

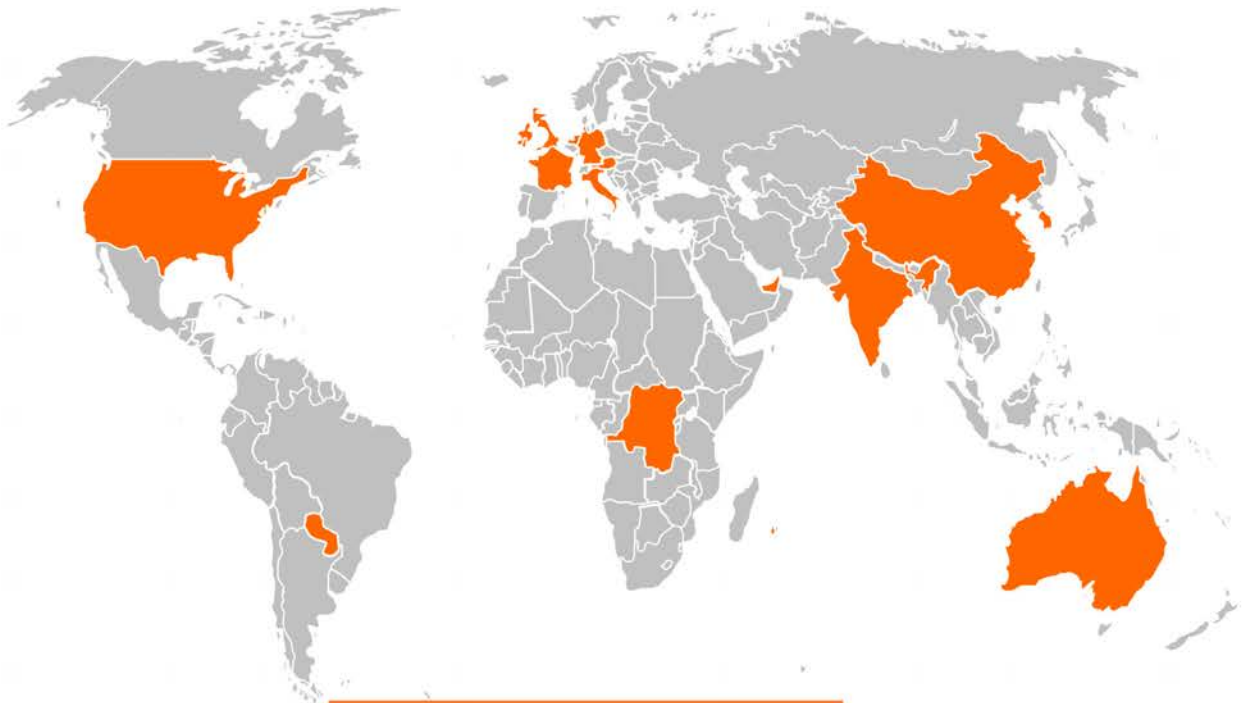
# ANNUAL REPORT 2019-2020



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## International Access



## India Operations



## COMPANY INFORMATION

### Board of Directors

Chairman & Managing Director	: Mr. Gundlapally Ramalinga Reddy
Whole Time Director	: Ms. Gundlapally Praveena
Executive Director	: Mr. Naresh Babu Deevi
Independent Director	: Ms. Nina Elizabeth Woodard
Independent Director	: Mr. Biju Varkkey
Independent Director	: Mr. Atal Malviya (Resigned w.e.f. 21-05-2019)
Independent Director	: Mr. Viswanathan NS

### Chief Financial Officer

: Mr. Francis Paul  
Email: [paul.f@husys.com](mailto:paul.f@husys.com)

### Company Secretary & Compliance Officer

: Ms. Megha Chandak  
Email: [megha.c@husys.com](mailto:megha.c@husys.com)

### Registered Office

: Husys House, 1-8-505/E/D/A, Prakash Nagar,  
Begumpet, Hyderabad- 500016, Telangana, India  
Website: [www.husys.com](http://www.husys.com)  
Email: [reach@husys.com](mailto:reach@husys.com)

### Regional offices at

: **Bangalore**  
No.1, Ground Floor, 3rd Main 2nd 'D' Cross,  
2nd Stage Domlur, near Domlur Club, Bengaluru - 560071,  
Karnataka, India.  
Email: [reach@husys.com](mailto:reach@husys.com)

#### Delhi

B-6, Ground Floor, Cabin No-7, Kalkaji, New Delhi - 110019,  
Delhi, India.  
Email: [reach@husys.com](mailto:reach@husys.com)

### Franchise offices at

#### Jamnagar

423- Indraprastha, Nr. Pancheshwar Tower,  
Jamnagar Gujarat- 361001

#### Rajkot

312 – C Iscon Mall, 150 FT Ring Road,  
Rajkot- 360005, Gujarat India

#### Pune

Office No.35, Pune Trade centre,  
opposite maple hotel, Pune Nagar Highway,  
Wagholi ,Pune- 412207  
Email: [vipul.patel@husys.com](mailto:vipul.patel@husys.com)

**Statutory Auditors****: JBRK & Co.**

Chartered Accountants  
118, Maruthi Complex, 5th Floor, Raj Bhavan Road,  
Somajiguda, Hyderabad-500082, Telangana, India.  
Email: [saikolluri@gmail.com](mailto:saikolluri@gmail.com)

**Secretarial Auditors****: Subhash Kishan Kandrapu**

Practising Company Secretaries  
614, 6th Floor, Eden Square Building,  
Next to Apollo Hospital,  
Secunderabad- 500020, Telangana, India.  
E-mail: [subbok@gmail.com](mailto:subbok@gmail.com)

**Shares listed with****: National Stock Exchange of India Limited,**

Exchange Plaza, Plot No. C/1,  
G Block Bandra-Kurla Complex, Bandra (E),  
Mumbai-400051, Maharashtra, India.

**Registrar & Share Transfer Agents****: KFin Technologies Private Limited,**

Selenium Building, Tower B, Plot No.31-32,  
Gachibowli, Financial District, Nanakramguda,  
Hyderabad - 500032, Telangana, India.

**Bankers****: Axis Bank**

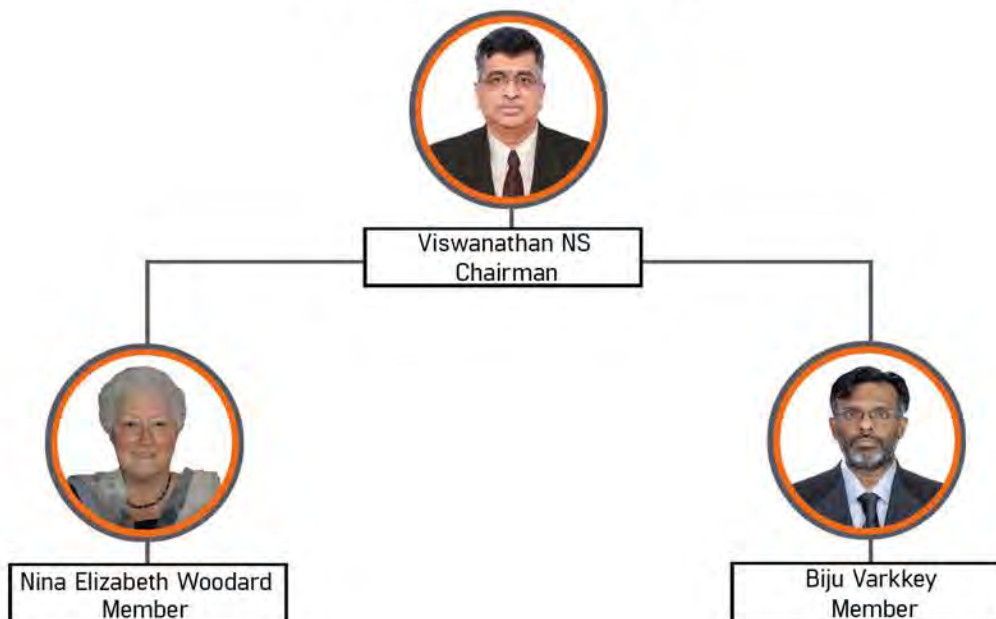
1-11-255, Begumpet Road No.1,  
Beside Begumpet Airport, SP Road,  
Hyderabad- 500016, Telangana, India.

