

# **LAFFAN SOFTWARE LIMITED**

*36<sup>th</sup>*  
*ANNUAL REPORT*  
*2020 -2021*

# **Corporate Information**

## **BOARD OF DIRECTORS**

Mr. Swapan Sarkar (Managing Director)  
Mr. Sandip Kumar Singh (Independent Director)  
Ms. Kakali Ghosh (Independent Director) (Resigned w.e.f. 03.05.2021)  
Ms. Tulika Paul (Independent Director) (Appointed w.e.f. 03.05.2021)  
Mr. Soma Ghosh (Independent Director) (Appointed w.e.f. 03.05.2021)

## **CHIEF FINANCIAL OFFICE**

Mr. Gunodhar Ghosh

## **COMPANY SECRETARY**

Smt. Deepa Bansal

## **AUDITORS**

CA S. N. Chakrabarty & Co.  
Chartered Accountants

## **REGISTRAR & SHARE TRANSFER AGENT**

ABS Consultant Pvt. Ltd  
99, Stephen House  
4, B. B. D. Bagh (E), Kolkata – 700 001  
PH: +91 3322201043

## **BANKERS**

HDFC BANK LTD.  
IDBI Bank Ltd.

## **REGISTERED OFFICE**

205, Haribol Roy Market  
2nd Floor, A. T. Road  
Near Saraf Building  
Guwahati – 781 001

## **CORPORATE OFFICE**

21/7, Sahapur Colony  
Ground Floor,  
Kolkata – 700 053

## **E-MAIL ADDRESS**

laffan@mail.com

## **WEBSITE**

www.laffan.co.in

## **LAFFAN SOFTWARE LIMITED**

CIN: L72200AS1985PLC002426  
REGD. OFFICE: 205, Haribol Roy Market, 2<sup>nd</sup> Floor,  
A.T. Road, Guwahati – 781 001  
Website: www.laffan.co.in  
Email Id: laffan@mail.com , Phone: +91 9163513015

### **NOTICE**

NOTICE is hereby given that:

The 36<sup>th</sup> Annual General Meeting of the Members of LAFFAN SOFTWARE LIMITED will be held on Wednesday, 29<sup>th</sup> September, 2021 at 2.45 p.m. at the registered office of the Company to transact the following businesses: -

#### **AS ORDINARY BUSINESS**

1. The Audited Standalone Financial Statement of the Company for the Financial Year ended March 31, 2021 including the Audited Balance Sheet as at March 31, 2021, the Statement of Profit and Loss and Cash Flow Statement of the Company for the year ended on that date and notes related thereto together with the Board's Report and the Report of Auditors' thereon;
2. To appoint a Director in place of Mr. Swapan Sarkar (holding DIN : 05149442) who retires by rotation in term of section 152(6) of the Companies Act, 2013 and being eligible offers himself for re-appointment.

#### **SPECIAL BUSINESS:**

3. Regularization of appointment of Additional Director, Mrs. Tulika Paul as Non Executive Independent Director of the Company.

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** Mrs. Tulika Paul (DIN:09152872) who was appointed by the Board of Directors as an Additional Director of the Company with effect from May 03, 2021 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013, ('the Act') but who is eligible for appointment and in respect of whom the Company has received a notice in writing from the Member under Section 160(1) of the Act proposing her candidature for the office of Director of the Company, be and is hereby appointed a Director of the Company.”

**“RESOLVED FURTHER THAT** pursuant to the provisions of Section 149, 152, Schedule IV and other applicable provisions, if any, of the Act and the Companies (Appointment and Qualifications of Directors) Rules, 2014 as amended from time to time, appointment of Mrs. Tulika Paul, who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16 (b) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, as an Independent Director of the Company, not liable to retire by rotation, for a term of 5 years, with effect from May 03, 2021 up to May 02, 2026, be and is hereby approved.”

4. Regularization of appointment of Additional Director Mrs. Soma Ghosh as Non Executive Independent Director of the Company.

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution

**“RESOLVED THAT** Mrs. Soma Ghosh (DIN: 09153111) who was appointed by the Board of Directors as an Additional Director of the Company with effect from May 03, 2021 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161 (1) of the Companies Act, 2013, ('the Act') but who is eligible for appointment and in respect

of whom the Company has received a notice in writing from the Member under Section 160 (1) of the Act proposing her candidature for the office of Director of the Company, be and is hereby appointed a Director of the Company.”

**“RESOLVED FURTHER THAT** pursuant to the provisions of Section 149, 152, Schedule IV and other applicable provisions, if any, of the Act and the Companies (Appointment and Qualifications of Directors) Rules, 2014 as amended from time to time, appointment of Mrs. Soma Ghosh, who has submitted a declaration that she meets the criteria for independence as provided in Section 149 (6) of the Act and Regulation 16 (b) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, as an Independent Director of the Company, not liable to retire by rotation, for a term of 5 years, with effect from May 03, 2021 up to May 02, 2026, be and is hereby approved.”

By Order of the Board  
Sd/-  
(Swapan Sarkar)  
Executive Director  
DIN: 05149442

Place: Guwahati  
Dated: 02/09/2021

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (“AGM”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. THE INSTRUMENT APPOINTING PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE COMMENCEMENT OF THE MEETING.

In terms of Rule 19 of the Companies (Management and Administration) Rules, 2014, a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy such person shall not act as a proxy for any person or shareholder.

2. Only registered Members of the Company or any proxy appointed by such registered Member may attend and vote at the Meeting as provided under the provisions of the Companies Act, 2013. In case any shareholder has voted electronically, then he/she can participate in the Meeting but not vote.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 23.09.2021 to 29.09.2021 (both days inclusive) for determining the name of Members eligible for dividend on equity shares if declared at the meeting.
4. Duly executed and stamped transfer deeds, along with the share certificates, should be submitted to the Company’s Registrar and Share Transfer Agents before the closure of the Register of Members for registration.
5. Corporate Members are requested to send a duly certified copy of the Board Resolution pursuant to Section 113 of the Companies Act, 2013/ Power of Attorney authorizing their representative(s) to attend and vote on their behalf at the Meeting.
6. Members holding shares in physical form and wishing to make / change a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013 may submit the prescribed particulars in Form No. SH-13 (Nomination Form) or SH-14 (Cancellation or Variation of Nomination), to the Company

7. Electronic copy of the Annual Report, Notice of the Meeting of the Company inter-alia indicating the process and manner of remote e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company / Depository Participants for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the Meeting of the Company inter alia indicating the process and manner of remote e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
8. Pursuant to the provisions of Section 91 of the Companies Act, 2013 (corresponding to Section 154 of the Companies Act, 1956), a member desirous of obtaining any information concerning the accounts and operation of the Company is requested to send his queries to the Company at least 7 days before the date of the meeting, so that the information required by the member is made available at the meeting.
9. In view of Go Green initiative being undertaken by the Company, Members who have not yet registered their e-mail address so far are requested to register/update their e-mail addresses with the Company's RTA or with the Company at email id Shareholders holding shares in dematerialized form are requested to register their e-mail addresses and changes therein with the concerned Depositories through their Depository Participant.
10. Members are requested to bring their copy of Annual Report to the Meeting. A member desirous of getting any information with regard to Accounts of the Company is requested to send the queries to the Company at least 10 days before the meeting to the Company Secretary at the Registered Office of the Company.
11. Members are requested to mention their Folio Number/ Client ID/DP ID Number (in case of shares held in dematerialized form) in all their correspondence with the Company / Depository Participant in order to facilitate response to their queries promptly.
12. Members who are holding shares of the Company in physical form through multiple folios in identical order of names are requested to write to the Company, enclosing their share certificates, to enable the Company to consolidate their holdings in one folio.
13. Ministry of Corporate Affairs vide its circular no.17/2011 dated 21/04/2011 & 18/2011 dt.29/04/2011 has taken Green Initiative in the Corporate Governance by allowing the companies to send various notices/documents including audited financial results, directors report, auditors report, general meeting notices to the members through electronic mode to the registered email addresses of the shareholders.  
Members are therefore requested to register their email addresses with the Company and also keep a note to inform any change in your email address.  
As per SEBI's circular in respect of transaction involving transfer of shares in physical form of a listed company, it is mandatory for the transferee(s) to furnish copy of PAN card for registration of transfer of Shares.
14. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
15. Members may note that the Notice of the Meeting will be available on the Company's website [www.laffan.co.in](http://www.laffan.co.in). The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, the Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 read with Rules issued thereunder will be available for inspection by the members at the Meeting.
16. The relevant documents referred to in this Notice and Explanatory Statement are open for inspection at the Meeting and such documents will also be available for inspection in physical or in electronic form at the registered office and copies thereof shall also be available for inspection in physical or electronic form at the registered office from the date of dispatch of the Notice till the date of the Meeting on all working days, except Saturdays, from 10:00 A.M to 12:00 Noon.

## 17. Voting through Electronic Means:

- i. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 w.e.f. 19 March 2015 and Regulation 44 of Listing Obligations and Disclosure Requirements Regulations, 2015 the Company is pleased to provide to the members, the facility of voting by electronic means in respect of business to be transacted at the Meeting which includes the facility of casting the votes by the Members using an electronic voting system from a place other than venue of the Meeting (“remote e-voting”) and the same will be provided by Central Depository Services (India) Limited (CDSL).
- ii. The facility of voting through ballot or polling paper shall also be made available for the members at the Meeting who have not been able to vote electronically and who are attending the Meeting. The members who have cast their vote electronically would be entitled to attend the Meeting but would not be permitted to cast their vote again at the Meeting. The facility to vote by electronic voting system will not be provided at the Meeting.
- iii. The remote e-voting period commences on 26th September, 2021 (9.00 A.M. IST) and ends on 28th September, 2021 (5.00 P.M. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the close of working hours on 23<sup>rd</sup> September, 2021 (‘Cut-off date’) may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting on 28th September 2021 after 5.00 P.M. IST. Once the vote on a resolution is cast by the Member, he/she shall not be allowed to change it subsequently.
- iv. K Sonee & Company, Practising Company Secretary, Cop. No. 14302 (Mr. Kaushik Sonee FCS, Membership No. 7921) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

### **The instructions for shareholders voting electronically are as under:**

1. The voting period begins on 26th September, 2021 (9.00 A.M. IST) and ends on 28th September, 2021 (5.00 P.M. IST). During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) on 23<sup>rd</sup> September, 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
2. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
3. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
4. Click on Shareholders.
5. Now Enter your User ID
  - For CDSL: 16 digits beneficiary ID,
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - Members holding shares in Physical Form should enter Folio Number registered with the Company.
6. Next enter the Image Verification as displayed and Click on Login.
7. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
8. If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"><li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li><li>• In case the sequence number is less than 8 digits enter the applicable number of 0’s before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with</li></ul>

	sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

9. After entering these details appropriately, click on “SUBMIT” tab.;
10. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for evoting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
11. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
12. Click on the EVSN for the relevant “LAFFAN SOFTWARE LIMITED” on which you choose to vote.
13. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
14. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
15. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
16. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
17. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
18. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
19. Note for Non – Individual Shareholders and Custodians
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
20. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES**

On account of threat posed by COVID-19 and in terms of the MCA and SEBI Circulars, the Company has sent the Notice of AGM and e-voting instructions only in electronic form to the registered email addresses of the shareholders whose email addresses are registered with the Company / Depositories. Therefore, those shareholders who have not yet registered their email address are requested to get their email addresses registered by following the procedure given below:

- (1) For Physical shareholders - Please provide necessary details like 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 Company at **laffan@mail.com** .
- (2) For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP).
- (3) For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.
- (4) If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022- 23058738 and 022-23058542/43.
- (5) All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futorex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43

#### **General Guidelines for shareholders:**

- I. The remote e-voting begins on 26<sup>th</sup> September, 2021 (09:00 AM IST) and will end on 28<sup>th</sup> September, 2021 (5:00 p.m. IST) both days inclusive. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date/ entitlement date of 23<sup>rd</sup> September, 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast and confirmed by the Member, he shall not be allowed to change it subsequently.
- II. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting.
- III. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off/ entitlement date only shall be entitled to avail the facility of remote e-voting as well as e-voting at the AGM

Place: Guwahati  
Dated: 02/09/2021

By Order of the Board  
Sd/-  
(Swapan Sarkar)  
Executive Director  
DIN: 05149442



## STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

### Item No. 3 Regularization of Director Appointment

Mrs. Tulika Paul (DIN 07403891) was appointed as an Additional Director of the Company with effect from May 3, 2021 in terms of Section 161 (1) of the Companies Act, 2013. He holds office as Director up to the date of the forthcoming Annual General Meeting ('AGM') and is eligible for appointment as a Director.

