



Naapbooks Limited

ANNUAL REPORT 2023



GLIMPSES



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AWARDS & RECOGNITIONS

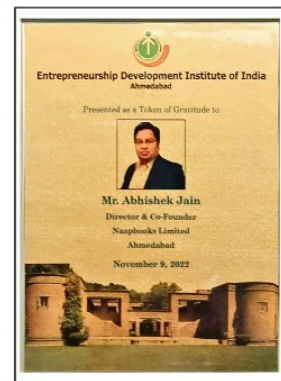


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ABOUT NAAPBOOKS

Naapbooks Limited (NBL) is a registered DIPP Start-up vide Certificate No: DIPP 4092 under Startup India Initiative of Government of India having ISO 9001- 2015 and appraised with CMMI3 Certification. Our vision and mission are amalgamation of our corporate philosophy and our motto of providing next generation IT services.

NBL is engaged in the business of developing and providing Information Technological solutions to corporates for their requirements. The company develops and provides **Fintech App, Cloud Consulting, Blockchain App, Mobile App, Web App, Embedded App** products to its clients. The services broadly cover designing, developing, operating, installing, analysing, maintaining, converting, porting, debugging, coding, and programming software to be used on computer or any microprocessor-based device or any other such hardware.

NBL adheres to all necessary regulatory specifications. We firmly believe in maintaining our service quality against the highest standards, are unflinchingly customer centric, deeply people focused, and follow ethical business practices and corporate governance standards overall. We draw our strength from an age-old tradition of quality services as the best strategy for sustained growth.

For more information, visit www.naapbooks.com.



Business Applications

- Fintech
- E Commerce
- Compliance Tech
- Enterprise Solutions



Digitalization Service

- Cloud Solutions
- Legacy Migration
- Digital Workplace
- Dynamic Dashboards



Web 3.0

- NFT
- Blockchain
- Augmented Reality
- Decentralized Systems



Automations

- AI/ML Solutions
- Manufacturing 4.0
- Connected Systems
- Process Automation

WE BELIEVE

Being a FinTech company that is technologically driven with an all-encompassing experience of seven years in the IT industry. We offer finance consultancy and software support services. Our energy is channelled into envisioning novel innovations such as mobile banking and cloud-based management software. We examine any existing obstacles and develop viable solutions using technologies like Blockchain, Artificial Intelligence and Machine Learning to create new FinTech business models that promote growth and deliver success.

Customer Centric and Holistic Approach



We believe in building a lasting relationship with our customers. Understanding their requirements before providing them with the most suitable approach for their business.

Passionate and Resilient Team

Our employees possess a wide spectrum of skills and experience. We get results with collaborative efforts from our passionate and resilient team.



Security and Scalability



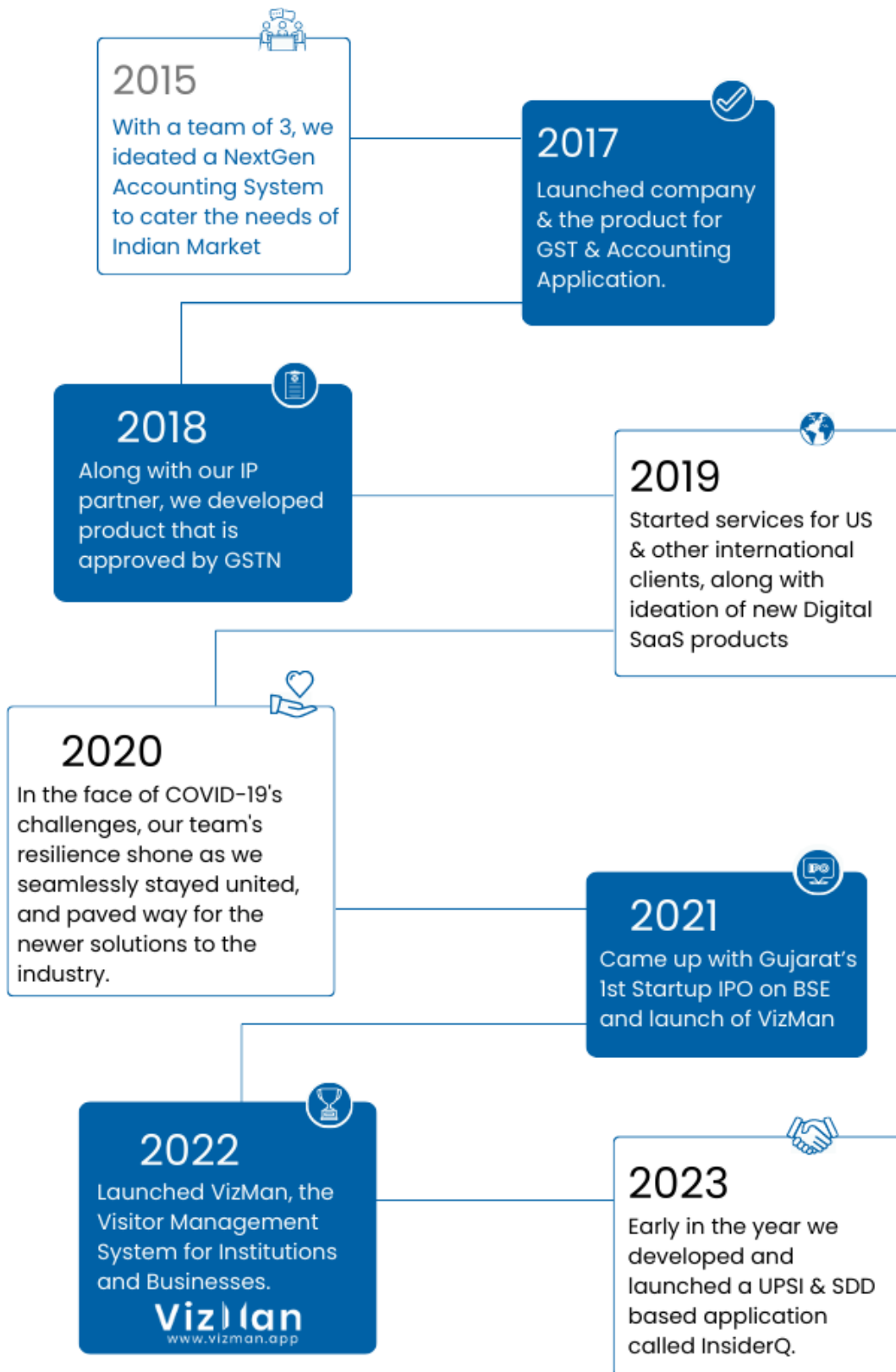
We know the importance of protecting information for every business and organisation. We create technology that keeps your data secure and is scalable to your business.

Innovative Ideas and Solutions

Our focus is to come up with innovative solutions that fit your current requirements and are flexible enough to fulfil future objectives.



JOURNEY SO FAR



FROM THE CHAIRMAN'S DESK

Dear Valued Stakeholders,

I trust this letter finds you in good health and high spirits, despite the manifold challenges that continue to shape our global landscape. As the Chairman of Naapbooks Limited, I am honoured to address you today, reflecting on our journey, celebrating our milestones, and casting a forward-focused vision that underscores our commitment to innovation and growth.

In a world defined by an ever-shifting tapestry of uncertainty, Naapbooks Limited has stood as a beacon of adaptability and resilience. Our unwavering dedication to innovation has driven us to craft a spectrum of services, each designed with meticulous precision to address the diverse technological needs of modern enterprises.

From Fintech Applications that revolutionize financial processes to Cloud Computing solutions that unlock new dimensions of efficiency, our portfolio encapsulates the cutting-edge tools required to navigate the digital age. The advent of Blockchain Solutions has empowered our clients with newfound levels of security and transparency, while our Mobile and Web App Development services ensure seamless user experiences in an increasingly connected world. The realm of Internet of Things (IoT) beckons, and we have answered the call with solutions that bridge the gap between the physical and digital realms.

Amidst these remarkable achievements, the introduction of EZEO stands as a testament to our unwavering



commitment to innovation. EZEO's impact extends beyond mere technology - it is a conduit for reimagining supply chain dynamics, optimizing operations, and delivering a seamless order management experience. As a beacon of intuitive design and operational excellence, EZEO aligns seamlessly with our mission to catalyse growth and efficiency across sectors.

Our journey over the past year has been marked by commendable achievements that resonate deeply with our core values. Our financial performance has surpassed expectations, with a commendable 85.91% increase in revenue compared to the previous year. This milestone speaks volumes about our resilience, adaptability, and unwavering commitment to delivering excellence.

Yet, our ethos extends beyond financial metrics. At Naapbooks Limited, we firmly

believe that technology is a vessel for positive change. Our commitment to empowering individuals, nurturing innovation, and fostering sustainable growth remains at the heart of all we do. This ethos is embedded in every service we offer, from crafting bespoke solutions to forging meaningful connections with our clients and partners.

Looking forward, our gaze remains steadfast on the horizon of innovation. The era of optionality calls us to embrace change and to harness technology as a catalyst for transformation. As we navigate uncharted territory, we remain resolute in our promise to drive growth, shape industries, and create a more connected world.

It is essential to acknowledge that our journey would not have been possible without your unwavering support. As stakeholders, your trust and partnership have propelled us to these heights, and for that, we extend our heartfelt gratitude. We view our relationship with you as a testament to our commitment to mutual growth and shared success.

Ahmedabad
25 August, 2023

As we forge ahead, our resolve is unwavering. Together, we shall continue to champion innovation, break down barriers, and pioneer change in the ever-evolving landscape of technology. Our focus is not only on the present but on crafting a future where technology transcends its confines to create a world that is more efficient, connected, and prosperous for all.

In conclusion, I extend my sincere gratitude for your continued trust, support, and partnership. The journey thus far has been exhilarating, but the road ahead is even more promising. As Naapbooks Limited steers through uncharted waters, we invite you to join us on this voyage of discovery and transformation. Together, we will unlock new realms of possibility and create a future that is as bright as our collective imagination.

Thank you for being an integral part of the Naapbooks family. Here's to a future that is boundless in its potential and breathtaking in its achievements.

Nirmal Kumar Jain
Chairman and Director

BOARD OF DIRECTORS



Nirmal Jain

Chairman
and Director



Ashish Jain

Executive Director
and CEO



Yaman Saluja

Whole-Time Director
and CFO



Abhishek Jain

Non-Executive
Director



Siddharth Soni

Non-Executive
Director



Sunit Shah

Independent
Director



Puja Kasera

Independent
Director

CORPORATE INFORMATION

BOARD OF DIRECTORS

Name	DIN	Designation
Mr. Nirmal Kumar Jain	07773203	Chairman & Director
Mr. Yaman Saluja	07773205	Whole-Time Director
Mr. Ashish Jain	07783857	Executive Director
Mr. Abhishek Jain	07773124	Non-Executive Director
Mr. Siddharth Soni ¹	02152387	Non-Executive Director
Mr. Sunit Shah	08074335	Independent Director
Mrs. Puja Kasera	09327558	Independent Director

¹ Appointed w.e.f. 25th May, 2022.

KEY MANAGERIAL PERSONNEL

Name	DIN/PAN	Designation
Mr. Ashish Jain	ANVPJ2446H	Chief Executive Officer (CEO)
Mr. Yaman Saluja	CNJPS0679H	Chief Financial Officer (CFO)
CS Niharika Shah ¹	FEFPS9893F	Company Secretary & Compliance Officer
CS Sahul Jotaniya ²	AYRPJ7563Q	Company Secretary & Compliance Officer

¹ Resigned w.e.f. 19th May 2022.

² Appointed w.e.f. 01st June, 2022.

COMMITTEES OF THE BOARD

Audit Committee

Name	DIN	Designation
Mr. Sunit Shah	08074335	Chairperson
Mrs. Puja Kasera	09327558	Member
Mr. Ashish Jain ¹	07783857	Member

¹Appointed w.e.f. 14th November, 2022 in Board meeting.

Stakeholder's Grievance Committee

Name	DIN	Designation
Mrs. Puja Kasera	09327558	Chairperson
Mr. Sunit Shah	08074335	Member
Mr. Yaman Saluja	07773205	Member
Mr. Nirmal Kumar Jain ¹	07773203	Member

¹Appointed w.e.f. 14th November, 2022 in Board meeting.

Nomination & Remuneration Committee

Name	DIN	Designation
Mr. Siddharth Soni ¹	02152387	Chairperson
Mrs. Sunit Shah ²	08074335	Member
Mr. Puja Kasera	09327558	Member
Mr. Abhishek Jain	07773124	Member

¹Appointed as a Chairperson w.e.f. 14th November, 2022 in Board meeting.

²Changed Designation w.e.f. 14th November, 2022 in Board meeting.

Statutory Auditor	Secretarial Auditor
<p>M/S. Purushottam Khandelwal & Co.</p> <p>Address: 216, Madhupura Vyapar Bhawan, Nr. Gunj Bazar, Madhupura, Ahmedabad- 380004.</p> <p>Mail Id: casmahirao@gmail.com</p>	<p>M/S. Nirav Soni & Co.</p> <p>Address: D-37, Ratilal Park, Nr. Darpan Six Road, Naranpura, Ahmedabad-380013.</p> <p>Mail Id: niravsoni003@gmail.com</p>

Registrar & Share Transfer Agent	Market Maker
<p>KFIN Technologies Private Limited</p> <p>Address: Selenium Tower-B, Plot No. 31-32, Gachiboli, Nanakramguda, Serilingampally, Hyderabad, Telangana- 500032.</p> <p>SEBI Registration Number: INR000000221</p> <p>Tel No.: +91-40-6716-2222</p> <p>Mail Id.: einward.ris@kfintech.com</p> <p>Contact Person: Mr. Murali Krishna</p>	<p>Beeline Broking Limited</p> <p>Address: 701- 702, A-wing, Samudra Complex, 7th Floor Off. C. G. Road, Nr. Girish Cold Drinks, Navrangpura, Ahmedabad- 380009, Gujarat, India</p>

***As on August 25, 2023**

THE STATE OF COMPANY'S AFFAIRS

The Company recorded total revenue of ₹ 521.38 lacs as compared to the previous year was ₹ 280.45 lacs which is increased by 85.91 % on Y-o-Y. The Profit after tax (PAT) is ₹ 62.70 lacs as compared to the previous year was ₹ 23.26 lacs which is increased by 169.56 % on Y-o-Y.

The company raised ₹28.80 million by issues of 11,50,000 (Eleven lacs fifty thousand) equity shares having face value of ₹10 (Rupees Ten) each at a price of ₹72 (Rupees Seventy-Two) each including premium of ₹62 (Rupees Sixty-two) per shares of which 4,00,000 equity shares were issued on a preferential basis for cash consideration and 7,50,000 equity shares were issued on a preferential basis for consideration other than cash (Share Swap basis).

Heading into 2023, the signs of progress that appeared over the past year continue to blossom. The organizations that have made it through recent and ongoing turmoil are using their newfound resilience as a springboard into the future. The sheer size of the industry makes it one of the dominant sectors in the global economy, and the rapid growth and rate of change within the industry make it a central player in developing business standards and regulations.

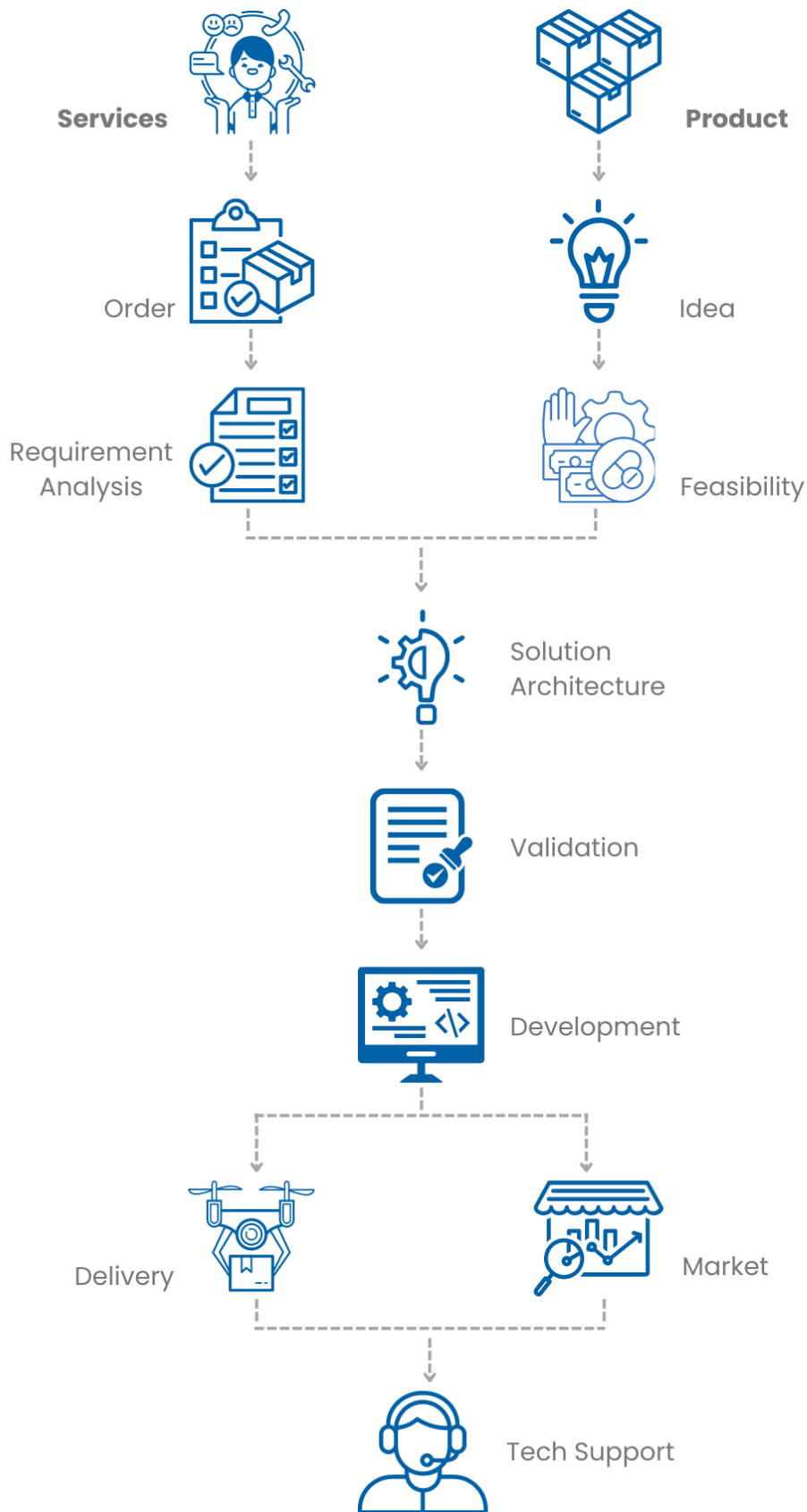
The IT services market is valued at \$1,045.15 billion in the base year and is expected to grow at a CAGR of 8.38% during the forecast period to become \$1,665.76 billion by the next five years. Globally, the increased IT spending, coupled with the widespread adoption of software-as-a-service and increased cloud-based offerings, indicates the demand for IT services in the industry.

With an improved IT infrastructure, threats related to data (data breaches) are also on the rise. This demands advanced security solutions over traditional ones. With this trend gaining traction in the market, companies have started to invest their resources in enhancing their advanced security offerings.

Trends like 5G, Blockchain, AR, and AI are likely to have an impact on the offerings of IT services. With 5G technology on its way, it is likely to ensure that companies may set up networks on their premises.

Moreover, there are several risk factors that can affect your company. The detailed risk factors are mentioned in the Management discussion and Analysis report annexed as an Annexure- V with the board report.

NBL'S INTEGRATED BUSINESS MODEL



BOARD'S REPORT

To,
The Stakeholders of
Naapbooks Limited

Dear Shareholders,
The Board of Directors are pleased to present the company's 6th Annual Report along with the Audited Financial Statements for the financial year ended on 31st March, 2023.

FINANCIAL HIGHLIGHTS

The Company's financial performance (Standalone) for the year ended on 31st March, 2023 is summarized below:

(₹in Lakhs)

PARTICULARS	STANDALONE	
	YEAR ENDED 31/03/2023	YEAR ENDED 31/03/2022
I. Net Sales/Income from Operations	521.38	280.45
II. Other Income	5.76	0.019
III. Total Income (I+II)	527.14	280.47
IV. Earnings Before Interest, Taxes, Depreciation and Amortization Expense	140.86	89.45
V. Finance Cost	6.77	8.73
VI. Depreciation and Amortization Expense	47.33	45.60
VII. Profit Before Tax (IV-V-VI)	86.76	35.13
VIII. Tax Expense:		
i Current Tax Expense	22.37	8.46
ii MAT Credit	0	0
iii MAT Credit Relating to prior years	0	0
iv Tax Expense Relating to prior years	1.12	(1.72)
v Deferred Tax (Asset)/Liabilities	0.57	5.14
IX. Profit After Tax (VII-VIII)	62.70	23.25

The Company discloses standalone financial results on a half yearly basis of which results are subjected to limited review and publishes audited financial results on an annual basis. The Financial Statements as stated above are also available on the website of the Company at https://www.naapbooks.com/wp-content/uploads/2023/05/AFR_310323.pdf.

