



Canarys Automations Limited

(Formerly known as: Canarys Automations Private Limited)

**# 566 & 567, 2nd Floor, 30th Main, Attimabbe Road, Banashankari 3rd
Stage, Bengaluru - 560 085**

CIN: U31101KA1991PLC012096

Restated Consolidated Financial Information 2022-23

				Annexure - A
Restated Consolidated Statement of Assets and Liabilities				(Amount in Rs. Lakhs)
Particulars	Note no.	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
I. EQUITY AND LIABILITIES				
1) Shareholders' funds				
a) Share capital	2	928.04	928.04	711.27
b) Reserves and surplus	3	1,609.87	755.40	546.90
2) Non - current liabilities				
a) Deferred tax liabilities (Net)	4	8.38	6.99	8.58
b) Other long -term liabilities	5	3.30	3.30	3.30
c) Long term provisions	6	26.60	22.79	17.80
3) Current liabilities				
a) Short term borrowings	7	1,415.61	879.33	-
b) Trade payables	8			
- Dues to micro enterprises and small enterprises		720.73	830.90	-
- Due to creditors other than micro and small enterprises		687.91	538.91	408.60
c) Other current liabilities	9	643.21	628.34	222.98
d) Short-term provisions	10	334.24	159.57	83.61
TOTAL		6,377.89	4,753.57	2,003.04
II. ASSETS				
1) Non-current assets				
a) Property, Plant and Equipment and Intangible assets				
i) Property, Plant and Equipment	11	86.85	86.48	75.64
ii) Intangible assets	11	3.27	0.11	-
b) Non-current investments	12	122.34	12.21	119.17
c) Long-term loans and advances	13	12.61	12.61	5.73
d) Other non current assets	14	139.95	484.50	321.61
2) Current Assets				
a) Inventories	15	406.29	431.65	104.36
b) Trade receivables	16	4,263.74	2,590.60	1,036.79
c) Cash and bank balances	17	560.33	553.38	109.08
d) Short-term loans and advances	18	660.02	453.51	154.41
e) Other current assets	19	122.49	128.52	76.25
TOTAL		6,377.89	4,753.57	2,003.04

Significant accounting policies 1
The accompanying notes form an integral part of the Restated Consolidated Financial Information

As per our report of even dated attached
for SURESH & CO.
Chartered Accountants
Firm Registration Number: 004255S

for and on behalf of the Board of Directors of
Canarys Automations Limited

Udupi Vikram
Partner
Membership Number: 227984
Bengaluru
21 August 2023

Raman SubbaRao M R
Managing Director
DIN:00176920
Bengaluru
21 August 2023

Sheshadri Y S
Director & CEO
DIN: 03367545
Bengaluru
21 August 2023

Raghu C
Whole-time Director & CFO
DIN: 01065269
Bengaluru
21 August 2023

Nagashree Hegde
Company Secretary
M. No.: A66166
Bengaluru
21 August 2023

Canarys Automations Limited**(Formerly known as: Canarys Automations Private Limited)**

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Annexure - B**Restated Consolidated Statement of Profit and Loss****(Amount in Rs. Lakhs)**

Particulars	Note no.	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
I. Income				
a) Revenue from operations	20	7,451.94	5,150.90	2,561.72
b) Other income	21	95.35	49.03	16.50
Total Income		7,547.28	5,199.93	2,578.22
II. Expenses				
a) Purchases	22	1,897.24	1,944.31	546.93
b) (Increase)/decrease in inventory	23	98.45	(327.29)	129.91
c) Employee benefits expenses	24	3,045.31	1,976.05	1,206.51
d) Finance costs	25	149.95	66.81	9.63
e) Depreciation and amortization expenses	11	39.73	38.41	34.65
f) Other expenses	26	1,136.26	878.64	351.52
Total Expenses		6,366.94	4,576.93	2,279.15
III. Profit/(loss) before exceptional items and tax (I-II)		1,180.35	623.00	299.07
IV. Exceptional items		-	-	-
V. Profit/(loss) before tax (I-II)		1,180.35	623.00	299.07
VI. Tax expenses				
a) Current tax		326.46	168.77	80.06
b) Deferred tax		1.38	(1.59)	8.58
VII. Profit/(loss) for the year (III-IV)		852.51	455.81	210.42
VIII. Restated Earnings per share : (Face value of Rs.2/- each)				
Basic		3.92	2.08	1.16
Diluted		3.92	2.08	1.16

Significant accounting policies

1

The accompanying notes form an integral part of the Restated Consolidated Financial Information

As per our report of even dated attached

for SURESH & CO.

Chartered Accountants

Firm registration number: 004255S

for and on behalf of the Board of Directors of

Canarys Automations Limited**Udupi Vikram**

Partner

Membership Number: 227984

Bengaluru

21 August 2023

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Whole-time Director & CFO

DIN: 01065269

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21 August 2023

Nagashree Hegde

Company Secretary

M. No.: A66166

Bengaluru

21 August 2023

Restated Consolidated Cash Flow Statement

(Amount in Rs. Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
(A) Cash Flows from Operating Activities			
Net Profit/(loss) before tax and extraordinary items	1,180.35	623.00	299.07
Adjustments for :			
Depreciation	39.73	38.41	34.65
Gain/Loss on sale of Investments	0.37	0.52	2.12
Provision for deferred tax	1.38	(1.59)	8.58
Adjustment on account of rent reserve	-	-	(14.43)
Assets discarded/Loss on sale of asset	(13.33)	(0.30)	-
Adjustment on account of gratuity	-	-	12.78
Adjustment in respect of Investment property	-	-	8.01
Adjustment in respect of Intangible assets	-	-	(2.97)
Dividend / Interest income	37.73	31.55	7.91
Adjustment on FCTR	5.36	2.33	(3.06)
Adjustment on account of unrealised profit in opening stock	73.08	-	-
Operating Profit before Working Capital change	1,324.67	693.91	352.66
(Increase) / Decrease in Trade receivables	(1,673.14)	(1,553.81)	(654.75)
(Increase) / Decrease in Inventory	25.37	(327.29)	129.91
(Increase) / Decrease in Loans and advances	(206.50)	(305.99)	(52.84)
(Increase) / Decrease in Other Current Assets	6.02	(52.25)	(22.54)
Increase / (Decrease) in Trade Payables	38.83	961.21	77.02
Increase / (Decrease) in Provisions	178.48	80.95	38.29
Increase / (Decrease) in Other Current Liabilities	14.87	405.37	60.67
Cash Generated from/ (used in) Operating Activities	(291.41)	(97.92)	(71.58)
Less: Income taxes paid	(327.84)	(167.18)	(88.65)
Net cash from / (used in) Operating Activities	(619.25)	(265.10)	(160.23)
(B) Cash Flows from Investing Activities			
Purchase of fixed assets	(29.92)	(49.06)	(13.29)
Changes in Non-current Investments	(148.24)	74.89	(124.75)
Net cash from / (used in) Investing Activities	(178.15)	25.83	(138.03)
(C) Cash Flows from Financing Activities			
Issue of Share Capital/Share application money received	-	12.75	537.39
Premium received during the year	-	25.50	34.78
Net Proceeds from borrowings	536.28	879.33	0.07
Less: Dividend paid	(76.48)	(71.13)	(8.41)
Net cash from / (used in) Financing Activities	459.80	846.46	563.83
(D) Total Increase/(Decrease) in Cash and bank balances	(337.60)	607.19	265.57
(E) Cash and bank balances at the beginning of the year	1,037.88	430.69	165.12
(F) Closing Cash and bank balances	700.28	1,037.88	430.69

Notes to Cash Flow Statement

1. Cash and bank balances consist of cash on hand and balances with banks.

Cash and bank balances

a) Cash on hand	0.07	0.03	0.04
b) Balance with banks			
-In current accounts	49.19	148.81	88.21
-In Fixed deposits (Includes both current and non current)	651.02	889.04	342.44
	700.28	1,037.88	430.69

As per our report of even date attached
for SURESH & CO.
Chartered Accountants
FRN: 004255S

for and on behalf of the Board of Directors of
Canarys Automations Limited

Udupi Vikram

Partner

Membership Number: 227984

Bengaluru

21 August 2023

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Managing Director

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Director & CEO

DIN: 03367545

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21 August 2023

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Whole-time Director &
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Annexure - D**Notes forming part of Restated Consolidated Financial Information****Company Overview**

Canarys Automations Limited (Formerly known as Canarys Automation Private Limited) was incorporated on 1st July, 1991 to carry on the business of Software and Hardware development and maintenance and Consultancy Services and the training of personnel in Software & Hardware and operation of the Electronic Equipments. The company also undertakes execution of Integrated Water Management System turnkey projects on turnkey basis.

1. Significant accounting policies**1.01 Basis of preparation of financial information**

The Restated Consolidated Financial Information of the Group have been prepared in accordance with Generally Accepted Accounting Principles in India ('Indian GAAP') under the historical cost convention on the accrual basis. The company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act, 2013 read with relevant Rules issued thereunder and other pronouncements of Institute of Chartered Accountants of India (ICAI).

The consolidated financial information related to Canarys Automations Limited ('the Company') and its subsidiary companies and joint ventures. The consolidated financial information have been prepared on the following basis:

- (a) The financial information of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard (AS) 21 - "Consolidated Financial Statements"
- (b) Interest in Joint Ventures have been accounted by using the proportionate consolidation method as per Accounting Standard (AS) 27 - "Financial Reporting of Interest in Joint Ventures".
- (c) In case of foreign subsidiaries, being non-integral foreign operations, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the Foreign Currency Translation Reserve.