She does not hold any equity shares of the Company and is not related to any Director of the Company.

Mrs. Tulika Paul holds a Graduate degree from Kolkata. At present she is working as a Sales Officer.

As per the provisions of Section 149 of the Act, an Independent Director shall hold office for a term up to five consecutive years on the Board of a Company and is not liable to retire by rotation

In the opinion of the Board, Mrs. Tulika Paul fulfils the conditions specified in the Act and the Rules made there under for appointment as Independent Director and she is an independent of the management.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mrs. Tulika Paul as Independent Director is now being placed before the Members in General Meeting for her approval.

Mrs. Tulika Paul is interested and concerned in the Resolution mentioned at Item No.4 of the Notice. Other than Mrs. Tulika Paul, no other Director, Key Managerial Personnel or her respective relatives are concerned or interested in the Resolution mentioned at Item No.3 of the Notice.

### Item No. 4

Mrs. Soma Ghosh (DIN: 09153111) was appointed as an Additional Director of the Company with effect from May 3, 2021 in terms of Section 161 (1) of the Companies Act, 2013. He holds office as Director up to the date of the forthcoming Annual General Meeting ('AGM') and is eligible for appointment as a Director.

She does not hold any equity shares of the Company and is not related to any Director of the Company.

Mrs. Soma Ghosh holds a Graduate degree from Kolkata. At present she is working as a Marketing Officer

As per the provisions of Section 149 of the Act, an Independent Director shall hold office for a term up to five consecutive years on the Board of a Company and is not liable to retire by rotation

In the opinion of the Board, Mrs. Soma Ghosh fulfils the conditions specified in the Act and the Rules made there under for appointment as Independent Director and she is an independent of the management.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mrs. Soma Ghosh as Independent Director is now being placed before the Members in General Meeting for her approval.

Mrs. Soma Ghosh is interested and concerned in the Resolution mentioned at Item No.4 of the Notice. Other than Mrs. Soma Ghosh, no other Director, Key Managerial Personnel or her respective relatives are concerned or interested in the Resolution mentioned at Item No.4 of the Notice.

Details of Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting:  
(Pursuant to Regulation 36 (3) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015).

**Annexure – 1 to the Notice**

Details of Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting: (Pursuant to Regulation 36 (3) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015).

Name with Age and Qualification	Experience	Details of Directorships in other Companies including Listed Companies	Details of Membership of Committees of all the Companies	No of Meetings attended during the Year	Brief Resume of Directors	Disclosure on relationship between Directors Inter-se
Mr. Swapan Sarkar  55 years  Graduate Degree	10 years	1. Impala Industrial Enterprises Ltd.  2. N.E.Electronics Ltd.  3. Logic Infotech Ltd.  4. Jagadishwar Pharmaceutical Works Ltd.  5. Online Information Technologies Limited	Membership: Stakeholders Relationship Committee	Board Meeting 5  Stakeholders Relationship Committee 4	Presently he is Chairman and Managing Director of the Company	N.A.
Mrs. Tulika Paul  40 years  Graduate Degree	5 years	1. Impala Industrial Enterprises Ltd  2. N.E.Electronics Ltd.  3. Logic Infotech Ltd.  4. Jagadishwar Pharmaceutical Works Ltd.  5. Online Information Technologies Limited	NA	NA	Independent Director	N.A.
Mrs. Soma Ghosh  Date of Birth  41 years  Graduate Degree	5 years	1. Impala Industrial Enterprises Ltd  2. N.E.Electronics Ltd.  3. Logic Infotech Ltd.  4. Jagadishwar Pharmaceutical Works Ltd.  5. Online Information Technologies Limited	NA	NA	Independent Director	N.A.

## **LAFFAN SOFTWARE LIMITED**

CIN: L72200AS1985PLC002426  
REGD. OFFICE: 205, Haribol Roy Market, 2<sup>nd</sup> Floor,  
A.T. Road, Guwahati – 781 001  
Website: www.laffan.co.in  
Email Id: laffan@mail.com , Phone: +91 9163513015

### **DIRECTOR'S REPORT**

To,  
The Shareholders,

Your Directors have pleasure in presenting the 36<sup>th</sup> Annual Report along with the Audited Financial statements of the Company for the financial year ended 31<sup>st</sup> March, 2021.

#### **1. Financial Results:**

<b>Particulars</b>	<b>2020-21</b>	<b>2019-20</b>
Income	115.03	55.43
Expenditure	119.35	64.55
Profit/(Loss) before depreciation tax and exceptional item Exceptional item	(4.31)	(9.13)
Depreciation	-	--
Exceptional item	--	--
Profit/(Loss) before Taxation	(4.31)	(9.13)
Deferred Tax/Current tax	--	--
Profit/(Loss) After Taxation	(4.31)	(9.13)

#### **2. Business performance**

The Company does not have divisions therefore division wise working details are not applicable. Total revenue from operations of the Company was Rs.115.03 lacs for the year ended 31st March, 2021 as against Rs. 55.43 Lacs for the year ended 31st March, 2020. During the financial year 2020-21, the Company earned a Loss after tax of Rs.4.31 Lacs as compared to Rs.9.13 Lacs in previous year.

#### **3. Share Capital:**

The paid up equity capital as on March 31, 2021 is Rs. 15,22,17,000/- divided into 15221700 equity shares of Rs. 10/- each. During the year under review, the Company has not issued bonus shares nor issued shares with differential voting rights nor granted stock options nor sweat equity and nor buy back its own securities.

#### **4. Change in nature of Business:**

There was no change in nature of business activity during the year.

#### **5. Transfers to Reserves:**

During the year, the Company has not transferred any amount to the reserves.

#### **6. Material Changes and Commitments Affecting The Financial Position of the Company occurred between the end of the Financial Year of the Company to which The financial statement relate and the date of the report:**

There are no material changes and commitments affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

## **7. Dividend:**

Your Directors do not recommend any dividend for the equity shareholders for the financial year 2020-2021.

## **8. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Out-Go:**

### **A) Conservation of energy:**

- (i) The steps taken or impact on conservation of energy; Nil
- (ii) The steps taken by the company for utilizing alternate sources of energy; Nil
- (iii) The capital investment on energy conservation equipment; Nil

**Note: - The Company does not have any manufacturing activities which require heavy consumption of energy. The company uses latest technology low energy consumption products in its office.**

### **B) Technology absorption:**

- (i) The efforts made towards technology absorption: Nil
- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution: Nil
- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): Nil
  - a) The details of technology imported: Nil
  - b) The year of import; Nil
  - c) Whether the technology been fully absorbed; Nil
  - d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; Nil and
- (iv) The expenditure incurred on Research and Development. Nil

**Note: - In respect of the Nature of the Business of the company there was no requirement of any technology.**

### **C) Foreign exchange earnings and Outgo:**

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows. -No Foreign Exchange is earned or spent by the company during the year under review.

## **9. Extract of Annual Return:**

In terms of the provisions of Section 92 and Section 134 of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return is available [www.laffan.co.in](http://www.laffan.co.in).

## **10. Directors and Key Managerial Personnel**

### **A) Changes in Directors and Key Managerial Personnel:**

- i) As per the provisions of Section 149 and 152 of the Companies Act, the shareholders at their Annual General Meeting held on 30<sup>th</sup> September, 2020 (Last years AGM) had approved the re-appointment of all existing Independent Directors of the Company for tenure of up to five consecutive years. None of the Independent Directors are liable to retire by rotation.
- ii) In accordance with section 149(7) of the Companies Act, 2013, each Independent Director has confirmed to the Company that he or she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- iii) Further, in accordance with provisions of Section 152 of the Companies Act, 2013, read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Articles of Association of your Company Mr. Swapan Sarkar, Director, of the Company is liable to retire by rotation at the ensuing AGM and being eligible offered herself for reappointment.
- iv) Mrs. Tulika Paul (DIN 07403891) was appointed on May 3, 2021 as Additional Director in the category of Independent Director. She has expressed her desire to be re appointed as an Independent Director not liable to retire by rotation of the company. In accordance with the provisions of section 160 (1) of the Companies Act, 2013, company has received a notice from one of the members signifying her candidature. Further, Mrs. Tulika Paul, has submitted a declaration that she meets the criteria for independence as provided in Section 149 (6) of the Act and Regulation 16 (b) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, Mrs. Tulika Paul holds a Graduate degree from Kolkata. At present she is working as a Sales Officer.
- v) Mrs. Soma Ghosh (DIN 09153111) was appointed on May 3, 2021 as Additional Director in the category of Independent Director. She has expressed her desire to be re appointed as an Independent Director not liable to retire by rotation of the company. In accordance with the provisions of section 160 (1) of the Companies Act, 2013, company has received a notice from one of the members signifying her candidature. Further, Mrs. Soma Ghosh, has submitted a declaration that she meets the criteria for independence as provided in Section 149 (6) of the Act and Regulation 16 (b) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, Mrs. Soma Ghosh holds a Graduate degree from Kolkata. At present she is working as a Marketing Officer.
- vi) Mrs. Kakali Ghosh has resigned from the post of Directorship with effect from 03/05/2021 due to personal reasons and pre-occupation with other commitments.

**B) Declaration by Independent Director(s) and reappointment, if any**

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 and Regulation 16(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**11. Deposits:**

During the year under review, your Company did not accept any deposits within the meaning of provisions of Chapter V – Acceptance of Deposits by Companies of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

**12. Internal Control Systems and their Adequacy:**

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined in the Internal Audit Manual. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

### **13. Board and Committee Meetings:**

The Board of Directors (herein after called as “the Board”) met for 5 (Five) times during the Year under review:

<b>Sr. No.</b>	<b>Particulars</b>	<b>No. of meetings held</b>
<b>1</b>	Board meetings	<b>5</b>
<b>2</b>	Audit Committee meetings	<b>4</b>
<b>3</b>	Nomination and Remuneration Committee meeting	<b>4</b>
<b>4.</b>	Stakeholders Committee Meeting	<b>4</b>

### **14. Code of Conduct:**

The Company has laid down a code of conduct for all Board members and senior management and Independent Directors of the Company. All the Board members including independent directors and senior management personnel have affirmed compliance with the code of conduct.