COMPANY'S PERFORMANCE

The Audited Financial Statements of your Company for the year ended on March 31, 2023, prepared in accordance with the relevant applicable Generally Accepted Accounting Standards and Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and provisions of the Companies Act, 2013, forms part of this Annual Report. The key aspects of the Company's financial performance during the financial year 2022-23 are as follows:

During the Year under review, the Company recorded total revenue of ₹ 521.38 lacs as compared to the previous year was ₹ 280.45 lacs which is increased by 85.91 % on Y-o-Y. The Profit after tax is ₹ 62.70 lacs as compared to the previous year was ₹ 23.26 lacs which is increased by 169.56 % on Y-o-Y.

TRANSFER TO RESERVES

The Company has not transferred any amount to the General Reserve and the same is retained in the Profit and loss account.

DIVIDEND

The Board of Directors of the company have not recommended any interim or final dividend for the financial year 2022-23.

QUALITY INITIATIVES

The Company continues to strengthen its commitment to the highest levels of quality, superior customer experience, best-in-class service management, robust information security and privacy practices and mature business continuity management.

NBL has successfully achieved Maturity Level 3 in SEI CMMI appraisal method for process improvement ver 1.3.

NBL has successfully completed the annual ISO surveillance audit and has been recommended for continuation of its enterprise-wide certification.

NBL's enterprise ISO certification scope includes conformance to the following globally recognized standards: ISO 9001:2015

(Quality Management System) and ISO 27001:2013 (Information Security Management).

COST RECORDS AND COST AUDIT

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 are not applicable for the business activities carried out by the Company.

DEBT

The Company has availed "Bank overdraft (OD)" facility from YES Bank Ltd. in F.Y 2017-18 amounting of ₹16,00,000/- (Rupees Sixteen lacs). In F.Y 2018-19, the limit had been enhanced to ₹40,00,000/- (Rupees Forty lacs). In F.Y 2020-21, further the said limit was increased to ₹55,00,000/- (Rupees fifty-five lacs). At the end of March, 2023, the outstanding debt amount is ₹46,06,776/- (Rupees forty six lacs six thousand seven hundred seventy six).

Further, the company has taken Un-secured loan from related parties during the year under review. The total outstanding amount of Unsecured loan taken from related parties is ₹27,20,583/- (Rupees twenty seven lacs twenty thousand five hundred eighty three). Moreover, the company has taken a "Car Loan" from Bank of India during in the F.Y 2021-22 amounting of ₹9,40,000/- (Rupees nine lacs forty thousand). At the end of March, 2023, the outstanding car loan amount is ₹7,14,839/- (Rupees seven lacs fourteen thousand eight hundred thirty nine).

CAPITAL STRUCTURE

During the F.Y 2022-23, the company's authorized and paid up capital changed as below:

1. Authorized Share Capital

The Authorized share capital of the company is increased on March 14, 2023 from ₹ 2,00,00,000/- (Two crore) divided into

20,00,000 (Twenty lacs) equity shares of ₹ 10/- (Rupees ten) each to ₹ 3,20,00,000/- (Three crore twenty lacs) divided into 32,00,000 (Thirty Two lacs) equity shares of ₹ 10/- (Rupees ten) each.

2. Paid-up Share Capital

The Paid-up share capital is increased from ₹ 1,85,66,000/- (Rupees One crore eighty-five lacs sixty-six thousand) divided into 18,56,600 (Eighteen lacs fifty-six thousand six hundred) each of ₹ 10/- (Rupees ten) to ₹ 1,95,66,000/- (Rupees One crore ninety five lacs sixty-six thousand) divided into 19,56,600 (Nineteen lacs fifty-six thousand six hundred) each of ₹ 10/- (Rupees ten).

INITIAL PUBLIC OFFER (IPO)

In the FY 2021-22, your company came up with Initial Public issue of 5,39,200 (five lacs thirty-nine lacs two hundred) equity shares of ₹10/- (Rupees ten) each for cash at a price of ₹ 74/- (Seventy- four) per equity shares aggregating ₹3,99,00,800/- (Rupees Three crore ninety-nine lacs and eight hundred). The Company has been listed on BSE Start up SME platform on 15th September, 2021.

UTILISATION OF IPO PROCEEDS

The Company raised funds of ₹399.01 Lakhs through Initial Public Offering (IPO). The gross proceeds of IPO have been fully utilized till the end of 31st March, 2022 in the manner as proposed in the Offer Document, the details of which are here under:

(₹in lakhs)

Sr. No	Original Object	Original Allocation	Funds Utilized
1.	Funding the working capital requirements of the company	200.00	200.00
2.	Funding purchases of equipment	50.00	50.00
3.	Marketing initiatives	40.00	40.00
4.	General Corporate Purposes	79.01	79.01
5.	Issue related expenses	30.00	30.00
	Total	399.01	399.01

Further, there is no deviation/ variation in the utilisation of the gross proceeds.

PREFERENTIAL ISSUE OF EQUITY SHARES

During the year, the Company has issued, offered and allotted 11,50,000 (Eleven Lacs fifty thousand) equity shares of face value of ₹10/- (Rupees Ten) each at a price of ₹72/- (Rupees Seventy Two) per equity share including premium of ₹62/- (Rupees Sixty Two) each, on a preferential basis ('Preferential Issue'), out of which 4,00,000 (Four Lacs) equity shares were to be issued for cash and 7,50,000 (Seven Lacs Fifty Thousands) equity shares were issued to M/s. Proex Advisors LLP for consideration other than cash (being swap of 50% contribution of Proex Advisors LLP) towards the payment of the Purchase Consideration payable by Proex Advisors LLP to the company, for the

acquisition of Purchase Shares, in accordance with provisions of the Companies Act, 2013 and SEBI (ICDR) Regulations, 2018.

Moreover, Out of total issue size of 11,50,000 (Eleven Lacs fifty thousand) equity shares of face value of ₹10/- (Rupees Ten) each, the company has allotted 1,00,000 (One lacs) equity shares of face value of ₹10/- (Rupees Ten) each at a price of ₹72/- (Rupees Seventy Two) per equity share including premium of ₹62/- (Rupees Sixty Two) each on a preferential basis on 31st March, 2023 to Person other than promoter and promoter group i.e. Public category shareholders for cash consideration.

And, remaining 10,50,000 (Ten lacs fifty thousand) equity shares of face value of ₹10/- (Rupees Ten) each were issued or allotted on 05th April, 2023, of which 7,50,000 (seven lacs fifty thousand) equity shares of face value of ₹10/- (Rupees Ten) each at a price of ₹72/- (Rupees Seventy Two only) per equity share including premium of ₹62/- (Rupees Sixty Two) each, were issued or allotted on a preferential basis to M/s. Proex Advisors LLP, a Director's firm i.e. Promoter Group category for consideration other than cash (Share Swap basis) and 3,00,000 (Three lacs) equity shares of face value of ₹10/- (Rupees Ten) each at a price of ₹72/- (Rupees Seventy Two only) per equity share including premium of ₹62/- (Rupees Sixty Two) each, were issued or allotted on a preferential basis to a corporate entity i.e. a Public Limited company belong to Public category i.e. person other than promoter and promoter group for cash consideration.

UTILISATION OF PREFERENTIAL ISSUE PROCEEDS

The company has made a preferential issue of 11,50,000 (Eleven lacs fifty thousand) equity shares of face value of ₹10/- (Rupees Ten) each at a price of ₹72/- (Rupees Seventy Two) per equity share including premium of

₹62 each, on a preferential basis ('Preferential Issue'), out of which 4,00,000 (Four lacs) equity shares were issued for cash and 7,50,000 (Seven lacs fifty thousands) equity shares were issued for consideration other than cash (share swap).

The object of the preferential issue for cash consideration is to finance working capital requirement of the Company and the object of the preferential issue for consideration other than cash is to allot Subscription Shares to Proex Advisors LLP to discharge the total consideration of ₹5,40,00,128/- payable by the Company for the acquisition of 50% contribution of Proex Advisors LLP.

The Company has allotted 1,00,000 (One lacs) equity shares out of 11,50,000 (Eleven lacs fifty thousand) equity shares on 31st March, 2023 and raised ₹72,00,000/- (Rupees Seventy two lacs) out of total cash consideration of ₹2,88,00,000 /- (Rupees Two crores eighty eight lacs).

Moreover, 7,50,000 number of equity shares were allotted for consideration other than cash (Share Swap basis). Hence, the company didn't receive any amount from the said allotment.

The total proceeds from preferential issue received till 31st March, 2023 amounting to ₹72,00,000/- (Rupees Seventy Two Lacs) was not utilised till the end of the FY 2022-23. The Company has filed Statement of Deviation(s) or Variation(s) under Regulation 32(8) of SEBI (LODR) Regulation, 2015 for the half year ended on March, 2023 on 13th April, 2023 as below:

(₹in lakhs)

Sr. No	Original Object	Original Allocation	Funds Utilized
1.	Funding the working capital requirements of the company	72.00*	0.00
2.	To Acquire 50% stake in Proex Advisors LLP	0.00	0.00
	Total	72.00	0.00

Further, there is no deviation/ variation in the utilisation of the gross proceeds.

Out of total cash consideration amount of ₹2,88,00,000 /- (Rupees Two crores eighty eight lacs), ₹72,00,000 (Rupees Seventy two lacs) were received on 31st March, 2023. Remaining issue proceeds i.e. ₹2,16,00,000/- (Rupees two crore sixteen lacs) were received in the current financial year i.e. on 05th April, 2023.

The Company will disclose the utilisation amount in the Statement of Deviation(s) or Variation(s) under Regulation 32(8) of SEBI (LODR) Regulation, 2015 require to file for the

half year ended on 30th September, 2023 in due course.

SUBSIDIARIES/HOLDINGS OF THE COMPANY

Your Company does not have any holding company and nor it has any subsidiary company/ (ies) during the year under review.

However, your company has incorporated a subsidiary company in the current FY as under:

Sr. No.	Name of Subsidiary Company	Date of Incorporation	% Stake	Country
1.	CAFE BLOCKCHAIN PRIVATE LIMITED (CIN: U62091GJ2023PTC140857)	06 th May, 2023	Holding 75% i.e 7,500 equity shares in the name of the company	India

This strategic decision aligns with our long term growth objectives and expands our reach into new markets while diversifying our operations.

The establishment of CAFE BLOCKCHAIN PRIVATE LIMITED allows your company to pursue additional business opportunities, leverage synergies, and enhance our overall competitive position in the industry. We have taken meticulous steps to ensure that the subsidiary operates under the same high standards of quality, integrity, and corporate governance that you have come to expect from our parent company.

By incorporating subsidiary company, we aim to capitalize on emerging market trends, extend our product/service offerings, and explore new avenues for revenue generation. Your company's primary focus will be to maximize shareholder value while maintaining a strong commitment to sustainable and responsible business practices.

The company has given the required disclosure to BSE Stock exchange under Regulation 30 of SEBI (LODR) Regulation, 2015 on 09th May, 2023 about Incorporation of said subsidiary company.

DEPOSITS

During the year under review, the Company has not accepted any deposits from the shareholders and public within the meaning of Sections 73 and 74 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force).

RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM

The company has established a well-defined process of risk management, wherein the identification, analysis and assessment of the various risks, measuring of the probable impact of such risks, formulation of risk

mitigation strategy and implementation of the same takes place in a structured manner. Though, the various risks associated with the business cannot be eliminated completely, all efforts are made to minimize the impact of such risks on the operations of the company. The required internal control systems are also put in place by the company on various activities across the board to ensure that business operations are directed towards attaining the stated organizational objectives with optimum utilization of the resources.

The Board of Directors of the company have drafted Risk Management Policy which is available on the website of the company: <https://www.naapbooks.com/wp-content/uploads/2023/07/Risk-Management-Policy.pdf>.

PARTICULARS OF LOANS, GUARANTEE OR INVESTMENTS

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the Notes to the financial statements provided in this Integrated Annual Report.

DIVIDEND DISTRIBUTION POLICY

The dividend distribution policy is available on the website of the company i.e. <https://www.naapbooks.com/wp-content/uploads/2022/07/DIVIDEND-DISTRIBUTION-POLICY.pdf>

BRANCH OFFICE

The Board of Directors of the company in their meeting held on 21st July, 2023, approved the proposal for opening of new branch office at Million Minds Tech City [Special economic zone (SEZ)], B/h. Nirma University, S.G Highway, Gota, Ahmedabad, Gujarat, India.

The board has decided to open branch office in Special Economics Zone (SEZ) area in order to take all the advantages which are available in SEZ provided by the state and

central governments in terms of taxation such as Income tax & GST, import and export benefits, subsidies, FDI, comply of labour laws and others. The Board has further specified that the reason for opening of new branch office is to get assignment from overseas countries, explore the business opportunities and increase the financial growth of the company.

The board has approved the proposal for establish new branch of the company and authorized to Mr. Yaman Saluja (DIN:07773205), Whole-Time Director & CFO and Mr. Sahul Jotaniya, Company Secretary & Compliance officer for signing and executing all documents, paper and agreement with the concern authority for opening of new branch office.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, there are few changes in the composition of Board of the company and Management team.

As on March 31, 2023, the Company has seven (7) Directors comprising of three Executive Directors and four Non-Executive Directors out of which two are Independent Directors. There is one women director.

On May 25, 2022, the Board of directors of the company has appointed Mr. Siddharth Soni (DIN: 02152387) as an Additional Director (Non-Executive) of the company and the Members of the company had regularized his appointment as a Non-Executive Director in 05th Annual General Meeting held on September 28, 2022 on specified terms and conditions. During the year under review, Ms. Niharika Shah has tendered her resignation with effect from May 19, 2022 from the post of "Company Secretary and Compliance Officer". On May 25, 2022, the Board of directors of the company has appointed to Mr. Sahul Jotaniya as "Company Secretary

and Compliance Officer". His appointment was effective from June 01, 2022.

CONSTITUTION OF BOARD

The composition of Board complies with the requirements of the Companies Act, 2013 ("Act"). Further, in pursuance of Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company is

exempted from the requirement of having composition of Board as per Regulation 17 of Listing Regulations.

None of the Directors of Board is a "Member" of more than 10 (ten) board committees or "Chairman" of more than 5 (five) board committees across all the public companies in which they are a "Director". The necessary disclosures regarding Committee positions have been made by all the Directors.

Below table shows the composition of board of the company:

Name of Director	Category Cum Designation	Date of Original Appointment	Date of Appointment at current Term & designation	Total Directorship ¹	No. of Committee ²		No. of Shares held as on March 31, 2023
					in which Director is Chairperson	in which Director is Member	
Mr. Nirmal Kumar Jain	Chairman & Director	October 07, 2017	January 12, 2021	2	0	1	2,00,768 Equity Shares
Mr. Yaman Saluja	Whole-Time Director & CFO	April 20, 2017	January 12, 2021	2	0	1	2,37,600 Equity Shares
Mr. Ashish Jain	Director & CEO	April 20, 2017	January 12, 2021	1	0	1	4,00,128 Equity Shares
Mr. Abhishek Jain	Non-Executive Director	April 20, 2017	April 20, 2017	2	0	1	2,42,960 Equity Shares
Mr. Siddharth Soni ³	Non-Executive Director	May 25, 2022	May 25, 2022	2	1	0	Nil
Mr. Sunit Shah	Independent Director	September 13, 2021	September 13, 2021	1	1	2	Nil
Mrs. Puja Kasera	Independent Director	September 13, 2021	September 13, 2021	2	1	2	Nil

*Data as on 25th August, 2023

¹Excluding LLPs, Section 8 Company & Struck Off Companies.

²Committee includes Audit Committee, Nomination & Remuneration Committee and Stakeholder's Relationship Committee across all Public Companies.

³Appointed on 25th May, 2022

ATTENDANCE OF BOARD MEMBERS IN BOARD MEETING

During the year under review, there are total 6 (six) board meetings held. The details of attendance of each Director at the Board Meeting and Annual General Meeting held during the year i.e. financial year 2022-23 are given below:

Name of Director	Mr. Nirmal Kumar Jain	Mr. Yaman Saluja	Mr. Ashish Jain	Mr. Abhishek Jain	Mr. Siddharth Soni ¹	Mr. Sunit Shah	Mrs. Puja Kasera
Number of Board Meeting held	6	6	6	6	6	6	6
Number of Board Meetings Eligible to attend	6	6	6	6	5	6	6
Number of Board Meeting attended	6	6	6	6	2	4	5
Presence at the previous 05 th AGM of F.Y. 2021-22 held on 28/09/2022	Yes	Yes	Yes	Yes	Yes	Yes	Yes

¹Appointed in the Board Meeting held on 25th May, 2022

None of the Directors of the Company is serving as a "Whole-Time Director" in any other listed company nor is holding the position of an "Independent Director" in more than 3 (three) listed companies.

Neither any of the directors of the company is holding position as a "Director" in more than 8 (eight) listed entities nor any of the directors of the company serve as an "Independent Director" in more than 7 (seven) listed entities.

GENERAL MEETINGS

During the year under review, 2 (two) General Meeting was held, the details of which is given as under:

Sr. No.	Type of General Meeting	Date of General Meeting
1.	05 th Annual General Meeting	September 28, 2022
2.	1 st Extra-Ordinary General Meeting	March 14, 2023

INFORMATION ON DIRECTORATE AND KEY MANAGERIAL PERSONNEL (KMP)

In accordance with the provisions of Section 152 and other applicable provisions if any of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Mr. Yaman Saluja being a whole-time director is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offered himself for re-appointment.

To have a diversified Board, in the current financial year, Mr. Siddharth Soni (DIN:02152387) has been appointed as an Additional Non-Executive Director w.e.f. May 25, 2022 and his appointment was regularized in the 05th Annual General Meeting held on 28th September, 2022.

During the year under review, Ms. Niharika Shah, Company Secretary & Compliance officer has tendered her resignation effective from May 19, 2022. However, to fill the said vacancy, Mr. Sahul Jotaniya was appointed as a Company Secretary & Compliance Officer w.e.f June 01, 2022.

PERFORMANCE EVALUATION OF THE BOARD

The Board of Directors has carried out an annual evaluation of its own performance, performance of its committees and the individual directors pursuant to the provisions of the Act.

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

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

In a separate meeting of Independent directors, performance of non-Independent directors, performance of the board as a whole and performance of the chairman of the company was evaluated, taking into account the views of executive directors and non-executive directors.

The Performance evaluation of Independent Directors was done by the entire board, excluding the Independent Directors being evaluated. The Board and the Nomination and Remuneration Committee reviewed the performance of individual Directors on the basis of the criteria such as the contribution of the individual Director to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings etc. In addition, the chairman was also evaluated on the key aspects of his role.

At the board meeting that followed the meeting of the independent directors and meeting of Nomination and Remuneration Committee, the performance of the Board, its Committees, and individual directors was also discussed.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to section 134(5) of the Companies Act, 2013 the Board of Directors to the best of their knowledge and ability confirm that:

- a) In preparation of Annual Accounts for the year ended March 31, 2023, the applicable accounting standards have been followed and that no material departures have been made from the same; The directors have selected such accounting policies and applied them consistently and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the profit or loss of the Company for that year;
- b) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for

preventing and detecting fraud and other irregularities;

- c) The directors have prepared the Annual Accounts for the year ended March 31, 2023 on going concern basis;
- d) The directors have laid down the internal financial controls to be followed by the Company and that such Internal Financial controls are adequate and were operating effectively; and
- e) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

BOARD COMMITTEES

The Board of Directors in line with the requirement of the act has formed various committees, details of which are given hereunder:

1) AUDIT COMMITTEE

The Board of Directors in their meeting held on 22nd February, 2021 had formed the Audit Committee in line with the provisions of Section 177 of the Companies Act, 2013. The detailed terms of reference of the committee are as provided in Section 177(8) of the Companies Act, 2013. The Board has

accepted the recommendations of the Audit Committee as and when given.

During the year under review, due to change in the composition of Board of the company, the Audit Committee has been reconstituted in the board meeting held on 29th August, 2022 as below:

Re-constitution of the Audit Committee in the Board Meeting held on 29th August, 2022

Name	DIN	Designation
Mr Sunit Shah	08074335	Chairperson
Mrs. Puja Kasera	09327558	Member
Mr. Nirmal Kumar Jain	07773203	Member
Mr. Abhishek Jain	07773124	Member

In furtherance, due to pre-occupancy of the committee members in other works, the board have in their meeting held on 14th November, 2022 reconstituted the composition of the Audit committee as below:

Present Composition of the Audit Committee

Name	DIN	Designation
Mr. Sunit Shah	08074335	Chairperson
Mrs. Puja Kasera	09327558	Member
Mr. Ashish Jain	07783857	Member

The Audit Committee met 3 (Three) times during the Financial Year 2022-23 i.e. on May 25, 2022, August 29, 2022 and November 14, 2022. The composition of the Audit Committee and the details of meetings attended during the year under review by its members are given below:

Name of the committee member	Category	Designation	Number of meetings during the Financial Year 2022-23		
			Held	Eligible to attend	Attended
Mr. Sunit Shah	Independent Director	Chairperson	3	3	3
Mrs. Puja Kasera	Independent Director	Member	3	3	3
Mr. Nirmal Kumar Jain ¹	Chairman & Director	Member	3	3	3
Mr. Abhishek Jain ²	Non-Executive Director	Member	3	1	1
Mr. Ashish Jain ³	Director & CEO	Member	3	0	0

¹ Resigned from committee in Board Meeting dt. 14th November, 2022.