The Restated Consolidated Financial Information have been approved by the Board of Directors of Canarys Automation Limited at their meeting held on 21 August 2023 and has been specifically prepared for inclusion in the draft red herring prospectus to be filed by Canarys Automation Limited with the Securities and Exchange Board of India ('SEBI') in connection with the proposed Initial Public Offer of equity shares ('IPO') of Canarys Automation Limited (referred to as the 'Issue'). The Restated Consolidated Financial Information has been prepared by the management of Canarys Automation Limited to comply in all material respects with the requirements of:

- a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the 'Act') as amended from time to time;
- b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended to date ('SEBI ICDR Regulations'); and
- c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

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Particulars	Nature of Interest	Notes no.	% Of ownership	Considered in consolidation	Country of Incorporation
Canarys Corp, USA	Subsidiary	47	100%	Yes	USA
Canarys APAC Pte Ltd	Subsidiary	47	100%	Yes	Singapore
Canarys-Hanuka Apo Technologies Pvt Ltd	Joint Venture	47	49%	Yes	India

1.02 Use of Estimates

The Company uses prudent and reasonable assumptions and estimates in the preparation of its consolidated financial statements, and these are reflected in the reported amounts of income and expenses during the year, and the reported balances of assets and liabilities, and disclosures relating to contingent liabilities, as at the date of the financial statements. Due care and diligence have been exercised by the management in arriving at such “estimates & assumptions” since they may directly affect the reported amounts of income and expenses during the period, as well as the balances of Assets and Liabilities, including those which are contingent in nature, as at the date of reporting of the financial statements.

Accounting estimates could change from period to period. Actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in current and future years and if material, their effects are disclosed in the notes to the financial statements.

1.03 Current and Non Current Classification**Assets**

An asset is classified as current when it satisfies any of the following criteria:

- It is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;
- It is held primarily for the purpose of being traded;
- It is expected to be realised within 12 months after the reporting date; or
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- It is expected to be settled in the company's normal operating cycle;
- It is held primarily for the purpose of being traded;
- It is due to be settled within 12 months after the reporting date;
- The company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

1.04 Operating cycle

Operating cycle for the business activities of the company covers the duration of the specific project/contract/product line/service including the defect liability period, wherever applicable and extends up to the realization of receivables (including retention monies) within the agreed credit period normally applicable to the respective lines of business. The operating cycle identified by the company is a duration of 12 months from the end of balance sheet date.

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1.05 Revenue from operations:

(a) Income and Expenditure are accounted ongoing concern basis.

(b) The company's income consists of income from development of software and distribution of software, electronic items and hardware. Customer contracts on software development are billed based on time and material content of the work/assignment. Revenue from distribution of software & electronic items are billed and accounted based on delivery.

(c) Export of software products are accounted based on the export documents that are available with company. Export of software has been billed on mile stone basis based on the exchange rate prevailing on that respective day.

(d) All other operational revenue represents income earned from the activities incidental to the business and is recognized when the right to receive the income is established as per the terms of the contract.

(e) Interest income is accrued at applicable interest rate. All other income has been recognized when right to receive payment is established.

1.06 Property, Plant and Equipment, Intangible Assets, Capital Work in Progress & Intangible assets under development

(a) Property, Plant and Equipment are stated at their original cost of acquisition or construction less accumulated depreciation/amortization. Costs include all expenses incurred to bring the assets to its working condition for its intended use. Subsequent improvements thereto including taxes, duties, freight and other incidental expenses related to acquisition and installation of the assets concerned is capitalized if it increases the future economic benefits from the existing asset beyond its previously assessed standard of performance. Interest on borrowings attributable to qualifying assets are capitalized and included in the cost of property, plant and equipment as appropriate.

(b) Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.

Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortization and cumulative impairment. Cost of the software has not been bifurcated and shown separately wherever computer and laptop has been bought along with the software loaded into it and under such circumstances, the computers and laptops has been classified as tangible assets by the Company.

1.07 Depreciation/Amortisation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. 5% of the cost of acquisition of the assets has been taken as the residual value of assets.

Depreciation on tangible assets is provided on written down value method over the estimated useful life of the assets using the indicative useful life as prescribed under Schedule II to the Companies Act, 2013. The Company has used the following useful life to provide depreciation on property, plant and equipment:

Asset Category	Useful Life (in years)
Computer equipment's	5
Computer equipment's	6
Motor vehicles	8
Furniture and fittings	10
Office equipment's	5
Software	1-3

Intangible assets are amortised over the estimated period of economic benefits on a straight line basis, commencing from the date the assets are available to the Company for its use.

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1.08 Impairment of Assets

The Company periodically assesses whether there is any indication that an asset may be impaired. If any indication exists, the Company estimates the recoverable amount of the asset and if such recoverable of the asset is less than carrying cost of the asset, then the carrying amount is reduced to its recoverable amount. The deduction is treated as an impairment loss and is recognised in profit and loss account.

If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to maximum of depreciable historical cost. An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined; if no impairment loss had been recognised.

Due consideration is given at the balance sheet date to determine whether there is any indication of impairment of the company's assets as defined in Accounting Standard 28 – "Impairment of Assets" issued by the Institute of Chartered Accountants of India and the management is of the opinion that none of the property, plant and equipment were impaired as at the date of the Balance sheet.

1.09 Inventories

Inventories are valued after providing for obsolescence. Raw Materials and finished (traded) goods are valued at lower of cost and net realizable value, on first-in, first-out basis. Work in progress were also assessed at the end of the year and valued based on the cost associated to that respective WIP.

Stock as at the end of year has been valued as per FIFO excluding GST and other taxes.

1.10 Investments

Non - current Investments are valued at cost. Provision for diminution in the value is made to recognize a decline, other than temporary, in the value of long-term investments.

Current investments are valued at cost or market value, whichever is less.

Investment in subsidiary has been consolidated as per AS 21 and investment in joint venture has been consolidated as per AS 27. These figures were eliminated from investment while preparing consolidated financial statements.

1.11 Employee Benefits**Defined benefit plans**

The company has recognized the gratuity payable in the books of accounts based on the Certificates of Actuarial Valuation received from the LIC in case of holding company. In case of Subsidiary no such amounts were provided in the books of accounts.

(i) Short term employee benefit:

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. The benefits like salaries, wages, short term compensated absences etc. and incentives if any, are recognized in the period in which the employee renders the related service.

Defined contribution plan

Contributions made by the Company towards Employees Provident Fund have been charged to the revenue account in case of holding company. In case of Subsidiary no such amounts were provided in the books of accounts.

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1.12 Borrowing Costs

Borrowing Costs that are attributable and exclusively relating to the acquisition, construction of the qualifying assets are capitalized as part of cost of such assets up to the date the assets are ready for its intended use. All other borrowing costs are recognized as an expense in the year in which they are incurred.

1.13 Segment Reporting

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. Further, inter-segment revenue have been accounted for based on the transaction price agreed to between segments which is primarily market based. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the Company as a whole and are not allocable to segments on a reasonable basis.

1.14 Foreign Currency transactions

Transactions in foreign currency are recognized at the rates of exchange prevailing on the dates of the transactions.

Exchange differences arising on foreign exchange transactions settled during the year are recognised in profit and loss for the year.

All other monetary assets and liabilities denominated in foreign currency are restated at the rates ruling at the year end and all exchange gains/ losses arising there from are adjusted to the Profit and Losses Account.

Exchange differences arising on long-term foreign currency monetary items related to acquisition of fixed asset are capitalized and depreciated over the remaining useful life of the asset.

1.15 Earnings per share

The basic earnings per share is computed by dividing the net profit/loss after tax available to equity shareholders for the year by the weighted average number of equity shares outstanding during the year.

1.16 Income tax

Tax expense comprises of both current and deferred taxes, Provision for current taxes is made at the current tax rates. Based on the assessable income after considering tax allowances and exemptions it terms with the applicable Income Computation Disclosure Standards (ICDS). Deferred income taxes reflects the current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred taxes is measured based on the tax rates and the tax laws enacted or substantially enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized. Unrecognized deferred tax asset of earlier years are reassessed and recognized to the extent that it has become reasonable certain that future taxable income will be available against which such deferred tax asset can be realised.

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1.17 Leases

Assets acquired under Leases, where the Company has substantially all the risks and rewards of ownership, are classified as finance leases. Such leases are capitalized at the inception of the lease at lower of the fair value or the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability for each period.

1.18 Provisions and contingent liabilities

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes and are not usually provided for unless it is probable that future outcome may be detrimental to the company.

1.19 Cash and cash equivalents

Cash and cash equivalents comprise cash and balances with banks. The Company considers all highly liquid investments with an original maturity of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

1.20 Cash flow statement

Cash flows are reported using the indirect method, whereby net profit or loss before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows arising from regular revenue generating, investing and financing activities of the Company are segregated.

1.21 Related Party Disclosure

Disclosure is made as per the requirements of Accounting Standard 18. Related Party Disclosures and as per the clarification issued by the Institute of Chartered Accounts of India.

1.22 Capital Redemption Reserve (CRR)

In the financial year 2020-21, the company had issued redeemable preference shares with certain terms and conditions. All such terms & conditions connected with issue of preference shares have been reported elsewhere in the financial statements. As required under the Companies Act, 2013, the company has created the capital redemption reserve on a pro-rata basis as per the terms of the issue of such preference shares accordingly. The said CRR has been transferred from the accumulated profit of the company. Over a period of five years or before the redemption of such preference shares the entire amount of preference shares would be transferred to capital redemption reserve.