**HDFC Bank**

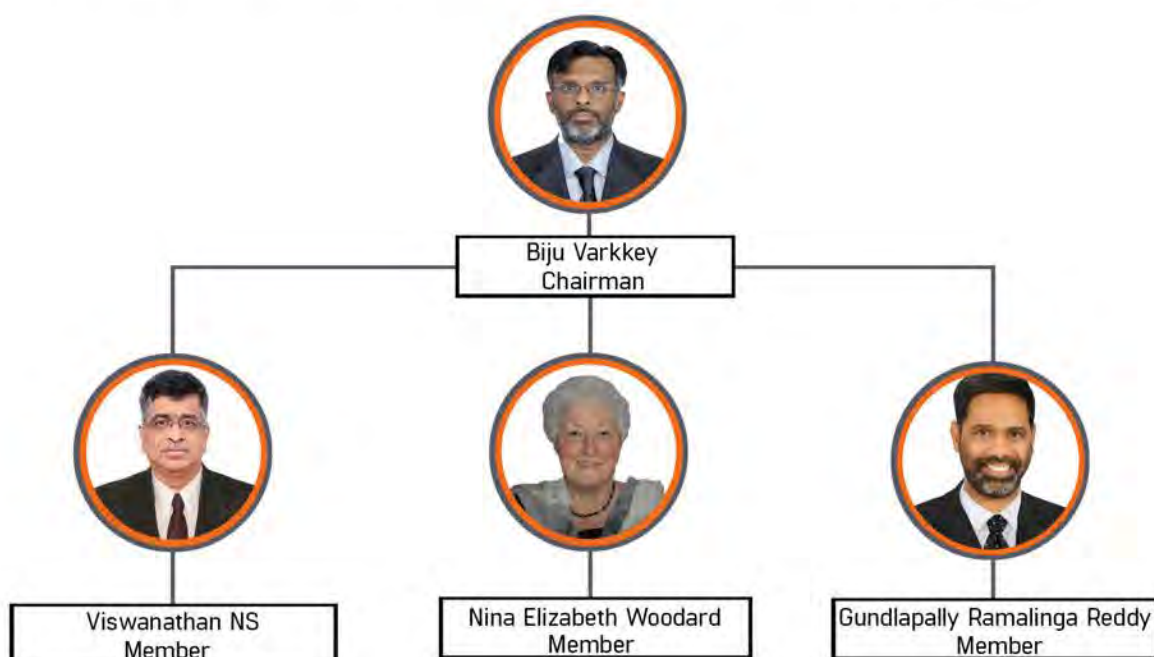
1-10-603, Suryodaya,  
Begumpet, Hyderabad – 500016, Telangana, India.

## BOARD COMMITTEES

### AUDIT COMMITTEE



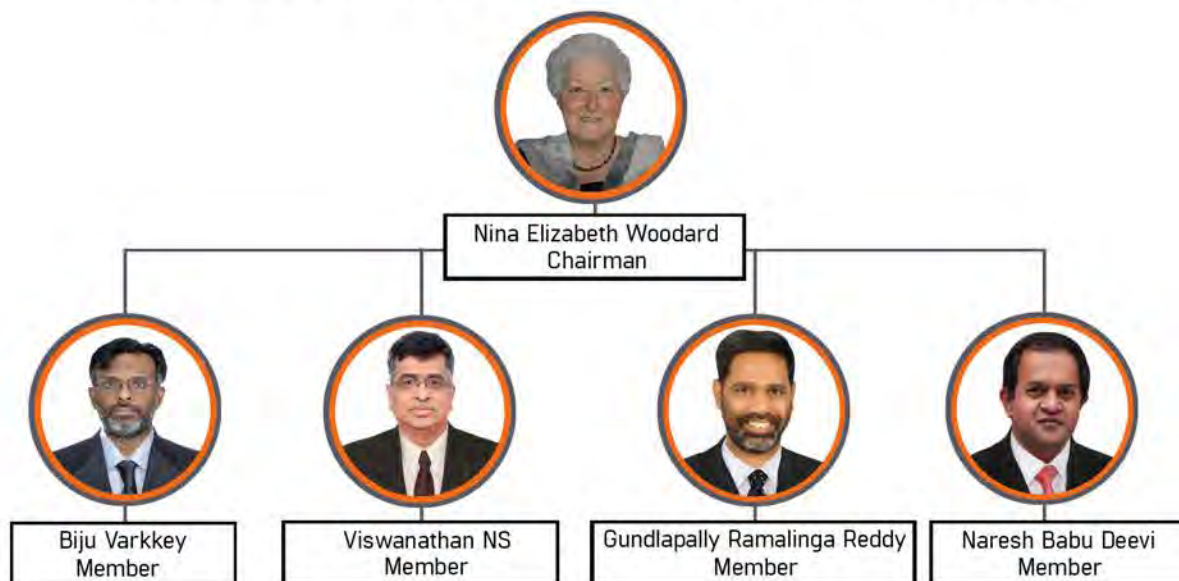
### NOMINATION AND REMUNERATION COMMITTEE



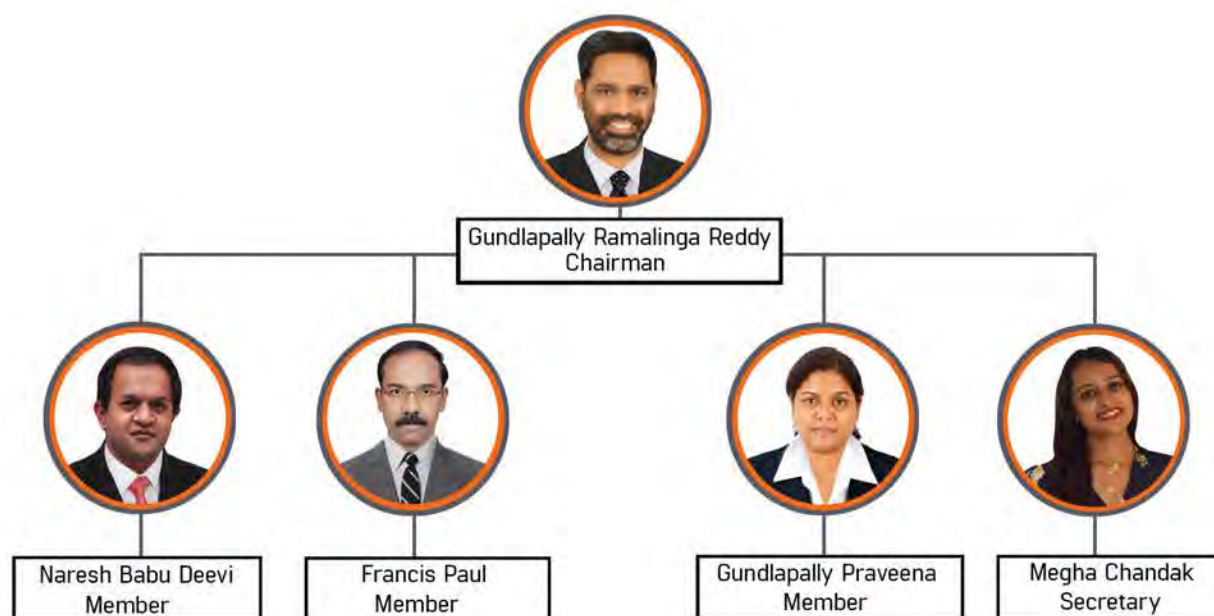


## BOARD COMMITTEES

### STAKEHOLDERS RELATIONSHIP COMMITTEE



### FINANCE & AUTHORIZATION COMMITTEE



## NOTICE TO SHAREHOLDERS

NOTICE IS HEREBY GIVEN THAT THE 15TH ANNUAL GENERAL MEETING OF THE MEMBERS OF HUSYS CONSULTING LIMITED [CIN: L74140TG2005PLC047222] WILL BE HELD ON TUESDAY, 29TH SEPTEMBER, 2020 AT 02:00 P.M. THROUGH VIDEO CONFERENCING (“VC”)/ OTHER AUDIO VISUAL MEANS (“OAVM”), TO TRANSACT THE FOLLOWING BUSINESS

### ORDINARY BUSINESS:

1. **To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:**  
“RESOLVED THAT the Audited Financial Statements of the Company for the year 2019-20 together with the Reports of the Board of Directors’ and Auditors’ thereon of the Company for the year 2019-20 as circulated to the members, be and are hereby considered and adopted.”
2. **To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:**  
“RESOLVED THAT in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Ms. Gundlapally Praveena (holding DIN No. 00559136) Director who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby reappointed as a Director of the Company.”
3. **To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:**  
“RESOLVED THAT in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Gundlapally Ramalinga Reddy (holding DIN No.00559079), Director, who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby reappointed as a Director of the Company.”
4. **To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:**  
“RESOLVED THAT pursuant to the provisions of Sections 139, 141 and 142 of the Companies Act, 2013, the Company hereby ratifies the Appointment of M/s. JBRK & Co., Chartered Accountants, Hyderabad (Firm Registration No: 005775S), as the Statutory Auditor of the Company to audit the accounts from the conclusion of this Annual General Meeting (AGM) till the conclusion of the next AGM of the Company.