² Appointed in committee as a Member in Board meeting dt. 29th August, 2022 and Resigned from committee in Board Meeting dt. 14th November, 2022

³ Appointed in committee as a Member in Board meeting dt. 14th November, 2022.

The Statutory Auditor of the Company was invited in the meeting of the committee whenever required. Further, the Company Secretary of the company has acted as a Company Secretary of the Audit Committee.

VIGIL MECHANISM

The Company has established a vigil mechanism and accordingly framed a Whistle Blower Policy. The policy enables the employees to report to the management instances of unethical behaviour actual or suspected fraud or violation of Company's Code of Conduct.

Further the mechanism adopted by the Company encourages the Whistle Blower to report genuine concerns or grievances and provide for adequate safe guards against victimization of the Whistle Blower who avails of such mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases. The functioning of vigil mechanism is reviewed by the Audit Committee from time to time. None of the Whistle blowers has been denied

access to the Audit Committee of the Board. The Whistle Blower Policy of the Company is available on the website of the Company at www.naapbooks.com.

The link is here:

<https://www.naapbooks.com/wp-content/uploads/2022/07/POLICY-ON-VIGIL-MECHANISM-WHISTLE-BLOWER-POLICY.pdf>

2) STAKEHOLDER'S GRIEVANCE COMMITTEE

The Board of Directors in their meeting held on 22nd February, 2021 had formed Stakeholder's Grievance Committee.

The Stakeholder Grievance Committee has been constituted as per Section 178(5) Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is entrusted with the responsibility of addressing the Shareholders/Investors complaints with respect to transfer of shares, transmission, issue of duplicate share

certificates, splitting and consolidation of shares, Non-receipt of Share Certificates, Annual Report, Dividend etc.

During the year under review, due to pre-occupancy of the committee members in other assignments, the board have in their meeting held on 14th November, 2022 reconstituted the composition of The Stakeholder Grievance Committee as below:

Present Composition of the Stakeholder Grievance Committee

Name	DIN	Designation
Mrs. Puja Kasera	09327558	Chairperson
Mr. Sunit Shah	08074335	Member
Mr. Nirmal Kumar Jain	07773203	Member
Mr. Yaman Saluja	07773205	Member

During the year under review, Stakeholder’s Grievance Committee met 1 (One) time i.e. on 29th August, 2022. The composition of the Committee and the details of meetings attended by its members are given below:

Name of the committee member	Category	Designation	Number of meetings during the Financial Year 2022-23		
			Held	Eligible to attend	Attended
Mrs. Puja Kasera	Independent Director	Chairperson	1	1	1
Mr. Sunit Shah	Independent Director	Member	1	1	1
Mr. Abhishek Jain	Non-Executive Director	Member	1	1	1
Mr. Yaman Saluja	Whole-Time Director & CFO	Member	1	1	1
Mr. Nirmal Kumar Jain	Chairman & Director	Member	1	0	0

During the year under review, the Company had not received any complaint from the Shareholder. And there was no complaint unresolved as on March 31 2023.

3) NOMINATION AND REMUNERATION COMMITTEE

The Board of Directors in their meeting held on 22nd February, 2021 had formed Nomination and Remuneration committee in line with the provisions of Section 178(1) of the Companies Act 2013. The detailed terms of reference of the Committee are as per Section 178 of the Companies Act, 2013.

The Board has framed a policy for selection and appointment of Directors, Senior Management and their remuneration as recommended by the Nomination & Remuneration Committee.

The details of program for familiarization of Independent Directors with the company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company and related matters are put upon the website of the company.

During the year under review, due to change in the composition of Board of the company, the Nomination and Remuneration committee has been reconstituted in the board meeting held on 29th August, 2022 as below:

Reconstitution of the Nomination & Remuneration Committee in the Board meeting held on 29th Aug, 2022

Name	DIN	Designation
Mr. Sunit Shah	08074335	Chairperson
Mrs. Pujja Kasera	09327558	Member
Mr. Ashish Jain	07783857	Member
Mr. Siddharth Soni	02152387	Member

In furtherance, due to pre-occupancy of the committee members in other assignments, the Board have in their meeting held on 14th November, 2022, reconstituted the compo-

sition of the Nomination and Remuneration committee as below:

Present Composition of the Nomination & Remuneration Committee

Name	DIN	Designation
Mr. Siddharth Soni	02152387	Chairperson
Mrs. Pujja Kasera	09327558	Member
Mr. Sunit Shah	08074335	Member
Mr. Abhishek Jain	07773124	Member

The Nomination and Remuneration Committee met 3 (Three) times during the Financial Year 2022-23 i.e. on 25th May, 2022, 29th August, 2022 and 31st March, 2023.

The composition of the Committee and the details of meetings attended during the year under review by members

Name of the committee member	Category	Designation	Number of meetings during the Financial Year 2022-23		
			Held	Eligible to attend	Attended
Mr. Siddharth Soni ¹	Non-Executive Director	Chairperson	3	1	1
Mr. Sunit Shah ²	Independent Director	Member	3	3	3
Mrs. Pujja Kasera	Independent Director	Member	3	3	1
Mr. Abhishek Jain	Non-Executive Director	Member	3	3	3

¹Appointed as a member in the Board Meeting held on 29.08.2022 and promoted as a Chairperson in the Board meeting held on 14.11.2022.

²Designation was shifted from Chairperson to Member of the committee in the Board meeting held on 14.11.2022.

Nomination and Remuneration Policy

Nomination and Remuneration Policy in the Company is designed to create a high-performance culture. It enables the Company to attract motivated and retained manpower in a competitive market, and to harmonize the aspirations of human resources consistent with the goals of the Company. The company pays remuneration by way of salary, benefits, perquisites and allowances to its Executive Directors and Key Managerial Personnel.

The Nomination and Remuneration Policy originally was adopted by the Board of Directors in their meeting held on 22nd February, 2021. After that, time to time the said policy was amended as per the requirement and the said amended policy is available on the website of the Company: <https://www.naapbooks.com/wp-content/uploads/2023/02/NRCM-Policy.pdf>

ASSOCIATES AND JOINT VENTURE OF THE COMPANY

The Company has associate company details of which as below:

SR. No.	Name and Address of the Joint Venture	Address of Registered Office	Nature of Business
1.	M/s. Ndear Technologies Private.	3 rd Floor, Broadway Business Centre Above V-Mart, Law Garden Ahmedabad- 380006	To carry on the business of software designing, development and do turnkey projects related with Information technology.

Pursuant to Provision of 129(3) read with rule 5 of Companies (Accounts) Rules, 2014, Form AOC-1 (Statement containing salient features of the Financial Statement of Associate is attached as an ANNEXURE- I)

RELATED PARTY TRANSACTIONS

As per Section 188 of the Companies Act, 2013, RPTs which are not on ordinary course of business or are not at Arm's length price, shall require prior approval of the Board of Directors. But, your company has entered into all the Related Party Transactions during the financial year on an arm's length basis and were in the ordinary course of business.

Moreover, the company has issued and allotted 7,50,000 equity shares under Preferential issue for consideration other than cash (against issues of equity shares, acquire 50% stake in the LLP) to M/s. Proex Advisors LLP (Director's Firm) which fall under the related party definition. For the said related party transaction, your company has entered into shareholders agreement & taken approval of Board of Directors of the company in their

meeting held on 13th February, 2023 and also taken shareholders approval in their general meeting held on 14th March, 2023.

Further, As per Section 134(3)(h) of the Companies Act, 2013, the disclosure of related party transactions entered during the FY 2022-23, in Form AOC-2 is attached as an ANNEXURE- II.

The Board of the Company has adopted the Policy and procedure with regards to Related Party Transactions. The policy envisages the procedure governing the materiality of Related Party Transactions and dealing with Related Party transactions required to be followed by Company to ensure compliance with the Law and Regulation.

The said Policy is available on the website of the Company at

<https://www.naapbooks.com/wp-content/uploads/2023/02/RELATED-PARTY-TRANSACTION-POLICY.pdf>.

SECRETARIAL STANDARDS OF ICSI

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively. During the year under review, the Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India, New Delhi.

PARTICULARS OF EMPLOYEES AND OTHER ADDITIONAL INFORMATION

As per Section 197(12) of the Companies Act, 2013, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, every listed company shall disclose in the Board Report:

- a) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;
- b) the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;
- c) the percentage increase in the median remuneration of employees in the financial year;
- d) the number of permanent employees on the rolls of company;
- e) average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year 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;

- f) affirmation that the remuneration is as per the remuneration policy of the company.

The statement containing particulars of employees as required under Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 will be provided upon request. In terms of Section 136 of the Companies Act, 2013, the Report and Accounts are being sent to the members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the members at the Registered Office of the Company during business hours on working days of the company up to the date of ensuing Annual General Meeting. If any member is interested in inspecting the same, such member may write an [Email: compliance@naapbooks.com](mailto:compliance@naapbooks.com) to the company secretary in this regard.

Pursuant to provision of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, [Statement of Disclosure of Remuneration](#) is attached as an [Annexure – III](#).

MATERIAL CHANGES AND COMMITMENT

Preferential Issue: During the year under review, the company came up with Preferential issue (Private Placement) of 11,50,000 (Eleven lacs fifty thousand) equity shares of ₹ 10/- (Rupees ten) each of which 7,50,000 equity shares were issued and allotted to Ms. Proex Advisors LLP (Director's Firm) falling in the category of promoter Group, for consideration other than cash (Share Swap i.e. for acquisition of 50% stake in LLP) and 4,00,000 equity shares were issues and allotted to Public category shareholder (Person other than promoter and promoter group) for cash at a price of ₹ 72/- (Seventy

two) per equity shares aggregating ₹ 2,88,00,000/- (Rupees two crore eighty eight lacs).

Further, The company had received approval from BSE for listing of 11,50,000 (Eleven lacs fifty thousand) equity shares on BSE SME platform on May 15, 2023 and trading approval on June 01, 2023.

Hence, in the current financial year, listed equity share capital of the company is increased from 18,56,600 no. of equity shares to 30,06,600 equity shares.

SIGNIFICANT AND MATERIAL ORDERS

There is no litigation pending against company, its promoters or directors. The company has also not filed any litigation against any third party.

SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

Sexual harassment of women in the workplace is a serious issue that can have significant negative impacts on individuals and organizations. It involves unwanted sexual advances, comments, gestures, or any other form of unwelcome behaviour of a sexual nature that creates a hostile, intimidating, or offensive work environment. Here are some important points to consider regarding sexual harassment at the workplace:

1. **Definition of sexual harassment:** Sexual harassment can be broadly defined as unwelcome sexual advances, requests for sexual favours, or any other verbal or physical conduct of a sexual nature that interferes with an individual's work performance or creates an intimidating, hostile, or offensive work environment.
2. **Types of sexual harassment:** Sexual harassment can occur in various forms, including but not limited to:

- **Quid pro quo harassment:** This occurs when employment benefits or opportunities are made conditional upon the victim's acceptance of unwelcome sexual advances or demands.
- **Hostile work environment:** This refers to an environment where unwelcome sexual conduct, comments, or behaviour create an intimidating, hostile, or offensive atmosphere that interferes with work performance.
- **Verbal harassment:** This includes unwelcome comments, jokes, or derogatory remarks of a sexual nature.
- **Physical harassment:** Involves unwanted physical contact, such as touching, groping, or assault.
- **Visual harassment:** Involves displaying sexually suggestive images, posters, or emails.
- **Non-verbal harassment:** Includes leering, whistling, or making inappropriate gestures.

3. **Legal protections:** Many countries have laws and regulations in place to protect individuals from sexual harassment in the workplace. These laws typically define sexual harassment, outline reporting procedures, and provide remedies for victims. It's important to familiarize oneself with the specific laws and regulations applicable in your jurisdiction.
4. **Reporting and prevention:** It is crucial for organizations to establish clear policies and procedures for reporting and addressing instances of sexual harassment. Employers should create a safe environment where victims feel comfortable coming forward, provide appropriate training for employees, and take prompt action to investigate and address any complaints.

5. **Support for victims:** Organizations should offer support to victims of sexual harassment, which may include counselling services, legal assistance, and protection against retaliation. It is important to prioritize the well-being and rights of victims throughout the entire process.
6. **Awareness and education:** Promoting awareness and providing education on sexual harassment is vital in preventing such incidents. Training programs should be conducted regularly to educate employees about what constitutes sexual harassment, its impact, reporting procedures, and the importance of fostering a respectful and inclusive workplace culture.

It is essential to recognize that sexual harassment can happen to anyone, regardless of gender. While this response focuses on sexual harassment of women, it is crucial to address the issue comprehensively and work towards creating safe and respectful work environments for everyone.

During the year under review, there were no incidences of sexual harassment reported.

CONSERVATION ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules 2014 as amended from time to time is annexed to this Report as an [Annexure –IV](#).

REPORTING OF FRAUD

The Auditor of the Company has not reported any offence of fraud involving any amount committed in the company by its director or employees as specified under Section 143(12) of the Companies Act, 2013.

DECLARATION BY INDEPENDENT DIRECTORS

As per Section 149(7) of the Companies Act, 2013, "Every independent director shall at the first meeting of the Board in which he participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect his status as an independent director, give a declaration that he meets the criteria of independence as provided in sub-section (6)."

The Board of Directors of the company have received declaration from both Independent Director i.e. Mr. Sunit Shah (DIN: 08074335) and Mrs. Puja Kasera (DIN: 09327558) about their Independency and meet all the criteria as per sub-section 6 of Section 149 of the Companies Act, 2013 in their meeting held on 25th May, 2022 for the F.Y 2022-23 and meeting held on 30th May, 2023 for the F.Y 2023-24.

MANAGEMENT DISCUSSION AND ANALYSIS (MD&A) REPORT

A Management Discussion and Analysis (MD&A) report is forming part of company's Annual report, where management provides an analysis and discussion of the company's financial performance, its future prospects, risks, and other relevant factors that may impact the company's operations and financial results. The MD&A report is typically aimed at providing shareholders, investors, and other stakeholders with insights into the company's overall financial health, strategic direction, and management's perspective on key issues.

MD&A report is prepared by the company's management and represents their interpretation of the company's financial results and prospects. Investors and stakeholders should review the MD&A report in conjunction with the company's financial statements and other relevant information to gain a comprehensive understanding of the company's performance and prospects.

Management's Discussion and Analysis Report for the year under review, is presented in a separate section forming part of the Annual Report and is annexed herewith as an "Annexure –V".

CORPORATE SOCIAL RESPONSIBILITY

As per Section 135(1) of the companies Act, 2013:

- Every company having net worth of rupees five hundred crore or more, or
- Turnover of rupees one thousand crore or more or
- a net profit of rupees five crore or more during 3 immediately preceding financial year, shall constitute a Corporate Social Responsibility Committee of the Board consisting of three or more Directors, out of which at least one director shall be an independent director.

Further, As per Section 135(5) The Board of every company referred to in sub-section (1), shall ensure that the company spends, in every financial year, at least two per cent of the average net profits of the company made during the three immediately preceding financial years

However, your company does not fall in any criteria mentioned in sub-section 1 of section 135 of the Companies Act, 2013. Therefore, your company is not require to formulate committee of Corporate Social Responsibility nor require to spend any amount as described under sub-section 5 of section 135 of the Companies Act, 2013.

CORPORATE GOVERNANCE

Integrity and transparency are key factors to our corporate governance practices to ensure that we achieve and will retain the trust of our stakeholders at all times. Corporate governance is about maximizing shareholder value legally, ethically and sustainably. Our Board exercises its fiduciary responsibilities in the widest sense of the term. Our disclosures seek to attain the best practices in international corporate governance. We also endeavour to enhance long-term shareholder value and respect minority rights in all our business decisions.

As your company is listed on BSE SME Startup platform of Bombay Stock Exchange (BSE), by virtue of Regulation 15 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the compliance with the corporate Governance provisions as per regulation 17 to 27 and Clause (b) to (i) of sub regulation (2) of Regulation 46 and Para C D and E of Schedule V are not applicable to the SME listed company.

Therefore, your company is exempted from submission of Corporate Governance Report to Stock Exchange and does not require to incorporate this report in this Board Report, though we are committed for the best corporate governance practices.

The Board has framed Code of Conduct for all Board members and Senior Management of the Company and they have affirmed the compliance during the year under review.

The Board has also re-framed Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information". The Code casts obligations upon the Directors and officers of the Company to prevent/ preserve the price Sensitive information, which may likely to have a bearing on the share price of the Company. Those who are in the knowledge of any such information are prohibited to use such

information for any personal purpose. Similarly, the Code also prescribes how such information needs to be handled, disclosed or made available to the Public through Stock Exchanges, Company's website, Press, Media, etc. The Company Secretary & Compliance Officer has been entrusted with the duties to ensure compliance.

BOARD POLICIES

The details of the policies approved and adopted by the Board as required under the Companies Act, 2013 and Securities and Exchange Board of India (SEBI) regulations are provided in "Annexure – VI" to the Board's report.

AUDITORS

a) Statutory Auditor

M/s. Purushottam Khandelwal & Co., Chartered Accountant Firm (Firm Reg. No. 0123825W) was appointed as a Statutory Auditor of the company to hold office from the conclusion of the 04th Annual General Meeting till conclusion of the 09th Annual General Meeting to be in the calendar year 2026. M/s. Purushottam Khandelwal & Co., is Peer Reviewed by the ICAI having peer review certificate no. 014688 allotted on November 11, 2022, have confirmed their eligibility and qualification required under Sections 139, 141 and other applicable provisions of the Companies Act, 2013 and Rules issued there under (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

The Auditor's Report for the financial year ended on March 31, 2023 and the financial statements of the Company are a part of this Annual Report. The Auditor's Report for the financial year ended on March 31, 2023 does not contain any qualification, reservation or adverse remark.

b) Secretarial Auditor

The Company has appointed M/s. Nirav Soni & Co. Company Secretaries in practice, to conduct the secretarial audit of the Company for the Financial Year 2022-23, as required under Section 204 of the Companies Act, 2013 and Rules thereunder. The Secretarial Audit Report for the Financial Year 2022-23 is annexed to this report as an "Annexure – VII".

c) Internal Auditor

The Company has appointed M/s. MSRR & Co. Chartered Accountants firm, to conduct the Internal Audit of the Company for the Financial Year 2022-23, as required under Section 138 of the Companies Act, 2013 and Rules thereunder.

WEBSITE

As per Regulation 46 of SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 and BSE Circular No. 20220704-44 dated 04th July, 2022 and Circular No.20230209-1 dated 09th February, 2023, the Company has maintained a functional website namely www.naapbooks.com containing all the required information as per above regulation and BSE circulars.

INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

There has not been an occasion in the case of the Company during the year, to transfer any sums or shares to the Investor Education and Protection Fund.

INTEGRATED REPORT

The Company has voluntarily provided Integrated Report, which encompasses both financial and non-financial information to enable the Members to take well informed decisions and have a better understanding of the Company's long-term perspective.

The Report also touches upon aspects such as organisation's strategy, governance framework, performance, and prospects of value creation.

GENERAL DISCLOSURE

The Board of Directors state that the Company has made disclosures in this report for the items prescribed in section 134 (3) of the Act and Rule 8 of The Companies (Accounts) Rules 2014 and other applicable provisions of the act and listing regulations to the extent the transactions took place on those items during the year. The Board of Directors further state that, no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- a) Details relating to deposits covered under Chapter V of the Act;
- b) Issue of Equity Shares with differential rights as to dividend, voting or otherwise;
- c) Issue of shares (including sweat equity shares) to employees of the Company under any scheme and ESOS;

- d) Annual Report and other compliances on Corporate Social Responsibility;

ACKNOWLEDGEMENT

Our directors acknowledge the dedicated service of the employees of the company during the year. They would also like to place on record their appreciation for the continued co-operation and support received by the Company during the year from bankers, financial institutions, business partners and other stakeholders.

For and on behalf of the Board of Directors

Sd/-
Nirmal Kumar Jain
Chairman & Director
(DIN: 07773203)

Place: Ahmedabad
Date: August 25, 2023

FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries: N.A

Part B: Associates and Joint Ventures:

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates / Joint Ventures	Ndear Technologies Pvt. Ltd.
1. Latest audited Balance Sheet Date	31/03/2020
2. Shares of Associate/Joint Ventures held by the company on the year end	
No.	
Amount of Investment in Associates/Joint Venture	₹ 30,000/-
Extend of Holding %	30%
3. Description of how there is significant influence	30% Shareholding
4. Reason why the associate/joint venture is not consolidated	No Subsidiary Company therefore consolidation is not applicable
5. Net Worth attributable to Shareholding as per latest audited Balance Sheet	Nil*
6. Profit / Loss for the year	NA
i. Considered in Consolidation	NA
ii. Not Considered in Consolidation	NA

* The net worth of the associate company is negative.

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations. – N.A.
- Names of subsidiaries which have been liquidated or sold during the year. –N.A.