1.23 Investments classified as long term investments has been carried in the financial statements at cost. However, provision for diminution shall be made to recognise a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually

Notes forming part of Restated Consolidated Financial Information

2 Share capital

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Authorised			
2,50,00,000 Equity Shares of Rs. 2 each share fully paid			
(2022 - 2,50,00,000 Equity Shares of Rs. 2 each share fully paid			
2021 - 22,25,000 Equity Shares of Rs. 10 each share fully paid)	500.00	500.00	225.00
60,00,000 Preference Shares of Rs. 10 each	600.00	600.00	600.00
Total	1,100.00	1,100.00	825.00
Issued, subscribed and fully paid-up			
2,04,01,960 Equity Shares of Rs. 2 each share fully paid			
(2022 - 2,04,01,960 Equity Shares of Rs. 2 each share fully paid	408.04	408.04	191.27
2021 - 19,12,685 Equity Shares of Rs. 10 each share fully paid)			
52,00,000 Preference Shares of Rs. 10 each share fully paid	520.00	520.00	520.00
Total	928.04	928.04	711.27

(ii) Reconciliation of the number of equity and preference shares outstanding at the beginning and at the end of the reporting year is as given below before sub-division of shares:

Particulars	As at March 31, 2023		As at March 31, 2022		As at March 31, 2021	
	Nos.	Amount	Nos.	Amount	Nos.	Amount
Equity shares						
No. of shares at the beginning of the year	NA	NA	19,12,685	191.27	17,38,805	173.88
Movement during the year	NA	NA	21,67,707	216.77	1,73,880	17.39
Number of shares outstanding at the end of the year.	-	-	40,80,392	408.04	19,12,685	191.27

Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting year is as given below after sub-division of shares:

Particulars of Shares	As at March 31, 2023		As at March 31, 2022		As at March 31, 2021	
	Nos.	Amount	Nos.	Amount	Nos.	Amount
Equity shares						
No. of shares at the beginning of the year	2,04,01,960	408.04	NA	NA	NA	NA
Fully Paid up capital of Equity Shares of Face Value of Rs. 10 each before the sub-division	-	-	20,40,196	204.02	NA	NA
Fully Paid up capital of Equity Share of Face Value of Rs. 10 each during the year divided into Equity Share of face value of Rs. 2 each fully paid up	-	-	1,02,00,980	204.02	NA	NA
Add: Further issue of shares or Bonus Shares issued during the year	-	-	1,02,00,980	204.02	NA	NA
Issued, subscribed and fully paid up equity shares having face value of Rs. 2 each at the end of the year	-	-	2,04,01,960	408.04	NA	NA
Number of shares outstanding at the end of the year	2,04,01,960	408.04	2,04,01,960	408.04	NA	NA

Particulars	As at March 31, 2023		As at March 31, 2022		As at March 31, 2021	
	Nos.	Amount	Nos.	Amount	Nos.	Amount
Preference shares						
No. of shares at the beginning of the year	52,00,000	520.00	52,00,000	520.00	-	-
Movement during the year	-	-	-	-	52,00,000	520.00
Number of shares outstanding at the end of the year.	52,00,000	520.00	52,00,000	520.00	52,00,000	520.00

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(iv) Particulars of shareholders holding more than 5% Equity shares in the Company

Particulars	As at March 31, 2023		As at March 31, 2022		As at March 31, 2021	
	Nos.	% Holding	Nos.	% Holding	Nos.	% Holding
Equity shares of Rs.2/- each fully paid						
Raman Subba Rao	50,42,990	24.72%	50,42,990	24.72%	4,72,780	24.72%
Raghu C	37,40,320	18.33%	37,40,320	18.33%	3,50,655	18.33%
Arun D K	35,93,280	17.61%	35,93,280	17.61%	3,36,870	17.61%
Jagadeesha CS	13,52,000	6.63%	13,52,000	6.63%	1,35,200	7.07%
Anuradha Hegde	12,80,000	6.27%	12,80,000	6.27%	1,28,000	6.69%
Pushparaj Shetty	13,05,240	6.40%	-	-	-	-
Sheshadri Y S	11,75,350	5.76%	-	-	-	-
Total	1,74,89,180		1,50,08,590		14,23,505	

(v) Particulars of shareholders holding more than 5% Preference shares in the Company

Particulars	As at March 31, 2023		As at March 31, 2022		As at March 31, 2021	
	Nos.	% Holding	Nos.	% Holding	Nos.	% Holding
Preference shares of Rs.10/- each fully paid						
Anuradha Hegde	10,00,000	19.23%	10,00,000	19.23%	10,00,000	19.23%
Shweta S Murthy	2,75,000	5.29%	2,75,000	5.29%	2,75,000	5.29%
Total	12,75,000		12,75,000		12,75,000	

(vi) Shareholding of Promoters as on 31st March 2023

Name of Promoters	No. of Shares	% of Total Shares	% Change during the year
Raman Subba Rao.M.R.	50,42,990	24.72%	0%
Arun.D.K	35,93,280	17.61%	0%
Raghu.C	37,40,320	18.33%	0%
Nagaraju Vineeth	3,05,000	1.49%	0%
Pushparaj Shetty	13,05,240	6.40%	1.41%
Sheshadri Y.S.	11,75,350	5.76%	1.41%
Total	1,51,62,180		

Shareholding of Promoters as on 31st March 2022

Name of Promoters	No. of Shares	% of Total Shares	% Change during the year
Raman Subba Rao M R	50,42,990	24.72%	0%
Raghu C	37,40,320	18.33%	0%
Arun D.K.	35,93,280	17.61%	0%
Anuradha Hegde	12,80,000	6.27%	-0.42%
Jagadeesh C S	13,52,000	6.63%	-0.44%
Total	1,50,08,590		

Shareholding of Promoters as on 31st March 2021

Name of Promoters	No. of Shares	% of Total Shares	% Change during the year
Raman Subba Rao M R	4,72,780	24.72%	-0.86%
Raghu C	3,50,655	18.33%	-0.86%
Arun D.K.	3,36,870	17.61%	-0.78%
Total	11,60,305		

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Terms/ rights attached to equity shares

During the Financial year 2022-23, the company has no movement in equity shares.

The company has two class of share capital i.e. equity shares having face value of Rs. 2 per share and Preference share capital of Rs 10 per share. In the Financial year 2021-22 company has sub divided the face value of equity shares of Rs. 10 each per share at the beginning of the year into face value of Rs. 2 each fully paid equity share. Each holder of equity share is entitled to one vote per share.

In the Financial year FY 2020-21, the company had a right issue of equity shares and shareholders subscribed 1,73,880 equity shares of Rs. 10 each at a premium of Rs. 20 each per equity share.

In the Financial year FY 2021-22, the company had a right issue of equity shares and shareholders subscribed 1,27,511 equity shares of Rs. 10 each at a premium of Rs. 20 each per equity share.

In the Financial year 2021-22 the company has issued bonus share of 1 equity share to every 1 equity shares held by the equity shareholders after sub dividing the face value of Rs. 10 each to face value into Rs. 2 per equity share.

The Equity Shares issued during the years has rank pari passu with the other equity shares that company had already issued.

Terms & Conditions attached to the preference shares issued by the company during the year are:

- a. The Partially redeemable & convertible Preference shares issued during the year has maximum 5 years tenure.
- b. The Preference shares shall carry on dividend of the rate of 10% per annum on the nominal value of share. The Dividend shall be calculated on pro-rata basis from the date of allotment of such preference shares. The Dividend shall be paid in cumulative in nature.
- c. The Preference Shareholders does not have right to participate in the surplus funds of the Company.
- d. The Preference shareholder shall have liquidation preference in the event of winding up of the Company as provided under the Act and the preference shareholders shall not have only right to participate in the surplus asset & profit of the Company.
- e. The 90% of the preference share paid-up capital held by the shareholders are redeemable. In case, if the subscribers opt for conversion, the remaining 10% of the paid-up preference shares capital will be converted into equity shares at the fair value determined at the time of conversion.
- f. The Preference Shares shall not carry any voting rights except in case of any resolution placed before the Company which directly affects the rights attached to such shares or as otherwise provided in the Companies Act.
- g. The preference shareholders or Company shall redeem 90% of Preference shares at par value in the following manner:
 - i. 30% of the preference shares shall be repaid at the end of 3rd year
 - ii. 30% of the preference shares shall be repaid at the end of 4th year
 - iii. 30% of the preference shares shall be repaid at the end of 5th year
 - iv. The balance 10% may be converted into Equity share at a fair market value determined at that time of such conversion
- g. At the end of 5th year, the balance 10% may be converted into Equity share at the option of the preference shareholder at a fair market value determined of that time
- h. The Company may redeem the preference shares at any time after expiry of one year from the date of issue of such shares.
- i. With the consent of preference shareholders, the Company may convert 10% of preference share capital into equity shares of only time after expiry of one year from the date of issue, of fair market value determined of the time of conversion.
- j. Further, the company has converted the 10% of Preference shares on 18th July of 2023 at a Fair Market Value (FMV) of ₹25/- per share.

Unpaid calls on shares - There have been no unpaid calls.

Forfeiture of shares - None of the shares have been forfeited during the year.