### **15. Nomination and Remuneration Committee:**

The composition and terms of reference of the Nomination and Remuneration Committee has been furnished in the Corporate Governance Report forming a part of this Annual Report.

### **16. Vigil Mechanism/ Whistle Blower Policy:**

The Company has a vigil mechanism named ‘LAFFANSOFT’ in terms of Section 177 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to deal with instance of fraud and mismanagement, if any, and to report concerns about unethical behavior, wrongful conduct and violation of the Company’s code of conduct or ethics policy. The details of the said policy are explained in the Corporate Governance Report and also posted on the website of the Company i.e. [www.laffan.co.in](http://www.laffan.co.in).

### **17. Remuneration Policy:**

The Board has, on the recommendation of the Nomination and Remuneration Committee adopted the Remuneration Policy, which inter-alia includes policy for selection and appointment of Directors, Key Managerial Personnel, Senior Management Personnel and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

### **18. Familiarisation Programme For Board Members:**

The Company is required to conduct the Familiarization Programme for Independent Directors (IDs), to familiarize them about the Company and their roles, rights, responsibilities in the Company. The Familiarization Programme is stated in the Corporate Governance Report forming part of this Annual Report. The details of such Familiarization Programme for directors may be referred to, at the website of the Company at [www.laffan.co.in](http://www.laffan.co.in).

## **19. Director's Responsibility Statement:**

The directors confirm that:

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed.
- ii) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 2020-21 and of the profit or loss of the Company for the year under review.
- iii) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) The directors have prepared the annual accounts on a going concern basis.
- v) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- vi) The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system was adequate and operating effectively.

## **20. Risk Policy:**

Business risk evaluation and management is an ongoing process within the Company as per the risk management policy established by the board. The Company understands that risk evaluation and risk mitigation is a function of the Board of the Company and the Board of Directors is fully committed to developing a sound system for identification and mitigation of applicable risks viz., systemic and non-systemic. The Board of Directors has approved a Risk Management Policy as per which the Company is in the process of identifying critical risks of various departments within the Company. Once identified, a sound mitigation system will be put in place. Further the Board is of the opinion that at present there are no material risks that may threaten the functioning of the Company.

The Company has a Risk Management framework in place to identify, assess, monitor and mitigate various risks to the business. This framework seeks to minimize adverse impact on the business objectives and enhance the Company's competitive advantage. The framework also defines the risk management approach across the enterprise at various levels. Risk Management forms an integral part of the Company's planning process. Risk Management Committee of the Board reviews the process of risk management. The details of the Committee and its terms of reference are set out in the Corporate Governance Report forming part of the Board's Report

## **21. Auditors:**

The shareholders of the Company at the 35<sup>th</sup> Annual General Meeting held on 30<sup>th</sup> September, 2020 had appointed M/s. S. N. Chakraborty & Co., Chartered Accountants (FRN: 309080E) as the Statutory Auditors of the company to hold office for period of 5 years commencing from the conclusion of the 35<sup>th</sup> AGM till the conclusion of 39<sup>th</sup> AGM to held in the year 2024. M/s. S. N. Chakraborty & Co. Chartered Accountants (FRN: 309080E) will continue to act as auditors of the Company till financial year 2021-22.

## **22. Statutory Auditors' Observations:**

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

There is no audit qualification for the year under review. Further no frauds are reported by the Auditor which falls within the purview of Section 143(12) of Companies Act, 2013.

## **23. Particulars of Contracts and Arrangements with Related Parties:**

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis and are reviewed by the Audit Committee of the Board. During the year the Company has not entered into any contract/arrangement/transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions. A Policy on related party transactions has been posted on the Company's website [www.laffan.co.in](http://www.laffan.co.in).

## **24. Particulars of Employees and related disclosures:**

Details of Managerial Remuneration required pursuant to Section 197 and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed as "Annexure A."

## **25. Secretarial Audit Report:**

Pursuant to provisions of section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 K Sonee & Company, Practicing Company Secretary was appointed to conduct the Secretarial Audit of the Company for the financial year ended March 31, 2021. The Secretarial Audit Report is annexed herewith as "Annexure B."

The Secretarial Auditor of the Company has given unqualified report during the year under review.

## **26. Particulars of Loans, Guarantees or Investments:**

The Company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013 during the Financial Year 2020-21.

## **27. Equity shares with differential Rights:**

The Company has not issued any equity shares with deferential voting rights.

## **28. Corporate Social Responsibility Initiatives:**

The provisions of section 135 about constitution of Corporate Social Responsibility Committee are not applicable to the Company. Hence, the company has not formed the same.



### **29. Details of Subsidiary/Joint Ventures/Associate Companies:**

The company does not have any subsidiary companies or joint venture companies or associate companies during the year under review. Also, there was no company which have become or ceased to become the subsidiaries/joint ventures/associate company (ies) during the year.

### **30. Significant and Material Orders Passed by the Regulators or Courts or Tribunals:**

During the financial year under review there were no significant and / or material orders, passed by the Regulatory/ Statutory Authorities or the Courts, which would impact the going concern status and its future operations.

### **31. Disclosure regarding issue of Employee Stock Options:**

The Company has not issued shares under employee's stock options scheme pursuant to provisions of Section 62 read with Rule 12(9) of Companies (Share Capital and Debenture) Rules, 2014.

### **32. Disclosure regarding issue of Sweat Equity Shares**

The Company has not issued sweat equity shares pursuant to provisions of Section 54 read with Rule 8 of Companies (Share Capital and Debenture) Rules, 2014 during the Financial Year.

### **33. Management Discussion and Analysis:**

Management Discussion and Analysis Report for the financial year under review as stipulated under regulation 34 of the Listing Regulations is set out in a separate Section forming part of this Report.

### **34. Corporate Governance:**

Your Company believes that Corporate Governance is a code of self discipline. In the line with this policy, the Board of Directors strongly believes that it is very important that the Company follows healthy Corporate Governance practices and reports to the shareholders the progress made on the various measures undertaken.

A report on Corporate Governance, compliance with Corporate Governance norms forms an integral part of this report.

### **35. Board's Response on Auditors Qualification, Reservation or Adverse Remark or disclaimer Made:**

There are no qualifications, reservations or adverse remarks made by the Statutory Auditors in their report or by the Company Secretary in Practice in the Secretarial Audit Report.

### **36. Disclosures Under Sexual Harassment of Women at workplace (Prevention, Prohibition & Redressal) Act, 2013:**

The Company is committed to provide a safe & conducive work environment to its employees and has formulated 'Policy for Prevention of Sexual Harassment' to prohibit, prevent or deter any acts of sexual harassment at workplace and to provide the procedure for the redressal of complaints pertaining to sexual harassment, thereby providing a safe and healthy work environment. During the year under review, no case of sexual harassment was reported.

**37. Details of significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and company's operations in future:**

There are no significant and material orders passed by the Regulators/ Court who would impact the going concern status of the Company and its future operations.

**38. Internal Financial Controls**

The Directors had laid down internal Financial controls to be followed by the Company and such policies and procedures adopted by the Company 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. The Audit Committee evaluates the internal financial control system periodically

**39. Compliance with Secretarial Standards on Board and General meeting**

During the year under review, the Company has complied with the applicable Secretarial Standards i.e. SS-1 and SS-2, relating to "Meetings of the Board of Directors" and "General Meetings", respectively, issued by The Institute of Company Secretaries of India.

**40. Cost Auditor**

The appointment of Cost Auditor for the Company is not applicable to the Company

**41. Appreciations:**

Your Company and its Directors wish to extend their sincerest thanks to the Members of the Company, Bankers, State Government, Local Bodies, Customers, Suppliers, Executives, Staff and workers at all levels for their continuous co-operation and assistance.

Place: Guwahati  
Dated: 02/09/2021

By Order of the Board  
Sd/-  
(Swapan Sarkar)  
Executive Director  
DIN: 05149442

**Annexure A to Boards Report**

**Pursuant to Section 197 and Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

**DETAILS RELATED TO MANAGERIAL REMUNERATION:**

A) Details pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Sl. No.	Requirement of Rule 5(1)	Disclosure		
		Name of the Director	Salary	Ratio
1	The ratio of the remuneration of each director to the median remuneration of the employees for the financial year.			
2	Percentage increase in remuneration of each director, CFO, CEO, CS or Manager in the financial year.	<b>Particulars</b>	<b>% Increase</b>	<b>Remarks</b>
		a) Directors		
		b) MD		
		c) CFO		
		d) CEO		
		e) Company Secretary		
	f) Manager			
3	The percentage increase in the median remuneration of employees in the financial year			
4	The number of permanent employees on the rolls of the company			
5	Average percentile increase already made in the salaries of employee's other than the Managerial Personnel in the last financial year i.e. 2019-20 and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Average percentile increases in remuneration of		
		<b>Managerial Personnel</b>	<b>Employees</b>	
6	Affirmation that the remuneration is as per the remuneration policy of the company	We affirm that the remuneration paid to employees and KMP's was based on the Remuneration Policy.		

B) Details of the Top-10 employee of the Company as required pursuant to rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 who:

- Drawing salary of 1 Crore and 2 Lakhs or above for the year if employed throughout the year -Nil
- Drawing salary of 8.5 Lakhs p/m or above for a month if employed for part of the year - Nil
- Drawing salary more than the salary of MD and having 2% stake in the company –Nil

C) No Managing Director or Whole-time Director of the Company is receiving any commission from the company as well as from the Holding Company or Subsidiary Company of the Company.

D) The disclosures required under clause C (5) of Schedule-V of SEBI (LODR) Regulations, 2015 are mentioned in the “Corporate Governance Report” under the heading “Disclosures”.

**Annexure B to Boards Report**  
**SECRETARIAL AUDIT REPORT**  
**Form No. MR-3**  
**For the Financial Year Ended On 31<sup>st</sup> March, 2021**

(Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014)

To,  
The Members,  
**LAFFAN SOFTWARE LIMITED**

1. We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by LAFFAN SOFTWARE 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 our opinion thereon.
2. 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 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 audit period covering the financial year ended on 31<sup>st</sup> March, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:
3. We have examined the books, papers, minute books, forms and returns filed and other records maintained by LAFFAN SOFTWARE LIMITED for the financial year ended on 31<sup>st</sup> March, 2021 according to the provisions of:
  - (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
  - (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, Overseas Direct Investment and External Commercial Borrowings;
  - (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.:
    - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
    - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
    - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
    - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
    - (f) 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;

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009: and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.
- (vi) Other Applicable Acts,
- (a) Factories Act, 1948
  - (b) Payment of Wages Act, 1936, and rules made thereunder,
  - (c) The Minimum Wages Act, 1948, and rules made thereunder,
  - (d) Employees' State Insurance Act, 1948, and rules made thereunder,
  - (e) The Employees' Provident Fund and Miscellaneous Provisions Act, 1952, and rules made thereunder,
  - (f) The Payment of Bonus Act, 1965, and rules made thereunder,
  - (g) Payment of Gratuity Act, 1972, and rules made thereunder,
  - (h) The Water (Prevention & Control of Pollution) Act, 1974, Read with Water (Prevention & Control of Pollution) Rules, 1975,
  - (i) Food Safety and Standards Act, 2006, and rules made thereunder.