On behalf of the Board of Directors

Sd/-

Nirmal Kumar Jain
Chairman & Director
(DIN: 07773203)

Place: Ahmedabad
Date: August 25, 2023

FORM AOC-2
PARTICULARS OF CONTRACTS/ARRANGEMENTS MADE WITH RELATED PARTIES

(Pursuant to Section 134(3)(h) of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Forms for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in Section 188(1) of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

A. Details of contracts or arrangements or transactions not at arm's length basis:

Sr. No	Name(s) of the related party and nature of relationship	Nature of Contracts/ Arrangements/ Transactions	Duration of The Contracts/ Arrangements/ Transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any:	Date on which the special resolution was passed in general meeting as required under first proviso to section
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
NIL								

B. Details of material contracts or arrangement or transactions at arm's length basis:

Name (s) of the related party	Nature of relationship	Nature of contract s/ arrangements/ transaction	Duration of the contracts/ arrangements/ transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of approval by the Board, if any	Amount paid as advances, if any
Proex Advisors LLP	Director's LLP	Rendering services amount of ₹ 93.54 lacs excluding taxes	F.Y 2022-23	On Arms' Length Basis	25 th May, 2022	₹1,01,01,247/-
Proex Advisors LLP	Director's LLP	Shareholders Agreement	F.Y 2022-23	Issue of Equity shares for consideration other than cash	13 th February, 2023	Issue of 7,50,000 equity shares of the company for acquiring 50% stake in the LLP.
Proex Consulting	Director's Proprietorship firm	Receiving services amount of ₹ 83.09 lacs excluding taxes	F.Y 2022-23	On Arms' Length Basis	25 th May, 2022	₹ 0.00/-
Ndear Technologies Private Limited	Associate Company	Nil	NA	The company is holding 30% i.e. 3,000 equity shares	05 th March, 2019	₹ 1,00,000/-
Mr. Abhishek Jain	Non-Executive Director	Sitting Fee	F.Y 2022-23	Payment of sitting fee to director	25 th May, 2022	NIL
Mr. Siddharth Soni	Non-Executive Director	Sitting Fee	F.Y 2022-23	Payment of sitting fee to director	25 th May, 2022	NIL
Mr. Nirmal Kumar Jain	Chairman & Director	Managerial Remuneration	F.Y 2022-23	Payment of Managerial remuneration as per Section 197 of Companies Act- 2013	25 th May, 2022	NIL
Mr. Yaman Saluja	Whole-time Director & CFO	Managerial Remuneration	F.Y 2022-23	Payment of Managerial remuneration as per Section 197 of Companies Act- 2013	25 th May, 2022	NIL
Mr. Ashish Jain	Director & CEO	Managerial Remuneration	F.Y 2022-23	Payment of Managerial remuneration as per Section 197 of Companies Act- 2013	25 th May, 2022	NIL
Mrs. Ruchita Jain	Director's wife	Payment of Salary	F.Y 2022-23	Payment of Salary	25 th May, 2022	NIL

On behalf of the Board of Directors

Sd/-

Nirmal Kumar Jain
 Chairman & Director
 (DIN: 07773203)

 Place: Ahmedabad
 Date: August 25, 2023

STATEMENT OF DISCLOSURE OF REMUNERATION

[Pursuant to Section 197(12) of the Companies Act, 2013 (“the Act”) and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

A. Information as per Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- a) The ratio of remuneration of each director to the median remuneration of employees of the company for the Financial Year and the Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial Year:

Sr. No.	Name	Designation	Nature of Payment	Ratio against median employee's remuneration	Percentage Increase/Decrease In 2023 as compared to 2022
1.	Nirmal Kumar Jain	Chairman & Director	Managerial Remuneration	3.82:1	11.11 % Increase
2.	Yaman Saluja	Whole-Time Director & CFO	Managerial Remuneration	4.58:1	50.00 % Increase
3.	Ashish Jain	Director and CEO	Managerial Remuneration	5.73:1	25.00 % Increase
4.	Abhishek Jain	Non-Executive Director	Sitting Fees	0.14:1	20.00% Increase
5.	Siddharth Soni ¹	Non-Executive Director	Sitting Fees	0.05:1	NA
6.	Sunit Shah	Independent Director	Sitting Fee	0.09:1	140.00% Increase
7.	Puja Kasera	Independent Director	Sitting Fee	0.11:1	200.00% Increase
8.	CS Niharika Shah ²	Company Secretary & Compliance Officer	Salary	0.13:1	(84.81) Decrease
9.	CS Sahul Jotaniya ³	Company Secretary & Compliance Officer	Salary	1.66:1	NA

¹ Appointed in the board meeting held on 25/05/2022

² Resigned w.e.f. 19th May, 2022

³ Appointed in the board meeting held on 25/05/2022. Appointment was effective from 01st June, 2022

b) The percentage increase in the median remuneration of employees in the financial year:

The Median remuneration of Employees is increased to 14.35% Y-o-Y.

c) The number of permanent employees on the rolls of the Company: 34 as on March 31, 2023.

d) **Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year 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:**

The increase in remuneration is in line with the market trends in the India. In order to ensure that remuneration reflects the Company's performance, the performance pay is also linked to organization performance and individual utilization in addition to individual performance.

Increase in the managerial remuneration for the year was 27.59 percent.

B) We hereby affirm that the remuneration is as per the remuneration policy of the company

Note:

- I. For the calculation of Median, we have considered total number of employees who have withdrawn salary during the whole year **i.e. 56 number of employees.**
- II. Appropriate Approvals have been taken for related party transactions wherever necessary.

On behalf of the Board of Directors

Place: Ahmedabad
Date: August 25, 2023

Sd/-
Nirmal Kumar Jain
Chairman & Director
(DIN: 07773203)

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO*(Pursuant to Section 134 (3) (m) of the Companies (Accounts) Rules, 2014 and rules made there under)***A. Conservation of energy**

- i) **The steps taken or impact on conservation of energy:** The Company has taken measures and applied strict control system to monitor day to day power consumption, to endeavour to ensure the optimal use of energy with minimum extent possible wastage as far as possible. The day-to-day consumption is monitored and various ways and means are adopted to reduce the power consumption in an effort to save energy.
- ii) **The steps taken by the Company for utilizing alternate sources of energy:** The Company has not taken any step for utilizing alternate sources of energy.
- iii) **The capital investment on energy conservation equipment:** During the year under review, Company has not incurred any capital investment on energy conservation equipment.

B. Technology absorption –

- i) **The effort made towards technology absorption:** The Company has not imported any technology and hence there is nothing to be reported here.
- ii) **The benefit derived like product improvement, cost reduction, product development or import substitution:**
None

C. in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) –

- a. The details of technology imported: None
- b. The year of import: None
- c. Whether the technology has been fully absorbed: None
- d. If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: None

D. The expenditure incurred on Research and Development: During the year under review, the Company has not incurred any Expenditure on Research and Development**E. Foreign Exchange Earnings & Expenditure:****1) Details of Foreign Exchange Earnings:**

(₹ in Lakhs)

Sr. No.	Particulars	F.Y. 2022-23	F.Y. 2021-22
1.	Foreign Exchange Earnings	₹ 205.13/-	₹ 10.46/-

2) Details of Foreign Exchange Expenditure:

(₹ in Lakhs)

Sr. No.	Particulars	F.Y. 2022-23	F.Y. 2021-22
1.	Foreign Exchange Expenditure	₹ 0.62/-	₹ 0.32/-

On behalf of the Board of Directors

Place: Ahmedabad
Date: August 25, 2023

Sd/-
Nirmal Kumar Jain
Chairman & Director
(DIN: 07773203)

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

OVERVIEW

Naapbooks is engaged in the business of developing and providing Information Technological solutions to corporates for their requirements. The company develops and provides Fintech App, Cloud Consulting, Block chain App, Mobile App, Web App, Embedded App products to its clients. The services broadly cover designing, developing, operating, installing, analysings, designing, maintaining, converting, porting, debugging, coding and programming software to be used on computer or any microprocessor-based device or any other such hardware.

The Company is also engaged in Software Consultancy services. The Company adheres to all necessary regulatory specifications. We firmly believe in maintaining our service quality against agility, personalize experiences for customers and employees, and launch new and disruptive products and services

OVERVIEW OF THE INDUSTRY

Global GDP in FY 2023 was affected by the Russia-Ukraine war and resultant dislocations in supply chains, leading to surging food and energy

inflation. Central banks raised interest rates sharply in response. As a result, the global GDP is estimated to have grown at a more subdued 3.4% in 2022, versus 5.9% in the prior year¹.

Global technology spending on Enterprise software and IT services crossed the \$2 trillion² mark in 2022, growing 5.5% YoY. IT services grew 3.5% YoY, to \$1,250 billion. This growth was led by accelerated cloud adoption, preference for external expertise due to severe talent scarcity,

the highest standards, are unflinchingly customer centric, deeply people focused, and follow ethical business practices and corporate governance standards overall. We draw our strength from an age-old tradition of quality services as the best strategy for sustained growth.

INDUSTRY STRUCTURE AND DEVELOPMENTS

Technology is transforming businesses in every industry around the world in a profound and fundamental way. In fiscal 2023, we saw emerging technologies, like generative AI, and 5G to shape the future of industries. Responsible business approaches including embracing ESG, have gained traction. We continued to witness businesses attempting to reimagine their cost structures, increase business resilience and and expanding scope of digital transformation to cover more back-office operational areas.

The outperformance may be attributed to market share gains resulting from Naapbooks' longer-term, purpose-driven partnerships with its customers, its agile organization structure, and a very stable management team; its investments in organic talent development, research and innovation, intellectual property and in building newer capabilities that have helped expand wallet share with clients; and better execution resulting in greater customer satisfaction.

The global IT services industry continues to be a highly fragmented one, with even the largest provider having a single digit market share.

¹ World Economic Outlook, IMF, April 2023

² Gartner

The IT & BPM sector has become one of the most significant growth catalysts for the Indian economy, contributing significantly to the country's GDP and public welfare. The IT industry accounted for 7.4% of India's GDP in FY22, and it is expected to contribute 10% to India's GDP by 2025. The IT and BPM market accounts for 9.3% of India's GDP and 56% of the global outsourcing market.

The current emphasis is on the production of significant economic value and citizen empowerment, thanks to a solid foundation of digital infrastructure and enhanced digital access provided by the Digital India Programme. India is one of the countries with the quickest pace of digital adoption. This was accomplished through a mix of government action, commercial innovation and investment, and new digital applications that are already improving and permeating a variety of activities and different forms of work, thus having a positive impact on the daily lives of citizens. India's rankings improved six places to the 40th position in the 2022 edition of the Global Innovation Index (GII).

Exports from the Indian IT industry stood at US\$ 149 billion in FY21. Export of IT services has been the major contributor, accounting for more than 51% of total IT export (including hardware). BPM and Engineering and R&D (ER&D) and software products exports accounted for 20.78% each of total IT exports during FY21. ER&D market is expected to grow to US\$ 42 billion by 2022. Further, added that service exports from India have the potential to reach US\$ 1 trillion by 2030. Indian IT & business services industry is expected to grow to US\$ 19.93 billion by 2025.

(Source: <https://www.ibef.org/industry/indian-it-and-itEs-industry-analysis-presentation>)

OPPORTUNITIES AND THREATS

i) OUR STRATEGY

Our clients and prospective clients are faced with transformative business opportunities due to advances in software and computing technology. These organizations are dealing with the challenge of having to reinvent their core offerings, processes and systems rapidly and position themselves as 'digitally enabled' or 'digital first' organizations. The journey to the digital future requires not just an understanding of new technologies and new ways of working, but a deep appreciation of existing technology landscapes, business processes and practices. Our strategy is to be a navigator for our clients as they ideate, plan and execute on their journey to a digital future.

ii) Our strengths

We believe that we are well-positioned for the principal competitive factors in our business. With almost 5 (five) years of experience in managing the systems, we believe we are uniquely positioned to help them steer through their digital transformation with our Digital Navigation Framework.

We believe that the following strengths have contributed to success and will be of competitive advantages for us, supporting our strategy and contribution to improvements in financial performance.

Quality Assurance and Standards

The company holds 1 ISO 9001:2015 (Quality Management System) and ISO 27001:2013 (Information Security Management) certificates. We believe in providing our customers the best possible quality. We adopt stringent quality control process which is managed at every stage of our service to ensure the adherence to desired specifications and quality. Since, our Company is dedicated towards quality services; we get repetitive clients as we are capable of meeting their quality standards.

Growing Domestic Economy

India is moving as developed country from developing country now. The GDP rate of India is also higher as compared to the other developing countries. It forecasts more demand for our services and there will be a huge expansion of disposable incomes and our main services will have huge demand.

We update and upgrade our Software/Digital Products with the latest developments in all the mobile technology platforms by leveraging: 1) Vertical specific and in-depth domain and industry knowledge 2) Agile Cloud based Mobility Technology platform and solutions 3) Center of Excellence where constant innovation happens on both the technology and the applications front.

Experienced & Qualified Management

Our Company is managed by well experienced persons i.e. i) Nirmal Kumar Jain, Chairman & Director ii) Yaman Saluja, Whole-Time Director & CFO and iii) Ashish Jain, Director & CEO. We believe that the leadership and exemplary vision of our Promoters have been instrumental in driving our growth and implementing our business strategies. Our management team has the requisite experience to manage the current scale of business as well as the expansion plans for the future. We believe that we have achieved a measure of success in attracting an experienced senior management team with operational and technical capabilities, management skills, business development experience and financial management skills. For more details, please visit to our website: www.naapbooks.com.

Skilled and dedicated manpower

We believe that Human resource is the most important resource. Our Company is managed by a team of well experienced and highly knowledgeable personnel. The team comprises

With the changes in landscape because of Covid19, India have become a manufacturing and trade hub in Asia because of highly skilled manpower and infrastructure available in abundance. With MNCs coming to India for new manufacturing set up with high end automation, we seek greater requirement of office automation and information technology.

of personnel having technical, operational and business development experience. We take pride in relating our success to our employees, for their consistent efforts and dedication has brought us to where we are today. We also require application of high levels of technology at key stages of design and development processes as an important part of the business procedure.

Strong customer relationship

We believe that we constantly try to address our customer's needs which help us to maintain a long-lasting working relationship with them and improve our customer retention strategy. We believe that our existing relationship with our customers represents a competitive advantage in gaining new customers and increasing our business.

TALENT MANAGEMENT

The Company aims to attract, develop, motivate and retain diverse talent that is critical for its competitive differentiation and continued success. The company's talent management strategy seeks to maximize the potential of every employee by creating a purpose-driven, inclusive, stimulating, and rewarding work environment, delivering outstanding employee experience, while fuelling business growth. The Company strives to create a vibrant workplace and an engaged workforce by encouraging four behaviours: follow your passion, stay hungry, commit to lifelong learning and thrive together.

TALENT ACQUISITION AND DEVELOPMENT

Our focus on attracting top talent and investing in employee development continued to be a priority. We believe that a skilled and motivated workforce is instrumental in driving our success. In 2023, we hired professionals with diverse skill sets and provided them with opportunities for growth and advancement within the organization.

OUR COMPETITION

The Software Consultancy industry in India is highly competitive, and we expect that the competition in this industry will continue to increase. Our Industry is fragmented consisting of large established players and niche players. We compete with organized as well as unorganized sector on the basis of availability of consumers. Thus, our customers have the option of choosing any competitor providing similar services. Further, there are no entry barriers in this industry and any expansion in capacity of existing

competitors would further intensify competition. If we are not able to compete effectively with existing or future competitors, our business and financial condition could be adversely affected.

FINANCIAL CONDITION

The discussions in this section relate to the standalone, Rupee-denominated financial results pertaining to the year that ended March 31, 2023. The financial statements of Naapbooks Limited are prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards prescribed under section 133 of the Companies Act, 2013, read with relevant rules there under and other accounting principles generally accepted in India. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year. All assets and liabilities have been classified as current and non-current as per normal operating cycle of the Company and other criteria set out in the Schedule III of the Companies Act, 2013.

RESULTS OF OUR OPERATIONS

The Standalone Statement of Profit and Loss is as follows:

(₹ in Lakhs)

Particulars	FY 2023			FY 2022	
	Amount	% of Total Income	% Growth	2022	% of Total Income
I. Net Sales/Income from Operations	521.38	98.91	85.91	280.45	99.99
II. Other Income	5.76	1.09	-	0.019	0.01
III. Total Income (I+II)	527.14	100.00	87.95	280.47	100.00
IV. Earnings Before Interest, Taxes, Depreciation and Amortization Expense	140.86	26.72	57.47	89.45	31.89
V. Finance Cost	6.77	1.28	-22.45	8.73	3.11
VI. Depreciation and Amortization Expense	47.33	8.98	3.79	45.60	16.26
VII. Profit Before Tax (IV-V-VI)	86.76	16.46	147.04	35.13	12.53
VIII. Tax Expense:					
i Current Tax Expense	22.37	4.24	164.42	8.46	3.02
ii MAT Credit	0	0.00	-	0	0.00
iii MAT Credit Relating to prior years	0	0.00	-	0	0.00
iv Tax Expense Relating to prior years	1.12	0.21	-165.12	(1.72)	(0.61)
v Deferred Tax (Asset /Liabilities)	0.57	0.11	-88.91	5.14	1.83
IX. Profit After Tax (VII-VIII)	62.70	11.89	169.68	23.25	8.29

- a) During the year under review, the revenue from operation (turnover) is ₹ 521.38 lacs compared to the previous year were ₹280.45. The Revenue is significantly increased to 85.91% compared on Y-o-Y. This growth can be attributed to the successful execution of our business strategy, expanded client base, and strong demand for our technology solutions.
- b) Our net profit for the year amounted to ₹62.70 lacs compared to the previous year was ₹23.25 lacs. This is significantly declined to 169.68% compared on Y-o-Y. The company maintained a healthy profit margin in 2023, driven by efficient cost management, improved operational processes, and optimized resource allocation.

RATIOS WHERE THERE HAS BEEN A SIGNIFICANT CHANGE

FROM FISCAL 2022 TO FISCAL 2023

Revenue growth has been explained in the relevant sections above.

1. The details of return on net worth at standalone is as follows:

Particulars	Standalone	
	2023	2022
Return on net worth (%)	8.99%	5.62%

2. The other key ratios are as below:

Particulars	Standalone	
	2023	2022
Debtors Turnover Ratio	2.67	1.33
Creditors Turnover Ratio	4.25	3.12
Inventory Turnover Ratio	NA	NA
Current Ratio	2.26	3.54
Interest Coverage Ratio	22.65	16.86
Debt Equity Ratio	0.11	0.05
Operating Profit Margin Ratio	17.94%	15.64%
Net Profit Margin	12.03%	8.29%

Explanation for change in the ratios by more than 25%:

- Return on Net worth has increased majorly due to increase in revenue and in turn profit margin.
- Debtors Turnover Ratio has been increased due to higher debtors realization in the year
- Creditors Turnover Ratio has been increased due to decrease in outstanding at the end of the year
- Current Ratio has decreased majorly due to decrease in the Trade Receivables and Short Term Loans and Advances
- Interest Coverage Ratio increased due to increase in total revenue and in turn profit margin.
- Debt Equity Ratio has increased due to the Increase in short term borrowings
- Operating Profit Margin has been increased due to increase in revenue and there are no Initial public offer expenses in the year under review as compared to previous year.
- Net Profit Ratio has increased majorly as there are no Initial Public Offer expenses in the current year as compared to previous year

RISK FACTORS AND MITIGATION

This section lists forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these statements as a result of certain factors. Our outlook, risks and concerns are as follows:

a) Market Competition: The IT industry is highly competitive, and we face competition from both established companies and emerging startups. To mitigate this risk, we continuously monitor market trends, invest in research and development, and differentiate ourselves through innovation, customer-centricity, and superior service quality.

Spending on technology products and services by our clients and prospective clients fluctuates depending on many factors, including the economic, geo-political, monetary and fiscal policies and regulatory environment in the markets in which they operate.

An economic slowdown or other factors may also affect the economic health of those industries where our revenues are concentrated. Our clients may operate in sectors which are adversely impacted by climate change, which could consequently impact our business and reputation.

Our engagements with clients are typically singular in nature and do not necessarily provide for subsequent engagements.

b) Investment risk: There is risk related to the investments we make for our growth.

Our business will suffer if we fail to anticipate and develop new services and enhance existing services in order to keep pace with rapid changes in technology and in the industries on which we focus.

We may be unable to recoup investment costs incurred in developing our software products and platforms. We may engage in acquisitions, strategic investments, strategic partnerships or alliances or other ventures that may or may not be successful.

c) Technological Disruption: Rapid technological advancements and changing customer preferences pose risks and opportunities. To address this, we prioritize ongoing investments in research and development, keep abreast of industry trends, and actively engage with clients to understand their evolving needs.

d) Cybersecurity: As a provider of IT solutions, cybersecurity remains a critical concern. We have implemented robust security measures to safeguard our systems and client data. Regular security audits, employee training, and partnerships with cybersecurity experts are integral to our risk mitigation strategy.

e) Cost Structure: Our expenses are difficult to predict and can vary significantly from period to period, which could cause fluctuations to our profitability. Any inability to manage our growth could disrupt our business, reduce our profitability and adversely impact our ability to implement our growth strategy.