Employee stock option scheme - No equity shares of the company has been reserved towards employee stock option scheme.

Notes forming part of Restated Consolidated Financial Information

(Amount in Rs. Lakhs)

3 Reserves and surplus

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
a) Securities premium			
Opening balance	86.35	60.85	26.07
Premium received during the year	-	25.50	34.78
Closing balance (a)	86.35	86.35	60.85
b) General reserve			
Opening balance	12.27	12.27	12.27
Add: Transfer from profit & loss account	-	-	-
Closing balance (b)	12.27	12.27	12.27
c) Capital Redemption Reserve (CRR)			
Opening balance	121.33	17.33	-
Created towards redemption of Preference Shares	104.00	104.00	17.33
Closing balance (c)	225.33	121.33	17.33
During 2022-23 the company has transferred a sum of Rs.1,04,00,000 to CRR in financial year 2022-23 and accumulated CRR created is amounti			
d) Surplus/(deficit) in the statement of profit and loss			
Opening balance	518.11	441.45	253.07
Add: Profit/(Loss) for the year	852.51	455.81	210.42
Deferred tax adjustment	-	-	0.30
Adjustment in respect of Investment property	-	-	8.01
Adjustment in respect of Gratuity	-	-	12.78
	1,443.71	897.26	484.59
Less: Appropriations			
Dividend paid			
On Equity Share capital	24.48	19.13	-
On Preference Share capital	52.00	52.00	8.41
Adjustment in respect of rent reserve	-	-	14.43
Adjustment in respect of Intangible assets	-	-	2.97
Transferred to Capital Redemption Reserves	104.00	104.00	17.33
Transferred to Issue of Bonus shares	-	204.02	-
Closing balance (d)	1,263.22	518.11	441.45
e) FCTR			
Opening balance	17.33	15.00	13.40
Add: Profit/(Loss) for the year	5.36	2.33	1.61
Closing balance (e)	22.69	17.33	15.00
Total reserves and surplus	1,609.87	755.40	546.90

4 Deferred tax Liabilities (Net)

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Deferred tax liability	11.24	7.17	8.58
Deferred tax asset	(2.86)	(0.18)	-
Deferred tax Liabilities (Net)	8.38	6.99	8.58

5 Other long term liabilities

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
a) Rental deposit/Security deposits*	3.30	3.30	3.30
Total	3.30	3.30	3.30

*Rent deposit/Security deposit given by the lessee under rental agreement for the term of 5 years

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Notes forming part of Restated Consolidated Financial Information**(Amount in Rs. Lakhs)****6 Long term provisions**

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
a) Provision for employee benefits	2.05	0.47	-
b) Rent equalization reserve	24.55	21.17	17.80
Total	26.60	22.79	17.80

7 Short term borrowings

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
a) Cash credit account overdrawn*	863.29	624.92	-
b) Loans and advances from related parties	543.70	156.80	-
c) Inter Corporate Deposits	8.62	97.61	-
Total	1,415.61	879.33	-

	Bank	Particulars	Limit	
1	State Bank of India	Cash Credit - Fund based repayable on demand and subject to review by the Bank once in every 12 months	Rs. 300 Lakhs	Hypothecated by first charge
2	State Bank of India	Cash Credit - Non Fund based	Rs. 1000 lakhs	

The above said facilities are further secured by the collateral security of a house property owned by Mr. Raman Subba Rao the Managing Director of the Company and secured by Industrial Flat at Electronic City owned by the Company. This is further secured by personal guarantees offered by the Directors of the Company.

Rate of interest on cash credit is @10.55% and Bank shall any time and from time to time be entitled to vary the margin base on Credit Risk Assessment of the borrower and the EBR/MCLR at its discretion.

*The company's Joint venture has availed overdraft facility of Rs. 1,200 Lakhs from Canara Bank with the Outstanding amount of Rs. 961.26 Lakhs [PY Rs. 1,148.21 Lakhs] and the same is hypothecated by first Charge on Book Debts of the Company and pledge fixed Deposits to the Extent of 40% of proposed exposure of Rs.1,200 Lakhs and 10% cut back on every remittance as and when received against total value of OCC/ODBD limit sanctioned of Rs. 1,200.00 Lakh. Further, the same is secured by Corporate Guarantees provided by M/s. Hanuka Technologies solutions Pvt Ltd & M/s. Canary's Automations Pvt Ltd along with personal guarantees of Directors of Company.

8 Trade payables

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
a) Due to micro, small and medium enterprises *	720.73	830.90	-
b) Due to creditors other than micro and small enterprises**	687.91	538.91	408.60
Total	1,408.64	1,369.81	408.60

*Amount included in "Due to MSME" is relating to amount payable to Canarys -Hanuka Apo Technologies Private Limited - A joint venture entered between Canarys Automation Limited and Hanuka Technologies Solutions Private Limited.

In reality, there are only two partners to the Joint Venture (Canarys Automations Private Limited and Hanuka Technology Solutions Private Limited) wherein both partners contribute towards the resources required for the purpose of execution of JV objective. The fact remains that the Joint venture Company consisting of two partners, as aforesaid, have come together and are more in the nature of contributors rather than buyers and sellers or service providers and service recipients. In view of this, The company has obtained a board resolution dated 28th July, 2023 from Canarys -Hanuka Apo Technologies Private Limited which has been taken as a basis to waive the rights of Canarys -Hanuka Apo Technologies Private Limited as per sections 15, and 16 of the MSMED Act, 2006 for the Provisions of claiming interest on delayed payments.

In view of the above circumstances, the management is of the opinion that not making any such provision as per the requirements of Section 15 and 16 of the MSMED Act, 2016, is not overriding such requirements and the need to make a provision does not arise.

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Notes forming part of Restated Consolidated Financial Information**(Amount in Rs. Lakhs)**

**Under the Micro, Small and Medium Enterprises Development Act, 2006 which came into force from 2nd October 2006, certain disclosures are required to be made relating to Micro and Small Enterprises.

The company has not received the required information from any of the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (Except as mentioned above). Hence disclosures, if any, relating to amounts unpaid as the year end together with interest paid/payable as required under the Act have not been made.

Ageing for trade payables

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
(i) MSME			
a) Less than 1 year	720.73	830.90	-
b) 1 - 2 years	-	-	-
c) 2 - 3 years	-	-	-
d) More than 3 years	-	-	-
Total (i)	720.73	830.90	-
(ii) Others			
a) Less than 1 year	667.22	384.19	327.13
b) 1 - 2 years	20.69	1.30	-
c) 2 - 3 years	-	153.43	81.47
d) More than 3 years	-	-	-
Total (ii)	687.91	538.91	408.60
Total (i+ii)	1,408.64	1,369.81	408.60

The Company does not have any disputed outstanding balances.

9 Other current liabilities

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
a) Advances from customers	68.02	13.75	2.04
b) Dividend payable	-	24.16	7.95
c) Statutory dues	350.51	267.69	112.25
d) Salary payable	135.97	207.45	96.29
e) Due to employees	8.55	7.15	4.44
f) Other payables	80.16	108.15	-
Total	643.21	628.34	222.98

10 Short term provisions

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
a) Provision for taxation	325.30	153.40	81.71
b) Provision for Gratuity	8.94	6.17	1.90
Total	334.24	159.57	83.61

12 Non-current investments

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
a) Investments in Equity Instruments	0.05	1.70	1.70
b) Investments in Mutual Funds*	112.48	0.69	107.66
c) Investment property**	9.81	9.81	9.81
Total	122.34	12.21	119.17

*Investment in Mutual Fund is charged against Bank Overdraft.

** Building from which the rental income is earned is classified as long term investment property at cost. (read with AS 13, Accounting for investments)

Notes forming part of Restated Consolidated Financial Information

(Amount in Rs. Lakhs)

13 Long term loans and advances

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good			
a) Security deposit	0.61	0.61	0.73
b) Rent deposit**	12.00	12.00	5.00
Total	12.61	12.61	5.73

**This deposit is rental advance paid to the lessor for office space and the management is of intention that the office space will be used till the Financial Year 2029-2030

14 Other non current assets

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Fixed deposit with maturity more than 12 months*	139.95	484.50	321.61
Total	139.95	484.50	321.61

*Fixed deposits are charged against Bank Guarantee.

15 Inventories

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Raw material and Components	202.22	418.52	104.36
Work-in-progress	204.07	13.14	-
Total	406.29	431.65	104.36

16 Trade receivables

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Unsecured considered good			
a) Over six months from the date they were due for payment	1,379.82	778.06	16.89
b) Others	2,883.92	2,590.60	1,036.79
Total	4,263.74	2,590.60	1,036.79

Ageing for trade receivables

Particulars	As at	As at	As at
(i) Undisputed Trade Receivables - Considered Good			
a) Less than 6 months	2,883.92	1,812.54	1,019.90
b) 6 months - 1 year	498.72	298.87	13.19
c) 1 - 2 years	864.61	476.96	1.48
d) 2 - 3 years	16.15	-	-
e) More than 3 years	0.35	2.23	2.23
Total	4,263.74	2,590.60	1,036.79

The Company does not have any Disputed Trade Receivables and Doubtful Receivables

17 Cash and bank balances

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Cash and bank balances			
a) Cash on hand	0.07	0.03	0.04
b) Balance with banks			
-In current accounts	49.19	148.81	88.21
-In Fixed deposits	511.07	404.54	20.83
Total	560.33	553.38	109.08

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Notes forming part of Restated Consolidated Financial Information**(Amount in Rs. Lakhs)****18 Short-term loans and advances**

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good			
a) Balances with statutory authorities	483.52	359.14	126.99
b) Trade advance*	155.58	91.06	4.98
c) Staff Advance**	20.92	3.32	22.45
Total	660.02	453.52	154.41

* Trade Advances given to the vendors for which the services are taken subsequently.