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

- Secretarial Standards issued by The Institute of Company Secretaries of India.
- The Listing Agreements entered into by the Company with Stock Exchange(s) (up to 30th November, 2015) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (effective from 1st December, 2015);

5. We further report that,

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 period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all the directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

6. We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Date: 26/06/2021  
Place: Kolkata

Sd/-  
Kaushik Sonee  
Practicing Company Secretary  
COP No.: 14302  
UDIN: F007921C000523161

**Annexure to Secretarial Audit Report in form MR-3**

To,  
The Members,  
**LAFFAN SOFTWARE LIMITED**

My report of even date is to be read along with this letter.

1. It is management's responsibility to identify the Laws, Rules, Regulations, Guidelines and Directions which are applicable to the Company depending upon the industry in which it operates and to comply and maintain those records with same in letter and in spirit. My responsibility is to express an opinion on those records based on our audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices I followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management's Representation about the compliance of Laws, Rules, Regulations, Guidelines and Directions and happening events etc.
5. The 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.

Date: 26/06/2021  
Place: Kolkata

Sd/-  
Kaushik Sonee  
Practicing Company Secretary  
COP No.: 14302  
UDIN: F007921C000523161

# Report on Corporate Governance

Corporate Governance is a set of standards which aims to improve the Company's image, efficiency and effectiveness. It is the road map, which guides and directs the Board of Directors of the Company to govern the affairs of the Company in a manner most beneficial to all the Shareholders, the Creditors, the Government and the Society at large. Your Company has complied with all material aspects of the Corporate Governance Code as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A Report on the Corporate Governance compliance is furnished below:

## 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Corporate governance is a value-based framework to manage our Company affairs in a fair and transparent manner. As a responsible corporation, we use this framework to maintain accountability in all our affairs and employ democratic and open processes. We have evolved guidelines and best practices over the years to ensure timely and accurate disclosure of information regarding our financials, performance, and governance of the Company. The Board of Directors and the management of the Company is committed to the consistent adherence to the corporate governance code and constant review of the Board processes, practices and the Management Systems to maintain a greater degree of responsibility and accountability.

## 2. BOARD OF DIRECTORS:

The Board of Directors is entrusted with the ultimate responsibility of the management, general affairs, directions and performance of the Company. The members on the Board possess adequate experience, expertise and skills necessary to manage the affairs of the Company in the most efficient manner. The strength of Board of Directors is 4 (Four). Whose composition and category is given below:

### A. Composition and category of directors as on March 31, 2021:

The Board comprises such numbers of non-executive, executive and Independent Directors as required under applicable legislation. The composition of board represents an optimal mix of professionalism, knowledge and experience and enables the Board to discharge its responsibilities and provide effective leadership to the business. The Board of the Company comprises of 4 (Four) Directors. The Composition of the Board of Directors is as follows:

Director	Category
Mr. Swapan Sarkar	Executive- Non-Independent Director
Mr. Sandip Kumar Singh	Non-Executive - Independent Director
Ms. Kakali Ghosh	Non-Executive - Independent Director
Mr. Gunodhar Ghosh	Non-Executive - Independent Director

### B. Attendance of Each Director at the meeting of the Board of directors and the last Annual General Meeting:

Name of the Directors	No. of Board Meeting Attended	Attendance at last AGM held on September 30, 2020
Mr. Swapan Sarkar	5	Yes
Mr. Sandip Kumar Singh	5	Yes
Ms. Kakali Ghosh	5	Yes
Mr. Gunodhar Ghosh	5	Yes



**C. Number of Other Board of Directors Or Committees in Which A Directors is a member or chairperson:**

Directors	Category	No. of other Directorship	No. of other Committee positions	
			Member	Chairman
Mr. Swapan Sarkar	Executive- Non-Independent Director	6	0	6
Mr. Sandip Kumar Singh	Non-Executive - Independent Director	6	6	0
Ms. Kakali Ghosh	Non-Executive - Independent Director	6	6	0
Mr. Gunodhar Ghosh	Non-Executive - Independent Director	6	6	0

**D. Number of Meetings of the Board of Directors held and dates on which held:**

During the year ended on March 31, 2021 Five Board Meetings were held:

Sr. No.	DATES OF BOARD MEETINGS
1	30 <sup>th</sup> June 2020
2	2 <sup>nd</sup> September 2020
3	12 <sup>th</sup> November 2020
4	12 <sup>th</sup> February 2021

**E. Disclosure of Relationships Between Directors Inter-Se- NIL**

**F. Number of shares and convertible instruments held by Non-Executive directors: NIL.**

**G. The details of Familiarization programme imparted to Independent Directors have been disclosed on the website of the Company i. e. [www.laffan.co.in](http://www.laffan.co.in).**

**H. Independent Directors:** Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25 (8) of SEBI Listing Regulations; Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management.

**I. Separate Meeting of Independent Directors Pursuant to Schedule IV of the Act read with Regulation 25(3) of the Listing Regulations, the Independent Directors met on 30<sup>th</sup> June 2020 without presence of Executive Directors and Management representatives. The Independent Directors discussed matters pertaining to the Company's affairs and functioning of the Board and presented their views to the Management of the Company. The Independent Directors at the said meeting**

- reviewed the performance of Non-Independent Directors and the Board as a whole;
- reviewed the performance of Chairman of the Company based on the views of Executive and Non-Executive Directors;
- assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board which is necessary for the Board to effectively and reasonably perform their duties.

### **3. AUDIT COMMITTEE:**

#### **A. TERMS OF REFERENCE:**

The Audit Committee's powers, role and functions are stipulated in Regulation 18 and in Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and under Section 177 of the Companies Act, 2013, accordingly the Audit Committee performs the functions of approving Annual Internal Audit Plan, reviewing of financial reporting system, discussing on financial results, significant related party transactions, interaction with Statutory and Internal Auditors, Reviewing of Business Risk Management Plan, and Internal Audit Reports.

#### **B. COMPOSITION, NAME OF MEMBERS AND CHAIRPERSON:**

The Audit Committee consists of 3 (Three) Independent Directors. Smt. Kakali Ghosh is the Chairperson of the Committee. The members of the committee have requisite experience in corporate management, finance, Accounts and corporate laws. During the year, four meetings of the Audit committee were held,

The Audit Committee consists of

1. Smt. Kakali Ghosh – Chairperson
2. Mr. Swapan Sarkar – Member
3. Mr. Sandip Kumar Singh – Member

#### **C. MEETINGS AND ATTENDANCE DURING THE YEAR:**

<b>NAME OF THE DIRECTORS</b>	<b>NO. OF BOARD MEETING ATTENDED</b>
Mr. Sandip Kumar Singh	<b>4</b>
Mr. Swapan Sarkar	<b>4</b>
Ms. Kakali Ghosh	<b>4</b>

### **4. NOMINATION AND REMUNERATION COMMITTEE**

#### **A. TERMS OF REFERENCE:**

The terms and functions of Nomination and Remuneration Committee are stipulated under Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, accordingly Committee discharged following functions

- i) Succession planning of the Board of Directors and senior management employees;
- ii) Identifying and selection of candidates for appointment as directors / independent directors based on certain laid down criteria;
- iii) Identifying potential individuals for appointment as key managerial personnel and to other senior management positions;
- iv) Formulate and review from time to time the policy for selection and appointment of directors, key managerial personnel and senior management employees and their Remuneration;
- v) Review the performance of the board of directors and senior management employees based on certain criteria as approved by the board.

## **B. COMPOSITION, NAME OF MEMBERS AND CHAIRPERSON:**

The Nomination and Remuneration Committee consists of 3 (Three) Independent Directors and 3 (Three) Non Executive Director. Mr. Sandip Kumar Singh is appointed as Chairman of the Committee.

The constitution of the Nomination and Remuneration Committee as on March 31, 2021 is as follows:

1. Mr. Sandip Kumar Singh – Chairman
2. Mr. Kakali Ghosh – Member
3. Mr. Gunodhar Ghosh – Member

## **C. MEETINGS AND ATTENDANCE DURING THE YEAR:**

Nomination and Remuneration Committee held 4(Four) Meeting during the Year which was attended by the chairman and all the members of the Committee.

## **D. PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS:**

The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Director being evaluated. The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

## **5. REMUNERATION OF DIRECTORS:**

<b>NAME OF THE DIRECTORS</b>	<b>REMUNERATION</b>
Mr. Swapan Sarkar	Nil
Mr. Sandip Kumar Singh	Nil
Ms. Kakali Ghosh	Nil
Mr. Gunodhar Ghosh	Nil

## **6. STAKEHOLDERS RELATIONSHIP COMMITTEE:**

Mr. Sandip Kumar Singh	Chairman
Mr. Swapan Sarkar	Member
Ms. Kakali Ghosh	Member
Shareholder Complaint received so far	NIL
Number of complaints not Solved to the Satisfaction of Shareholder	NIL
Number of Pending Complaints	NIL

## **7. GENERAL BODY MEETINGS:**

### **A. Location and time, where last three Annual General Meetings held;**

<b>Financial Year Ended</b>	<b>Date</b>	<b>Location of Meeting</b>	<b>Time</b>
<b>2019-20</b>	30 <sup>th</sup> September, 2020	205, Haribol Roy Market, 2 <sup>nd</sup> Floor, A.T. Road, Guwahati 781001	10.00 A. M
<b>2018-19</b>	30 <sup>th</sup> September, 2019	205, Haribol Roy Market, 2 <sup>nd</sup> Floor, A.T. Road, Guwahati 781001	10.00 A. M
<b>2017-18</b>	28 <sup>th</sup> September 2018	205, Haribol Roy Market, 2 <sup>nd</sup> Floor, A.T. Road, Guwahati 781001	10.00 A. M

**B. Extra ordinary General Meeting:** No Extra ordinary General Meetings of the members was held during the year under review.

**C. Details of the Special Resolution passed through Postal Ballot:** During the year under review, no resolution has been passed through the exercise of postal ballot.

**D.** No Special resolution was passed last year through postal ballot.

**E.** No Special resolution proposed to be conducted through postal ballot.

## 8. MEANS OF COMMUNICATION:

The quarterly, half yearly and annual results are communicated to the Metropolitan Stock Exchange of India where the Company's shares are listed as soon as the same are approved and taken on record by the Board of Directors of the Company. The quarterly & half-yearly results are not sent individually to the shareholders but are uploaded on the Company's website [www.laffan.co.in](http://www.laffan.co.in).