### SPECIAL BUSINESS:

5. **Re-appointment of Mr. Gundlapally Ramalinga Reddy as the Managing Director for a period of five years subject to the approval of Shareholders in the Annual General Meeting.**

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

“RESOLVED THAT, in accordance with the provisions of Sections 196, 197 and 203 of the Companies Act, 2013, or any amendment thereto or modification thereof, and based on the recommendation of the Nomination and Remuneration Committee, this Meeting hereby approves the re-appointment of Mr. Gundlapally Ramalinga Reddy (DIN: 00559079) as a Managing Director for a period of five years with effect from 20th August, 2020 up to 19th August 2025 and the payment of the remuneration as may be determined by the Board or any of its Committee, from time to time and / or by any applicable statutes, rules, regulations or guidelines within the maximum limits of remuneration approved by the members of the Company on such terms and conditions as set out in the foregoing resolution.

#### Particulars of Remuneration:

- i. Gross Salary (Excluding the Statutory Deductions) shall be Rs. 2,230,738/- per annum.
- ii. Free use of Company's Car with Driver for the business of the Company, Subject to the Cap of Rs. 300,000/- PA
- iii. Free use of Mobile Phone Sim card (Domestic +International use) for the business of the Company.
- iv. Medical Health Coverage and Life Insurance Premium as benefits, Subject to a Cap of Rs. 100,000/- PA
- v. Rent Free Accommodation
- vi. Profit sharing of 1.5% for Organizational net profit measured up to 20%. Anything more than that on the excess of 20% there is a profit sharing of 2% of Net profit for the year on year (Applicable on the fee revenue yield.)

“RESOLVED FURTHER THAT so long as Mr. Gundlapally Ramalinga Reddy functions as the Managing Director of the Company, he will not be paid any fees for attending the meetings of the Board of Directors or any Committee thereof.”



**“RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to alter and vary the terms and conditions of appointment and / or remuneration, subject to the same not exceeding the limits specified under Section 197, read with Schedule V of the Companies Act, 2013 and do all acts deeds and things to give effect to this appointment.

**RESOLVED FURTHER THAT** to give effect to above Resolution, Board of Directors of the Company be and is hereby authorized for and on behalf of the Company to take all necessary steps and to do all such acts, deeds, matters and things which may deem necessary in this behalf.”

**6. Re-appointment of Mr Biju Varkkey as an independent Director for a period of five years subject to the approval of Shareholders in the Annual General Meeting.**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act 2013 ('the Act') and the Companies (Appointment and Qualification of Directors) Rules 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and based on the recommendation of the Nomination and Remuneration Committee, Mr. Biju Varkkey (holding DIN: 01298281), who was appointed as an Independent Director of the Company for a term up to 5th August, 2020 being eligible for being reappointed as an Independent Director, be and is hereby reappointed as an Independent Director of the Company, to hold office with effect from 06th August, 2020 up to 05th August 2025, and whose office shall not be liable to retire by rotation.

**“RESOLVED FURTHER THAT** to give effect to above Resolution, Board of Directors of the Company be and is hereby authorized for and on behalf of the Company to take all necessary steps and to do all such acts, deeds, matters and things which may deem necessary in this behalf.”

**7. Re-appointment of Ms. Nina Elizabeth Woodard as an independent Director for a period of five years subject to the approval of Shareholders in the Annual General Meeting.**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act 2013 ('the Act') and the Companies (Appointment and Qualification of Directors) Rules 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and based on the recommendation of the Nomination and Remuneration Committee, Ms. Nina Elizabeth Woodard (holding DIN: 00754603), who was appointed as an Independent Director of the Company for a term up to 19th September, 2019 being eligible for being reappointed as an Independent Director, be and is hereby reappointed as an Independent Director of the Company, to hold office with effect from 20th September, 2019 up to 19th September 2024, and whose office shall not be liable to retire by rotation.

**“RESOLVED FURTHER THAT** to give effect to above Resolution, Board of Directors of the Company be and is hereby authorized for and on behalf of the Company to take all necessary steps and to do all such acts, deeds, matters and things which may deem necessary in this behalf.”

**For Husys Consulting Limited**

Sd/-  
(Gundlapally Ramalinga Reddy)  
Managing Director  
**DIN No.00559079**

**Place: Hyderabad**  
**Date: 29-08-2020**

## NOTES

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No.14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020, physical attendance of the Members to the AGM venue is not required and annual general meeting (AGM) be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for all the members.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL. Mr. Subhash Kishan Kandrapu, (Membership No. 32743) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.husys.net](http://www.husys.net). The Notice can also be accessed from the websites of the Stock Exchange i.e. National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

### THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE ASUNDER:-

The remote e-voting period begins on 26th September 2020 at 9.00 A.M. and ends on 28th September 2020 at 5.00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter.

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

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

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

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

Details on Step 1 is mentioned below:

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can login at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you login to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

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

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
- c) How to retrieve your ‘initial password’?
- d) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The pdf file contains your ‘User ID’ and your ‘initial password’.

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

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

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

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

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

## Details on Step 2 is given below:

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

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies " EVEN " in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

## General Guidelines for shareholders

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

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to megha.c@husys.net
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN ( self attested scanned copy of PAN card ), AADHAR ( self attested scanned copy of Aadhar Card) to megha.c@husys.net
3. Alternatively member may send an email request to evoting@nsdl.co.in for obtaining User ID and Password by proving the details mentioned in Point (1) or (2) as the case may be.

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

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

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request mentioning their name, demat account number/folio number, email id, mobile number at [company email id].
6. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at [company email id]. The same will be replied by the company suitably.
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

### ANNEXURE TO NOTICE Explanatory Statement

#### PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("the Act")

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying notice.

#### ITEM NO. 5:

The Company had appointed Mr. Gundlapally Ramalinga Reddy(DIN: 00559079) as Managing Director of the Company for a period of five years.His current term of appointment as the Managing Director of the Company expired on 19th August 2020. Considering his knowledge of various aspects relating to the Company's affairs and long business experience, the Board of Directors is of the opinion that for smooth and efficient running of the business, the services of Mr.Gundlapally Ramalinga Reddy should be available to the Company for a further period of 5 (Five) years with effect from 20th August, 2020 up to 19th August 2025

The matter regarding appointment of Mr. Gundlapally Ramalinga Reddy as Managing Director was placed before the Nomination & Remuneration Committee Meeting which commends his appointment as Managing Director for a term of 5 years to hold office with effect from 20th August, 2020 up to 19th August 2025

#### ITEM NO.6:

Mr. Biju Varkkey (holding DIN: 01298281) was appointed as an Independent Director of the Company for a term up to 5th August, 2020

In terms of Section 149 and other applicable provisions of the Act, Mr. Biju Varkkey is eligible to be appointed as an Independent Director of the Company and that he meets the criteria of independence as provided under Section 149 (6) of the Act As per the provisions of Section 149 of the Act, an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation. The matter regarding appointment of Mr. Biju Varkkey as an Independent Director was placed before the Nomination & Remuneration Committee Meeting which commends his appointment as an Independent Director for a term of 5 years to hold office with effect from 06th August, 2020 up to 05th August 2025



**ITEM NO.7:**

Ms. Nina Elizabeth Woodard (holding DIN: 00754603) was appointed as an Independent Director of the Company for a term up to 19th September, 2019

In terms of Section 149 and other applicable provisions of the Act, Ms. Nina Elizabeth Woodard (holding DIN: 00754603) is eligible to be appointed as an Independent Director of the Company and that she meets the criteria of independence as provided under Section 149 (6) of the Act

As per the provisions of Section 149 of the Act, an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation. The matter regarding appointment of Ms. Nina Elizabeth Woodard as an Independent Director was placed before the Nomination & Remuneration Committee Meeting which commends his appointment as an Independent Director for a term of 5 years to hold office with effect from 20th September, 2019 up to 19th September 2024

**Brief Profiles****5. Gundlapally Ramalinga Reddy:**

GR Reddy (also known as GR) is currently the Chairman and Managing Director of Husys Consulting Limited (The first HR Company Listed on National Stock Exchange in India). He also authored "1st Job" book for the benefit of students who are looking for the first job. He is a pioneer in HR Management for Small Medium Enterprises in India since 2002.