** Staff advance are given to employees and the same is getting adjusted with the subsequent month's salary payable.

19 Other current assets

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
a) Earnest Money Deposit*	35.93	113.82	56.75
b) Prepaid expense	2.28	0.97	0.45
c) Interest receivable	6.82	2.46	-
d) Unbilled revenue	77.47	11.26	19.05
Total	122.50	128.52	76.25

*Earnest Money Deposit is a monetary deposit that is made for participating in government tenders

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Notes forming part of Restated Consolidated Financial Information**Note 11: Property, Plant and Equipment, Intangible assets and Depreciation Schedule****(Amount in Rs. Lakhs)**

Particulars	Gross block				Accumulated depreciation / amortisation				Net block	
	As at 01.04.2022	Additions during the year	Deletions during the year	As at 31.03.2023	As at 01.04.2022	Depreciation for the year	Deletions during the year	As at 31.03.2023	As at 31.03.2023	As at 31.03.2022
<u>Property, Plant and Equipment</u>										
Vehicles	47.53	10.66	8.34	49.86	41.81	2.37	7.92	36.26	13.60	5.72
Office Equipment	44.94	11.94	17.13	39.75	38.75	5.01	16.25	27.51	12.24	6.18
Electrical Fittings	9.21	6.52	2.23	13.50	7.69	1.37	2.12	6.94	6.56	1.52
Furniture	77.73	16.06	44.85	48.95	65.66	4.84	42.60	27.90	21.05	12.07
Computers	274.85	8.38	139.70	143.53	213.87	25.86	129.60	110.13	33.40	60.98
<u>Intangible assets</u>										
Software	0.13	3.43	1.55	2.01	0.01	0.27	1.55	(1.26)	3.27	0.11
Total	454.39	57.00	213.79	297.59	367.79	39.73	200.05	207.47	90.12	86.60

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Notes forming part of Restated Consolidated Financial Information**Note 11: Property, Plant and Equipment, Intangible assets and Depreciation Schedule****(Amount in Rs. Lakhs)**

Particulars	Gross block				Accumulated depreciation / amortisation				Net block	
	As at 01.04.2021	Additions during the year	Deletions during the year	As at 31.03.2022	As at 01.04.2021	Depreciation for the year	Deletions during the year	As at 31.03.2022	As at 31.03.2022	As at 31.03.2021
<u>Property, Plant and Equipment</u>										
Vehicles	47.53	-	-	47.53	39.93	1.88	-	41.81	5.72	7.60
Office Equipment	42.12	2.82	-	44.94	36.04	2.71	-	38.75	6.18	6.08
Electrical Fittings	9.21	-	-	9.21	7.19	0.50	-	7.69	1.52	2.02
Furniture	77.73	-	-	77.73	62.23	3.43	-	65.66	12.07	15.51
Computers	228.94	46.60	0.69	274.85	184.51	29.36	-	213.87	60.98	44.43
<u>Intangible assets</u>										
Software	2.20	-	2.07	0.13	2.20	0.52	2.71	0.01	0.11	0.00
Total	407.73	49.42	2.76	454.39	332.09	38.41	2.71	367.79	86.60	75.64

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Notes forming part of Restated Consolidated Financial Information**Note 11: Property, Plant and Equipment, Intangible assets and Depreciation Schedule****(Amount in Rs. Lakhs)**

Particulars	Gross block				Accumulated depreciation / amortisation				Net block	
	As at 01.04.2020	Additions during the year	Deletions during the year	As at 31.03.2021	As at 01.04.2020	Depreciation for the year	Deletions during the year	As at 31.03.2021	As at 31.03.2021	As at 31.03.2020
<u>Property, Plant and Equipment</u>										
Vehicles	47.53	-	-	47.53	37.15	2.78	-	39.93	7.60	10.38
Office Equipment	42.12	-	-	42.12	32.22	3.82	-	36.04	6.08	9.90
Electrical Fittings	9.21	-	-	9.21	6.52	0.67	-	7.19	2.02	2.69
Furniture	77.73	-	-	77.73	57.59	4.63	-	62.23	15.51	20.14
Computers	210.88	18.06	-	228.94	162.17	22.34	-	184.51	44.43	48.71
<u>Intangible assets</u>										
Software	9.31	-	7.11	2.20	5.93	0.41	4.14	2.20	-	3.38
Total	396.78	18.06	7.11	407.73	301.58	34.65	4.14	332.09	75.64	95.20

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Notes forming part of Restated Consolidated Financial Information**(Amount in Rs. Lakhs)****20 Revenue from operations**

Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from Telemetry projects	2,752.57	2,386.53	1,097.95
Sale of service	4,699.37	2,764.37	1,463.78
Total	7,451.94	5,150.90	2,561.72

21 Other income

Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Interest income	37.73	31.55	7.91
Profit on sale of investments	0.37	0.52	2.12
Rental Income	3.96	3.80	3.47
Interest on IT Refund	-	4.17	1.00
Exchange gain	53.29	-	-
Miscellaneous income(Other non operating income)	-	9.00	2.01
Total	95.35	49.03	16.50

22 Purchases

Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Purchases	1,637.64	1,679.39	488.00
Direct expenses	259.60	264.93	58.93
Total	1,897.24	1,944.31	546.93

23 (Increase)/decrease in inventory

Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Opening Inventory	431.65	104.36	234.27
Adjustment in respect of unrealised profit	73.08	-	-
Less : Closing Inventory	(406.29)	(431.65)	(104.36)
(Increase)/decrease in Inventory	98.45	(327.29)	129.91

24 Employee benefit expenses

Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Salaries and wages	2,737.91	1,820.06	1,137.29
Contributions to Provident and other funds	114.34	71.34	54.54
Staff welfare expenses	193.86	81.66	12.79
Gratuity expenses (Net)	(0.81)	2.99	1.90
Total	3,045.31	1,976.05	1,206.51

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Notes forming part of Restated Consolidated Financial Information**(Amount in Rs. Lakhs)****25 Finance cost**

Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Interest expense	127.38	45.06	-
Bank Charges	22.56	21.74	9.63
Total	149.95	66.81	9.63

26 Other expenses

Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Rates and taxes	13.92	7.19	8.47
Rent expenses	53.83	46.62	41.17
Repairs and maintenance	70.81	28.05	13.08
Office maintenance	45.92	10.93	10.58
Insurance	35.41	0.81	0.51
Professional charges	719.52	690.21	220.28
Communication & internet charges	22.91	17.93	8.60
Payment to auditors			
Audit fees	3.00	2.20	0.50
Travelling and conveyance	96.32	27.95	12.16
Marketing expense	15.12	7.99	-
Security Charges	3.10	2.95	2.95
Printing and stationery	6.30	1.54	0.81
Electricity charges	10.20	5.84	6.70
Exchange loss	-	7.38	6.25
Bad debts	5.39	6.54	10.98
Subscription Charges	12.45	12.39	7.57
Assets discarded/Loss on sale of asset	13.33	0.30	-
CSR Expense	6.80	-	-
Miscellaneous expenses	1.93	1.81	0.91
Total	1,136.26	878.64	351.52

Notes forming part of Restated Consolidated Financial Information

(Amount in Rs. Lakhs)

27 Contingent liabilities and capital commitments

Contingent liabilities in respect of disputed tax/liability not provided in the books. The details are as under:

Name of Statute	Nature of the dues	Period to which the amount related (Assessment Year)	Forum where dispute is pending	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
The Income Tax Act, 1961	Sec. 195 - TDS on non-resident payment	2018-19	CIT Appeals	72.77	72.77	72.77

*The original demand was 72.77 lakhs, the company has paid 15% as on 21st June 2023 amounting to 10.92 lakhs, further amount recovered from refund due as on 27th July 2023 is 13.25 lakhs. Hence, the value of 48.60 lakhs has been arrived at after adjusting these amounts.

Contingent liability towards the Corporate Gurantee given

Name of the Bank	Person to whom the corporate gurantee is given	Relation with the person	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Canara bank	Canarys Hanuka Apo Technologies Pvt Ltd	Joint Venture	1,200.00	1,200.00	-

28 Earnings and expenditure in foreign currency

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Earnings in foreign currency:			
Export of Services	1,796.28	979.77	639.89
Expenditure in foreign currency:			
-Import of Raw Materials	(217.81)	-	(132.18)
-Travelling and conveyance	(29.70)	(9.34)	-
-Subscription of shares in Foreign subsidiary Canarys APAC Pte Ltd, Signapore	-	(5.70)	-
Total	1,549	965	508

29 Disclosure under Micro, Small and Medium Enterprises Development Act (MSMED) 2006:

Based on the information available with the company, there are no Micro, Small and Medium Enterprises (Except Canarys -Hanuka Apo Technologies Private Limited as mentioned in Note No.8) to whom the company owes dues, which are outstanding more than 45 days as on 31st March, 2023. Further, no interest during the year has been paid or payable under the terms of the MSMED Act , 2006.

