | 1,213,180 | 16% | 1,213,180 | 16% |

| Name of the Share Holder | As at 31st March 2020 | | As at 31st March 2019 | |
|---|-----------------------|------------|-----------------------|------------|
| | Number of Share held | Amount | Number of Share held | Amount |
| Shares Outstanding at the beginning of the year | 7,478,100 | 74,781,000 | 7,478,100 | 74,781,000 |
| Shares issued during the year | - | - | - | - |
| Shares bought back during the year | - | - | - | - |
| Shares outstanding at the end of the year | 7,478,100 | 74,781,000 | 7,478,100 | 74,781,000 |

c. Rights, Preferences and Restrictions attached to equity Shares including declaration of dividend

The company has only one class of equity shares having face value of Rs 10/- per share with one vote per each equity share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. 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 creditors. The distribution will be in proportion to the number of equity shares held by the shareholders.

Note No. 4 -Reserves and Surplus

| Particulars | As at 31st March 2020 | As at 31st March 2019 |
|---|-----------------------|-----------------------|
| | Rs | Rs |
| <u>Securities Premium Reserve</u> | | |
| Securities Premium | 48,866,000 | 48,866,000 |
| <u>Surplus in Statement of Profit and Loss</u> | | |
| Balance at the beginning of the year | (35,316,430) | (34,910,451) |
| Add: Profit for the year | (18,964,667) | (405,979) |
| | (54,281,097) | (35,316,430) |
| Less: Proposed dividend | | |
| : Tax on Proposed dividend | - | - |
| : Transfer to Reserves | - | - |
| Balance at the end of the year | (54,281,097) | (35,316,430) |
| Total | (5,415,097) | 13,549,570 |

Note No. 5 - Long Term Borrowings

| Particulars | As at 31st March 2020 | As at 31st March 2019 |
|----------------------------|--------------------------|--------------------------|
| | Rs | Rs |
| Secured Loans | | |
| Term loans from: | | |
| Banks | - | - |
| Financial Institution | - | - |
| Others | - | - |
| | - | - |
| Unsecured Loans | | |
| Loans from Other Parties | - | - |
| Loans from Related Parties | 1,563,820 | 2,241,820 |
| | 1,563,820 | 2,241,820 |
| | | |
| | 1,563,820 | 2,241,820 |
| | | |

Note No. 6 - Deferred Tax Liabilities (Net)

| Particulars | As at 31st March 2020 | As at 31st March 2019 |
|--|--------------------------|--------------------------|
| | Rs | Rs |
| Deferred Tax Liabilities: | | |
| Depreciation on Fixed Assets | - | - |
| Deferred tax liability (A) | - | - |
| Deferred Tax Assets: | | |
| Carried forward losses (unabsorbed depreciation) | | |
| Retirement Benefits | | |
| Provision for Doubtful Debts | | |
| Other disallowances | | |
| Deferred tax asset (B) | - | - |
| | | |
| Deferred Tax Liability (Net) | - | - |
| | | |
| Deferred tax liability accruing for the year has been debited to statement of profit and loss | - | - |

Note No. 7 - Short Term Borrowings

| Particulars | As at 31st March 2020 | As at 31st March 2019 |
|-------------------------------------|--------------------------|--------------------------|
| | Rs | Rs |
| Secured | | |
| Cash Credit Facility from Dena Bank | - | - |
| OCC from Bank | - | - |
| Unsecured | | |
| Loan from Related Party-Directors | - | - |
| Loan from Others | - | - |
| | - | - |
| | | |

Note No. 8 - Trade Payables

| Particulars | As at 31st March 2020 | As at 31st March 2019 |
|--|--------------------------|--------------------------|
| | Rs | Rs |
| Dues to : Small and Micro Enterprises * | - | - |
| : Other than Small and Micro Enterprises | - | - |
| | - | - |
| | | |

* Based on the information available with the company.