He is the Chief Patron of Gundlapally Krida Foundation to work in the area of sports development in the country & Veena Educational Society helps the Less Privileged students in furthering their education. He is also the Founder of Gymin Sports Pvt. Limited.

He is a board member of many organizations in an advisory capacity. A believer of "Network is Networth" and collaboration for future business growth

**His interest in other Entities includes:**

CIN	Name of the Company	Designation
U92410TG2016PTC110367	Gym in Sports Private Limited	Director
U92490TG2018NPL125315	Gundlapally Krida Foundation	Director

**6. Biju Varkkey:**

He is an Independent Director of the Board for Husys Consulting Limited

He is a Teaching faculty working at IIM Ahmedabad - core and elective courses in long duration programs (PGP, PGPM, Faculty Development Program).

Doctoral Courses Include: Basic and Electives HRM and Employment Relations.

Executive Education : Open programs and customised programs including AHRM (15 offerings), Performance Management (10 offerings) and Enhancing Sales Force Performance (10 offerings)

Advisory : Range of assignments in India and Abroad. Assignments commissioned by Government of India, Autonomous Bodies, Private Sector/MNCs, UNDP, ILO and inter government organisations

Research : SHRM, Performance Management, Decent Work, Leadership Development/Internal Talent Development.

**His Interest in other Entities includes:**

CIN	Name of the Company	Designation
L85110KL2008PLC021703	Aster Dm Healthcare Limited	Director
U74900GJ2013PTC075069	Konnect Csr Impactors Private Limited	Director

7. **Nina Elizabeth Woodard:**

Ms. Woodard serves currently as the President and Chief 'N' Sights Officer for Nina E. Woodard & Associates. Ms. Woodard strives to heighten confidence in business leaders as they move into the Indian and other foreign marketplaces, help them increase their understanding of the cultural nuances influencing business in India and to engage in more meaningful and productive communications with Indian colleagues all for the purpose of increasing business results. In addition to her consulting practice, Ms. Woodard is a Lecturer at Ashford University. She founded her consulting company after a 32-year banking career with 25 years emphasis in Human Resource Management at the Executive Level.

She has a bachelor's degree in Management and an MBA and is certified a Senior Certified Professional by Society for Human Resource Management and an SPHR / GPHR by HRCI. She serves on the National Global Expertise Panel for SHRM and the California State Council of SHRM as a part of the continuity committee. She is an Independent Director of the Board for Husys Consulting in India and serves as advisor to the executive team. She is Past President of San Diego SHRM and following her move to Colorado, she is a member of the Colorado Springs SHRM Chapter. She also serves as the Board Chair for Operation Eyesight Universal, US.

Her Interest in other Entities includes: **Nil**

## CHAIRMAN'S MESSAGE

Dear Shareholders,

It gives me great pleasure to welcome you to the 15th Annual General Meeting of your Company and share with you the progress that your Company has made to be the fastest growing HR Company in India.



With Unprecedented times that we are going through, your company has made ever effort to stay afloat and grow with our innovative strategy to utilise the Global opportunities. While there is a huge global impact of business, we have ensured that we have a steady growth and strong foot on ground to sustain our growth. I am happy to share that our endeavours of International partnerships ensured good pipeline of business in future. We are pioneering the efforts for the future of this industry with consolidating the learning and researching to share knowledge. This year we have built best practices and quality programs to ensure the sustainability of the business into future. We continue to invest in our People and Technology to be a sustainable organization.

We have achieved some success in this direction, the total income of the Company for the year ended 31st March 2020 was Rs 4,969.24 Lacs as against the total income of Rs 3,282.99 Lacs for the previous year ended 31st March 2019. The Company has earned a Net Profit after Tax of Rs. 191.70 Lacs for the year against as compared to Net Profit of Rs. 152.65 Lacs in previous year.

While the world is passing through the tough times of pandemic, Husys was forefront in raising the issues of Small and Medium Entrepreneurs (SMEs) to the ministry, industry associations based on the survey on impact conducted with more than 600+ SMEs and several of these findings had a great media coverage too. Further to help the small business, Husys conducted series of webinars, live mentoring sessions and articles to help cope up. Other initiatives include opening up of Free Job portal, Free HRIS portal (<20 people) to enable SMEs reduce the cash burn. We also started "Enable People" initiative targeted to help SMEs to get best of the class HR support for free from well curated corporate Industry experts.

**We would like to share our Vision & Mission before we talk about the future. Here is what we believe and all our efforts move In the direction :**

### Vision

Enabling People

### Mission

We enable Organizations to transform lives by providing effective solutions to manage people

### The Future of HR & Role of Intelligence:

Future growth of any Enterprise is dependent on how the organisation is agile in understanding technology evolution and capturing Opportunity in right manner. The evolution of Artificial Intelligence and automation of work processes in HR leading a big way of opportunity in building profitable organisations. The more and more HR decisions are based on the Data and Intelligence that the new technology is going to generate. We expect a great change in the way the technology has been leveraged for HR functioning in future.

### Global Learning & Collaboration :

We no longer live in the boundary-based economy, but a boundary less world. That means a lot more learning and collaboration with the world's best companies. Your company is in the forefront of this reality and would continue to forge many relationships to improve our reach to talk about India growing story. We currently hold partnerships in business with more than 14 companies across the globe in achieving a footprint for 70+ countries. We also hold memberships in worlds best known Collaborative Associations to make our presence felt globally. This not only giving us the opportunity to Incoming India opportunity but also helping our clients in India grow globally.

## World of Outsource Vs OwnYourSource(OYS)/YourSource:

Your company is in the forefront of the future opportunity for India as the world see us being the knowledge mine. Outsourcing is proving to be the costliest affair even for Global giants. With raising real estate, people cost and pressures for margin to many IT and Non-IT companies from India are not able to be competitive anymore. We foresee that Outsourcing is going to fade away and will have impact on such large enterprises in India. We foresee a new business model evolving as “OwnYourSource(OYS)/YourSource” which is pioneered by Husys as part of our PEO (Professional Employer Organization) business model. According to a survey last year the PEOs Revenue reached about USD 30 billion in 2018 from USD 14 billion in 2013 all around the world, with the CAGR of 12%. India being a new emerging player we see the growth be at least 25% year on year. Your company is right in the sunrise stage and would leverage this opportunity going forward.



## Concluding Note:

We are sure of achieving our future aspirations with our highly motivated teams, excellent clients, committed associates and strong partner team will continue to deliver significant value to all its stakeholders in the years to come and will achieve our dreams.

We owe all our success to all our Associates (Employees) First and ably backed by our Partners, Clients, Shareholders, Principals and all Other Stakeholders, who have always stood by us. Leading the Way,

Yours Sincerely,

Sd/-

**Gundlapally Ramalinga Reddy**  
Chairman & Managing Director

Date:29.08.2020

## DIRECTORS REPORT

To,  
The Shareholders,  
Husys Consulting Limited.

Your Directors delightfully present the 15th Annual Report on the business and operation of the Company together with the Audited Financial Accounts for the year ended 31st March, 2020.