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Amount due to vendor	720.73	830.90	-
Principal amount paid beyond the appointed date	-	-	-
Interest under normal credit terms-	-	-	-
Accrued during the year	-	-	-
Unpaid	-	-	-
Total interest payable-	-	-	-
Accrued during the year	-	-	-
Unpaid	-	-	-
Total	720.73	830.90	-

30 Payment to auditor

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
For services as auditors	3.00	1.00	1.00
For tax audit and other services	-	0.70	0.70
For other charges	-	3.45	3.15
Total	3.00	5.15	4.85

* The amount disclosed above does not include GST component.

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Notes forming part of Restated Consolidated Financial Information**(Amount in Rs. Lakhs)****31 Related party disclosures under accounting standard (AS-18)**

Names of related parties and description of relationship with the Company		
Key managerial personnel & their Relatives	1. Raman Subba Rao MR	Managing Director
	2. C. Raghu	Whole Time Director
	3. D.K. Arun	Whole Time Director
	4. Sheshadri	Director
	5. Sanjeev Kumar (Resigned on 09-06-2022)	Director
	6. Pushparaj Shetty (Resigned on 24-02-2021)	Director
Entities in which key managerial personnel are interested	1. iBOTOMate Private Limited	

Note: The above information has been determined to the extent such parties have been identified on the basis of information available with the company.**The following transactions were carried out with the related parties in the ordinary course of business**

Sl. No.	Transactions	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
I	<u>Revenue Transactions</u>			
	Remuneration:			
i)	Raman Subba Rao MR	68.48	45.25	41.04
ii)	C. Raghu	70.28	47.05	41.64
iii)	D.K. Arun	68.48	45.25	41.04
iv)	Sheshadri	100.28	64.05	41.11
v)	Sanjeev Kumar	7.26	30.25	37.31
vi)	Pushparaj Shetty	68.48	-	19.47
	Reimbursement of Travel & Other Expenses:			
i)	Raman Subba Rao MR	1.71	2.81	2.98
ii)	C. Raghu	12.64	16.46	6.46
iii)	D.K. Arun	12.39	2.10	1.60
iv)	Sheshadri	8.85	3.29	1.93
v)	Sanjeev Kumar	0.29	1.69	2.68
vi)	Pushparaj Shetty	3.58	-	1.01
	Dividend Paid:			
i)	Raman Subba Rao MR	6.05	4.73	4.45
ii)	C. Raghu	4.49	3.51	3.34
iii)	D.K. Arun	4.31	3.37	3.20
iv)	Sheshadri	1.41	0.70	0.40
v)	Sanjeev Kumar	-	0.46	0.18
vi)	Pushparaj Shetty	1.57	-	0.26
	Sale of Services :			
i)	iBOTOMate Private Limited	40.00	-	-
II	<u>Capital Transactions</u>			
	Issue of Shares:			
i)	Raman Subba Rao MR	-	9.46	8.40
ii)	C. Raghu	-	7.01	5.10
iii)	D.K. Arun	-	6.74	5.10
iv)	Sheshadri	-	4.10	9.00
v)	Sanjeev Kumar	-	3.61	8.34
	Subscription of Shares:			
i)	iBOTOMate Private Limited	0.05	-	-
	Loan from director repaid:			
i)	D.K. Arun	-	-	35.00

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Notes forming part of Restated Consolidated Financial Information**(Amount in Rs. Lakhs)**

Sl. No.	Closing balance Balance Receivable/(Payable):	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
1	Raman Subba Rao MR			
	i) Salary Payable	(15.28)	(6.48)	(4.00)
	ii) Due to employees (Reimbursement)	(0.24)	(0.03)	(0.25)
2	C. Raghu			
	i) Salary Payable	(15.11)	(7.97)	(4.33)
	ii) Due to employees (Reimbursement)	(0.48)	(1.63)	(1.58)
3	D.K. Arun			
	i) Salary Payable	(14.86)	(7.90)	(4.47)
	ii) Due to employees (Reimbursement)	(0.74)	(0.05)	(0.08)
4	Sheshadri			
	i) Salary Payable	(31.66)	(16.67)	(4.50)
	ii) Due to employees (Reimbursement)	(0.80)	(2.27)	(0.53)
5	Sanjeev Kumar			
	i) Salary Payable	-	(1.98)	(3.30)
	ii) Due to employees (Reimbursement)	-	(0.29)	(0.13)
6	Pushparaj Shetty			
	i) Salary Payable	(15.39)	-	-
7	iBOTomate Private Limited			
	i) Trade receivable	43.20	-	-

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Notes forming part of Restated Consolidated Financial Information**(Amount in Rs. Lakhs)****32 Earnings per Share (EPS) : Computation of Restated Earnings Per Share is as follows**

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Equity Shares			
Profit / (Loss) after tax attributable to equity share holders (Rs.)	800.51	403.81	202.02
Total number of equity shares of Rs.2 each	2,04,01,960	2,04,01,960	-
Total number of equity shares of Rs.10 each	-	-	19,12,685
Weighted average number of shares in calculating EPS	2,04,01,960	1,94,45,628	1,74,21,397
	3.92	2.08	1.16

Note: Referring to Note 2 - Share Capital, 90% of the paid-up capital for preference shares, which is held by the shareholders, can be redeemed. The remaining 10% of the paid-up capital for preference shares will be converted into equity shares. This conversion will occur at the fair value that is established during the conversion process. Due to the current inability to determine the conversion rate as of the balance sheet date, it is not possible to ascertain the impact of anti-dilution for the calculation of diluted Earnings Per Share (EPS). Therefore, the calculation for diluted EPS has not been performed.

33 Capitalisation Statement

The following table sets forth our Company's capitalisation as at March 31, 2023, derived from our Restated Consolidated Financial Information and as adjusted for the Offer. This table below should be read in conjunction with the sections titled with Restated Consolidated Financial Information, Other Financial Information and Management's Discussion and Analysis of Financial Condition and Results of Operations

Particulars	Pre-Offer as at 31 March 2023	As adjusted for the proposed offer
Total Borrowings		
Non-current borrowings (A)	-	
Current borrowings (B)	863.29	
Total Borrowings (C) = (A+B)	863.29	
Shareholders' funds		
Share capital	928.04	NA
Reserves and surplus	1,609.87	
Total Shareholders' funds (D)	2,537.91	
Total (E) = (C) + (D)	3,401.20	
Non-current borrowings/Total equity (A/D)	-	
Total borrowings/Total equity (C/D)	0.34	

34 Leases

Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
1. Future Minimum Lease Payments			
- Not later than one year	42.25	50.40	54.13
- Later than one year and not later than five years	212.78	220.79	225.07
- Later than five years	238.57	180.16	121.75
2. Lease payments recognized in the statement of profit and loss	53.83	46.62	41.17

35 The company has neither advanced or loaned or invested funds nor received any advances (either borrowed funds or share premium or any other sources or kind of funds) from any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries)

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

36 Impairment of assets

During the previous year the company has impaired assets of book value amounting to Rs. 13,33,146 which are at salvage value. For which we have not received any cash.

37 Prior year comparatives

The previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification. Further, disclosures are amended wherever necessary, in line with the amendments in Schedule III vide Notification dated March 24, 2021

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38 Retirement benefit plan**(Amount in Rs. Lakhs)****(a) Gratuity plan**

The Holding company has defined gratuity plan. Every employee who has completed 5 years or more is eligible for gratuity on separation, worked out at as per payment of Gratuity Act, 1972.

Reconciliation of opening and closing balances of present value of the defined benefit obligation and plan assets are as follows:

I. Components of employer expenses	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Current Service cost	14.59	10.93	7.38
Interest cost	3.09	2.27	1.89
Expected return on plan assets	3.91	3.03	2.39
Past Service Cost(Non Vested)	(2.25)	(4.18)	(2.42)
Net gratuity cost	16.02	14.36	9.29
II. Net asset/liability recognised during the year	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Present Value of DBO	75.32	57.33	42.72
Fair Value of Plan Assets at the end of year	66.38	51.29	40.83
Funded status (deficit)	(8.94)	(6.04)	(1.90)
Unrecognized Past Service Cost	-	-	-
Net asset/(liability) recognised in the balance sheet	(8.94)	(6.04)	(1.90)
III. Change in defined benefit obligation	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Obligations at beginning of the year	57.33	42.72	31.99
Service cost	14.59	10.93	7.38
Interest cost	3.09	2.27	1.89
Past service cost - vested benefits	-	-	-
Benefit payments	(2.22)	(2.86)	(1.11)
Actuarial loss/(gains) due to change in assumptions	-	-	-
Actuarial Loss/(gain) due to plan experience	2.53	4.26	2.59
Obligations at end of the year	75.32	57.33	42.72
IV. Reconciliation of net asset/(liability)	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Net asset/(liability) at beginning of the year	(6.04)	(1.90)	-
Employer expense	16.02	14.36	9.29
Benefits payments made directly by sponsor	(13.12)	(10.22)	(7.39)
Net asset/(liability) at end of the year	(8.94)	(6.04)	(1.90)

The following table set out the status of the gratuity as required under AS-15:

Assumptions	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Discount rate	7.10%	7.10%	7.10%
Expected rate of return on assets	7.00%	7.00%	7.00%
Withdrawal /attrition rate	25.00%	25.00%	25.00%
Salary escalation	9.00%	9.00%	9.00%
Mortality*	IAL12-14ULT	IAL12-14ULT	IAL12-14ULT
Retirement age	58 Years	58 Years	58 Years

* IAL: India Assured Lives Mortality modified Ult.