Note No. 9 - Other Current Liabilities

| Particulars | As at 31st March 2020 | As at 31st March 2019 |
|--------------------------------|--------------------------|--------------------------|
| | Rs | Rs |
| Audit Fee Payable | 35,000 | 35,400 |
| BSE Annual Listing Fee Payable | 649,000 | - |
| Directors Sitting Fee Payable | 25,000 | - |
| Salaries Payable | 459,000 | 594,000 |
| Provision for Tax 2015-16 | 732,369 | 732,369 |
| Provision for Tax 2016-17 | 905,935 | 905,935 |
| Provision for Tax 2017-18 | 1,737,177 | 1,737,177 |
| | 4,543,481 | 4,004,881 |
| | | |

Note No. 10 - Short Term Provisions

| Particulars | As at 31st March 2020 | As at 31st March 2019 |
|-------------------|--------------------------|--------------------------|
| | Rs | Rs |
| Provision for Tax | - | - |
| | - | - |
| | - | - |

Note No. 11 - Property, Plant and Equipment

| Particulars | Gross Block | | | | Depreciation and Amortisation | | | | Net Block | |
|---|--------------------------|--|-----------------------------------|-------------------------|---|------------------------|----------------------|-------------------------------------|--------------------------|--------------------------|
| | As at '01-04- 2019 | Additi ons during the Year | Deductio ns during the year | As at 31-03- 2020 | Up to '31 - 03 - 20 19 | For the yea r | On deductio ns | Upt o '31- 03- 202 0 | As at '31-03- 2020 | As at '31-03- 2019 |
| | Rs | Rs | Rs | Rs | Rs | Rs | Rs | Rs | Rs | Rs |
| (a) Tangible | | | | | | | | | | |
| Computers & Data Processing Equipments | 13,794 | - | - | 13,794 | - | - | - | - | 13,794 | 13,794 |
| Total | 13,794 | - | - | 13,794 | - | - | - | - | 13,794 | 13,794 |
| Previous Year | 13,794 | - | - | 13,794 | - | - | - | - | 13,794 | 13,794 |
| (b) Intangible | | | | | | | | | | |
| Brands and Trademark s | | | | | | | | | | |
| Technical and Scientific Service | | | | | | | | | | |
| Computer Software | | | | | | | | | | |

| | | | | | | | | | | |
|--|---|---|---|---|---|---|---|---|---|---|
| Total | - | - | - | - | - | - | - | - | - | - |
| Previous Year | - | - | - | - | - | - | - | - | - | - |
| (c) Capital work-in-progress | | | | | | | | | - | - |
| (d) Intangible assets under development | | | | | | | | | - | - |
| | | | | | | | | | - | - |

Note No. 12 - Non Current Investments

| Particulars | As at 31st March 2020 | As at 31st March 2019 |
|--------------------------------|--------------------------|--------------------------|
| | Rs | Rs |
| Investments in other Companies | - | 13,500,000 |
| | - | 13,500,000 |

Note No. 13 - Long-term Loans and Advances

| Particulars | As at 31st March 2020 | As at 31st March 2019 |
|----------------------|--------------------------|--------------------------|
| | Rs | Rs |
| Advance for Property | | 9,200,000 |
| Other Advances | 74,285,059 | 71,060,382 |
| | 74,285,059 | 80,260,382 |

Note No. 14 - Inventories

| Particulars | As at 31st March 2020 | As at 31st March 2019 |
|-------------------------------|--------------------------|--------------------------|
| | Rs | Rs |
| Raw materials | - | - |
| Work-in-progress | | |
| Finished goods | | |
| Stock-in-trade (Traded goods) | | |
| Packing Material | | |
| Stores and spares | | |
| | - | - |