## 9. GENERAL SHAREHOLDER INFORMATION:

A)	AGM: Date, time and venue	Wednesday, 29 <sup>th</sup> September, 2021 at 2.45 p.m. 205, Haribol Roy Market, 2 <sup>nd</sup> Floor, A.T. Road, Guwahati 781001
B)	Financial year	April 01, 2020 to March 31, 2021
C)	Dividend Payment Date	No dividend was declared
D)	Listing on Stock Exchanges exchange at which securities are listed Listing fee for 2020-21 have been paid in respect of MSEI.	MSEI Ltd
E)	Stock Code	LAFFANSOFT
F)	Market Price Data: High., Low during each month in last financial year	There was no trading during the Year
G)	Registrar and Transfer Agents	ABS Consultant Pvt. Ltd.
H)	Share Transfer System	Demat and Physical (both)
I)	Distribution of shareholding	As per Annexure-1
J)	De-materialization of shares and liquidity	15073490 Equity share
K)	Plant Locations	NA
L)	Address for correspondence	205, Haribol Roy Market, A.T. Road, Guwahati-781001

### Distribution of Shareholding as on 31.03.2021 (Annexure – 1)

No. of Shares	No. of shareholders	% of Total holders	No. of Shares	% of total Holdings
Upto 500	Nil	Nil	Nil	Nil
501 – 1000	Nil	Nil	Nil	Nil
1001 – 2000	Nil	Nil	Nil	Nil
2001 – 3000	Nil	Nil	Nil	Nil
3001 – 4000	Nil	Nil	Nil	Nil
4001 – 5000	Nil	Nil	Nil	Nil
5001 – 10000	1	2.22	10000	0.07
10001 – & Above	44	97.78	15211700	99.93
<b>TOTAL</b>	<b>45</b>	<b>100.00</b>	<b>15221700</b>	<b>100.00</b>

**10. Disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46:**

The Company has complied with the corporate governance requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations. The details of the compliance of Regulations 17 to 27 of the Listing Regulations are given in this Corporate Governance Report. Further, the Company has uploaded the documents/details mentioned in the clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations on it's website at. **[www.laffan.co.in](http://www.laffan.co.in)**.

Adoption of the non mandatory requirements of listing Regulation is being reviewed by the Board from time to time.

Place: Guwahati  
Dated: 02/09/2021

By Order of the Board  
Sd/-  
(Swapan Sarkar)  
Executive Director  
DIN: 05149442

## **AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE REPORT**

### **The Members of LAFFAN SOFTWARE LIMITED**

We have examined the compliance of conditions of Corporate Governance by LAFFAN SOFTWARE LIMITED for the year ended March 31, 2021 stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the said Company with Stock Exchanges.

The Compliance of condition of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company to ensure Compliance with the condition of Corporate Governance. It is neither an audit nor an expression of an opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has fully complied with all the mandatory conditions of Corporate Governance as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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. N. Chakrabarty & Co.  
Chartered Accountants  
Firm Registration No. 309080E

Sd/-  
Saurindra Nath Chakrabarty  
Proprietor

Membership No: 16230

Kolkata

## **MD / CFO CERTIFICATION PURSUANT TO SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

### **The Board of Directors LAFFAN SOFTWARE LIMITED**

We, the undersigned in our respective capacities as Vice Chairman and Whole Time Director, Chief Financial Officer and of LAFFAN SOFTWARE LIMITED, certify to the Board in terms of requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 that we have reviewed the Financial Statements and the Cash Flow Statement of the Company for the Financial Year ended 31 March, 2021.

1. To the best of our knowledge and belief, we certify that:
  - a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that are misleading.
  - b) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
  - c) There are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
2. For the purpose of Financial Reporting, we accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
3. We have indicated to the Auditors and the Audit Committee:
  - a) significant changes, if any, in the internal controls over financial reporting during the year.
  - b) significant changes, if any, in the accounting policies made during the year and the same have been disclosed in the notes to the financial statements; and
  - c) instances of significant fraud, if any, of which we have become aware and the involvement therein, of the management or an employee having a significant role in the company's internal control system over financial reporting.

#### **Declaration regarding affirmation of Code of Conduct**

In accordance with Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Code of Conduct as approved by the Board of Directors of the Company had been displayed at the Company's website [www.laffan.co.in](http://www.laffan.co.in). All the members of the Board and management personnel affirmed compliance with the Code for the year ending March 31, 2021.

By Order of the Board  
Sd/-  
(Swapan Sarkar)  
Executive Director  
DIN: 05149442

Place: Guwahati  
Dated: 02/09/2021

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

Your Directors have pleasure in presenting the Management Discussion and Analysis Report for the year ended on 31st March, 2021.

### **FORWARD-LOOKING STATEMENTS:**

This report contains forward-looking statements based on certain assumptions and expectations of future events. The Company, therefore, cannot guarantee that these assumptions and expectations are accurate or will be realised. The Company's actual results, performance or achievements can thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

### **OPPORTUNITIES AND THREATS:**

The fundamental growth drivers of the country's economy as well as our company continue to remain strong despite the pressures of slowdown and inflationary conditions prevalent till recently in the nation and also globally.

The threats to the segments in which the company operates are volatility in Exchange rate, pricing pressure arising due to competition from low cost suppliers, technology up-gradation, and severe competition among competitor and newly emerging competitive nations and stricter environment laws. Further, the Indian economy is now integrated with the world economy to a very large extent and therefore vulnerable to the direct impact of such a slowdown; such an impact could adversely affect the Company's performance as well. Therefore, the company has decided to close down the manufacturing activity, concentrate on the trading, and look for other opportunities in the Export market.

### **MANAGEMENT TEAM:**

The existing management has a strong technical and management knowledge and experience in the chemical business.

Mr. Swapan Sarkar, Chairman of the Company is an entrepreneur and is having vast knowledge and expertise in handling various businesses including the business of the Company.

### **INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:**

The Company has proper and adequate internal control system commensurate with the size of the business operations geared towards achieving efficiency in its various business operations, safeguarding assets, optimum utilization of resources and compliance with statutory regulations. The management is ensuring an effective internal control system to safeguard the assets of the company. Efforts for continued improvement of internal control system are being consistently made in this regard. The company has cleared secured bank liability against assets.

### **HUMAN RESOURCES VIS-À-VIS INDUSTRIAL RELATIONS:**

The Company values and appreciates the dedication and drive with which its employees have contributed towards improved performance during the year under review. The industrial relations with staff and officers are cordial during the year under review. All issues pertaining to staff matters are resolved in harmonious and cordial manner.



**CAUTIONARY STATEMENT:**

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates changes in the Government regulations, tax laws, and other statutes and other incidental factors.

By Order of the Board  
Sd/-  
(Swapan Sarkar)  
Executive Director  
DIN: 05149442

Place: Guwahati  
Dated: 02/09/2021

## INDEPENDENT AUDITOR'S REPORT

To the Members of  
**LAFFAN SOFTWARE LTD.**

### **Report on the Audit of Financial Statements**

#### **Opinion**

We have audited the Financial Statements of **LAFFAN SOFTWARE LTD.** (“the Company”), which comprise the Balance Sheet as at 31st March 2021, and the Statement of Profit and Loss including Other Comprehensive Income, Statement of changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information for the year ended on that date (hereinafter referred to as “Financial Statements”).

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 Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and **Loss** and total Comprehensive Income, changes in Equity and its Cash Flows for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Emphasis of Matters**

- We draw attention to Note 44 to the Financial Statements in relation to outstanding balances of trade receivables, trade payables and loans and advances which are subject to confirmation and subsequent adjustments, if any.
- The outbreak of COVID-19 and consequent imposition of national lockdown by the Government of India to deter its impact seriously affected the economic activities and business operation of the Company. The management is believed to have considered the possible effect that may result from the pandemic on the recoverability / carrying value of the assets. Based on the current indicators of future economic conditions, the management is believed to expect to recover the carrying amounts of the assets. However, as the trend suggests future economic conditions may be subject to material changes in days ahead.

Given the uncertainty, the final impact on the company’s assets in future may differ from that estimated at the date of our signing of this financial statement.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matters to be communicated in our report.

### **Revenue Recognition**

We have identified this as an area of importance because the Company's revenue is a material item in view of adoption of Ind AS 115 "Revenue from Contracts with Customers". The application of the new revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognised over a period and disclosures thereof.

#### ***Our audit procedures included but were not limited to:***

- Evaluation of the Company's accounting principles in relation to implementation of the new revenue accounting standard;
- Created an understanding of the company's routines and internal controls associated with revenue recognition;
- Examination of a selection of transactions to ensure that they have been reported correctly according to agreements and in the correct periods;

### **Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Company's Annual Report, but does not include the Financial Statements and our Auditor's Report thereon.

Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **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 Act with respect to the preparation of these Ind AS Financial Statements that gives a true and fair view of the financial position, financial performance, Changes in Equity and Cash Flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act.

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 implementation and maintenance of 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 gives a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibilities for the Audit of Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Ind AS Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013 we are also responsible for expressing our opinion on whether the company has adequate internal financial control system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS Financial Statements, including the disclosures, and whether the Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Other matters**

The comparative financial information of the Company for the year ended 31 March 2019 included in these Financial Statements, are based on the previously issued statutory Financial Statements prepared in accordance with the Companies (Accounting Standards) Rules, 2014 audited by the predecessor auditor whose reports for the year ended 31 March 2019 dated 29 May 2019, expressed unmodified opinion on those Financial Statements, which have been audited by us. Our opinion is not modified in respect of the above matter.

#### **Report on Other Legal and Regulatory Requirements**

I. 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 Companies Act, 2013 and according to the information and explanations given to us and also on the basis of such checks as we considered appropriate, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

II. 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 including Other Comprehensive Income, the Statement of Changes in Equity and the Statements of Cash Flows dealt with by this report are in agreement with the books of account;
- d. In our opinion, the aforesaid Financial Statements comply with the Indian 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 March 31, 2021 taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2021, 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.
- g. With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h. 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 no. 35 of the Ind AS 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 : Kolkata  
Dated : 25/06/2021

For **S. N. Chakrabarty & Co.**  
Chartered Accountants  
Firm Regn.No.: 309080E

Sd/-  
Saurindra Nath Chakrabarty  
(Proprietor)  
Membership No : 016230  
UDIN: :21016230AAAAMS3593

## **Annexure - A to the Independent Auditors' Report**

The Annexure referred to in our Independent Auditor's Report to the members of **LAFFAN SOFTWARE LTD.** (the Company') on the Ind AS Financial Statements for the year ended on March 31, 2021. We report that:

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
  
(b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.  
  
(c) According to information and explanation given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. The inventories have been physically verified during the year by the management at regular intervals. In our opinion and according to the information and explanations given to us, no material discrepancies were noticed on physical verification.
- iii. 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 Companies Act, 2013 ('the Act'). Accordingly, paragraph 3(iii) (a), 3(iii) (b) and 3(iii) (c) of the Order is not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v. According to the information and explanations given to us, the Company has not accepted any deposits from the public.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under section 148 (1) of the Act, and are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
- vii. According to the information and explanations given to us in respect of statutory dues:
  - (a) The Company has been regular in depositing undisputed statutory dues, including Income Tax, and other statutory dues with the appropriate authorities during the year. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2021 for a period of more than six months from the date they became payable.
- viii. In our opinion and according to information and explanations given by the management, we are of the opinion that the Company has not defaulted in the repayment of dues to financial institution and banks. The Company does not have any loans or borrowings from Government and has not issued any debentures.