We are investing substantial cash in creating physical and technological infrastructure, and our profitability could be reduced if our business does not grow proportionately. Wage pressures and the hiring of employees may prevent us from sustaining some of our competitive advantage and may reduce our profits.

f) **Employee Workforce:** Our success depends largely upon our highly skilled technology professionals and our ability to hire, attract, motivate, retain and train these personnel.

g) **Statutory Liabilities:** We are listed on BSE SME Platform. We are required to comply with all the laws which are applicable with other listed entities. Hence, due to that the compliance cost is high compared to other public limited companies or unlisted companies. Moreover, in the event that the Government of India changes its tax policies in the manner that is adverse to us, our tax expenses may materially increase, reducing our profitability.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The CEO and CFO certification provided in the CEO and CFO Certification section of the Integrated Annual Report discusses the adequacy of our internal control systems and procedures.

OUTLOOK AND FUTURE PROSPECTS

Looking ahead, Naapbooks is poised for continued growth and success. We anticipate increased demand for our services as organizations across industries undergo digital transformation. We will capitalize on emerging technologies, expand our global footprint, and deepen client relationships through a consultative approach.

Additionally, we will remain vigilant in identifying and addressing potential risks to ensure sustained growth and profitability of the company.

AWARDS/ ACCOLADES

Your Company has received the below list of Awards or achieved recognitions during the year under review:

- Company's Non-Executive Director i.e. Mr. Abhishek Nirmal Jain (DIN: 07773124) was invited as a guest of honour and received a Recognition from the **"Entrepreneurship Development Institute of India"** Ahmedabad on the National Entrepreneurship Day Celebration held on 09th November, 2022 at Ahmedabad.
- Company has received an Award/Recognition from the **"Knowledge Chamber of Commerce & Industry"** Ahmedabad for the category of **"Excellence for Innovation in IT at 5G Tech & Fintech, ICT Leadership Summit, Networking"** on 15th October, 2022 at Hyatt, Ahmedabad, Gujarat, India.
- Company has received an Award under the category of **"*Excellence in SaaS and IT Services Award*"** from **THE INDIA@2047** in The India Award 2023 Conference held on 18th March 2023 at The Lalit in New Delhi, India.



CORPORATE POLICIES

We seek to promote and follow the highest level of ethical standards in all our business transactions guided by our value system. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, mandates the formulation of certain policies for all listed companies. The corporate governance policies are available on the Company's website, at <https://www.naapbooks.com/investor/>.

The policies are reviewed periodically by the Board and updated as needed. During the year under review, the Board revised and adopted some of the policies.

List of Policies formulated by the board of directors of the company are as below:

Name of the policy	Brief description	Web link
Whistle blower Policy (Policy on vigil mechanism)	The Company has adopted a whistle blower mechanism to report concerns about unethical behaviour, actual or suspected fraud, or violation of the Company's Code of Conduct and Ethics. The policy was adopted effective February 22, 2021.	https://www.naapbooks.com/wp-content/uploads/2022/07/POLICY-ON-VIGIL-MECHANISM-WHISTLE-BLOWER-POLICY.pdf
Code of Conduct for Board Members And Senior Management Personnel	The policy has been adopted and approved by the Board of Directors at its meeting held on February 22, 2021.	https://www.naapbooks.com/wp-content/uploads/2022/07/CODE-OF-CONDUCT-FOR-SENIOR-MANAGEMENT.pdf
Dividend Distribution Policy	The Company has adopted the Dividend Distribution Policy to determine the distribution of dividends in accordance with the provisions of applicable laws. The policy has been adopted and approved by the Board of Directors at its meeting held on February 22, 2021.	https://www.naapbooks.com/wp-content/uploads/2022/07/DIVIDEND-DISTRIBUTION-POLICY.pdfs
Terms And Conditions of Appointment of Independent Director	The policy has been adopted and approved by the Board of Directors at its meeting held on February 22, 2021 and Amended on September 09, 2021	https://www.naapbooks.com/wp-content/uploads/2022/07/TERMS-AND-CONDITION-OF-APPOINTMENT-OF-INDEPENDENT-DIRECTOR.pdf
Related Party Transaction Policy	The policy has been adopted and approved by the Board of Directors at its meeting held on February 22, 2021.	https://www.naapbooks.com/wp-content/uploads/2022/07/RELATED-PARTY-TRANSACTION-POLICY.pdf
Policy for Determining	The policy is used to determine the material subsidiaries and material unlisted Indian subsidiaries of the Company and to provide the	https://www.naapbooks.com/wp-content/uploads/2022/07/

Name of the policy	Brief description	Web link
Material Subsidiaries	governance framework for them. The policy has been adopted and approved by the Board of Directors at its meeting held on February 22, 2021.	POLICY-FOR-DETERMINING-MATERIAL-SUBSIDIARIES.pdf
Nomination and Remuneration Policy	This policy formulates the criteria for determining qualifications, competencies, positive attributes and independence for the appointment of a director (executive / non-executive) and also the criteria for determining the remuneration of the directors, KMP, senior management and other employees. The policy was revised and adopted effective January 31, 2023.	https://www.naapbooks.com/wp-content/uploads/2023/02/NRCM-Policy.pdf
Policy For Disclosure of Material Events or Information	This policy applies to disclosures of material events affecting to company and its subsidiaries. The policy has been adopted and approved by the Board of Directors at its meeting held on February 22, 2021.	https://www.naapbooks.com/wp-content/uploads/2022/07/POLICY-FOR-DISCLOSURE-OF-MATERIAL-EVENT.pdf
Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information	The policy is aimed at providing clear guidelines and procedures for disclosing material information outside the Company in order to provide accurate, timely and symmetric communications to our shareholders and the financial markets. The policy has been adopted and approved by the Board of Directors at its meeting held on February 22, 2021.	https://www.naapbooks.com/wp-content/uploads/2022/08/CODE-OF-CONDUCT-UNDER-SEBIPIT-REG.-2015-AND-CODE-OF-FAIR-DISCLOSURE-UNDER-SEBIPIT-REG.-2015.pdf
Policy on Prevention of Sexual Harassment At Workplace	The Policy framed to provide work environment that ensures every employee is treated with dignity and respect and afforded equitable treatment. The policy has been adopted and approved by the Board of Directors at its meeting held on February 22, 2021.	https://www.naapbooks.com/wp-content/uploads/2022/07/POLICY-ON-PREVENTION-OF-SEXUAL-HARASSMENT-AT-WORKPLACE.pdf

Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

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

To,
The Members,
NAAPBOOKS LIMITED
CIN: L72900GJ2017PLC096975

I have conducted the secretarial audit of the compliance with applicable statutory provisions and the adherence to good corporate practices by **Naapbooks Limited (CIN: L72900GJ2017PLC096975)** (hereinafter referred to as "the company"). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Auditor's responsibility

My responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on audit. I have conducted the audit in accordance with the applicable Auditing Standards issued by The Institute of Company Secretaries of India. The Auditing Standards require that the Auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Based on my verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period from 01st April, 2022 to 31st March, 2023 ("the audit period") complied with the statutory provisions listed hereunder. Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

- (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) The 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 : **Not Applicable**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
 - The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable**
- 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;
- The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not Applicable** and
- The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **Not Applicable**
- As informed by the Management, there are no other laws that are applicable specifically to the company

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments made thereunder (“the Listing Regulations”).

During the audit period, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. made thereunder.

I 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 and listing regulations.

Adequate notice was given to all directors to schedule Board meetings, agenda and detailed notes on agenda were sent at least seven days in advance (a few meetings were convened at shorter notice for which necessary approvals were obtained as per applicable provisions). A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board meetings and Committee meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

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.

I further report that during the audit period, the Company has issued, offered and allotted 11,50,000 (Eleven Lacs fifty thousand) equity shares of face value of ₹10/- (Rupees Ten) each at the price of ₹72/- (Rupees Seventy Two only) per equity share including premium of ₹62/- (Rupees Sixty Two) each, on a preferential basis ('Preferential Issue'), out of which 4,00,000 (Four Lacs) equity shares were issued for cash and 7,50,000 (Seven Lacs Fifty Thousands) equity shares were issued to M/s. Proex Advisors LLP for consideration other than cash (being swap of 50% contribution of Proex Advisors LLP) towards the payment of the Purchase Consideration payable by Proex Advisors LLP to the company, for the acquisition of Purchase Shares, in accordance with provisions of the Companies Act, 2013 and ICDR Regulations.

**For, Nirav Soni & Co.
Company Secretaries**

Sd/-
Mr. Nirav Soni
Proprietor (ACS: A39566)
COP No 14695
UDIN A039566E000863950

Place: Ahmedabad
Date: August 25, 2023

Note: This report is to be read with **Annexure A** and **Annexure B** which forms an integral part of this report.

List of other applicable Acts, Laws and Regulations during the Audit Period:-

1. The Information Technology Act, 2008
2. The Industrial Employment (Standing Orders) Act, 1946
3. The Minimum Wages Act, 1948
4. The Payment of Wages Act, 1936
5. The Employees' Provident Fund and Miscellaneous Provisions Act, 1952
6. The Payment of Bonus Act, 1965
7. The Employees' State Insurance Act, 1948
8. The Workmen Compensation Act, 1923 ("WCA")
9. The Equal Remuneration Act, 1976
10. The Maternity Benefit Act, 1961
11. The Child Labour (Prohibition and Regulation) Act, 1986
12. The Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) Act, 2013
13. The Foreign Exchange Management Act, 1999
14. The Competition Act, 2002
15. The Consumer Protection Act, 1986 (COPRA)
16. The Shops and Establishments legislations in various States
17. The Indian Contract Act, 1872
18. Transfer of Property Act, 1882 ("TP Act")
19. The Indian Stamp Act, 1899
20. The Registration Act, 1908
21. The Specific Relief Act, 1963
22. The Negotiable Instruments Act, 1881
23. The Trade Marks Act, 1999 (Trade Marks Act)
24. The Payment of Gratuity Act, 1972
25. The Apprentices Act, 1961
26. The Equal Remuneration Act, 1976
27. The Maternity Benefit Act, 1961
28. The Micro, Small and Medium Enterprises Development Act, 2006

To,
The Members,
NAAPBOOKS LIMITED
CIN: L72900GJ2017PLC096975
3rd Floor, Business Broadway Centre,
Above V-Mart,
Law garden,
Ahmedabad-380006.

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done on test basis, on the records and documents provided by the Management of the Company, to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices followed by me provide a reasonable basis for my 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 representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For, Nirav Soni & Co.
Company Secretaries

Sd/-
Mr. Nirav Soni
Proprietor (ACS: A39566)
COP No 14695
UDIN A039566E000863950

Place: Ahmedabad
Date: August 25, 2023

CEO AND CFO CERTIFICATION

To,
The Board of Directors
Naapbooks Limited

Dear members of the Board,
We, Ashish Jain, Director & Chief Executive Officer and Yaman Saluja, Whole-Time Director & Chief Financial Officer of Naapbooks Limited, to the best of our knowledge and belief, certify that:

1. We have reviewed the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss, and the Statement of Cash Flows for the year ended, and a summary of the significant accounting policies and other explanatory information of the Company and the Board's report for the year ended March 31, 2023.
2. These statements do not contain any materially untrue statement or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.
3. The financial statements, and other financial information included in this report, present in all material respects a true and fair view of the Company's affairs, the financial condition, results of operations and cash flows of the Company as at, and for, the periods presented in this report, and are in compliance with the existing accounting standards and / or applicable laws and regulations.
4. There are no transactions entered into by the Company during the year that are fraudulent, illegal or violate the Company's Code of Conduct and Ethics, except as disclosed to the Company's auditors and the Company's Audit Committee of the Board of Directors.
5. We are responsible for establishing and maintaining disclosure controls and procedures and internal controls over financial reporting for the Company, and we have:
 - a) Designed such disclosure controls and procedures or caused such disclosure controls and procedures to be designed under our supervision to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared.
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, 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 in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013.
 - c) Evaluated the effectiveness of the Company's disclosure, controls and procedures.

- d) Disclosed in this report, changes, if any, in the Company's internal control over financial reporting that occurred during the Company's most recent financial year that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.
6. We affirm that we have not denied any personnel access to the Audit Committee of the Company (in respect of matters involving alleged misconduct) and we have provided protection to whistle-blowers from unfair termination and other unfair or prejudicial employment practices.
7. We further declare that all Board members and senior management personnel have affirmed compliance with the Code of Conduct and Ethics for the year covered by this report.

Sd/-
Ashish Jain
Director & CEO
(DIN: 07783857)

Sd/-
Yaman Saluja
Whole-Time Director & CFO
(DIN: 07773205)

INDEPENDENT AUDITOR'S REPORT

To the Members of [Naapbooks Limited](#)

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the financial statements of Naapbooks Limited ("the Company"), which comprise the balance sheet as at 31st March 2023, and the statement of Profit and Loss 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.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023, its profit/loss 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 Companies Act, 2013. 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone 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 there are no any key audit matters to be communicated in our report.

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's 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 and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our 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.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

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

- a) Identify and assess the risks of material misstatement of the 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.
- b) Obtain an understanding of internal control 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 controls system in place and

the operating effectiveness of such controls.

- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d) 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 Company's ability 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 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.
- e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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 standalone 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 the 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.

We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of

sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

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.

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.

The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

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'.

With respect to the matter to be included in the Auditor's Report under section 197(16), in our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197

of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.

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:

The Company does not have any pending litigations which would impact its financial position.

The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

(a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or

otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures that have been considered reasonable and

appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.

No dividend have been declared or paid during the year by the company.

For, Purushottam Khandelwal & Co
Chartered Accountants
FRN: 0123825W

CA Mahendrasingh S Rao
Partner
Mem. No. : 154239
Date: 30/05/2023
Place: Ahmedabad
UDIN: 23154239BGTESPI501

The Annexure referred to in paragraph 1 of Our Report on "Other Legal and Regulatory Requirements".

We report that:

- (i) (a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
(B) The company has maintained proper records showing full particulars of intangible assets;
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Property, Plant and Equipment have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification;
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, The Company does not have any immovable property. (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee),
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year. Accordingly, the reporting under Clause 3(i)(d) of the Order is not applicable to the Company.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) As explained to us & on the basis of the records examined by us, in our opinion, there is no such inventory exist in the business so there is no possibility of the physical verification of inventory.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not been sanctioned during any point of time of the year, working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- (iii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, during the year the company has

provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to other entities:

the aggregate amount during the year with respect to such loans or advances and guarantees or security to subsidiaries, joint ventures and associates is Nil and balance outstanding at the balance sheet date is Rs. 1 lakh

the aggregate amount during the year with respect to such loans or advances and guarantees or security to parties other than subsidiaries, joint ventures and associates is Rs. 214.61 lakh and balance outstanding at the balance sheet date is Rs. 278.71 lakh

(b) According to the information and explanations given to us and on the basis of our examination of the records of the company, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prima facie prejudicial to the company's interest.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans and advance in the nature of loan given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no overdue amounts for more than 90 days in respect of the loans granted to the parties

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has granted loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment:

- Aggregate amount of loans or advances of above nature given during the year is Rs. 214.61 lakh
- Percentage thereof to the total loans granted is 100 %
- Aggregate amount of loans granted to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013 is 102.01 lakh

(iv) According to the information and explanations given to us and on the basis of our examination of the records, in respect of loans, investments, guarantees, and security, provisions of section 185 and 186 of the Companies Act, 2013 have been complied with except non charging of interest on the loan.

(v) The company has not accepted any deposits or amounts which are deemed to be deposits covered under sections 73 to 76 of the Companies Act, 2013. Accordingly, clause 3(v) of the Order is not applicable.

- (vi) As per information & explanation given by the management, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. According to the information and explanation given to us there were no outstanding statutory dues as on 31st of March, 2023 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the company, there is no statutory dues referred to in sub-clause (a) that have not been deposited on account of any dispute
- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not been declared a willful defaulter by any bank or financial institution or other lender;
- (b) According to the information and explanations given to us by the management, the Company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained,
- (c) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short term basis have been used for long term purposes by the company.
- (d) In our opinion and according to the information and explanations given by the management, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Accordingly, clause 3(ix)(e) is not applicable.
- (e) In our opinion and according to the information and explanations given by the management, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Accordingly, clause 3(ix)(f) is not applicable.
- (x) (a) Based on our audit procedures and according to the information given by the management, moneys raised by way of initial public offer or further

public offer (including debt instruments) during the year were applied for the purposes for which those are raised.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has made preferential allotment or private placement of 100000 equity shares of Rs.10/- each at a price of Rs.72/- during the year.
- (x) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the company or any fraud on the company has been noticed or reported during the course of audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;

(c) According to the information and explanations given to us by the management, no whistle-blower complaints had been received by the company
- (xii) The company is not a Nidhi Company. Accordingly, clause 3(xii)(a), 3(xii)(b) and 3(xii)(c) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, where applicable and the details have been disclosed in the financial statements, as required by the applicable accounting standards;
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, the company has not an internal audit system commensurate with the size and nature of its business;

(b) As the Company has not Appointed any internal Auditor hence, We have not received or considered the internal audit reports of the Company during the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company
- (xvi) (a) In our Opinion and based on our examination, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934). Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) In our Opinion and based on our examination, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

- (c) In our Opinion and based on our examination, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations given by the management, the Group does not have any CIC as part of the Group
- (xvii) Based on our examination, the company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) Based on our examination, the provision of section 135 are not applicable on the company. Accordingly, clauses 3(xx) (a) and 3(xx)(b) of the Order are not applicable.
- (xxi) The company is not required to prepare Consolidate financial statement hence this clause is not applicable.

For, Purushottam Khandelwal & Co

Chartered Accountants

FRN: 0123825W

CA Mahendrasingh S Rao

Partner

Mem. No. : 154239

Date: 30/05/2023

Place: Ahmedabad

UDIN: 23154239BGTESPI501

Report on Internal Financial Controls Over Financial Reporting

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 Naapbooks Limited (“the Company”) as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control 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. 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 Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls 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 controls 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 unauthorized 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, 2023, 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.