### 1. Financial Highlights :

Financial results of your Company for the year ended 31st March 2020 are summarised below:

(Amount in Lacs)

Particulars	2019-20	2018-19
Income from Operations	4,969.25	3,282.99
Other Income	61.58	25.21
<b>Total</b>	<b>5,030.83</b>	<b>3,308.20</b>
Operating expenditure	4,666.29	3,062.53
<b>Earnings before Interest, Tax, Depreciation and Amortization (EBITDA)</b>	<b>364.54</b>	<b>245.67</b>
Finance costs	2.80	3.92
Depreciation and amortization expense	106.49	31.03
<b>Profit before exceptional item and Tax</b>	<b>255.25</b>	<b>210.71</b>
Exceptional Item	-	-
<b>Profit before Tax (PBT)</b>	<b>255.25</b>	<b>210.71</b>
Tax expense	63.54	58.06
<b>Profit for the year (PAT)</b>	<b>191.70</b>	<b>152.65</b>
<b>Proposed Dividend</b>	<b>-</b>	<b>22.81</b>
Dividend Distribution Tax	-	4.66

### 2. Future Outlook

**The Turning Point :** A promising outlook for the Indian HR industry with Technology Innovation & Adaptation. It is time of transformation of HR industry in India as disruptive changes from the supply and the demand side are changing the nature of services. The HR industry in India can potentially leapfrog into a ground breaking innovation market as the country has access to advanced technology skills.

Technology be way of Life for HR professionals in future, hence giving an opportunity for increased business in this segment in future.

#### HR BUYERS - Walking the path to maturity OPPORTUNITIES

- \* Broad spectrum of available services
- \* Richer high value-added services expected in the future
- \* Large opportunity in L&D technology to scale-up skilling programs for Governments & Public programs

#### RECRUITMENT - Working towards incremental growth & sustainability OPPORTUNITIES

- \* Sizeable growth opportunities in staffing
- \* Specialized talent search in STEM, Pharma, and IT
- \* Recruitment process outsourcing (RPO)
- \* Managed solutions



## LEARNING & DEVELOPMENT - From grassroots to global leadership

### OPPORTUNITIES

- \* Government and academic partnerships
- \* Asia-Pacific market
- \* New technology space, particularly in social media and consumer technologies

## OUTSOURCING AND NICHE SERVICES - Global playing field, local advantage

### OPPORTUNITIES

- \* Players in India will continue to leverage the labour arbitrage advantage
- \* Emergence of large homegrown players
- \* Large opportunities in the SME sector

## HR CONSULTING - Exploring new frontiers of value delivery

### OPPORTUNITIES

- \* PSUs and homegrown companies
- \* SMEs and Indian multinationals
- \* Consolidation in the market
- \* Analytics and people-based services

## HR TECHNOLOGY - Building the base for future growth

### OPPORTUNITIES

- \* Sectoral opportunities in retail, hospitality, retail and PSUs
- \* Emergence of disruptive technologies, such as gamification
- \* Larger HR technology budgets from the demand side
- \* Cloud-based and analytics services

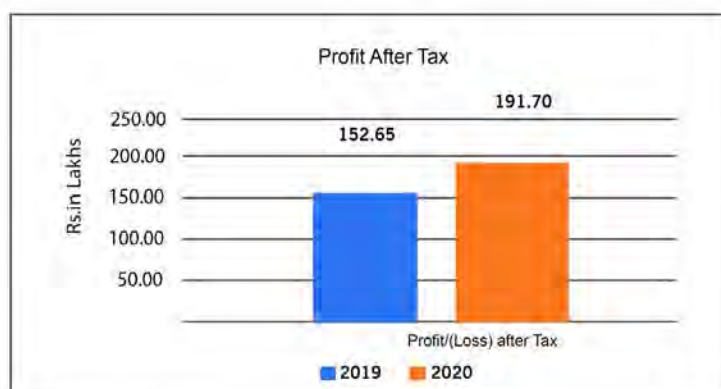
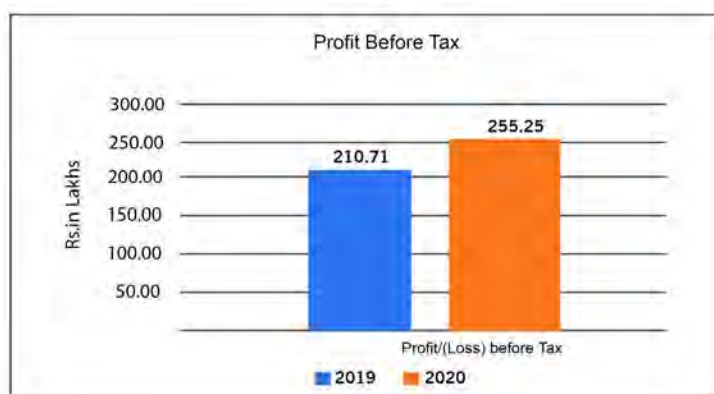
While the present scenario looks positive, future innovations in HR technology will depend on the investments that industry is willing to make. In the coming years, as organizations evolve and become increasingly complex, HR technology will be a necessity rather than a choice.

## 3. State of Company's Financial Affair

The total income of the Company for the year ended 31st March 2020 was Rs. 4,969.25 Lacs as against the total income of Rs. 3,282.99 Lacs for the previous year ended 31st March 2019.

The Company has earned a Net Profit after Tax of Rs. 191.70 Lacs for the year under review as compared to Net Profit of Rs. 152.65 Lacs in the previous year.





## 4. Nature of Business

Your Company was incorporated as “Husys Consulting Private Limited” under the Companies Act, 1956 vide Certificate of Incorporation dated August 24, 2005 issued by the Registrar of Companies, Andhra Pradesh & Telangana, Hyderabad, India. Further, After Conversion to Limited and listing on Institutional Trading Platform and further the Company has migrated to the EMERGE (SME) Platform of National Stock Exchange on 27th September, 2016. The Corporate Identification Number (CIN) of our Company is L74140TG2005PLC047222.

Husys is in the business of creating and capturing opportunities of People in SME businesses in India and across the Globe. Our aim is to be a one-stop solution provider for People Business across the globe. We are a very young organization with 28 years of average age with more than 300 years of collective experience. We have been serving more than 15 different Industries with an ability to bring Cross-Industry, best practices for business success.

### Our Vision

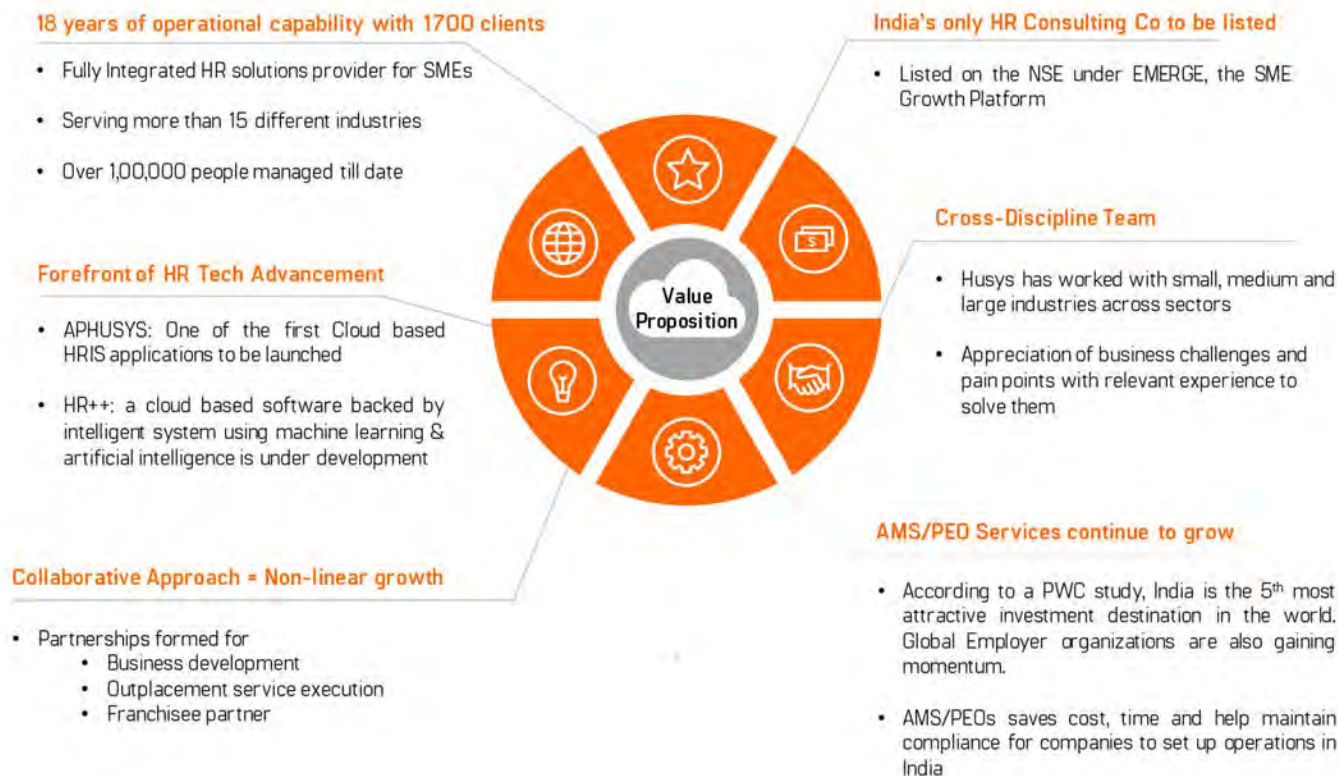
“Enabling People”