Note No. 15 - Trade Receivables

| Particulars | As at 31st March 2020 | As at 31st March 2019 |
|---|--------------------------|--------------------------|
| | Rs | Rs |
| (a) Secured, Considered Good | | |
| Outstanding for a period exceeding six months from due date | | |
| Others | | - |
| Total (a) | - | - |
| (b) Unsecured, Considered Good | | |
| Outstanding for a period exceeding six months from due date | | |
| Others | - | - |
| Total (b) | - | - |
| (c) Doubtful | | |
| Outstanding for a period exceeding six months from due date | | |
| Others | | |
| Less: Provision for bad and doubtful debts | | |
| Total (c) | - | - |
| Total (a+b+c) | - | - |

Note No. 16 - Cash and Bank Balances

| Particulars | As at 31st March 2020 | As at 31st March 2019 |
|--|--------------------------|--------------------------|
| | Rs | Rs |
| Cash and Cash Equivalents | | |
| Cash on hand | 676 | 781 |
| Cash Equivalents | | |
| Cheques, drafts on hand | | |
| Balances with banks in current accounts: | | |
| Rupee accounts | 112,126 | 13,734 |
| Foreign currency Accounts | | |
| | 112,802 | 14,515 |
| Other Bank Balances | | |
| Balances with banks in Margin money deposits (maturity between 3 to 12 months) | - | - |
| Total | 112,802 | 14,515 |

Note No. 17 - Short-term Loans and Advances

| Particulars | As at 31st March 2020 | As at 31st March 2019 |
|-----------------------------------|--------------------------|--------------------------|
| | Rs | Rs |
| Unsecured, Considered Good | | |
| Advance Tax & TDS | 929,688 | 656,719 |
| Income Tax Refundable | 131,861 | 131,861 |
| Total | 1,061,549 | 788,580 |

Note No. 18 - Other Current Assets

| Particulars | As at 31st March 2020 | As at 31st March 2019 |
|----------------------|--------------------------|--------------------------|
| | Rs | Rs |
| Other Current Assets | - | - |
| Total | - | - |

Note No. 19 - Revenue from Operations

| Particulars | Current Year | Previous Year |
|------------------------|--------------|---------------|
| | Rs | Rs |
| Domestic Sales: | | |
| Sale of Goods | - | - |
| Erection Charges | - | - |
| Total Domestic Sales | - | - |
| Export Sales: | | |
| Sale of Goods | - | - |
| Total Export Sales | - | - |
| Total | - | - |

Note No. 20 - Other Income

| Particulars | Current Year | Previous Year |
|-----------------------------|------------------|---------------|
| | Rs | Rs |
| Interest on Unsecured Loans | 2,729,685 | - |
| Total | 2,729,685 | - |
| | | |

Note No. 21 - Changes in inventories of Work-in-process, Finished Goods and Traded Goods

| Particulars | Current Year | Previous Year |
|---|--------------|---------------|
| | Rs | Rs |
| Opening Stocks: | | |
| Work-in-process | - | - |
| Finished Goods | - | - |
| Traded goods | - | - |
| | - | - |
| Closing Stocks: | | |
| Work-in-process | | - |
| Finished Goods | | - |
| Traded goods | | - |
| | - | - |
| Changes in inventories of Work-in-process, Finished Goods and Traded Goods | - | - |
| | | |

Note No. 22 - Employee Benefits Expense

| Particulars | Current Year | Previous Year |
|--|----------------|----------------|
| | Rs | Rs |
| Salaries, Wages and Bonus | 102,000 | 205,500 |
| Director's Remuneration | - | - |
| Contribution to provident fund and other funds | - | - |
| Staff Welfare Expenses | - | - |
| Total | 102,000 | 205,500 |

Note No. 23 - Finance Costs

| Particulars | Current Year | Previous Year |
|---------------------------------|--------------|---------------|
| | Rs | Rs |
| Interest on: Fixed Period Loans | - | - |
| : Trade Deposits | - | - |
| : Others | - | - |
| Other Borrowing Costs: | | |
| Processing Fee - CGTMSE | - | - |
| Processing Charges | - | - |
| Total | - | - |