For, Purushottam Khandelwal & Co
Chartered Accountants

FRN: 0123825W

CA Mahendrasingh S Rao

Partner

Mem. No. : 154239

Date: 30/05/2023

Place: Ahmedabad

UDIN: 23154239BGTESPI501

Naapbooks Limited

(Formerly Known as Naapbooks Private Limited)

Third Floor, Broadway Business Centre, Law Garden Ahmedabad

CIN - L72900GJ2017PLC096975

E Mail id: compliance@naapbooks.com Mobile No: 9016323227

Balance Sheet

Particulars	Note No.	Audited As at 31st March 2023 (₹ Lakhs)	Audited As at 31st March 2022 (₹ Lakhs)
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
Share capital	2	195.66	185.66
Reserves and surplus	3	563.74	439.04
Money received against share warrants			
		759.40	624.70
Share application money pending allotment			
(2) Non-current liabilities			
Long-term borrowings	4	32.62	25.52
Deferred tax liabilities (Net)	5	4.50	3.93
		37.11	29.45
(3) Current liabilities			
Short-term borrowings	6	47.81	6.35
Trade payables			
-[A] Total outstanding dues of micro enterprises and small enterprises	7	0.00	0.00
-[B] Total outstanding dues of creditors other than micro enterprises and small enterprises	7	106.04	100.96
Other current liabilities	8	51.05	26.43
Short-term provisions	9	17.15	1.72
		222.05	135.45
Total		1018.56	789.60
II. ASSETS			
(1) Non-current assets			
Property Plant & Equipment and Intangible assets			
a) Property, Plant and Equipment	10	84.69	99.08
b) Intangible assets	10	61.32	69.17
c) Intangible assets under development	10	366.40	132.55
Non Current Investments	11	0.30	0.30
Other Non Current Assets	12	4.75	8.64
		517.46	309.73
(2) Current assets			
Trade receivables	13	88.02	302.42
Cash and cash equivalents	14	76.68	2.17
Short-term loans and advances	15	320.03	171.96
Other Current Assets	16	16.36	3.32
		501.10	479.87
Total		1018.56	789.60

Significant accounting policies
See accompanying notes to financial statements
As per our report of even date

For Purshottam Khandelwal & Co
Chartered Accountants

CA Mahendrasingh S Rao
Partner
M. No. 154239
UDIN: 23154239BGTESP1501

Place: Ahmedabad
Date: 30th May, 2023

For and on behalf of the
Board of Directors of Naapbooks Limited

Nirmal Jain
Chairman & Director
DIN: 07773203

Ashish Jain
Director & CEO
DIN: 07783857

Yaman Saluja
Whole Time Director & CFO
DIN: 07773205

Sahul Jotaniya
Company Secretary
M. No. A43006

Place: Ahmedabad
Date: 30th May, 2023

Naapbooks Limited

(Formerly Known as Naapbooks Private Limited)

Third Floor, Broadway Business Centre, Law Garden Ahmedabad

CIN - L72900GJ2017PLC096975

E Mail id: compliance@naapbooks.com Mobile No: 9016323227

Statement of Profit and Loss

Particulars		For the year ended 31-Mar-23 (₹ Lakhs)	For the year ended 31-Mar-22 (₹ Lakhs)
I.	Revenue from operations	17	521.38
II.	Other income	18	5.76
III.	Total Income		527.14
IV.	Expenses		
	Development expenses	19	230.07
	Employee benefits expenses	20	115.48
	Finance costs	21	6.78
	Depreciation and Amortisation expenses	22	47.34
	Other expenses	23	40.73
	Total expenses		440.38
V.	Profit before exceptional and extraordinary items (III- IV)		86.76
VI.	Exceptional items		0.00
VII.	Profit before extraordinary items and tax (V - VI)		86.76
VIII.	Extraordinary items		
IV.	Profit before tax		86.76
V.	Tax expense:		
	Current tax		22.37
	Tax for Earlier Years		1.12
	Deferred tax		0.57
VI.	Profit for the year		62.70
VII.	Earnings per equity share:		
	Basic and diluted (In Rupees)	24	3.38
			1.44

Significant accounting policies 1

See accompanying notes to financial statements

CA Mahendrasingh S Rao
Partner
M. No. 154239
UDIN: 23154239BGTESP1501

Nirmal Jain
Chairman & Director
DIN: 07773203

Ashish Jain
Director & CEO
DIN: 07783857

Yaman Saluja
Whole Time Director & CFO
DIN: 07773205

Sahul Jotaniya
Company Secretary
M. No. A43006

Place: Ahmedabad
Date: 30th May, 2023

Place: Ahmedabad
Date: 30th May, 2023

Naapbooks Limited

(Formerly Known as Naapbooks Private Limited)
Third Floor, Broadway Business Centre, Law Garden Ahmedabad
CIN - L72900GJ2017PLC096975
E Mail id: compliance@naapbooks.com Mobile No: 9016323227

Statement of Cash Flows

Particulars	For the year ended 31-Mar-23 (₹ Lakhs)	For the year ended 31-Mar-22 (₹ Lakhs)
A CASH FLOW FROM OPERATING ACTIVITIES:		
Profit for the year	86.76	35.13
Add:		
(a) Depreciation & Amortization	47.34	45.60
(b) Financial & Interest Expenses	06.78	08.73
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	140.87	89.46
Add/Deduct:		
(a) Increase/Decrease in Trade Payables	05.09	35.29
(b) Increase/Decrease in Other Current Liabilities	24.62	0.27
(c) Increase/Decrease in Trade Receivables	214.40	(182.07)
(d) Increase/Decrease in Short Term Loans & Advances	(148.08)	(93.63)
(e) Increase/Decrease in Short Term Borrowing	41.46	(16.00)
(f) Increase/Decrease in Other Current Assets	(13.05)	01.68
Total Working Capital Adujstment	124.45	(254.46)
CASH GENERATED FROM OPERATIONS	265.32	(165.01)
Deduct:		
Direct Taxes Paid (Net)	08.06	17.61
NET CASH FROM OPERATING ACTIVITIES	257.26	(182.62)
B CASH FLOW FROM INVESTING ACTIVITIES:		
(a) Purchase of Fixed Assets & Intangible Assets under Development	(258.95)	(216.99)
(b) Change in Other Non Current Assets	03.89	(03.99)
NET CASH USED IN INVESTING ACTIVITIES	(255.06)	(220.98)
C CASH FLOW FROM FINANCING ACTIVITIES:		
(a) Share Issue Proceeds	72.00	399.01
(b) Net Increase in Borrowings (Net of Loan Converted to Equity)	07.10	14.58
(c) Interest exps	(06.78)	(08.73)
NET CASH FROM IN FINANCING ACTIVITIES	72.32	404.86
NET INCREASE(DECREASE) IN CASH AND CASH EQUIVALENTS	74.51	01.26
OPENING BALANCE- CASH AND CASH EQUIVALENT	02.17	0.91
CLOSING BALANCE- CASH AND CASH EQUIVALENT	76.68	02.17

*Previous year's figures have been regrouped/reclassified wherever applicable.

As per our report of even date
For Purshottam Khandelwal & Co
Chartered Accountants

For and on behalf of the
Board of Directors of Naapbooks Limited

CA Mahendrasingh S Rao
Partner
M. No. 154239
UDIN: 23154239BGTESP1501

Nirmal Jain
Chairman & Director
DIN: 07773203

Ashish Jain
Director & CEO
DIN: 07783857

Yaman Saluja
Whole Time Director & CFO
DIN: 07773205

Sahul Jotaniya
Company Secretary
M. No. A43006

Place: Ahmedabad
Date: 30th May, 2023

Place: Ahmedabad
Date: 30th May, 2023

Naapbooks Limited

(Formerly Known as Naapbooks Private Limited)

Notes to Financial Statements

NOTE 1: CORPORATE INFORMATION, SIGNIFICANT ACCOUNTING POLICIES

Background

The Company was incorporated as “Naapbooks Private Limited” under the provisions of the Companies Act, 2013 vide Certificate of Incorporation dated April 21, 2017 bearing Registration No. 096975 issued by the Registrar of Companies, Ahmedabad, Gujarat. It was converted into a Public Limited Company and the name of our Company was changed to “Naapbooks Limited” vide a fresh certificate of incorporation consequent to conversion into a public limited company issued by the Registrar of Companies, Gujarat on January 7, 2021.

Company is engaged in the business of providing solutions and services related to Web Technologies, Mobile Applications, Internet, Cloud and E-commerce, including design, develop, operate, own, establish and install. Also, analyzing, designing, maintaining, converting, porting, debugging; coding, outsourcing and programming ‘software’ to be used on computer or any microprocessor-based device or any other such hardware within and outside India.

Significant Accounting Policies

a) Basis of preparation of financial statements:

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with relevant rules there under and other accounting principles generally accepted in India. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year

All assets and liabilities have been classified as current and non-current as per normal operating cycle of the Company and other criteria set out in the Schedule III of the Companies Act, 2013.

b) Revenue recognition:

- i) Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.
- ii) Revenue from maintenance contracts are recognised pro rata over the period of the contract as and when services are rendered.
- iii) All other income and expenditure are recognised and accounted for on accrual basis.

c) Use of estimates:

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/ materialised.

d) Cash and Cash Equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

e) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit/loss before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

f) Inventories

Inventories are valued at lower of cost and net realizable value, including necessary provision for obsolescence. Cost is determined using the weighted average method.

Work in Progress are valued at cost including related overhead costs.

g) Tangible Fixed Assets:

- i. An item is classified as Tangible fixed asset only if it satisfies the recognition criteria stated in AS 10 (i.e.) is probable that future economic benefits will flow to the company and the cost of such item could be measured. Stores and Spares fulfilling the above conditions are also classified as fixed assets. Fixed assets are initially recognized at its purchase price including all costs directly attributable to bring the asset in a ready to use condition. All subsequent cost incurred such as day to day running expenses, repair and maintenance expenses are treated as revenue expenses except when such expenditure satisfied the recognition criteria stated above. Cost Model is followed after initial recognition i.e. Fixed Assets are carried at cost less accumulated depreciation/amortization/impairment.
- ii. **Depreciation:** Fixed assets are depreciated using the Written Down Value method. Useful lives of assets necessary for calculation of depreciation rates are taken as specified in Schedule II of Companies Act, 2013.
- iii. Fixed assets retired from active use and held for sale are stated at the lower of their net book value and net realizable value and are disclosed separately.
- iv. Capital Work-in-Progress: Projects under which tangible fixed assets are not yet ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing costs.

h) Intangible Assets/Intangible Asset under Development:

Intangible Assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization and impairment. Software Products Developed/Purchased which are held for use in the production or supply of goods and services, for rental to others or for administrative purposes have been recognized as Intangible Assets. Research Costs are expensed as incurred.

Software product development cost are expensed as incurred unless technical and commercial feasibility of the product is demonstrated, future economic benefits are probable,

the company has an intention and ability to complete and use or sell the software and the costs can be measured reliably. The costs which can be capitalized include the cost of materials, directs labour, and overhead cost that are directly or indirectly attributable to preparing the asset for intended use.

Self-Generated Intangible assets which are ready for sale are amortized on Straight Line method over their estimated useful life or 10 years, whichever is lower. The estimated useful life of the intangible assets and the amortization period are reviewed at the end of each financial year and the amortization period is revised to reflect the changed pattern, if any.

Subsequent Expenditure on Self-Generated Intangible Assets are capitalized only if it will enable the asset to generate future economic benefits in excess of its originally assessed standard of performance and the expenditure can be measured and attributed to the asset reliably. Amortization of subsequent expenditure is done in line with that of the original cost over the remaining life of the asset. Intangible Asset under Development: - All Software Development Expenses eligible for capitalization are recognized as "Intangible Assets under Development" until the Software Product is ready for market.

i) Impairment of assets:

The carrying value of assets/cash generating units at each balance sheet date is reviewed for impairment if any indication of impairment exists. If the carrying amount of the assets exceeds the estimated recoverable amount, impairment is recognized for such excess amount. The impairment loss is recognized as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognized for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognized.

j) Investments:

Investments are classified into current and long-term investments. Current investments are stated at lower of cost and fair value. Long-term investments are stated at cost. A provision for diminution is made to recognise a decline, other than temporary, in the value of long-term investments.

k) Employee benefits:

Wages, salaries, paid annual leave, sick leave and bonuses are accrued in the year in which the services are rendered by the employees. The company does not permit accumulating of unused leaves. The company does not provide any long-term employee benefits except gratuity.

The company is not having any defined contribution plan and nor has made any provision for payment of Gratuity

l) Borrowing cost:

Borrowing cost attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

m) Taxation:

The tax expense for the period comprises current and deferred tax. Tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognized in the reserves directly. In such cases, the tax is also recognized in the reserves.

i. Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

ii. Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

n) Provisions, contingent liabilities and contingent assets:

A provision is recognized when the Company has a present obligation as a result of past events 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. Provisions (excluding retirement benefits) are not discounted to their present values and are determined based on the best estimate required to settle the obligations at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognized in the financial statements and are disclosed in the Notes. A Contingent asset is neither recognized nor disclosed in the financial statements.

o) Earnings Per Share

Basic earnings per share is computed by dividing the profit/loss after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit/loss after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The number of equity

shares and potentially dilutive equity shares are adjusted for share splits/reverse share splits and bonus shares, as appropriate.

p) General/Additional Regulatory Information

- i. Accounting policies not specifically referred to above are consistent with generally accepted accounting principles. Previous year's figures have been regrouped/reclassified wherever applicable
- ii. The information regarding applicability of MSMED Act 2006 to the various supplier/parties has not been received from the suppliers. Hence information as required vide clause 22 of chapter V of MSMED Act 2006 is not being given.
- iii. The details of Quarterly Statements of Current Assets filed by the company with the Bank are in agreement with the books of accounts.

Naapbooks Limited

(Formerly Known as Naapbooks Private Limited)

Particulars	As at	As at
	31-Mar-23 (₹ Lakhs)	31-Mar-22 (₹ Lakhs)

**NOTE 2
SHARE CAPITAL**

a Authorised		
32,00,000 Equity Shares of Rs. 10/- each	320.00	200.00
(Previous year : 20,00,000 Equity Shares of Rs. 10/- each)		

b Issued, subscribed and paid-up		
Opening: -		
18,56,600 Equity Shares of Rs. 10 each fully paid-up (P.Y. 13,17,400 Shares of Rs. 10 each fully paid)	185.66	131.74
Add : Share Issued during the year	10.00	53.92
Closing Share Capital 19,56,600 Equity Shares of Rs. 10 each fully paid-up (P.Y. 18,56,600 Equity Shares of Rs. 10 each fully paid-up)	<u>195.66</u>	<u>185.66</u>

c The reconciliation of the number of shares and share capital

Particulars	As at 31-03-2023		As at 31-03-2022	
	No. of shares	Amount	No. of shares	Amount
Equity Shares at the beginning of the year	18,56,600	185.66	13,17,400	131.74
Add: Shares issued	1,00,000	10.00	5,39,200	53.92
Equity Shares at the end of the year	<u>19,56,600</u>	<u>195.66</u>	<u>18,56,600</u>	<u>185.66</u>

d Terms/ rights attached to Equity Shares

The Company has only one class of Equity Shares having par value of Rs. 10 per share. Each holder of Equity Shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

e Shareholders holding more than 5 per cent of Equity Shares as at the end of the year

Name of the Shareholder	As at 31-03-2023		As at 31-03-2022		% Change during the year*
	No. of shares	% of holding	No. of shares	% of holding	
Ashish Jain	4,00,128	20.45%	4,00,128	21.55%	-1.10%
Nirmal Kumar Jain	2,00,768	10.26%	2,00,768	10.81%	-0.55%
Yaman Saluja	2,37,600	12.14%	2,37,600	12.80%	-0.65%
Abhishek Nirmal Jain	2,42,960	12.42%	2,42,960	13.09%	-0.67%
Swati Singh	88,480	4.52%	88,480	4.77%	-0.24%
	<u>11,69,936</u>	<u>59.79%</u>	<u>11,69,936</u>	<u>63.01%</u>	<u>-3.22%</u>

* There is no change in the number of shares held, however due to the preferential allotment during the year the percentage of shareholding has been decreased.

f Company in its meeting of shareholders through Extra Ordinary General Meeting dated May 25, 2020 resolved in pursuance of the provisions of Section 61 and 64 and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof) and the rules framed there under, the consent of the shareholders was accorded to increase the Authorized Share Capital of the Company from existing ₹ 10 Lakhs divided into 1,00,000 Equity Shares of ₹ 10/- each to ₹ 200 Lakhs divided into 20,00,000 Equity Shares of ₹ 10/- each by creation of additional 19,00,000 Equity Shares of ₹ 10/- each ranking pari passu in all respect with the existing Equity Shares of the Company.

Further Company in its meeting of shareholders through Extra Ordinary General Meeting dated March 14, 2023, the consent of the shareholders was accorded to increase the Authorized Share Capital of the Company from existing ₹ 200 Lakhs divided into 20,00,000 Equity Shares of ₹ 10/- each to ₹ 320 Lakhs divided into 32,00,000 Equity Shares of ₹ 10/- each by creation of additional 12,00,000 Equity Shares of ₹ 10/- each ranking pari passu in all respect with the existing Equity Shares of the Company.

g 5,50,000/- Fully paid up Equity shares were issued as Bonus Shares by capitalization of Surplus in Profit and Loss A/c in F.Y 2020-21

Naapbooks Limited

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Particulars	As at 31-Mar-23 (₹ Lakhs)	As at 31-Mar-22 (₹ Lakhs)
h Company in its meeting of shareholders through Extra Ordinary General Meeting dated May 25, 2020 resolved in pursuance of the provisions of Section 42, 62(c) and other provisions, applicable, if any, of the Companies Act, 2013 read with Companies (Prospectus and allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014 including any statutory enactment, modification etc. thereto, the consent of the members of the Company was accorded for an allotment of 7,22,200 (Seven Lakhs Twenty Two Thousand Two Hundred) Equity Shares of ₹ 10 (Rupees Ten) each of the Company at par by converting Loan taken into Equity Shares by issue of New Equity Shares, distinctively numbered, to Ashish Jain from whom the Company has received loan money aggregating to ₹ 26.92 Lakhs to Nirmal Kumar Jain from whom the Company has received Loan money aggregating to ₹ 15.86 Lakhs, to Yaman Saluja from whom the Company has received Loan money aggregating to ₹ 1.50 Lakhs, to Abhishek Nirmal Jain from whom the Company has received Loan money aggregating to ₹ 24.24 Lakhs and to Kusum Kothari from whom the Company has received Loan money aggregating to ₹ 3.70 Lakhs in a measure to reduce its debt. The said Equity Shares shall rank pari-passu with existing Equity Shares in all respects.		
i During the year F.Y 2020-21 the company has allotted 35,200 shares of Rs. 10/- each at a price of Rs. 71/- on a preferential basis		
j During the year F.Y 2021-22 the company has allotted 5,39,200 shares of Rs. 10/- each at a price of Rs. 74/- through Initial Public Offer		
k Company in its meeting of shareholders through Extra Ordinary General Meeting dated March 14, 2023 resolved in pursuance of the provisions of Section 61 and 64 and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof) and the rules framed there under, the consent of the shareholders was accorded to issue and allot 11,50,000 (Eleven lakh fifty thousand) equity shares of 10/- each at price of 72/- each on preferential basis. Consequently during the year F.Y 2022-23 the company has allotted 1,00,000 shares of Rs. 10/- each at a price of Rs. 72/- on a preferential basis.		

l Details of Shareholding of Promoters: -

Shares held by promoters as at March 31, 2023 is as follows:

Promoter Name	As at 31st March, 2023		As at 31st March, 2022		% Change During the year*
	No of Shares	% of Total Shares	No of Shares	% of Total Shares	
Ashish Jain	4,00,128	20.45%	4,00,128	21.55%	-1.10%
Yaman Saluja	2,37,600	12.14%	2,37,600	12.80%	-0.65%
Swati Singh	88,480	4.52%	88,480	4.77%	-0.24%
Total	7,26,208	37.11%	7,26,208	39.11%	-2.00%

* There is no change in the number of shares held by promoters, however due to the preferential allotment during the year the percentage of shareholding has been reduced by 2.00%

Shares held by promoters as at March 31, 2022 is as follows:

Promoter Name	As at 31st March, 2022		As at 31st March, 2021		% Change During the year
	No of Shares	% of Total Shares	No of Shares	% of Total Shares	
Ashish Jain	4,00,128	21.55%	4,00,128	30.37%	-8.82%
Yaman Saluja	2,37,600	12.80%	2,37,600	18.04%	-5.24%
Swati Singh	88,480	4.77%	88,480	6.72%	-1.95%
Total	7,26,208	39.11%	7,26,208	55.12%	-16.01%

NOTE 3

RESERVES AND SURPLUS

a Securities Premium		
Opening Balance	366.56	21.47
Add: Addition during the year	62.00	345.09
Closing Balance	428.56	366.56
b Statement of Profit and Loss - surplus/ deficit:		
Opening Balance	72.48	49.22
Add: Profit for the year	62.70	23.26
Less: Bonus Issue		
Closing balance	135.18	72.48
	563.74	439.04

NOTE 4

LONG - TERM BORROWINGS

Secured Loans From Banks

Bank of India Car Loan	7.15	8.94
Less: Amount Repayable in the next 12 months	1.74	1.85
	5.41	7.09

Unsecured Loans from related parties	27.21	18.43
	32.62	25.52

Naapbooks Limited

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Particulars	As at	As at
	31-Mar-23 (₹ Lakhs)	31-Mar-22 (₹ Lakhs)
Secured Loan: - Car Loan had been in the year FY 2021-22 taken whose tenure is 60 months. Loan is secured by charge on the Vehicle Maruti XL6 ZETA		
Unsecured Loan: - Loans from related parties are not repayable on demand. During the financial year 2020-21, 7,22,200/- (Seven Lakhs Twenty Two Thousand Two Hundred) Equity Shares of ₹ 10 (Rupees Ten) each were issued at par by converting unsecured loan of Rs. 72,22,000/- in F.Y 2020-21. Refer Note 2 for details.		

NOTE 5

DEFERRED TAX LIABILITY (Net)

Opening Balance	3.93	0.00
Add: During the year	0.57	3.93
Closing Balance	<u>4.50</u>	<u>3.93</u>

NOTE 6

SHORT -TERM BORROWINGS

Bank OD	46.07	4.49
Current maturities of long-term borrowings	1.74	1.85
	<u>47.81</u>	<u>6.35</u>

Short Term Borrowing i.e OD from Yes Bank is secured by exclusive charge over the current assets including Trade Receivables, Inventories of the company (Both present and future)

NOTE 7

TRADE PAYABLES

Total outstanding dues of creditors other than micro enterprises and small enterprises	106.04	100.96
	<u>106.04</u>	<u>100.96</u>

Ageing for Trade Payables outstanding as at 31st March, 2023

Trade Payables Ageing Schedule	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises					0.00
Total outstanding dues of creditors other than micro enterprises and small enterprises	104.79	1.10	0.16	0.00	106.04
Disputed Dues of micro enterprises and small enterprises					0.00
Disputed Dues of creditors other than micro enterprises and small enterprises					0.00
	<u>104.79</u>	<u>1.10</u>	<u>0.16</u>	<u>0.00</u>	<u>106.04</u>

Ageing for Trade Payables outstanding as at 31st March, 2022

Trade Payables Ageing Schedule	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises					0.00
Total outstanding dues of creditors other than micro enterprises and small enterprises	99.85	1.11	0.00	0.00	100.96
Disputed Dues of micro enterprises and small enterprises					0.00
Disputed Dues of creditors other than micro enterprises and small enterprises					0.00
	<u>99.85</u>	<u>1.11</u>	<u>0.00</u>	<u>0.00</u>	<u>100.96</u>

NOTE 8

OTHER CURRENT LIABILITIES

Statutory dues	11.37	5.68
Advances From Debtors	20.78	2.75
Salary Payable	18.91	18.00
	<u>51.05</u>	<u>26.43</u>

NOTE 9

SHORT-TERM PROVISIONS

Provision for current income tax (net)	17.15	1.72
	<u>17.15</u>	<u>1.72</u>

Naapbooks Limited

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NOTE 10
PROPERTY PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

(₹ Lakhs)

Description	Rate %	Gross Block at Cost				Depreciation				Net Block	
		As at 01-Apr-22	Additions	Disposals /Transfer	As at 31-Mar-23	As at 01-Apr-22	Additions	Disposals	As at 31-Mar-23	As at 31-Mar-23	As at 31-Mar-22
Property Plant and Equipment											
Furniture and Fixtures	25.89	20.63	0.50	0.00	21.14	13.29	1.93	0.00	15.23	5.91	7.34
Office Equipments	45.07	10.38	1.21	0.00	11.59	8.63	1.05	0.00	9.68	1.91	1.74
Electrical Fittings	25.89	1.47	0.14	0.00	1.61	0.99	0.14	0.00	1.13	0.49	0.48
Computers	63.16	42.56	23.25	0.00	65.81	38.16	3.85	0.00	42.01	23.80	4.40
Computer Server	39.30	105.02	0.00	0.00	105.02	31.28	28.98	0.00	60.26	44.76	73.74
Veehicles	31.23	16.89	0.00	0.00	16.89	5.67	3.50	0.00	9.18	7.72	11.22
Veehicles	25.89	0.48	0.00	0.00	0.48	0.32	0.04	0.00	0.36	0.12	0.16
Total (A)		197.43	25.10	0.00	222.53	98.35	39.49	0.00	137.84	84.69	99.08
Intangible assets											
Computer software	63.16	0.89	0.00	0.00	0.89	0.89	0.00	0.00	0.89	0.00	0.00
VizMan Application	10.00	78.49	0.00	0.00	78.49	9.32	7.85	0.00	17.16	61.32	69.17
Total (B)		79.37	0.00	0.00	79.37	10.20	7.85	0.00	18.05	61.32	69.17
Intangible assets under development											
Total (C)		132.55	233.85	0.00	366.40	0.00	0.00	0.00	0.00	366.40	132.55
Total (A+B+C)		409.35	258.95	0.00	668.31	108.56	47.34	0.00	155.89	512.41	300.80

Note: For details of Accounting Policies on Depreciation on Tangible Assets and Amortization on Intangible Assets please refer Note 1.