### Our Mission

We enable Organizations to transform lives by providing effective solutions to manage people.

### Our Values

- Integrity: Commitment: Service: Enterprising



## Husys Services



## HR Consulting

Designed for mid-level and large organisations who are going through leadership change, acquisition, change in business environment or regulatory changes. Outplacement service is the 2nd largest revenue generator for the business

- HR Advisory
- Outplacements

### HR Advisory

Husys acts as HR advisor to various organization with components of transition and interim management options. Some of the key advisory / consulting services provided include:

- HR Audit
- Employee Engagement services
- HR Policy definition & implementation
- Specific need-based consulting assignments
- Compensation Survey
- Productivity Improvement

### Training and Assessment Services

Husys has created the MissionHR Certification Program to help graduates gain insight into the real world of HR. It offers short term and long-term courses for expertise of HR Practices.

MissionHR has been designed with the help of industry experts and been rated the best and only On-The-Job program for HR in India, with on-the-job training at Husys client locations.

### Outplacement

Outplacement is the support service provided by organizations to support individuals who are exiting the business (voluntarily or involuntarily) – to help former employees transition to new jobs and help them re-orient themselves in the job market.

Outplacement services are offered in association with their partner–Career Star Group–one of the largest global HR companies

### Benefits of this Service

#### Terminated employees find work faster

During unemployment, terminated employees can receive benefits including pay checks and other benefits stipulated in a severance package. When they find a new position, the severance package is no longer needed and costs decrease.

#### Increases loyalty & satisfaction with employees

Layoffs are scary to witness as an employee who still works at the company. Working for a company that truly cares for their employees ensures hard working and loyal employees.

#### Maintains company's image

Social media, television, and live streaming has increased consumer awareness. The outplacement services preserve brand image as the company can show the process of handling terminated employees.

#### Reduces lawsuit claims

Some disgruntled employees find reasons to present a lawsuit for unlawful termination but with an outplacement service, the risk is reduced.

## HR Operations

This service focuses on operational excellence and delivery capability in terms of the day-to-day transactions of the business.

- HR Function Management Solution
- Exclusive Search
- Talent Acquisition
- HR Shared Services

## HR Functions Management

This is the Company's flagship and primary service that has been built over a 18-year period in India. These services assist organization to free itself from HR related services and focus on the core business. Husys is a leader in building HR departments and management for SMEs.

The services include recruitment, orientation, employee engagement, training and development and maintaining good working conditions.

## Exclusive Search

Husys offers talent acquisition services. Recruitment mandates are usually exclusive. The services include recruitment assignments, talent reservoir, project-based requirement and bid based long term contracts for association.

## HR Technology

ApHusys: Automating HR Function for corporates with its various modules : Payroll Engine, HRIS Essential, HRIS Sustain and E-commerce Engine, offered in the form of:

- Cloud-based HRIS
- Managed services HRIS

ApHusys is an integrated cloud based HRIS. This helps organizations maintain employee records right from joining the organization to leaving the organization in an efficient and cost-effective manner. ApHusys is available on a simple pay-per-use subscription model and is suitable for mid-sized to large organizations. It can be accessed from internet browsers and mobile apps and is built with open source tools such as:

- Framework: Odoo
- Database: Postgresql
- Code: Python
- Middle layer: XML, Java script, CSS
- Front end: HTML

## Global PEO

Clients seeking business expansion into India need a local partner who understands local employment laws and can help mitigate legal & regulatory risk.

Husys addresses this need by providing HR outsourcing services to client companies through the use of a co-employment relationship helping clients 'Own the Source' at a fraction of the cost

## Benefits of this Service

### Cost

- Avg set up fee for a foreign entity is USD 15-20k
- Avg ongoing maintenance is USD 200k
- 5x more cost-effective than setting up and maintaining new foreign entity

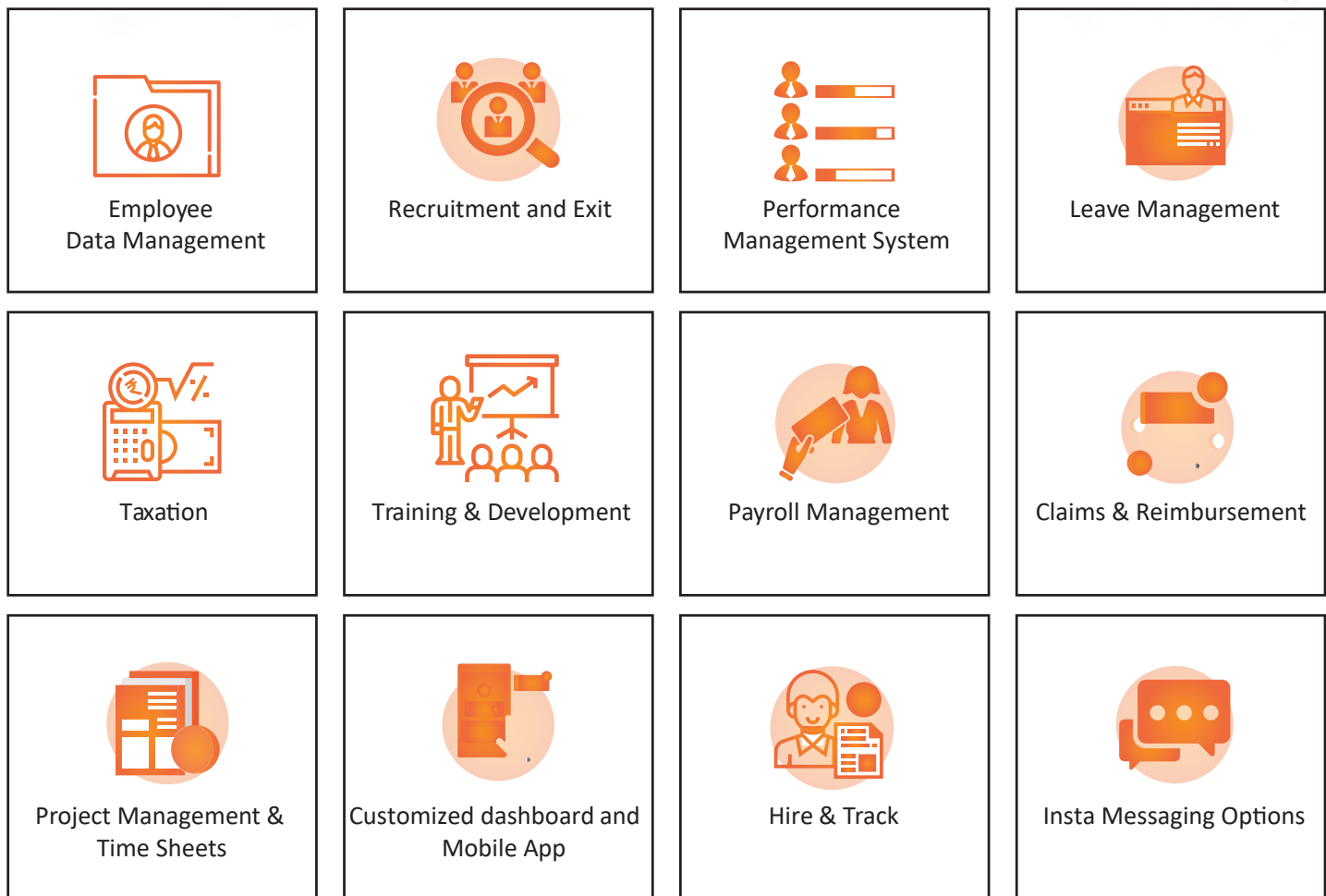
### Time to Market

- On average, it takes 3-4 months to establish an entity and begin operations in-country
- Begin operations in-country in as little as 48 hours

## Maintaining Compliance

- The company is responsible for staying compliant with the ever-changing regulation
- Husys team ensures compliance with local regulations for the global workforce





**HR++:** Uses machine learning and artificial intelligence to perform HR Services. Husys will launch the HR++ solution in 2020.