Note No. 24 - Other Expenses

| Particulars | Current Year | Previous Year |
|---------------------------|-------------------|----------------|
| | Rs | Rs |
| Advances Written off | 9,200,000 | - |
| Investments Written off | 13,500,000 | - |
| Audit Fees & Expenses | 35,000 | 35,400 |
| Bank Charges | 740 | 377 |
| Printing & Stationery | 2,905 | - |
| Postage & Telegram | 9,000 | 25,000 |
| Big Share Fee | 88,761 | 54,019 |
| BSE Fee | 649,000 | - |
| NSDL Fee | 38,350 | 26,550 |
| CDSL Fee | 28,840 | 28,843 |
| Telephone Charges | 1,887 | - |
| ROC Fee | 7,400 | - |
| Sitting Fee | 25,000 | 25,000 |
| Advertisement & Publicity | 7,140 | 5,290 |
| Rates & Taxes | 250 | - |
| Total | 23,594,273 | 200,479 |

Note No. 25 - Impairment of Assets

In terms of the requirements of the Accounting standards-28 on “Impairment of Assets” issued by the Institute of Chartered Accountants of India, there is no potential for the recovery of investments or future viability made in non-current investments amounting to Rs. 1,35,00,000/- so board of directors decided to write off of the same.

Note No. 26 - No Depreciation For Fixed Assets

The company does not have any fixed assets in its block, except computers which are used in the office. Since there are no operations during the year no depreciation is provided on Fixed Assets.

Note No. 27 - Employee Benefits

Since there are no employees eligible for any retirement benefits as per the terms of the contract, no gratuity or leave encashment provisions are made as per AS 15

Note No. 28 - Provision, Contingent Liabilities and Contingent Assets

As per the best estimate of the management, no provision is required to be made as per Accounting Standard (AS) 29 “Provision, Contingent Liabilities and Contingent Assets” as notified by the Companies (Accounting Standards) Rules 2006, in respect of any present obligation as a result of a past event that could lead to a probable outflow of resources which would be required to settle the obligation.

Note No. 29 - Income**Tax**

The Company has filed an appeal before the Commissioner of Income Tax (Appeals) Hyderabad, for the Assessment year 2017-18 as the AO noted that the Company did not have business income and therefore disallowed the claim of expenses of Rs 11,14,111/- incurred towards salaries, office expenses, legal and professional charges and also statutory liabilities viz.,

Listing Fee, CDSL Fee, share registry charges,

which are wholly and exclusively for the purpose of earning the income of Rs 48,67,540/-.

If the appeal is disallowed then the additional tax on the disallowed expenses would be the liability of the company.

Note No. 30 - Auditors' Remuneration

| | 31st March 2020 Rs | 31 March 2019 Rs |
|------------|--------------------------|------------------------|
| Audit Fees | 35000 | 35400 |
| Total | <u>35,000</u> | <u>35,400</u> |

Note No. 31 - Segment Reporting

As the Company has stopped operations and deriving the income from only other sources, segment reporting under Accounting Standard – 17 of ICAI is not applicable.

Note No. 32 - Related Party Transactions

The Company has made the following transactions with related parties as per the provisions of Accounting Standard 18 issued by The Institute of Chartered Accountants of India

| Description | Companies in which Directors | Directors | Relatives of Directors | Total |
|---------------------|------------------------------|-----------|------------------------|-------|
| Payment of Salaries | - | - | - | - |
| Total | - | - | - | - |

No amount was overdue to the above referred related parties as on 31st March 2016. No provision for doubtful debts was made and no amount was written off in the period in respect of debts due from/or to the related parties.