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39. Material Adjustment to Restated Consolidated Financial Information**1. NON-ADJUSTMENT ITEMS**

There are No Audit qualifications for the respective periods which require any corrective adjustment in these Restated Financial Statements of the Company have been pointed out during the restated period.

2. MATERIAL REGROUPING

Appropriate regrouping has been made in the restated summary statements of Assets and Liabilities Profits and Losses and Cash flows wherever required by reclassification of the corresponding items of income expenses assets and liabilities in order to bring them in line with the requirements of the SEBI Regulations. The figures have been grouped and classified wherever they were necessary and have been rounded off to the nearest rupee in lakhs. Other figures of the previous years have been regrouped / reclassified and / or rearranged wherever necessary.

3. Material Adjustments in Restated Consolidated Profit & Loss A/C:

Particulars	For the year ended		
	March 31, 2023	March 31, 2022	March 31, 2021
(A) Net profit as per audited financial statements	8,52,51,101	5,32,53,769	2,22,99,529
Add/(Less): Adjustments on account of			
1. Prepaid expenses of current year (Note-1)	-	24,654	45,133
2. (Short)/Excess provision of gratuity (Note-2)	-	(2,98,768)	(1,89,663)
3. Rent reserve created (Note-3)	-	(3,37,191)	(3,37,191)
4. Reversal of deferred tax (Note-4)	-	77,972	(10,35,288)
5. Adjustment in respect of Intangible asset (Note-5)	-	63,360	99,355
6. Unrealised profit elimination (Note-6)	-	(73,08,167)	-
7. Change in FCTR A/C (Note-7)	-	99,695	1,54,165
8. Adjustment in respect of Investment property (Note-8)	-	6,076	6,333
(B) Total Adjustments	-	(76,72,370)	(12,57,157)
Restated Profit/(Loss) (A+B)	8,52,51,101	4,55,81,399	2,10,42,372

Notes:

1. Prepaid expenses not accounted earlier now accounted.
2. Provision of Gratuity has been made in consideration with actuarial report.
3. Rent equalisation reserve created as per AS 19.
4. Deferred Tax provision created in pursuance of AS-22.
5. Adjustment in respect of Intangible asset groupings
6. Elimination of unrealised profit of Joint venture
7. Change in profit due to translation of foreign subsidiaries at CBIC Rates
8. Factory building given for rent being classified as Investment property

4. Material Adjustments in Restated Consolidated Total Equity:

Particulars	For the year ended		
	March 31, 2023	March 31, 2022	March 31, 2021
(A) Total Equity (As per Audited Financial Statements)	25,37,91,054	17,45,75,775	12,49,46,768
Add/(Less): Adjustments on account of			
1. Previous year total adjustments	-	8,70,513	-
2. Reversal of Provision for Dividend (Note-1)	-	24,48,235	19,12,685
3. Adjustment in respect of rent reserve for Previous years (Note-2)	-	-	(14,43,010)
4. Adjustment in respect of Deferred tax for Previous years (Note-3)	-	-	30,424
5. Adjustment in respect of Gratuity for Previous years (Note-4)	-	-	12,78,255
6. Payment of dividend on equity shares (Note-5)	-	(19,12,685)	-
7. Adjustments in P&L as above	-	(76,72,370)	(12,57,157)
8. Assets discarded (Note-6)	-	1,34,323	(2,97,038)
9. Change in FCTR A/C	-	(99,695)	(1,54,165)
10. Adjustment in respect of Investment property (Note-7)	-	-	8,00,518
(B) Total Adjustments	-	(62,31,679)	8,70,513
Total equity as per Restated Statement of Assets and Liabilities (A+B)	25,37,91,054	16,83,44,096	12,58,17,281

Notes:

1. Provision for dividend on equity shares reversed.
2. Rent equalisation reserve created as per AS 19
3. Deferred Tax expense wrongly charged earlier, now reversed.
4. Provision for gratuity wrongly created earlier, now reversed.
5. Actual payment of dividend allowed.
6. Adjustment in respect of Intangible asset groupings
7. Factory building given for rent being classified as Investment property

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40. Statement Of Mandatory Accounting Ratios**(Amount in Rs. Lakhs)**

Particulars	For the year ended		
	March 31, 2023	March 31, 2022	March 31, 2021
Net Worth (A)	2,537.91	1,683.44	1,258.17
EBITDA	1,347.46	706.47	333.72
Restated Profit after tax	852.51	455.81	210.42
Less: Prior period item	-	-	-
Adjusted Profit after Tax (B)	852.51	455.81	210.42
Number of Equity Share outstanding as on the End of Year/Period (C)	204.02	204.02	19.13
Weighted average no of Equity shares at the time of end of the year (D)	204.02	194.46	17.42
Current Assets (E)	6,012.88	4,157.68	1,480.90
Current Liabilities (F)	3,801.71	3,037.06	715.19
Face Value per Share	2	2	10
Restated Basic and Diluted Earning Per Share	3.92	2.08	1.16
Return on Net worth (%) (B/A)	31.54%	23.99%	16.06%
Net asset value per share (A/D) (Face Value of Rs. 10 Each)	12.44	8.66	7.22
Current Ratio (E/F)	1.58	1.37	2.07

Canarys Automations Limited**(Formerly known as: Canarys Automations Private Limited)****# 566 & 567, 2nd Floor, 30th Main, Attimabbe Road, Banashankari 3rd Stage, Bengaluru - 560 085****CIN: U31101KA1991PLC012096****41. Summarised Financial position****Summarised financial information of joint ventures****(Amount in Rs. Lakhs)****Summarised financial position (Canary's share)**

	As at March 31, 2023	As at March 31, 2022
Cash and cash equivalents	447.36	351.72
Other assets	1,010.31	972.04
Total current assets	1,457.67	1,323.77
Total non-current assets	5.67	2.66
Financial Liabilities (excluding trade payables)	1,058.23	798.34
Other Liabilities	364.23	421.01
Total current liabilities	1,422.46	1,219.34
Total non-current liabilities	2.05	1.62
Net assets	38.83	105.46

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42 Segment reporting

The primary reporting of the company has been performed on the basis of business segments. The company is organized into two business segments viz. Telemetry and Cansoft as follows:

(Amount in Rs. Lakhs)

Particulars	Continuing operations						Unallocable			Total		
	Telemetry			Cansoft								
	31-03-2023	31-03-2022	31-03-2021	31-03-2023	31-03-2022	31-03-2021	31-03-2023	31-03-2022	31-03-2021	31-03-2023	31-03-2022	31-03-2021
1. Revenue from operation	2,780.09	2,313.03	1,100.45	4,671.85	2,837.87	1,461.28	-	-	-	7,451.94	5,150.90	2,561.72
2. Other income	-	-	-	-	-	-	95.35	49.03	16.50	95.35	49.03	16.50
Total revenue	2,780.09	2,313.03	1,100.45	4,671.85	2,837.87	1,461.28	95.35	49.03	16.50	7,547.28	5,199.93	2,578.23
3. Segment Expenses	2,408.91	1,988.99	883.65	3,904.20	2,548.45	1,383.12	53.83	39.50	12.38	6,366.93	4,576.93	2,279.15
Total expense	2,408.91	1,988.99	883.65	3,904.20	2,548.45	1,383.12	53.83	39.50	12.38	6,366.93	4,576.93	2,279.15
4. Profit before tax	371.18	324.04	216.80	767.65	289.42	78.15	41.52	9.54	4.12	1,180.35	623.00	299.07
5. Tax expense	-	-	-	-	-	-	327.84	167.18	88.65	327.84	167.18	88.65
6. Profit after tax	371.18	324.04	216.80	767.65	289.42	78.15	(286.32)	(157.65)	(84.53)	852.51	455.81	210.42

Particulars	Construction and Development			Hotel			Unallocable			Total		
	31-03-2023	31-03-2022	31-03-2021	31-03-2023	31-03-2022	31-03-2021	31-03-2023	31-03-2022	31-03-2021	31-03-2023	31-03-2022	31-03-2021
Segment Current Assets	4,697.73	3,093.40	1,028.23	853.76	598.87	256.57	461.40	465.41	196.10	6,012.88	4,157.68	1,480.90
Segment Non Current Assets	152.69	496.58	329.68	89.37	86.50	72.57	122.95	12.82	119.90	365.01	595.90	522.15
Total Assets	4,850.41	3,589.98	1,357.91	943.13	685.37	329.14	584.35	478.23	315.99	6,377.89	4,753.58	2,003.05
Segment Current Liabilities	2,407.62	2,255.57	355.76	172.56	113.18	54.89	1,221.53	668.31	304.54	3,801.71	3,037.06	715.19
Segment Non Current Liabilities	1.64	3.55	1.78	22.09	19.06	16.02	14.54	10.47	11.88	38.27	33.08	29.69
Share Holders Funds	-	-	-	-	-	-	2,537.91	1,683.44	1,258.17	2,537.91	1,683.44	1,258.17
Total Liabilities	2,409.26	2,259.12	357.54	194.65	132.23	70.91	3,773.98	2,362.22	1,574.60	6,377.89	4,753.58	2,003.05

Canarys Automations Limited**(Formerly known as: Canarys Automations Private Limited)**

566 & 567, 2nd Floor, 30th Main, Attimabbe Road, Banashankari 3rd Stage, Bengaluru - 560 085

CIN: U31101KA1991PLC012096

Additional regulatory Requirements**43 Ratio analysis****Ratio analysis for the year ended March 31, 2023**