## **HR ++: backed by intelligent system using machine learning & artificial intelligence**

- HR++ is a cloud-based software that helps organizations carry out their day to day HR related tasks in an efficient manner. HR++ will utilize insights, trends and intelligence gathered by Husys over its nearly 20-year history
- All the aspects of employee management, payroll management, taxation, recruitment & exit, training management, performance management etc. would be backed by an intelligent system using Machine Learning and Artificial Intelligence.
- The intelligent data capturing would help organizations with data points to make concrete decisions. For ex. identifying training programs that an employee needs based on his current work profile or attrition trends etc.
- Trend analytics and the MIS [ Management Information System ] reports thus generated can help you see clearly about what is working in your favour and what is not. This has a very significant and quantifiable impact on areas like headcount, attrition, manpower planning, etc.



Data



Intelligent systems (Machine Learning / Artificial Intelligence)



Analytics to make better informed decisions

## HR++ Features

Capitalizing on 18 years of HR Consulting Experience



### Modular Design

Configurable to your unique needs and seamlessly integrable with your existing platforms.



### Intelligent System

Uses Machine learning algorithms to suggest best practices in a particular area of operation. Ex. Training programs for employees based on their profile or insurance policies that are apt as per the current market dynamics



### Bulk services for Recruitment

AI captures data from various sources and suggests organisations with respective employees



### Employee Engagement

Knowing the employee voice and creating forums for employees to socialize. Ex. Work / Interest based groups, surveys to understand employee interest etc.



### Talent Management

Helps employees understand the impact of their work in the larger perspective. Performance assessment including 360 degree feedback to improve performance



### Financial Advice for Employee

Guidance on how employees can manage money better in terms of investments, tax savings, etc.

## HR++ Uses

- With data analytics, potential actions can be taken by organizations' that are in line with the strategic focus of the company
- Hire the best talent with the right skill set.
- Easy performance management to recognize good work.
- Helps employees do career planning and thus build managerial potential in the organization.
- Data Intelligence helps organizations make informed decisions. Ex. succession planning, changing roles of employees based on current skill set etc.
- Relevant stakeholders can view the employee's growth graph right from day one and understand the progress to chart out the best career path for the employee.
- Employee satisfaction can be gauged, as this is a major factor that decides the motivation level of employees
- Reports can be customized to carry out daily tracking.
- Trend analytics can help you see clearly about what is working in your favour and what is not. This has a very significant and quantifiable impact on areas like headcount, attrition, manpower planning, etc. Seamless process from on boarding to exit of the employees Organizations can focus on offering relevant training programs/ better insurance policies to employees etc. through this intelligent system.
- By analysing the reasons of attrition from the employee engagement data, companies can take timely actions to reduce it.
- The image of a well-managed organization is looked at by employees in a good light and this would be a win-win situation for all.

## Benefits of this Service

### Cost

- Large teams are recruited for performing HR activities which can be automated
- 30% more cost-effective than manually performing the task
- Makes system availability 24x7 regardless of employee location

## HR Efficiency

- HR teams spend a majority of their time doing tasks that can be automated – payroll, joining formalities, etc.
- Reduces workload and streamlines processing
- Leaves HR with more time for employee engagement

## Economies of Scale

- Medium sized enterprises have low bargaining power when dealing with service providers (insurance, etc.)
- Higher bargaining power ensures at least 50% cost reduction in specific commerce activities

**Solutions are tailor-made for SMEs, they help reduce cost & create greater efficiency within the HR Systems**



### Consulting & technology helps clients reduce costs

The integration of technology into HR processes, outsourcing HR activities to subject matter experts, and leveraging aggregated economies of scale results in significant cost efficiencies for clients globally.



### SMEs can focus on their core services

By outsourcing the HR management responsibilities, SMEs can focus on their core business activity.



### Global Outreach

SMEs globally can access Husys' technology platform which enables them to offer benefits which are in line with large Fortune 500 companies. The team at Husys is also capable of managing lawsuits and compliances in various country.



### High Level of Expertise

Husys has more than 17 years of experience in handling various HR services. The Company has worked with a large number of domestic and global SMEs.



### Accuracy

Automation of HR system improves accuracy to HR operations. It reduces the manpower required for handling the HR processes, saves the time of HR dept, increases the productivity, and most importantly, high standards are maintained.



### Reduce Risk of Expanding into New Markets

For the PEO services, international clients can start business operations in India without the worry of building a complete new legal entity in India

The collaborative approach enable a non-linear growth, expand network & helps gain complementary skills

Husys has partnered with Career Star Group for its outplacement assignments. Career Start Group is a global transition and outplacement provider. It is spread over 1000 locations in more than 79 countries across the globe, with excellent understanding of local job market and the ability to provide the very best solutions.

## For Outplacement Services



Husys has a number of local partners for business development and project execution. Husys spends considerable about of time and resources in training its franchise partners who go on to face the client and execute projects. The franchisee partners are spread across more than 15 cities in India. In addition, Husys will onboard resellers for its cloud applications.

## Franchisee Partners



Husys has partnered with NAPEO for it's PEO assignments. Companies across the globe support Husys in business development for AMS/PEO Services. Husys has partnered with more than 12 companies. List of companies include Shield Geo Services Ltd, Australia, Sendbird INC, North Korea, Trippiness Limited, Accern Corporation, USA, Procorre Consulting SA, Switzerland, etc.

## For AMS/PEO Services



Husys has partnered with national MSME associations, CA firms, payroll companies, in addition to franchises for sourcing new projects. In addition, it has partnered with MacroStrategy Management Consultancies, Dubai for building its clientbase in Middle East and Africa.

## For Business Development



## Firsts @ Husys:

- First & Only Fully Integrated HR Function Management/Outsourcing Organization in India.
- First HR Function Outsourcing Company Rated by CRISIL
- First to Introduce "Pooled HR Management" & "Startup HR Solutions"
- First to introduce MissionHR® (only On-the-Job HR Function Management program) in India.
- First Partner based Business Associates Model for an HR Function Management Company in India.
- One of the First Cloud based HRIS application launched (ApHusys: Application for Human Synergies) in India.
- First HR Company listed on National Stock Exchange under EMERGE Institutional Trading Platform (ITP) for SME segment.
- First HR Company listed on National Stock Exchange under EMERGE, THE SME Growth Platform for SME Segment.
- First HR Company to provide Affinity Services in India

## THE IMPORTANCE OF THE SEGMENT

Companies will not survive if the marketing strategy is dependent upon targeting an entire mass market. The importance of market segmentation is that it allows a business to precisely reach a consumer with specific needs and wants. In the long run, this benefits the Company because they are able to use their corporate resources more effectively and make better strategic marketing decisions.

Organizations create a set of segments to project their products focusing on a specific niche market. This niche market defines the product features aimed at satisfying specific market needs including the price, quality & demographic factors. Organizations use segmentation as a tool to make optimum utilization of their finite resources.

Market Segmentation and subsequent Product Differentiation Strategy by an organization is concentrating all marketing efforts on a small but specific and well-defined segment of the population. This is done through identifying needs, wants and requirements that are being addressed poorly or not at all by other firms, and developing and delivering goods or services to satisfy them. As a strategy, Market Segmentation is aimed at being a big fish in a small pond instead of being a small fish in a big pond.