- ix. To the best of our knowledge and belief and according to the information and explanations given to us, The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi. According to the information and explanations given to us, the Company has paid/provided for managerial remunerations in accordance with the requisite approvals mandated by the provisions of Sec 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Ind AS Financial Statements as required by the applicable Indian accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanations given by the management, the Company has not entered into non-cash transactions with directors or persons connected with them as referred to in section 192 of the Companies Act, 2013. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act 1934 are not applicable to the Company.

Place : Kolkata  
Dated : 25/06/2021

For **S. N. Chakrabarty & Co.**  
Chartered Accountants  
Firm Regn.No.: 309080E

Sd/-  
Saurindra Nath Chakrabarty  
(Proprietor)  
Membership No : 016230  
UDIN: :21016230AAAAMS3593



## **“Annexure-B” to the Independent 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 over financial reporting of **LAFFAN SOFTWARE LTD.** (“the Company”) as of March 31, 2021 in conjunction with our audit of the Ind AS 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 over financial reporting 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.

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit on 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 over financial reporting 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 control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgement, 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 on the Company’s internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company’s internal financial control over financial reporting 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 over financial reporting 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) provide 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 over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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 over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting 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.

Place : Kolkata  
Dated : 25/06/2021

For **S. N. Chakrabarty & Co.**  
Chartered Accountants  
Firm Regn.No.: 309080E

Sd/-  
Saurindra Nath Chakrabarty  
(Proprietor)  
Membership No : 016230  
UDIN: :21016230AAAAMS3593

**LAFFAN SOFTWARE LIMITED**  
**Balance Sheet as at 31st March 2021**

Particulars		Note No.	As at 31 March, 2021 Rs.	As at 31 March, 2020 Rs.	As at 1st April 2019 Rs.
<b>A.</b>	<b>Assets</b>				
<b>1</b>	<b>Non- Current Assets</b>				
	a) Property, Plant & Equipment	3	138.00	345.00	862.24
	b) Investment Properties		-	-	-
	c) Financial Assets				
	i) Investments	4	3,75,59,824.62	4,50,67,962.80	4,53,37,215.70
	d) Other Non- Current Assets	5	1,02,132.00	90,390.00	1,81,145.00
	<b>Total Non Current Assets</b>		<b>3,76,62,094.62</b>	<b>4,51,58,697.80</b>	<b>4,55,19,222.94</b>
<b>2</b>	<b>Current Assets</b>				
	a) Inventories	6	18,41,93,816.65	17,10,54,310.86	17,41,86,121.38
	b) Financial Assets				
	i) Trade Receivables	7	4,40,000.00	4,40,000.00	4,40,000.00
	ii) Cash and Cash Equivalents	8	5,52,287.84	4,69,989.34	31,74,381.84
	c) Other Current Assets	9	52,90,000.00	1,05,04,781.00	54,90,000.00
	<b>Total Current Assets</b>		<b>19,04,76,104.49</b>	<b>18,24,69,081.20</b>	<b>18,32,90,503.22</b>
	<b>Total Assets</b>		<b>22,81,38,199.11</b>	<b>22,76,27,779.00</b>	<b>22,88,09,726.16</b>
<b>B.</b>	<b>Equity &amp; Liabilities</b>				
<b>1</b>	<b>Equity</b>				
	a) Share Capital	10	15,22,17,000.00	15,22,17,000.00	15,22,17,000.00
	b) Other Equity	11	7,59,13,699.11	7,54,03,279.00	7,65,85,226.16
	<b>Total Equity</b>		<b>22,81,30,699.11</b>	<b>22,76,20,279.00</b>	<b>22,88,02,226.16</b>
<b>2</b>	<b>Liabilities</b>				
	a) <b>Non Current Liabilities</b>				
	i) Financial Liabilities		-	-	-
	ii) Other Liabilities		-	-	-
	<b>Total Non Current Liabilities</b>		-	-	-
	b) <b>Current Liabilities</b>				
	i) Financial Liabilities		-	-	-
	ii) Other Liabilities	12	7,500.00	7,500.00	7,500.00
	iii) Provisions		-	-	-
	<b>Total Current Liabilities</b>		<b>7,500.00</b>	<b>7,500.00</b>	<b>7,500.00</b>
	<b>Total Equity &amp; Liabilities</b>		<b>22,81,38,199.11</b>	<b>22,76,27,779.00</b>	<b>22,88,09,726.16</b>

Summary of significant accounting policies

See accompanying notes forming part of the financial statements

Note 1&2

In term of our report attached.

For S. N. Chakrabarty & Co.  
Firm Registration No. 309080E  
Chartered Accountants

Sd/-

Saurindra Nath Chakrabarty  
(Proprietor)  
MRN: 016230

Place: Kolkata

Date : 25 June 2021

UDIN :21016230AAAAMS3593

For and on behalf of the Board

Sd/-

Swapan Sarkar  
Director  
DIN : 05149442

Sd/-

Sandip Kumar Singh  
Director  
DIN : 08443518

## LAFFAN SOFTWARE LIMITED

### Statement of Profit and Loss for the year ended 31 March, 2021

Particulars	Note No.	As at 31 March, 2021 Rs.	As at 31 March, 2020 Rs.
<b>Income</b>			
Revenue from Operations	13	1,08,10,795.00	54,00,350.00
Other Income	14	6,92,576.00	1,42,124.00
<b>Total Revenue</b>		<b>1,15,03,371.00</b>	<b>55,42,474.00</b>
<b>Expenditure</b>			
(a) Purchase		2,39,49,945.00	23,00,550.00
(b) Changes in Inventories of Finished Goods	15	(1,31,39,505.79)	31,31,810.52
(c) Depreciation and Amortisation Expense	3	207.00	517.24
(d) Employee Benefits Expense	16	3,55,430.00	4,51,030.00
(e) Other Expenses	17	7,68,736.50	5,71,260.50
<b>Total Expenses</b>		<b>1,19,34,812.71</b>	<b>64,55,168.26</b>
<b>Profit before Exceptional Items and Tax</b>		(4,31,441.71)	(9,12,694.26)
Less: Exceptional Items		-	-
<b>Profit/ (Loss) Before Tax</b>		<b>(4,31,441.71)</b>	<b>(9,12,694.26)</b>
<b>Tax Expense :</b>			
(a) Tax Expense for Current Year		-	-
(b) Tax Expense for Earlier Year		-	-
(c) Deferred Tax Asset		-	-
<b>Profit / (Loss) for the year</b>	(A)	<b>(4,31,441.71)</b>	<b>(9,12,694.26)</b>
<b>Other Comprehensive Income</b>			
i. Items that will not be reclassified to profit or loss-Actuarial (Loss)/Gain	18	9,41,861.82	(2,69,252.90)
ii. Income tax relating to items that will not be reclassified to profit or loss			
iii. Items that will be reclassified to profit or loss			
iv. Income tax relating to items that will be reclassified to profit or loss			
<b>Other Comprehensive Income</b>	(B)	9,41,861.82	(2,69,252.90)
<b>Total Comprehensive Income for the Year</b>	(A+B)	<b>5,10,420.11</b>	<b>(11,81,947.16)</b>

Earnings per Equity Share of Face Value of Rs 10 each

Basic and Diluted (in Rs)

(0.03)

(0.01)

Summary of significant accounting policies

Note 1&2

See accompanying notes forming part of the financial statements

In term of our report attached.

For S. N. Chakrabarty & Co.

Firm Registration No. 309080E

Chartered Accountants

Sd/-

Saurindra Nath Chakrabarty

(Proprietor)

MRN: 016230

Place : Kolkata

Date : 25 June 2021

UDIN :21016230AAAAMS3593

For and on behalf of the Board

Sd/-

Swapan Sarkar

Director

DIN : 05149442

Sd/-

Sandip Kumar Singh

Director

DIN : 08443518

# LAFFAN SOFTWARE LIMITED

## Cash Flow Statement for the Year Ended 31st March'2021

PARTICULARS		As at 31 March, 2021 Amount (Rs.)	As at 31 March, 2020 Amount (Rs.)
<b>A.</b>	<b><u>Cash Flow from Operating Activities</u></b>		
	Net Profit/(Loss) before tax	(4,31,441.71)	(9,12,694.26)
	Adjustments for:		
	Depreciation	207.00	517.24
	(Profit) / Loss on Sale of Investment	(3,57,500.00)	-
	Interest Income	3,35,076.00	1,33,287.00
		(22,217.00)	1,33,804.24
	<b>Operating Profit before Working Capital Changes</b>	<b>(4,53,658.71)</b>	<b>(7,78,890.02)</b>
	Adjustment for :		
	Change in Inventory	(1,31,39,505.79)	31,31,810.52
	Change in trade receivables	-	-
	Change in current assets	52,14,781.00	(50,14,781.00)
	Change in Current Liabilities	-	-
		(79,24,724.79)	(18,82,970.48)
	<b>Cash Generated from Operations</b>	<b>(83,78,383.50)</b>	<b>(26,61,860.50)</b>
	- Adjustment for :-		
	Income Tax Paid	(11,742.00)	90,755.00
	<b>Net Cash from Operating Activities [A]</b>	<b>(83,90,125.50)</b>	<b>(25,71,105.50)</b>
<b>B.</b>	<b><u>Cash Flow from Investing Activities</u></b>		
	Purchase of Investments	-	-
	Proceeds from Sale of Investments	88,07,500.00	-
	Loan received back during the year	-	-
	Loan given during the year	-	-
	Interest Income	(3,35,076.00)	(1,33,287.00)
	<b>Net Cash used in Investing Activities [B]</b>	<b>84,72,424.00</b>	<b>(1,33,287.00)</b>
<b>C.</b>	<b><u>Cash Flow from Financing Activities</u></b>	-	-
	<b>Net Cash used in financing activities [C]</b>	-	-
	<b>Net Increase in Cash &amp; Cash equivalents</b>	<b>82,298.50</b>	<b>(27,04,392.50)</b>
	Cash & Cash equivalents as at (Opening Balance)	4,69,989.34	31,74,381.84
	Cash & Cash equivalents as at (Closing Balance)	<b>5,52,287.84</b>	<b>4,69,989.34</b>

In term of our report attached.  
For S. N. Chakrabarty & Co.  
Firm Registration No. 309080E  
Chartered Accountants

Sd/-  
Saurindra Nath Chakrabarty  
(Proprietor)  
MRN: 016230

Place : Kolkata

Date : 25 June 2021  
UDIN :21016230AAAAMS3593

For and on behalf of the Board

Sd/-  
Swapan Sarkar  
Director  
DIN : 05149442

Sd/-  
Sandip Kumar Singh  
Director  
DIN : 08443518

# **LAFFAN SOFTWARE LIMITED**

## **Notes forming part of the financial statements**

### **1 Corporate information**

The Company Laffan Software Limited was duly incorporated on 26th August, 1985 under Companies Act, 1956 at Guwahati and is categorized as Public Limited Company Limited by shares and A Non-Government Company. The certificate pursuant to Section 149 (2A) of the Companies Act, 1956 for commencement of business was given on 28th August, 1985. The Company got its shares listed on Guwahati Stock Exchange earlier and the Company had to be delisted on closure of Guwahati Stock Exchange. The Company then got its shares listed at Metropolitan Stock Exchange of India Ltd. (MSEI) on 24th February, 2015. The Company is primarily engaged in trading activities and providing interest bearing advances. .