Ratio	Numerator	Demominator	Current Period	Previous period	% of variance	Reason for variance of 25% or more
Current Ratio	Current assets	Current liabilities	1.58	1.37	16%	
Debt Equity Ratio	Total debt	Shareholder's equity	NA	NA	NA	
Debt service coverage ratio	Earnings available for debt service	Debt service	NA	NA	NA	
Return on equity Ratio	Net profits after taxes	Average shareholder's equity	0.60	0.39	53%	The increase in return on equity is due to variation in % of profit from project to project and increase in our software revenue by 60% during 2022-23 over FY 2021-22
Inventory Turnover ratio	Revenue	Average inventory	1.00	1.41	-29%	Stock & WIP at the end of FY 2022-23 was less since we had tried to complete the project before the year end when compared to FY 2021-22 where completion of project was pending at the end of pervious year. And hence, stock at the end of FY 2022-23 less by 68% over FY 2021-22.
Trade Receivable Turnover Ratio	Revenue	Average trade receivable	1.37	1.52	-10%	
Trade Payable Turnover Ratio	Purchases of services and other expenses	Average trade payables	1.37	2.19	-38%	All World Bank Funded NHP Projects which company is excecuting -the Payment Terms are up to 5 Years and does not directly correspond to the Billed/Invoice amount . There is an inordinate delay from all our Government Customers in clearing our outstanding payments. For which we have back to back arrangement with our suppliers.
Net capital Turnover Ratio	Revenue	Working capital	2.82	2.93	-4%	
Net Profit Ratio	Net profit	Revenue	0.18	0.16	10%	The increase in net profit is depending on managing & execution of project in time and has direct baring on %age of profit from project to project
Return on capital Employed	Earning before interest and taxes	Capital employed	0.33	0.26	27%	The increase in total revenue & improvement in ability to handle the various project has directly contributed the increase in EBIT
Return on Investments	Income generated from investments	Time weighted average investments	0.06	0.04	63%	Variation in interest rate on fixed deposit from time to time by Bank has direct bearing on interest earned .

Canarys Automations Limited**(Formerly known as: Canarys Automations Private Limited)**

566 & 567, 2nd Floor, 30th Main, Attimabbe Road, Banashankari 3rd Stage, Bengaluru - 560 085

CIN: U31101KA1991PLC012096

Ratio analysis for the year ended March 31, 2022

Ratio	Numerator	Demominator	Current Period	Previous period	% of variance	Reason for variance of 25% or more
Current Ratio	Current assets	Current liabilities	1.37	2.07	-34%	Due to increase in turnover, the payable also increased in corresponding to long outstanding dues receivable from government in respect of telemetry division.
Debt Equity Ratio	Total debt	Shareholder's equity	NA	NA	NA	
Debt service coverage ratio	Earnings available for debt service	Debt service	NA	NA	NA	
Return on equity Ratio	Net profits after taxes	Average shareholder's equity	0.39	0.48	-19%	Due to covid cost of executing the project was high when compared to the others years which was normal and further, the %age of profit varies from project to project is also the other reasons.
Inventory Turnover ratio	Revenue	Average inventory	1.41	4.00	-65%	This is due to drastic increase in telemetry turnover during the year 2021-22 when compared to the FY 2020-21 where revenue from software business was major turnover which does not require holding of inventory
Trade Receivable Turnover Ratio	Revenue	Average trade receivable	1.52	2.06	-26%	The dues receivable from Government project varies from 6 months to two years which has affected the increase in trade receivable turnover ratio
Trade Payable Turnover Ratio	Purchases of services and other expenses	Average trade payables	2.19	1.48	48%	All World Bank Funded NHP Projects which company is executing -the Payment Terms are up to 5 Years and does not directly correspond to the Billed/Invoice amount . There is an inordinate delay from all our Government Customers in clearing our outstanding payments. For which we have back to back arrangement with our suppliers.
Net capital Turnover Ratio	Revenue	Working capital	2.93	2.77	6%	
Net Profit Ratio	Net profit	Revenue	0.16	0.14	15%	
Return on capital Employed	Earning before interest and taxes	Capital employed	0.26	0.24	10%	The turnover has increased two fold and it is also due to increase in profit and increase in share capital during 2021-22 over the previous year.
Return on Investments	Income generated from investments	Time weighted average investments	0.04	0.02	54%	Variation in interest rate on fixed deposit from time to time by Bank has direct bearing on interest earned.

44 Wilful Defaulter

The company has not been declared as wilful defaulter by any bank or financial Institution or other lender.

45 Relationship with Struck off Companies

The company has not had any transactions with companies struck off under section 248 of the Companies Act, 2013

Canarys Automations Limited
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CIN: U31101KA1991PLC012096

Additional regulatory Requirements

(Amount in Rs. Lakhs)

46 Corporate Social Responsibility (CSR) expenditure

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Amount required to be spent by the company during the year	6.80	-	-
Amount of expenditure incurred on:	-	-	-
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	6.80	-	-
Shortfall at the end of the year	-	-	-
Total of previous years shortfall	NA	NA	NA
Reason for shortfall	Animal Welfare, conservation of natural resources and maintaining quality of soil		
Nature of CSR activities			

47 Additional information as required under Schedule III to the Companies Act, 2013, of entities consolidated as subsidiaries

Name of entity	Net worth (assets minus liabilities)		Share of Profit/(Loss)	
	As % of consolidated net assets	Amount	As % of consolidated profit/(loss)	Amount
Parent Company				
Canarys Automations Limited	95.91%	2,434.21	108.78%	927.32
Wholly Owned Subsidiary Company				
Canarys Corp, USA	2.40%	60.87	0.09%	0.77
Canarys APAC Pte Ltd	0.16%	4.00	-0.06%	(0.53)
Joint Venture				
Canarys Hanuka Apo Technologies Pvt Ltd	1.53%	38.83	-8.80%	(75.05)
Total	100.00%	2,537.91	100%	852.51

48 As per explanation to Para 6 of Accounting Standard 21, Consolidated Financial Statements, these Consolidated Financial statements to be read along with the audited standalone financial statements of each component of the group. Specific disclosures as required by Schedule III (Amended) to the Companies Act, 2013 are presented in each of the standalone financial statements. As per explanation to Para 6 of Accounting Standard 21, Consolidated Financial Statements, these Consolidated Financial statements to be read along with the audited standalone financial statements of each component of the group. Specific disclosures as required by Companies Act, 2013 are presented in each of the standalone financial statements.

49 The additional information and other regulatory disclosures called for by Schedule III in the form of notes to Balance Sheet and Statement of Profit and Loss Account, if not expressly mentioned elsewhere, is either NIL or Not Applicable to this company.

49 Impact of COVID on Canarys Water Resources Project Operations and Delivery against original contractual commitments.

Owing to outbreak of the Coronavirus 2019 (COVID-19), which was declared as a pandemic by the World Health Organization (WHO) leading which the Government of India and state governments declared national and state lockdown in the year 2020 and 2021. This created disruption in project execution activities in those years, such as, delays in site visits, surveys, design discussions and meetings, manufacturing, inspection, factory visits, delivery of material, site installations, commissioning activities, staff falling ill, customer officers falling ill, etc. During this health situation, fear for safety, restrictions and imposition of several emergency stages and rules on movement of goods, the business knee jerk reactions, led to creation of long waiting period on already placed orders, back-to-back delays in sourcing electronics components, chips and processors. The backlog was so long and voluminous that even in year 2023, the waiting period after confirmed orders and advance payment, are with a waiting period of 6 to 9 months. These delays caused most MSME companies to fall behind schedule including Canarys, delay in delivery, partial deliveries without fulfilling complete products, delay in payments, withholding of payments, led to negative cashflows and huge capital parked as advances and project operational expenditure which were half completed, escalation in cost of material and repeated work, all led to further skirmish, arguments and heated exchanges between the company and customers, which required tremendous effort to convince that this is Force Majeure situation and we Liquidated damages, threats of project extension time at risk and cost, performance guarantees being forfeited, and black listing were used by customers. The negative cashflow were affecting the entire supply chain, who in turn, were dependent on companies as the customers were not releasing payments, even after communicating that the delays were due to COVID and customer internal justification process held up the payments, even though the project operations and deliveries had slowly begun, but were not on schedule. Particular milestones and volume of work were expected by the customers before release of payments, which pushed the cashflow situation to the maximum limits. All of this had cascading effect, is felt even in year 2023.

Fortunately, Government of India, Ministry of Finance, recognizing the pandemic effect has issued Series of Memorandum namely - VIVAD SE VISHWAS - Relief for MSME due to the difficulties faced in the years 2020, 2021 and up to March 2022 COVID pandemic. Government has provided benefits with respect to contractual conditions, particularly by refunding the Liquidated Damages, release of forfeited performance security & bid security and revoking the debarred parties who had defaulted operations/delivery in this period.

As per our report of even dated attached
for SURESH & CO.
Chartered Accountants
Firm Registration Number: 004255S

for and on behalf of the Board of Directors of
Canarys Automations Limited

Udupi Vikram
Partner
Membership Number: 227984
Bengaluru
21 August 2023

Raman SubbaRao M R
Managing Director
DIN:00176920
Bengaluru
21 August 2023

Shehsadri Y S
Director & CEO
DIN: 03367545
Bengaluru
21 August 2023

Raghu C
Whole-time Director & CFO
DIN: 01065269
Bengaluru
21 August 2023

Nagashree Hegde
Company Secretary
M. No.: A66166
Bengaluru
21 August 2023