As per our report of even date

For S L R & Associates
Chartered Accountants
Firm's Registration Number: 015874S

Sd/-
(Satya Akash Sure)
Partner
Membership Number: 236372

Place: Hyderabad
Date:29-07-2020

For and on behalf of Board of
Directors

Sd/-
P.Amresh
kumar
Director

Sd/-
Mrs. Sujana
Kadium
Director

Cash Flow Statement for the year ended 31st March, 2020

| Particulars | As at 31st March 2020 | As at 31st March 2019 |
|---|--------------------------|--------------------------|
| | Rs | Rs |
| A. Cash Flow from Operating Activities: | | |
| Profit before tax for the year | (18,964,667) | (405,979) |
| Adjustments for: | | |
| Depreciation and Amortisation | | |
| Interest Earned | | |
| Excess Provisions/Credit Balances Written Back | | |
| Profit on sale of Fixed Assets | | |
| Income from Investments | | |
| Finance Charges | | |
| Bad debts, Debit balances and Advances written off | | |
| Provision for doubtful debts | | |
| Liquidated Damages | | |
| Live Stock Maintenance | | |
| Exchange (Gain) / Loss on restatement (net) | | |
| Operating Profit before working capital changes | (18,964,667) | (405,979) |
| Adjustments for: | | |
| (Increase) / Decrease in Inventory | | |
| (Increase) / Decrease in Trade receivables | | |
| (Increase) / Decrease in Long term and Short term loans and advances | | |
| (Increase) / Decrease in Other Current Assets | | |
| (Decrease) / Increase in Trade payables | | |
| (Decrease) / Increase in Other current liabilities | 538,600 | 1,882,677 |
| (Decrease) / Increase in Long term and Short term Provisions | - | (1,737,177) |
| Cash Generated from Operations | (18,426,067) | (260,479) |
| Taxes Paid (Net) | | |
| Net Cash Inflow from Operating Activities (A) | (18,426,067) | (260,479) |
| B. Cash Flow from Investing Activities: | | |
| Purchase of Fixed Assets including Capital Work in progress and Capital Creditors | | |
| Proceeds from sale of Fixed Assets | | |
| Acquisition of Non-Current Investments | 13,500,000 | |
| Purchase of Investments | | |
| Proceeds from sale of Investments | | |
| Investments in Fixed deposits with Banks | | |
| increase /Decrease in Loans & Advances Given | 5,975,323 | |
| increase /Decrease in Shortterm Loans & Advances | (272,969) | |
| Net Cash Outflow from Investing Activities (B) | 19,202,354 | - |
| C. Cash Flow from Financing Activities: | | |
| Repayment of Unsecured Loans | (678,000) | 226,000 |
| Interest Paid | | |
| Dividend Paid | | |

PFL INFOTECH LIMITED

| | | |
|--|------------------|----------------|
| Dividend Tax Paid | | |
| Net Cash Outflow from Financing Activities (C) | (678,000) | 226,000 |
| Net Increase/(Decrease) in cash and cash equivalents (A+B+C) | 98,287 | (34,479) |
| Cash and Cash equivalents at beging of the year | 14,515 | 48,994 |
| Cash and Cash equivalents at end of the year | 112,802 | 14,515 |

Notes:

1) Cash and Cash equivalents includes:

| Particulars | As at 31st March 2020 | As at 31st March 2019 |
|---|-----------------------|-----------------------|
| Cash in hand | 676 | 781 |
| Cheques on hand | - | - |
| Balances with Banks in Current Accounts | 112,126 | 13,734 |
| Cash and Cash equivalents considered for Cash Flow Statement | 112,802 | 14,515 |

2) Fixed deposits having maturity period more than 3 months are considered under investing activities

As per our report of even date

For S L R & Associates
Chartered Accountants
Firm's Registration Number: 015874S

For and on behalf of Board of Directors

Sd/-
(Satya Akash Sure)
Partner
Membership Number: 236372

Sd/-
**P.Amresh
kumar**
Director

Sd/-
**Mrs. Sujana
Kadium**
Director

Place: Hyderabad
Date:29-07-2020

PFL INFOTECH LIMITED

**# 6-2-941, Flat No. 201, IIIrd Floor
Moghal's Emami Mansion,
Chintalbasti Road Khairatabad,
Hyderabad-500 004, Telangana. India**