### **2 Significant Accounting Policies**

#### **2.1 Statement of Compliance**

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

#### **2.2 Basis of accounting and preparation of financial statements**

These financial statements have been prepared on historical cost basis, except for certain financial instruments which are measured at fair value 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. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

#### **2.3 Use of estimates**

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and judgements that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

The Company reviews its carrying value of investments carried at amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

#### **Useful lives of property, plant and equipment**

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

#### **Provisions and contingent liabilities**

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial

#### **Fair value measurement of financial instruments**

Financial asset included within the OCI Category are measured at each reporting date at fair value. Fair Value movements are recognised in OCI. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from OCI to statement of Profit and loss.

#### **2.4 Revenue recognition**

Both income and expenditure items are recognized on accrual and prudent basis.

#### **2.5 Income Tax**

Current tax is determined as the amount of tax payable in respect of taxable income at applicable rate of tax for the year. The Government of India, on 20/09/2019, vide the Taxation Laws (Amendment) Ordinance 2019, inserted a new Section 115BAA in the Income Tax Act, 1961, which provides an option to the Company for paying Income Tax at reduced rates as per the provisions/conditions defined in the said section. The Company is continuing to provide for income tax at old rates, based on the available outstanding MAT credit entitlement and various exemptions and deductions available to the Company under the Income Tax Act, 1961.

#### **2.6 Earnings per share**

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.

**LAFFAN SOFTWARE LIMITED**  
**Statement of Change in Equity**  
**For the Year ended 31st March, 2021**

**A. Equity Share Capital**

	Amount in Rs.
<b>As at 1st April, 2019</b>	15,22,17,000.00
Changes in Equity Share Capital during the year 2019-20	-
<b>As at 31st March, 2020</b>	15,22,17,000.00
Changes in Equity Share Capital during the year 2020-21	-
<b>As at 31st March, 2021</b>	15,22,17,000.00

**B. Other Equity**

Particulars	Share application Pending	Reserves and Surplus			Other Comprehensive Income	Total
		Capital Reserve	General reserve	Retained Earnings		
<b>As on 31 March 2020</b>						
Balance at the beginning of the reporting period i.e. 1st April, 2019	-	4,97,42,000.00	-	2,07,19,310.46	61,23,915.70	7,65,85,226.16
Profit for the year	-	-	-	(9,12,694.26)	-	(9,12,694.26)
Derecognition of Financial Asset	-	-	-	-	-	-
Other Comprehensive Income for the year	-	-	-	-	(2,69,252.90)	(2,69,252.90)
<b>Total Comprehensive Income for the year</b>	-	-	-	(9,12,694.26)	(2,69,252.90)	(11,81,947.16)
<b>Balance at the end of the reporting period i.e. 31st March, 2020</b>	-	4,97,42,000.00	-	1,98,06,616.20	58,54,662.80	7,54,03,279.00
<b>As on 31 March 2021</b>						
Balance at the beginning of the reporting period i.e. 1st April, 2020	-	4,97,42,000.00	-	1,98,06,616.20	58,54,662.80	7,54,03,279.00
Profit for the year	-	-	-	(4,31,441.71)	-	(4,31,441.71)
Derecognition of Financial Asset	-	-	-	-	(3,12,000.00)	(3,12,000.00)
Other Comprehensive Income for the year	-	-	-	-	12,53,861.82	12,53,861.82
<b>Total Comprehensive Income for the year</b>	-	-	-	(4,31,441.71)	9,41,861.82	5,10,420.11
<b>Balance at the end of the reporting period i.e. 31st March, 2021</b>	-	4,97,42,000.00	-	1,93,75,174.49	67,96,524.62	7,59,13,699.11

For S. N. Chakrabarty & Co.  
Firm Registration No. 317116E  
Firm Registration No. 309080E

CIN No.: L72200AS1985PLC002426  
For and on behalf of the Board of Directors

Sd/-  
Saurindra Nath Chakrabarty  
(Proprietor)  
MRN: 016230

Sd/-  
Swapan Sarkar  
Director  
DIN : 05149442

Sd/-  
Sandip Kumar Singh  
Director  
DIN : 08443518

Place : Kolkata

Date : 25 June 2021  
UDIN :21016230AAAAMS3593

**LAFFAN SOFTWARE LIMITED**

**Schedule 3 Tangible Assets**

The previous year figures have been regrouped / reclassified, wherever necessary to conform to the current year presentation

Sl. No.	Particulars	Gross block								Depreciation and amortisation								Net block			
		As at April 1, 2019	Impact on IND AS Transition	Additions/ Adjustment	Deletions/ Adjustment	As at April 1, 2020	Additions/ Adjustment	Deletions/ Adjustment	As at Mar 31, 2021	As at April 1, 2019	Impact on IND AS Transition	Additions/ Adjustment	Impairment Loss	Deletions/ Adjustment	As at April 1, 2020	For the year	Deletions / Adjustment	As at Mar 31, 2021	As at Mar 31, 2021	As at Mar 31, 2020	As at Mar 31, 2019
1	Tangible Assets  Own Assets: Plant & Machinery	33,11,350.00		-	-	33,11,350.00	-	-	33,11,350.00	33,10,487.76		517.24	-	-	33,11,005.00	207.00	-	33,11,212.00	138.00	345.00	862.24
	<b>Total (A)</b>	33,11,350.00	-	-	-	33,11,350.00	-	-	33,11,350.00	33,10,487.76	-	517.24	-	-	33,11,005.00	207.00	-	33,11,212.00	138.00	345.00	862.24



**LAFFAN SOFTWARE LIMITED**

**Schedule 4 : Investments**

Particulars	31 March, 2021		31 March, 2020		1 April, 2019	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
Investment In Equity Instruments: Equity Shares		3,75,59,824.62		4,50,67,962.80		4,53,37,215.70
<b>Total :</b>		<b>3,75,59,824.62</b>		<b>4,50,67,962.80</b>		<b>4,53,37,215.70</b>

**Schedule 4.1**

Particulars	As at 31 March, 2021 Rs.	As at 31 March, 2020 Rs.	As at 1 April, 2019 Rs.
<b>Category-wise Non current</b>			
Financial assets carried at Amortised Cost			
Financial assets measured at Cost	-	-	-
Financial assets measured at Fair Value Through Other Comprehensive Income	3,75,59,824.62	4,50,67,962.80	4,53,37,215.70
Financial assets measured at Fair value Through Profit & Loss			
<b>Total :</b>	<b>3,75,59,824.62</b>	<b>4,50,67,962.80</b>	<b>4,53,37,215.70</b>

**Schedule 5 : Other Non Current Assets**

Particulars	As at 31 March, 2021 Rs.	As at 31 March, 2020 Rs.	As at 1 April, 2019 Rs.
TDS Receivable	1,02,132.00	90,390.00	1,81,145.00
<b>Total :</b>	<b>1,02,132.00</b>	<b>90,390.00</b>	<b>1,81,145.00</b>

**Schedule 6 : Inventories**

Particulars	As at 31 March, 2021 Rs.	As at 31 March, 2020 Rs.	As at 1 April, 2019 Rs.
Trading Shares	18,41,93,816.65	17,10,54,310.86	17,41,86,121.38
<b>Total :</b>	<b>18,41,93,816.65</b>	<b>17,10,54,310.86</b>	<b>17,41,86,121.38</b>

**Schedule 7 : Trade Receivables**

Particulars	As at 31 March, 2021 Rs.	As at 31 March, 2020 Rs.	As at 1 April, 2019 Rs.
Trade Receivables (Unsecured and considered Good)	4,40,000.00	4,40,000.00	4,40,000.00
<b>Total :</b>	<b>4,40,000.00</b>	<b>4,40,000.00</b>	<b>4,40,000.00</b>

**Schedule 8 : Cash & Cash Equivalents**

Particulars	As at 31 March, 2021 Rs.	As at 31 March, 2020 Rs.	As at 1 April, 2019 Rs.
Cash on hand	5,13,587.00	1,85,877.00	1,13,317.00
<b>Balances with banks</b>			
In Current Accounts	38,700.84	2,84,112.34	30,61,064.84
<b>Total :</b>	<b>5,52,287.84</b>	<b>4,69,989.34</b>	<b>31,74,381.84</b>

Cash and Cash equivalents are as per Statement of Cash Flows

**Schedule 9 : Other Current Assets**

Particulars	As at 31 March, 2021 Rs.	As at 31 March, 2020 Rs.	As at 1 April, 2019 Rs.
Advance against Property	32,90,000.00	32,90,000.00	32,90,000.00
Other Advances	20,00,000.00	72,14,781.00	22,00,000.00
<b>Total :</b>	<b>52,90,000.00</b>	<b>1,05,04,781.00</b>	<b>54,90,000.00</b>

**LAFFAN SOFTWARE LIMITED**

**Schedule 10: Share Capital**

Particulars	As at 31 March, 2021		As at 31 March, 2020		As at 1 April, 2019	
	Number of shares	Rs.	Number of shares	Rs.	Number of shares	Rs.
<b>(a) Authorised</b> Equity Shares of Rs.10 each with voting rights	1,52,50,000	15,25,00,000.00	1,52,50,000	15,25,00,000.00	1,52,50,000	15,25,00,000.00
<b>(b) Issued, Subscribed and Paid - up</b> Equity Shares of Rs.10 each with voting rights	1,52,21,700	15,22,17,000.00	1,52,21,700	15,22,17,000.00	1,52,21,700	15,22,17,000.00
<b>Total :</b>	<b>1,52,21,700</b>	<b>15,22,17,000.00</b>	<b>1,52,21,700</b>	<b>15,22,17,000.00</b>	<b>1,52,21,700</b>	<b>15,22,17,000.00</b>

**10.1 Rights. Preference and Restriction attached to shareholders**

Equity Shares : The Company has one class of equity shares having a par value of Rs. 10 per Share. Each Shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholder are eligible to receive the remaining assets of the company after distribution of all preferential amounts in proportion to their shareholding.