Ageing Schedule for Intangible Assets under development: -

Intangible Assets Under Development	Amount in CWIP for a period of				Total
	Less Than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	
Projects in Progress	233.85	132.55			366.40

Note: - Completion of Projects in Progress is not overdue and nor the cost has exceeded from its original plan

Naapbooks Limited

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Particulars	As at 31-Mar-23 (₹ Lakhs)	As at 31-Mar-22 (₹ Lakhs)
NOTE 11		
NON-CURRENT INVESTMENTS		
(Long Term Investments)		
(Unquoted, at cost)		
Investment in Ndear Technologies Private Limited	0.30	0.30
	0.30	0.30

NOTE 12		
OTHER NON-CURRENT ASSETS		
Security deposits	4.75	8.64
	4.75	8.64

NOTE 13		
TRADE RECEIVABLES		
(Unsecured, considered good)		
From Related Parties	16.61	28.11
From Others	71.41	274.31
	88.02	302.42

Ageing for Trade Receivable as at 31st March, 2023

Trade Receivables Ageing Schedule	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
i Undisputed Trade Receivables - Considered Good	20.74	63.91	0.96	1.21	1.19	88.02
ii Undisputed Trade Receivables - Considered	0.00	0.00	0.00	0.00	0.00	0.00
iii Disputed Trade Receivables - Considered Good	0.00	0.00	0.00	0.00	0.00	0.00
iv Disputed Trade Receivables - Considered Doubtful	0.00	0.00	0.00	0.00	0.00	0.00
	20.74	63.91	0.96	1.21	1.19	88.02

Ageing for Trade Receivable as at 31st March, 2022

Trade Receivables Ageing Schedule	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
i Undisputed Trade Receivables - Considered Good	160.16	120.75	20.37	0.82	0.33	302.42
ii Undisputed Trade Receivables - Considered	0.00	0.00	0.00	0.00	0.00	0.00
iii Disputed Trade Receivables - Considered Good	0.00	0.00	0.00	0.00	0.00	0.00
iv Disputed Trade Receivables - Considered Doubtful	0.00	0.00	0.00	0.00	0.00	0.00
	160.16	120.75	20.37	0.82	0.33	302.42

NOTE 14		
CASH AND CASH EQUIVALENTS		
Balances with banks	72.00	0.00
Cash on hand	4.68	2.17
	76.68	2.17

NOTE 15		
SHORT-TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
Advances to Suppliers	40.32	70.91
Advance Receivable In Cash or Kind	177.70	100.04
Advances to Related Parties	102.01	1.00
	320.03	171.96

NOTE 16		
OTHER CURRENT ASSETS		
Prepaid Expenses	0.94	2.35
Other Current Assets	15.42	0.97
	16.36	3.32

Naapbooks Limited

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Particulars	For the year ended 31-Mar-23 (₹ Lakhs)	For the year ended 31-Mar-22 (₹ Lakhs)
NOTE 17		
REVENUE FROM OPERATIONS		
Sale of services	521.38	280.45
	521.38	280.45
NOTE 18		
OTHER INCOME		
Misc Income	0.11	0.02
Interest income	0.65	0.00
IPO Subsidy	5.00	0.00
	5.76	0.02
NOTE 19		
OPERATIONAL AND MAINTENANCE EXPENSES		
Development Charges	230.07	3.39
	230.07	3.39
NOTE 20		
EMPLOYEE BENEFITS EXPENSES		
Salaries, Stipend and wages	91.25	91.60
Director Remuneration	11.10	29.00
Director Sitting Fees	1.02	0.90
Employers Contribution to PF	2.89	3.23
ESIC Expenses	6.23	0.69
Professional Tax Expenses	0.04	0.01
Staff Welfare Expenses	2.94	0.27
	115.48	125.70
NOTE 21		
FINANCE COST		
Bank charges	1.31	1.67
Bank Interest	4.39	2.76
Interest on Car Loan	0.72	0.31
Interest on Income Tax Expense	0.36	2.40
Interest on Unsecured loans	0.00	1.59
	6.78	8.73
NOTE 22		
DEPRECIATION AND AMORTIZATION		
Depreciation	39.49	37.68
Amortization of Intangible Assets	7.85	7.91
	47.34	45.60

Naapbooks Limited

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Particulars	For the year ended 31-Mar-23 (₹ Lakhs)	For the year ended 31-Mar-22 (₹ Lakhs)
NOTE 23		
OTHER EXPENSES		
Advertisement, Publicity & Business Development	3.45	0.39
Annual Custody Fees, Listing Fees and Corporate Action Fees	1.17	0.69
Auditors' Remuneration	1.00	0.75
Cloud Charges	0.09	0.00
Commission	0.95	0.00
Conveyance Expenses	1.49	0.00
Electricity Expense	4.90	3.27
Foreign Currency Fluctuation	2.39	0.19
Insurance Expenses	0.18	0.09
Internet Expense	1.00	1.00
IPO Expenses	1.84	23.74
Late Payment Interest and Fees	0.26	2.32
MCA Charges	1.61	0.28
Misc Charges	0.37	0.05
Office Expenses	1.63	0.20
Office Maintenance & Taxes	3.46	3.33
Postage and Courier	0.01	0.00
Printing & Stationary	0.31	0.18
Legal and Professional Expenses	0.80	1.30
Refreshment Expenses	0.61	0.38
Rent	11.45	22.20
Repair and Maintenance	0.76	0.95
Software and Theme Expenses	0.44	0.32
Telephone Exp.	0.17	0.22
Traveling Exp.	0.40	0.08
	40.73	61.93

NOTE 24

EARNING PER SHARE

Net profit / (loss) after tax attributable to equity shares	62.70	23.26
Number of weighted equity shares	18,56,600	16,18,761
Adjusted Number of weighted equity shares*	18,56,600	16,18,761
Nominal value of shares (In Rupees)	10.00	10.00
Basic and diluted earning per share in rupees	3.38	1.44

*Since Preferential Allotment of 1,00,000 Equity Shares was made on 31st March, 2023, the same are not considered while calculating Adjusted Number of Weighted Equity Shares

Naapbooks Limited

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NOTE 25

RELATED PARTY DISCLOSURES

1 As per Accounting Standard 18, under the Companies (Accounting Standard) Rules, 2006, the disclosure of transactions with the related parties as defined in the Accounting Standard and identified by the company are given below:

Sr.No	Particulars	Nature	Relationship	Amount (₹ Lakhs) (Excluding Taxes)
1	Proex Advisors LLP	Rendering of Services	Directors Firm	93.54
2	Proex Consulting	Receiving Services	Directors Firm	83.09
3	Abhishek Jain	Sitting Fees	Director	0.36
4	Siddharth Soni	Sitting Fees	Director	0.12
5	Nirmal Jain	Remuneration	Director	10.00
6	Yaman Saluja	Remuneration	Director	12.00
7	Ashish Jain	Remuneration	Director	15.00
8	Ruchita Jain	Salary	Director's Spouse	6.00

2 Amounts outstanding to related parties are as follows: -

Sr.No	Particulars	Nature	Relationship	Amount (₹ Lakhs)
1	Ashish Jain	Unsecured Loan	Director	0.41
2	Abhishek Jain	Unsecured Loan	Director	6.93
3	Nirmal Jain	Unsecured Loan	Director	8.08
4	Yaman Saluja	Unsecured Loan	Director	11.79
5	Ruchita Jain	Salary Payable	Director's Spouse	6.50
6	ProEx Consulting	Trade Creditors	Director's Firm	0.33

3 Advances to Related Parties

Sr.No	Particulars	Nature	Relationship	Amount (₹ Lakhs)
1	ProEx Advisors LLP	Advances recivables in	Director's LLP	101.01
2	Ndear Technologies Private Limited	Advances recivables in cash/kind	Associate Company	1.00

4 Amounts Receivable from Related

Sr.No	Particulars	Nature	Relationship	Amount (₹ Lakhs)
1	ProEx Advisors LLP	Trade Receivables	Director's Firm	16.61

NOTE 26

OTHER MATTERS:

1 Naapbooks Limited is Engaged in the Work of Information Service Providing as well as in Information Service solution.

2 Payment to Auditors:

	2022-23 (₹ Lakhs)	2021-22 (₹ Lakhs)
a. Audit fee	0.50	0.30
b. For Tax Audit	0.25	0.20
	<u>0.75</u>	<u>0.50</u>

Naapbooks Limited
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NOTE 27

ADDITIONAL REGULATORY INFORMATION

Ratios

Ratio	Numerator	Denominator	Current Year 31-Mar-2023	Previous Year 31-Mar-2022
(a) Current Ratio (In Times)	Total Current assets	Total Current liabilities	2.26	3.54
(b) Debt-Equity Ratio (In Times)	Total Debt (Consists of Long Term Borrowings and Short Term Borrowings)	Shareholder's Fund	0.11	0.05
(c) Debt Service Coverage Ratio (In Times)	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses +	Debt Service =Interest + Principal repayment	16.76	13.87
(d) Return on Equity Ratio (in %)	Profit for the year	Average Shareholder's Equity	8.99%	5.62%
(e) Trade Receivables turnover ratio (In Times)	Revenue from operations	Average Trade Receivable	2.67	1.33
(f) Trade payables turnover ratio (In Times)	Purchases of services + Cost of equipment and other expenses	Average Trade Payables	4.25	3.12
(g) Net capital turnover ratio (In Times)	Revenue from operations	Average working capital = Total current assets less Total current liabilities)	1.67	1.33
(h) Net profit ratio (In %)	Profit for the year	Revenue from Operations	12.03%	8.29%
(i) Return on Capital employed (In %)	Profit before taxes and Finance Cost	Capital Employed =Net worth + Deferred tax liabilities+Long Term Borrowing	11.74%	6.70%

Explanation for change in the ratios by more than 25%:

- Current Ratio has decreased due to decrease in the Trade Receivables as compared to previous year which is due to reduction of average collection period
- Debt Equity Ratio has increased due to the Increase in short term borrowings
- Return on Equity has increased due to increase in revenue and in turn profit margin
- Trade Receivables Turnover Ratio has increased due to improvement in debtors realization in the year
- Trade Payables Turnover Ratio has increased due to decrease in the average credit period
- Net capital turnover Ratio has increased due to increase in revenue from operations
- Net Profit Ratio has increased majorly as there are no Initial Public Offer expenses in the current year as compared to previous year
- Return on Capital Employed has decreased majorly due the increase in the Equity Share Capital on account of Initial Public Issue

As per our report of even date
For Purshottam Khandelwal & Co
Chartered Accountants

For and on behalf of the Board of Directors of Naapbooks Limited

CA Mahendrasingh S Rao
Partner
M. No. 154239
UDIN: 23154239BGTEP1501

Nirmal Jain
Chairman & Director
DIN: 07773203

Ashish Jain
Director & CEO
DIN: 07783857

Yaman Saluja
Whole Time Director & CFO
DIN: 07773205

Sahul Jotaniya
Company Secretary
M. No. A43006

Place: Ahmedabad
Date: 30th May, 2023

Place: Ahmedabad
Date: 30th May, 2023

Naapbooks Limited

(Formerly Known as Naapbooks Private Limited)

Third Floor, Broadway Business Centre, Law Garden Ahmedabad

CIN - L72900GJ2017PLC096975

E Mail id: compliance@naapbooks.com Mobile No: 9016323227

Additional Information, as required under Schedule III to the Companies Act, 2013 to be read along with Rule 6 of The Companies (Accounts) Rules, 2014, of Enterprises Consolidated As Subsidiary / Associates / Joint Ventures for the year ended 31st March, 2023

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount (₹ Lakhs)	As % of consolidated profit or loss	Amount (₹ Lakhs)
Parent				
Naapbooks Limited	99.96%	759.40	100.00%	62.70
Associates (as per proportionate consolidation)				
Indian				
Ndear Technologies Private Limited	0.04%	0.30	0.00%	0.00
TOTAL	100%	759.70	100%	62.70

As per our report of even date

For Purshottam Khandelwal & Co
Chartered Accountants

For and on behalf of the
Board of Directors of Naapbooks Limited

CA Mahendrasingh S Rao
Partner
M. No. 154239
UDIN: 23154239BGTESP1501

Nirmal Jain
Chairman & Director
DIN: 07773203

Ashish Jain
Director & CEO
DIN: 07783857

Yaman Saluja
Whole Time Director & CFO
DIN: 07773205

Sahul Jotaniya
Company Secretary
M. No. A43006

Place: Ahmedabad
Date: 30th May, 2023

Place: Ahmedabad
Date: 30th May, 2023

August 25, 2023

Dear Member,

You are cordially invited to attend the **6th Annual General Meeting (AGM)** of the members of Naapbooks Limited ("the Company") to be held on **Saturday, September 23, 2023 at 12:00 p.m. IST** at the registered office of the company situated at Third Floor, Business Broadway Centre, Above V-Mart, Law Garden, Ahmedabad, Gujarat-380006, India.

The Notice of the meeting containing the business to be transacted is enclosed herewith. The Notice along with attendance slip, proxy form and polling paper are available on the Company's Website: www.naapbooks.com.

Pursuant to Section 108 of the Companies Act, 2013 ("the Act"), read with the related rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time, exemption granted to the Companies referred to in Chapter IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (earlier Chapter XB of the SEBI (Issue of Capital and Disclosure Requirements), Regulations, 2009), your company is not required to provide the facility of E-voting at the 06th Annual General Meeting of the company.

As per section 109 of the companies Act, 2013 ("the Act"), read with rule 21 and other related rules of the Companies (Management and Administration) Rules, 2014, **voting at 6th Annual General Meeting (AGM) shall be carried out by poll.**

Sincerely,

Sd/-

Nirmal Kumar Jain

Chairman & Director
(DIN: 07773203)

Enclosure:

1. Notice of the 6th Annual General Meeting
2. Notes forming part of the Notice.
3. Explanatory statements (As per Section 102 of the Companies Act, 2013)
4. Annexures to the Notice of the 6th Annual General Meeting
5. Attendance slip, Proxy form and Polling paper
6. Route map of venue of 6th Annual General Meeting.

NOTICE OF THE 06TH ANNUAL GENERAL MEETING

Notice is hereby given that the sixth (06th) Annual General Meeting of NAAPBOOKS LIMITED will be held on **Saturday, 23rd day of September, 2023 at 12:00 P.M. IST**, at the registered office of the company situated at Third Floor, Business Broadway Center, Above V-Mart, Law Garden, Ahmedabad, Gujarat-380006, India to transact the following businesses:

Ordinary businesses:

Item No. 01- Adoption of financial statements

To consider and adopt the Standalone Audited Financial Statement of the Company for the financial year ended on 31st March, 2023 and the reports of the Board of Directors ("the Board") and auditors thereon; and

Item No. 02- Appointment of Mr. Nirmal Kumar Jain as a director, liable to retire by rotation

To appoint a Director in place of Mr. Nirmal Kumar Jain (DIN: 07773203), who retires by rotation in terms of section 152(6) of the companies act, 2013 and, being eligible, seeks reappointment.

Explanation: Based on the terms of appointment, Executive directors and the Non-Executive are subject to retirement by rotation. Mr. Nirmal Kumar Jain, Chairman & Director, whose office of directorship is liable to retire at the ensuing AGM, being eligible, seeks reappointment as a director. Based on the performance evaluation and the recommendation of the Nomination and Remuneration Committee, the Board recommends his reappointment as a director.

To consider and if thought fit, to pass, with or without modification(s), the following resolutions as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, the approval of members of the Company, be and is hereby accorded to reappoint Mr. Nirmal Kumar Jain (DIN: 07773203) as a director, who is liable to retire by rotation."

Special businesses:

Item No. 03- Approval for Related Party Transactions

To consider and if thought fit, to pass, with or without modification(s), the following resolutions as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 188 of the Companies Act, 2013 ("Act") and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date and the Company's policy on Related Party transaction(s), approval of Shareholders be and is hereby accorded to the Board of Directors of the Company to enter into contract(s)/ arrangement(s)/ transaction(s) with M/s. Proex Advisors LLP and M/s. Proex Consulting, a related parties within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, for receiving and rendering of services related to Information Technology and management consultancy, on such terms and conditions as the Board of Directors may deem fit, up to a maximum aggregate value as describe below for the financial year 2023-24:

Sr. No	Name of Related Parties	Nature of Transaction	Amount of Transaction
1	Proex Advisors LLP	Availing of IT services/ITeS/ Management consulting service(s);	₹ 3.00 Crore
2	Proex Advisors LLP	Rendering of IT services/ ITeS/ Management consulting service(s);	₹ 3.00 Crore
3	Proex Consulting	Availing of IT services/ITeS/ Management consulting service(s);	₹ 1.50 Crore
4	Proex Consulting	Rendering of IT services/ ITeS/ Management consulting service(s);	₹ 1.50 Crore

“RESOLVED FURTHER THAT the said contract(s)/ arrangement(s)/ transaction(s) so carried out shall be at arm’s length basis and in the ordinary course of business of the Company.”

“RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as ‘Board’ which term shall be deemed to include the Audit Committee of the Company and any duly constituted/ to be constituted Committee of Directors thereof to exercise its powers including powers conferred under this resolution) be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion and to take all such steps as may be required in this connection including finalizing and executing necessary

documents, contract(s), scheme(s), agreement(s) and such other documents as may be required, seeking all necessary approvals to give effect to this resolution, for and on behalf of the Company and settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred to, without being required to seek further consent or approval of the Members and that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

“RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects.”

Naapbooks Limited

CIN: L72900GJ2017PLC096975

3rd Floor, Business Broadway Center,
Above V-Mart, Law garden,
Ahmedabad – 380006, Gujarat.

Tel: 079-48940505

compliance@naapbooks.com

www.naapbooks.com

By order of the Board of Directors

For, Naapbooks Limited

Sd/-

Sahul Jotaniya

Company Secretary

August 25, 2023

NOTES

- 1) Information regarding appointment/re-appointment of Director(s) and the Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, Secretarial Standard II on General Meeting and/or Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Regulation 163 of the SEBI ICDR Regulations, setting out the material facts and reasons relating to Special Businesses as set out in the Notice of AGM is annexed hereto.
- 2) The 06th AGM will be held physical i.e. at the registered office of the company, the attendance slip, proxy form, Polling Paper and route map are attached to this notice and also available on the Company's website www.naapbooks.com.
- 3) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY.**

A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.

The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed, and signed and stamped, not less than 48 hours before the commencement of the meeting. A Proxy Form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

During the period beginning 24 hours before the time fixed for the commencement of Meeting and ending with the conclusion of the Meeting, a Member would be entitled to inspect the proxies lodged at any time during the business hours of the company.

- 4) The entire equity share capital of the company is in dematerialized form. There is no shareholder who held shares in physical form. Hence, Members holding shares in dematerialized form are requested to bring their Client ID and DP ID numbers for identification. Members/Proxies should bring their Attendance slip duly completed for attending the meeting.
- 5) Pursuant to Section 113 of the Companies Act, 2013 (the "Act") and rules framed thereunder, Corporate members intending to send their authorized representatives to attend the meeting are requested to send email to the Company on compliance@naapbooks.com or to a scrutinizer on niravsoni003@gmail.com, a certified copy of the board resolution authorizing their representative to attend and vote on their behalf at the meeting.
- 6) Route-map of venue of the Meeting is provided at the end of the Notice.
- 7) We urge members to support our commitment to environmental protection by choosing to receive the Company's communication through email. Members holding shares in demat mode, who have not registered their email addresses are requested to register their email addresses with their respective DP.

- 8) The Notice of the 06th Annual General Meeting along with Integrated Annual Report 2022-23 are being sent to all the Shareholders, whose names appear on the Register of Members / list of Beneficial Owners as received from National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) on **Friday, August 18, 2023.**
- 9) Electronic copy of the Notice of 06th Annual General Meeting along with Integrated Annual Report 2022-23 are being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same.
- 10) Members who are not in receipt of E-mail of Notice of 06th Annual General Meeting and Integrated Annual Report 2022-23 in electronic mode, they can contact to company on compliance@naapbooks.com to receive copy of Notice and Integrated Annual Report 2022-23 in electronic mode.
- 11) Members who have not registered their email address, physical copy of the intimation letter containing the web link for downloading Integrated Annual Report 2022-23 along with Notice of 06th Annual General Meeting are being sent in the permitted mode.
- 12) As per MCA Circular no. 20/2020 dated May 05, 2020, Clause II of Para 3-B "The company shall take all necessary steps to register the email addresses of all persons who have not registered their email addresses with the company", the company has tried to connect with members via "WhatsUp". The Company has sent the link of Notice of 06th Annual General Meeting and Integrated Annual Report 2022-23 on whatsapp to those shareholders whose mobile numbers were available with the company. In case the member has not provided the "WhatsApp" or "E-mail", a physical copy of the intimation letter containing the web link/QR Code for downloading Notice of the 6th AGM and Integrated Annual Report 2022-23 was sent in the permitted mode.
- 13) Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the **Cut-off date i.e. Saturday, September 16, 2023**, shall be entitled **to vote at the AGM by poll.** Any recipient of the Notice of AGM and Annual Report 2022-23, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.
- 14) Members may note that the Notice of the 06th Annual General Meeting and Integrated Annual Report 2022-23 are also be available on the Company's website www.naapbooks.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders can send requests to the Company's investor email id: compliance@naapbooks.com.
- 15) In terms of provision of Section 108 of the Companies Act, 2013 read with Companies (Management and

Administration) Amendment Rules, 2015, the Company is not required to

provide the e-voting facility to shareholders of the Company. The voting at 06th Annual General meeting will be carried out by poll. Polling paper in form of MGT-12 is attached with this notice.

- 16) The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.
- 17) The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.
- 18) Members may contact the Registrar and Share Transfer Agent of the Company i.e. KFin Technologies Limited, in case of any change of their address or queries relating to their shares.
- 19) All documents proposed for approval, if any, in the above Notice and documents specifically in the Explanatory Statement are open for inspection at the Registered office of the Company between 10:00 a.m. and 12:00 Noon on all working days (except

Saturdays, Sundays and Holidays) up to the date of AGM.

- 20) The Scrutinizer will submit his report to the Chairman of the Company (“the Chairman”) or to any other person authorized by the Chairman after the completion of the scrutiny of the poll (votes cast during the AGM through Poll papers i.e. MGT-12), within two working days from the conclusion of the AGM. The result declared along with the Scrutinizer’s report shall be communicated to the stock exchange and will also be displayed on the Company’s website, www.naapbooks.com.
- 21) To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long period of time. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
- 22) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts.

Naapbooks Limited

CIN: L72900GJ2017PLC096975

3rd Floor, Business Broadway Center,

Above V-Mart, Law garden,

Ahmedabad – 380006, Gujarat.

Tel: 079-48940505

compliance@naapbooks.com

www.naapbooks.com

By order of the Board of Directors
For, Naapbooks Limited

Sd/-

Sahul Jotaniya

Company Secretary

August 25, 2023

Explanatory Statement

As required by Section 102 of the Companies Act, 2013 (“Act”), the following explanatory statement sets out all material facts relating to the business mentioned under Item No. 3 of the accompanying Notice:

Item No. 03

Pursuant to section 188 of the companies Act, 2013 and rules thereunder, the threshold limit for determination of material Related Party Transactions is lower of ₹52.13 Lacs (Rupees fifty two Lacs and thirteen thousand) or 10% (ten percent) of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity and such material related party transactions exceeding the limits, would require prior approval of Members by means of an ordinary resolution.

In view of the changes in the threshold for determining the related party transactions that require prior shareholder approval and considering the fact that the list of related parties will change dynamically with no action on the part of the Company and to facilitate seamless contracting and rendering/availing of product and services between the Company and “related parties”, the Company seeks the approval of the shareholders to approve entering into contracts/arrangements within the thresholds and conditions mentioned in the resolution.

All the contracts/arrangements and the transactions with “related parties” are reviewed and approved by the Audit Committee.

The details of transactions that require approval are given below:

1) Naapbooks Limited and Proex Advisors LLP

Sr. No	Description	Particulars
1	Name of the related party	Proex Advisors LLP (AAJ-8215)
2	Nature of relationship [including nature of its interest (financial or otherwise)]	Director’s Firm (LLP)- common directors/ designated partners
3	Type of the Proposed Transaction	Availing of IT/ITE Services including IT, Infrastructure, Cloud, IOT and Digital Engineering, Digital Transformation, Analytics, Cyber Security, and such related areas, Supply of hardware and software and management consultancy services and Rendering of IT/ITE Services including IT, Infrastructure, Cloud, IOT and Digital Engineering, Digital Transformation, Analytics, Cyber Security, and such related areas, Supply of hardware and software and management consultancy services.
4	Nature, duration/tenure, material terms, monetary value and particulars of contract/ arrangement	Transactions in the normal course of business and at arm’s length price with terms and conditions that are generally prevalent in the industry segments that the Company operates in.

		<p>Monetary value of transactions with related party subject to a maximum of:</p> <p>Availing of IT/ITE Services including IT, Infrastructure, Cloud, IOT and Digital Engineering, Digital Transformation, Analytics, Cyber Security, and such related areas, Supply of hardware and software and management consultancy services - ₹3.00 Crores</p> <p>Rendering of IT/ITE Services including IT, Infrastructure, Cloud, IOT and Digital Engineering, Digital Transformation, Analytics, Cyber Security, and such related areas, Supply of hardware and software and management consultancy services - ₹3.00 Crores</p>
5	Particulars of the proposed transaction	Same as per Sr. No. 3
6	Tenure of the transaction	F.Y 2023-24
7	Value of the proposed transaction	<p>Availing of IT/ITE Services including IT, Infrastructure, Cloud, IOT and Digital Engineering, Digital Transformation, Analytics, Cyber Security, and such related areas, Supply of hardware and software and management consultancy services - ₹3.00 Crores</p> <p>Rendering of IT/ITE Services including IT, Infrastructure, Cloud, IOT and Digital Engineering, Digital Transformation, Analytics, Cyber Security, and such related areas, Supply of hardware and software and management consultancy services - ₹3.00 Crores</p>
8	Justification of the proposed transaction	<p>The Company, being a PAN India recognised provider of IT services participates in the digitisation initiatives of MSMEs whole over India and partners in respective MSME's growth and transformation journeys.</p> <p>During the course of rendering and availing such services, the Company also leverages niche skills, capabilities and resources of entities with related parties /within group. These transactions aim at providing enhanced level of user experience to the end-consumers of the company.</p>
9	Name of the Director or Key Managerial Personnel, who is related	<p>Mr. Ashish Jain (DIN:07783857), Director & CEO</p> <p>Mr. Yaman Saluja (DIN:07773205), Whole-Time Director & CFO</p> <p>Mr. Abhishek Jain (DIN:07773124), Non-Executive Director (His spouse is a partner in the LLP)</p>

10	Additional disclosures to be made in case of loans, inter-corporate deposits, advances or investments made or given	Not Applicable
11	Any other relevant information	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Act, forming part of this Notice

2) Naapbooks Limited and Proex Consulting

Sr.No	Description	Particulars
1	Name of the related party	Proex Consulting (Proprietorship firm)
2	Nature of relationship [including nature of its interest (financial or otherwise)]	Director's Proprietorship Firm
3	Type of the Proposed Transaction	<p>Availing of IT/ITE Services including IT, Infrastructure, Cloud, IOT and Digital Engineering, Digital Transformation, Analytics, Cyber Security, and such related areas, Supply of hardware and software and management consultancy services and</p> <p>Rendering of IT/ITE Services including IT, Infrastructure, Cloud, IOT and Digital Engineering, Digital Transformation, Analytics, Cyber Security, and such related areas, Supply of hardware and software and management consultancy services.</p>
4	Nature, duration/tenure, material terms, monetary value and particulars of contract/ arrangement	<p>Transactions in the normal course of business and at arm's length price with terms and conditions that are generally prevalent in the industry segments that the Company operates in.</p> <p>Monetary value of transactions with related party subject to a maximum of:</p> <p>Availing of IT/ITE Services including IT, Infrastructure, Cloud, IOT and Digital Engineering, Digital Transformation, Analytics, Cyber Security, and such related areas, Supply of hardware and software and management consultancy services - ₹1.50 Crores</p> <p>Rendering of IT/ITE Services including IT, Infrastructure, Cloud, IOT and Digital Engineering, Digital Transformation, Analytics, Cyber Security, and such related areas, Supply of hardware and software and management consultancy services - ₹1.50 Crores</p>

5	Particulars of the proposed transaction	Same as per Sr. No. 3
6	Tenure of the transaction	F.Y 2023-24
7	Value of the proposed transaction	<p>Availing of IT/ITE Services including IT, Infrastructure, Cloud, IOT and Digital Engineering, Digital Transformation, Analytics, Cyber Security, and such related areas, Supply of hardware and software and management consultancy services - ₹1.50 Crores</p> <p>Rendering of IT/ITE Services including IT, Infrastructure, Cloud, IOT and Digital Engineering, Digital Transformation, Analytics, Cyber Security, and such related areas, Supply of hardware and software and management consultancy services - ₹1.50 Crores</p>
8	Justification of the proposed transaction	<p>The Company, being a PAN India recognised provider of IT services participates in the digitisation initiatives of MSMEs whole over India and partners in respective MSME's growth and transformation journeys.</p> <p>During the course of rendering and availing such services, the Company also leverages niche skills, capabilities and resources of entities with related parties /within group. These transactions aim at providing enhanced level of user experience to the end-consumers of the company.</p>
9	Name of the Director or Key Managerial Personnel, who is related	Mr. Ashish Jain (DIN:07783857), Director & CEO
10	Additional disclosures to be made in case of loans, inter- corporate deposits, advances or investments made or given	Not Applicable
11	Any other relevant information	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Act, forming part of this Notice

Item No.02

Name of Director	Nirmal Kumar Jain (DIN: 07773203)
Date of Birth	December 15, 1959
Date of Initial Appointment	October 07, 2017
Date of Appointment (at current term)	January 12, 2021
Educational Qualifications	Matriculation
Expertise in specific functional areas - Job profile and suitability	Nirmal Kumar Jain Has an all-encompassing professional career of over 40 years, having worked in the field of Logistics, Iron and Steel industry, Textile industry and FMCG. He has been a guiding force for the company as well as the initial stage Investor of the company. His work ethics and principles reflect in our Culture and zeal for improvement. He has worked with multiple Private and public companies in India for various roles in multiple sectors. A handy expertise in Sales and Procurement, he has in-depth knowledge of Corporate Sales, Institutional Tie ups, SOPs, Policy making and Strategizing Business Plans which have helped us in overall development of our Business.
Directorships held in other companies (excluding foreign companies, Section 8 companies and Struck off Companies and our Company)	Director in Sanchal Projects Private Limited (CIN: U43302GJ2023PTC141600)
Memberships / Chairmanships of committees of other public companies	Membership: -1 committee of the Board
Shareholding in the Company:	He is holding 2,00,768 (i.e. 10.26%)* number of equity shares at the end of March 31, 2023. * As on date, Percentage of holding is changed due to issue and allotment of equity shares on preferential basis during the current financial year.
Inter-se Relationship with other Directors	Nil

NAAPBOOKS LIMITED

CIN: L72900GJ2017PLC096975

Registered Office: Third Floor, Business Broadway Center,
Above V-Mart, Law Garden, Ahmedabad-380006, Gujarat.

Tel.: 079-48940505

Website: www.naapbooks.com, E-mail: compliance@naapbooks.com**ATTENDANCE SLIP**

Regd. Folio No./DP Id No.*/Client Id No.*	
No. of Shares held	
Name and Address of the First Shareholder (IN BLOCK LETTERS) (Applicable for investor holding shares in electronic form.)	
Name of the Joint holder (if any)	

I/we hereby record my/our presence at the Annual General Meeting of Naapbooks Limited held on Saturday, September 23, 2023 at 12.00 p.m. at the registered office of the Company situated at Third Floor, Business Broadway Center, Above V-Mart, Law Garden, Ahmedabad- 380006, Gujarat, India.

Member's/Proxy's Name in Block Letters-----
Member's/Proxy's Signature**Notes:**

1. Please fill up this attendance slip and hand it over at the entrance of the venue of meeting.
2. Only Member / Proxy holder can attend the Meeting
3. Member intending to appoint a proxy should complete the Proxy Form as below and deposit it at the Company's Registered Office not later than 48 hours before the commencement of the meeting.

NAAPBOOKS LIMITED

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Registered Office: Third Floor, Business Broadway Centre, Above V-Mart,
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Website: www.naapbooks.com, E-mail: compliance@naapbooks.com

**PROXY FORM
(FORM No. MGT-11)**

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

Name of the Member(s):		Email Id:	
Registered Address:		Folio No / Client ID:	
		DP ID:	

I/We , being the member(s) of _____ shares of the Naapbooks Limited, hereby appoint:

1. Name: _____ Address: _____
E-mail Id: _____ Signature or failing him/her,

2) Name: _____ Address: _____
E-mail Id: _____ Signature or failing him/her,

3) Name: _____ Address: _____
E-mail Id: _____ Signature or failing him/her,

as my /our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 06th Annual General Meeting of the Company, to be held on September 23, 2023 at 12:00 P.M at the registered office of the company and at any adjournment thereof in respect of such resolution as are indicated below:

Resolutions	For	Against
Ordinary Business		
1) Consider and Adopt Audited Financial Statements for the financial year ended on 31 st March, 2023 and the reports of Board of Directors and Auditors thereon; - Ordinary Resolution		
2) Appointment of Mr. Nirmal Kumar Jain as a Director, liable to retire by rotation; - Ordinary Resolution		
Special Business		
3) Approval of Related Party Transactions; - Ordinary Resolution		

Signed this _____ day of _____ 2023	Signature of Shareholder	Affix Revenue Stamp
Signature of First Proxy Holder	Signature of Second Proxy Holder	Signature of third Proxy holder

NOTES:

1. This form of proxy, in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the Meeting.
2. A proxy need not be a member of the Company and shall prove his identity at the time of attending the meeting.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A Member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. This is only optional. Please put a correct sign in the appropriate column against the resolutions indicated in the Box. If you leave 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote (on poll) at the Meeting in the manner he / she thinks appropriate.
5. Appointing a proxy does not prevent a member from attending the Meeting in person if he / she so wishes. When a Member appoints a proxy and both the member and proxy attend the meeting, the proxy will stand automatically revoked.
6. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.
7. This form of proxy shall be signed by the appointer or his attorney duly authorized in writing, or if the appointer is a body corporate, be under its seal or be signed by an officer or an attorney duly authorised by it.
8. This form of proxy will be valid only if it is duly complete in all respects, properly stamped and submitted as per the applicable law. Incomplete form or form which remains unstamped or inadequately stamped or form upon which the stamps have not been cancelled will be treated as invalid.
9. Undated proxy form will not be considered valid.
10. If Company receives multiple proxies for the same holdings of a member, the proxy which is dated last will be considered valid; if they are not dated or bear the same date without specific mention of time, all such multiple proxies will be treated as invalid.

NAAPBOOKS LIMITED

CIN: L72900GJ2017PLC096975

Registered Office: Third Floor, Business Broadway Center, Above V-Mart,
Law Garden, Ahmedabad 380006, Gujarat.

Tel.: 079-48940505

Website: www.naapbooks.com, E-mail: compliance@naapbooks.com**Polling Paper
(Form No. MGT-12)**

(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: Naapbooks Limited**Registered office:** Third Floor, Business Broadway Center, Above V-Mart, Law Garden, Ahmedabad-380006,
Gujarat, India.**BALLOT PAPER**

Sr.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	Equity Shares

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:

Sr. No	Item No.	No. of Shares held by me	I assent to the resolution	I dissent from the resolution
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Ordinary Business

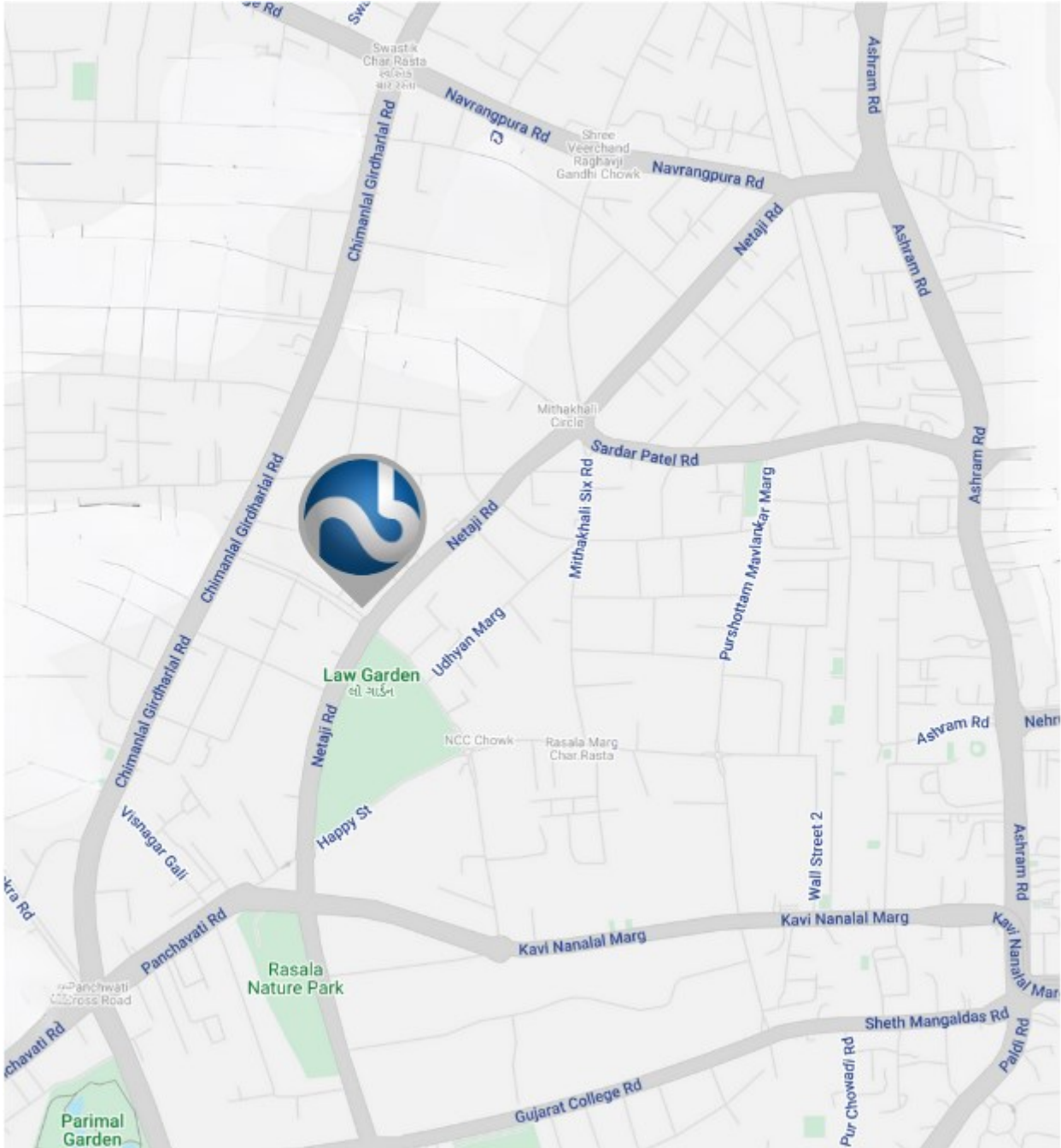
1.	Consider and Adopt Audited Financial Statements for the financial year ended on 31 st March, 2023 and the reports of Board of Directors and Auditors thereon; - Ordinary Resolution			
2.	Appointment of Mr. Nirmal Kumar Jain as a Director, liable to retire by rotation; - Ordinary Resolution			

Special Business

3.	Approval of Related Party Transactions; - Ordinary Resolution			
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Place: Ahmedabad**Date:****(Signature of the shareholder)**

Route Map of the AGM



GLIMPSES






CONTACT US

 079 - 4894 0505 | +91 90163 23230

 compliance@naapbooks.com

 **Naapbooks Limited**
3rd Floor, Broadway Business Centre,
Law Garden, Ahmedabad - 380006