**10.2 Details of shares held by each shareholder holding more than 5% shares:**

Class of shares / Name of shareholder	As at 31 March, 2021		As at 31 March, 2020		As at 1 April, 2019	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
<b>Equity Shares with voting rights</b>						
NOVELTY TRADERS LIMITED	12,47,250	8.19%	12,47,250	8.19%	12,47,250	8.19%
IMPALA INDUSTRIAL ENTERPRISES LIMITED	11,90,750	7.82%	11,90,750	7.82%	11,90,750	7.82%
ONLINE INFORMATIONS TECHNOLOGIES LIMITED	11,34,000	7.45%	11,34,000	7.45%	11,34,000	7.45%
RAMKRISHNA FINCAP LIMITED	8,66,250	5.69%	8,66,250	5.69%	8,66,250	5.69%
	<b>44,38,250</b>	<b>29.16%</b>	<b>44,38,250</b>	<b>29.16%</b>	<b>44,38,250</b>	<b>29.16%</b>

**10.3 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:**

Particulars	As at 31 March, 2021		As at 31 March, 2020		As at 1 April, 2019	
	Number of shares	Rs.	Number of shares	Rs.	Number of shares	Rs.
Opening Balance	1,52,21,700	15,22,17,000.00	1,52,21,700	15,22,17,000.00	1,52,21,700	15,22,17,000.00
Change during the year	-	-	-	-	-	-
Closing Balance	<b>1,52,21,700</b>	<b>15,22,17,000.00</b>	<b>1,52,21,700</b>	<b>15,22,17,000.00</b>	<b>1,52,21,700</b>	<b>15,22,17,000.00</b>

**Schedule 11 : Other Equity**

	Reserves & Surplus					
	Share Application Pending Allotment	Capital Reserve	General reserve	Retained earnings	Other Comprehensive Income	Total
<b>As on 31 March 2020</b>						
Balance at the beginning of the reporting period i.e. 1st April, 2019	-	4,97,42,000.00	-	2,07,19,310.46	61,23,915.70	7,65,85,226.16
Profit for the year	-	-	-	(9,12,694.26)	-	(9,12,694.26)
Derecognition of Financial Asset	-	-	-	-	-	-
Other Comprehensive Income for the year	-	-	-	-	(2,69,252.90)	(2,69,252.90)
<b>Total Comprehensive Income for the year</b>	-	-	-	<b>(9,12,694.26)</b>	<b>(2,69,252.90)</b>	<b>(11,81,947.16)</b>
Balance at the end of the reporting period i.e. 31st March, 2020	-	4,97,42,000.00	-	1,98,06,616.20	58,54,662.80	7,54,03,279.00

**As on 31 March 2021**

Balance at the beginning of the reporting period i.e. 1st April, 2020	-	4,97,42,000.00	-	1,98,06,616.20	58,54,662.80	7,54,03,279.00
Profit for the year	-	-	-	(4,31,441.71)	-	(4,31,441.71)
Derecognition of Financial Asset	-	-	-	-	(3,12,000.00)	(3,12,000.00)
Other Comprehensive Income for the year	-	-	-	-	12,53,861.82	12,53,861.82
<b>Total Comprehensive Income for the year</b>	-	-	-	<b>(4,31,441.71)</b>	<b>9,41,861.82</b>	<b>5,10,420.11</b>
Balance at the end of the reporting period i.e. 31st March, 2021	-	4,97,42,000.00	-	1,93,75,174.49	67,96,524.62	7,59,13,699.11

**Schedule 12 : Other Current Liabilities**

Particulars	As at 31 March, 2021		As at 31 March, 2020		As at 1 April, 2019	
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Outstanding Liabilities						
Liability for Expenses		7,500.00		7,500.00		7,500.00
<b>Total :</b>		<b>7,500.00</b>		<b>7,500.00</b>		<b>7,500.00</b>

**LAFFAN SOFTWARE LIMITED**

**Schedule 13 : Revenue from Operations**

Particulars	For the Year Ending March'2021 Rs.		For the Year Ending March'2020 Rs.
i) Sale of Products Sale of Shares	1,08,10,795.00		54,00,350.00
<b>Total :</b>	<b>1,08,10,795.00</b>		<b>54,00,350.00</b>

**Schedule 14 : Other Income**

Particulars	For the Year Ending March'2021 Rs.		For the Year Ending March'2020 Rs.
i) Interest on Loan	3,34,274.00		1,33,287.00
ii) Interest from Income Tax	802.00		8,837.00
iii) Profit on Sale of Investment	3,57,500.00		-
<b>Total :</b>	<b>6,92,576.00</b>		<b>1,42,124.00</b>

**Schedule 15 : Changes in Inventory of Finished Goods**

Particulars	For the Year Ending March'2021 Rs.		For the Year Ending March'2020 Rs.
Opening Stock	17,10,54,310.86		17,41,86,121.38
Less : Closing Stock	18,41,93,816.65		17,10,54,310.86
<b>Increase / (Decrease) in Stocks</b>	<b>1,31,39,505.79</b>		<b>(31,31,810.52)</b>

**Schedule 16: Employee Benefits Expenses**

Particulars	For the Year Ending March'2021 Rs.		For the Year Ending March'2020 Rs.
Salary	3,48,000.00		4,24,000.00
Staff Welfare Expenses	7,430.00		27,030.00
<b>Total :</b>	<b>3,55,430.00</b>		<b>4,51,030.00</b>

**Schedule 17: Other Expenses**

Particulars	For the Year Ending March'2021 Rs.		For the Year Ending March'2020 Rs.
Annual Listing Fees	64,900.00		64,900.00
Auditors Remuneration	7,500.00		7,500.00
Bank Charges	855.50		6,460.50
CDSL Fees	53,100.00		53,100.00
Conveyance Expenses	15,690.00		24,370.00
Demat Charges	551.00		-
E- Voting Charges	39,140.00		39,140.00
Filing Fees	1,200.00		61,600.00
General Expenses	18,340.00		25,770.00
NSDL Fees	53,100.00		53,100.00
Penalty to SE	3,35,120.00		-
Postage	6,550.00		14,860.00
Printing & Stationery	11,430.00		16,170.00
Professional Charges	1,13,150.00		1,45,550.00
Registrar Fees	11,800.00		11,800.00
Rent & Electricity	30,000.00		30,000.00
Telephone Expenses	6,310.00		16,940.00
<b>Total :</b>	<b>7,68,736.50</b>		<b>5,71,260.50</b>

**17.1 Provision for Audit Fees**

Particulars	For the Year Ending March'2021 Rs.		For the Year Ending March'2020 Rs.
Statutory Audit Fees	7,500.00		7,500.00
<b>Total :</b>	<b>7,500.00</b>		<b>7,500.00</b>

**Schedule 18 : OCI- Items that will not form part of Profit/Loss**

Particulars	For the Year Ending March'2021 Rs.		For the Year Ending March'2020 Rs.
i. Change in Fair Value of Investments On reclassification of Financial Assets at Fair Value Other Comprehensive Income	9,41,861.82		(2,69,252.90)

## **LAFFAN SOFTWARE LIMITED**

### **Notes on Financial Statements**

#### **19. Related Party Disclosures**

i. As per Ind AS 24, the disclosures of transactions with Related Parties are given below:

List of related parties where control exists and related parties with whom transactions have taken place and relationships:

##### **a) List of Related Parties**

###### **i. Key Management Personnel**

Sandip Kumar Singh  
Swapan Sarkar  
Kakali Ghosh  
Gunodhar Ghosh

###### **b) Transactions undertaken / balances outstanding with related parties in the ordinary course of business**

Nil

**LAFFAN SOFTWARE LIMITED**

CIN: L72200AS1985PLC002426  
REGD. OFFICE: 205, Haribol Roy Market, 2<sup>nd</sup> Floor,  
A.T. Road, Guwahati – 781 001  
Website: www.laffan.co.in  
Email Id: laffan@mail.com , Phone: +91 9163513015

**Form No. MGT-12**

**Polling Paper**

*[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies  
(Management and Administration) Rules, 2014]*

Name of the Company :	<b>LAFFAN SOFTWARE LIMITED</b>
Registered office :	205, Haribol Roy Market, 2 <sup>nd</sup> Floor, A.T. Road, Guwahati – 781 001

**BALLOT PAPER (36<sup>th</sup> AGM, 2021)**

S. No.	Particulars	Details
1.	Name of the First Named Shareholder (In block letters)	
2.	Postal address	
3.	Registered folio No. / *Client ID No. (*Applicable to investors holding shares in dematerialized form)	
4.	Class of Share	<b>Equity Share</b>

I hereby exercise my vote in respect of Ordinary/ Special resolution enumerated below by recording my assent or dissent to the said resolution in the following manner:

S. No.	Resolutions	No. of shares held by me	I assent to the resolution	I dissent from the resolution
1.	The audited Financial Statements of the Company together with the reports of Board of Directors and the Auditors thereon			
2.	To appoint a Director in place of Mr. Swapan Sarkar (holding DIN: 05149442) who retires by rotation.			
3.	Regularization of appointment of Additional Director, Mrs. Tulika Paul as Non Executive Independent Director of the Company.			
4.	Regularization of appointment of Additional Director, Mrs. Soma Ghosh as Non Executive Independent Director of the Company			

Place:

Date :

(Signature of the shareholder)

## LAFFAN SOFTWARE LIMITED

Registered Office:  
205, Haribol Roy Market, 2<sup>nd</sup> Floor, A. T. Road, Guwahati – 781 001

### PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: L72200AS1985PLC002426

Name of the Company: LAFFAN SOFTWARE LIMITED

Registered office: 205, Haribol Roy Market, 2nd Floor, A. T. Road, Guwahati – 781 001

Name of the Shareholder-----Address: -----  
-----

Email ID: -----Folio /No/DPID/ & Client ID-----

I/We, being the member (s) of ..... shares of the above-named company, hereby appoint  
1) ----- of-----having e-mail id-----or failing him  
2) ----- of-----having e-mail id-----or failing him  
3) ----- of-----having e-mail id-----or failing him

and whose and whose signatures are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the company, to be held on Wednesday the 29<sup>th</sup> day of September, 2021 at 2.45 P. M. at 205, Haribol Roy Market, 2nd Floor, A. T. Road Guwahati – 781 001, India and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Description	For	Against
1.	The audited Financial Statements of the Company together with the reports of Board of Directors and the Auditors thereon		
2	Mr. Swapan Sarkar (holding DIN : 05149442) who retires by rotation in term of section 152(6) of the Companies Act, 2013		
3.	Regularization of appointment of Additional Director, Mrs. Tulika Paul as Non Executive Independent Director of the Company.		
4.	Regularization of appointment of Additional Director, Mrs. Soma Ghosh as Non Executive Independent Director of the Company		

Signature  
Affix Re 1/- Revenue Stamp

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2021  
Registered Folio No. \_\_\_\_\_ Client ID No. \_\_\_\_\_ DP ID \_\_\_\_\_  
No. of Shares: \_\_\_\_\_

Note: This proxy form duly complied should be deposited at the Registered Office of the Company not later than 48 (Forty-Eight) hours before the time fixed for holding of the meeting.

**LAFFAN SOFTWARE LIMITED**

Registered Office  
205, Haribol Roy Market, 2<sup>nd</sup> Floor, A. T. Road, Guwahati – 781 001

**ATTENDANCE SLIP**

I, hereby record my attendance at the 36<sup>th</sup> Annual General Meeting of the Company at 205, Haribol Roy Market, 2<sup>nd</sup> Floor, A. T. Road, Guwahati – 781 001, on Wednesday the 29<sup>th</sup> day of September, 2021 at 2.45 P. M.

Name of the Shareholder: \_\_\_\_\_  
(In Capital Letters)

Name of Proxy: \_\_\_\_\_  
(In Capital Letters)

Signature: \_\_\_\_\_

Registered Folio No. \_\_\_\_\_ Client ID No. \_\_\_\_\_ No. of Shares: \_\_\_\_\_

Note:

1. Shareholder/Proxy holder wishing to attend the meeting must bring this attendance slip duly signed to the meeting and hand it over at the entrance.
2. Shareholder/Proxy holder desiring to attend the meeting should bring his/her copy of Annual Report for reference at the meeting.