### In essence, objectives of segmentation analysis are:

- To reduce risk in deciding where, when, how, and to whom a service, or brand will be marketed
- To increase marketing efficiency by directing effort specifically toward the designated segment in a manner
- consistent with that segment's characteristics While it is relatively easy to identify segments of consumers, most Company do not have the capabilities or the need to effectively market their services to all of the segments that can be identified. A Company selects its target market because it exhibits the strongest affinity to a particular services or brand. It is in essence the most likely to buy the service.

## 5. Change in the nature of business

During the year the Company has not changed its business.

## 6. Dividend

The Board has not recommended Dividend for the year on the paid-up Equity share capital of the company.

## 7. Reserves

The Board of the Company has decided to carry Rs. 191.70 Lacs to the Reserves of the Company.

## 8. Finance

Cash and cash equivalents as at March 31, 2020 were Rs. 88.15 Lacs The Company continues to focus on judicious management of its working capital, receivables, and inventories. Other working capital parameters were kept under strict check through continuous monitoring.

## 9. Share Capital

The Authorized share capital of the Company is Rs. 50,000,000/- (Equity Shares of 5,000,000). Further, the Paid-up Capital of the Company is Rs. 22,812,500/- (Equity Shares of 2,281,250).

## 10. Meetings

During the year Four Board Meetings were convened and held and the intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. The dates on which the Board Meetings were held are 21st May 2019, 12th September 2019, 13th November 2019 and 12th February 2020. The gap between no two Board meetings exceeded one hundred and twenty days.

## 11. Details of Directors or Key Managerial Personnel Appointed or Resigned During the Year Retirement by Rotation

In accordance with the provisions of the Companies Act, 2013, Ms. Gundlapally Praveena, Whole Time Director and Mr. Gundlapally Ramalinga Reddy, Managing Director retire by rotation at the forthcoming Annual General Meeting and being eligible, offered themselves for reappointment.



## Appointment

The Board has appointed Mr. Naresh Babu Deevi Appointed as an Executive Director of the Company w.e.f. 1st June, 2019 subject to the approval of shareholders in the ensuing Annual General Meeting. Mr. Viswanathan NS Appointed as an Independent Director of the Company w.e.f 19th June, 2019 [Circular Resolution]

## Resignation

Mr. Atal Malviya Resigned as an Independent Director w.e.f. 21st May, 2019 and the Board took note of it in the Circular Resolution passed dated 19th June, 2019.

## 12. Details of Remuneration to Directors

The information relating to remuneration of Directors and details of the ratio of the remuneration of each Director to the median employee's remuneration and other details as required pursuant to section 197(12) of the Act read along with Rule 5(1) of the Companies [Appointment and Remuneration of Managerial Personnel] Rules, 2014.

## 13. Declaration by Independent Directors

The Independent Director(s) have submitted the declaration of independence pursuant to section 149(7) of the Act stating that he/they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

## 14. Annual Evaluation of the Board

Pursuant to the provisions of the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual evaluation of its performance, the Directors individually as well as the evaluation of the working of its Audit and Nomination & Remuneration Committees.

**The following are some of the broad issues that are considered in performance evaluation:**

### Criteria for evaluation of Board and its Committees

- Setting up of performance objectives and performance against them
- Board's contribution to the growth of the Company
- Whether composition of the Board and its Committees is appropriate with the right mix of knowledge and skills sufficient to maximize performance in the light of future strategy
- Board's ability to respond to crisis
- Board communication with the management team
- Flow of quality information to the Board

### Criteria for evaluation of Independent Directors

- Demonstrates willingness to devote time and effort to understand the Company and its business
- Demonstrates knowledge of the sector in which the Company operates
- Quality and value of their contributions at board meetings
- Contribution to development of strategy and risk management policy
- Effective and proactive follow up on their areas of concern

### Criteria for evaluation of Non-Independent Directors

- Knowledge of industry issues and exhibition of diligence in leading the organization
- Level of attendance at the Board and Committee meetings where he/she is a member
- Effectiveness in working with the Board of Directors to achieve the desired results
- Providing direction and support to the Board regarding its fiduciary obligations and governance role
- Providing well-balanced information and clear recommendations to the Board as it establishes new policies

## 15. Audit Committee

The Board has constituted Audit Committee as required under Companies Act, 2013.

The Composition of the Committee is as under:

Name of the Member	Designation
Mr. Viswanathan NS (Appointed w.e.f. 19-06-2019)	Chairman
Ms. Nina Elizabeth Woodard	Member
Mr. Biju Varkkey	Member
Mr. Attal Malviya (Resigned w.e.f. 21-05-2019)	Member

### The role of the Audit Committee shall include the following:

- Oversight of our Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to our Board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement to be included in our Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act;
  - Changes, if any, in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgment by management;
  - Significant adjustments made in the financial statements arising out of audit findings;
  - Compliance with listing and other legal requirements relating to financial statements.
  - Disclosure of any related party transactions; and
  - Qualifications in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to our Board for approval;
- Reviewing with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to our Board to take up steps in this matter;
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the listed entity with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

15. Discussion with internal auditors any significant findings and follow up there on.
16. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
17. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
18. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
19. To review the functioning of the Whistle Blower mechanism, in case the same is existing;
20. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc., of the candidate.
21. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

## 16. Nomination and Remuneration Committee:

The Board has constituted Nomination and Remuneration Committee as required under Companies Act, 2013. The Composition of the Committee is as under:

Name of the Member	Designation
Mr. Biju Varkkey	Chairman
Ms. Nina Elizabeth Woodard	Member
Mr. Viswanathan NS [Appointed w.e.f. 19-06-2019]	Member
Mr. Gundlapally Ramalinga Reddy	Member
Mr. Attal Malviya [Resigned w.e.f. 21-05-2019]	Member

In terms of the provisions of Section 178(3) of the Companies Act, 2013, the Nomination and Remuneration Committee is responsible for formulating the criteria for determining the qualifications, attributes, and Independence of a Director. The Nomination and Remuneration Committee is also responsible for recommending to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel and Senior Management.

In line with the requirement, the Board has adopted a Nomination and Remuneration Policy for Directors, Key Managerial Personnel and Senior Management which is as follows.

## Objectives of the Policy

### The objectives of this policy are as detailed below:

- To formulate the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a Director (Executive / Non-Executive) and recommend to the Board policies relating to the remuneration of the Directors, Key Managerial Personnel and other employees.
- The policy also addresses the following items : Committee member qualifications; Committee member appointment and removal; Committee structure and operations; and Committee reporting to the Board.
- To formulate the criteria for evaluation of performance of all the Directors on the Board;
- To devise a policy on Board diversity; and
- Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of Directors their appointment and removal.
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent Directors.
- To lay out remuneration principles for employees linked to their effort, performance and achievement relating to the Company's goals.

### Remuneration Policy

The Company's remuneration policy is driven by the success and performance of the individual employees and the Company. Our compensation philosophy is to align Directors and Husys Minds compensation with our business objectives, so that compensation is used as a strategic tool that helps us recruit, motivate and retain highly talented individuals who are committed to our core values. We believe that our compensation programs are integral to achieving our goals. Through its compensation program, the Company endeavours to attract, retain, develop and motivate a high-performance workforce. The Company follows a compensation mix of fixed pay, benefits and performance-based variable pay. Individual performance pay is determined by business performance of the Company. The Company pays remuneration by way of salary, benefits, perquisites and allowances (fixed component) and performance incentives, commission (variable component) to its Chairman, Managing Director and other Executive Directors. Annual increments are decided by the Nomination & Remuneration Committee within the salary scale approved by the Board and Shareholders.

## 17. Stakeholder Relationship Committee

The Board has constituted Stakeholder Relationship Committee as required under Securities Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015 ("Regulations").

### The Composition of the Committee is as under:

Name of the Member	Designation
Ms. Nina Elizabeth Woodard	Chairman
Mr. Biju Varkkey	Member
Mr. Gundlapally Ramalinga Reddy	Member
Mr. Naresh Babu Deevi (Appointed w.e.f. 01-06-2019)	Member
Mr. Viswanathan NS (Appointed w.e.f. 19-06-2019)	Member

Set forth below are the terms of reference of our Stakeholders Relationship Committee.

1. Considering and resolving grievances of shareholders, debenture holders and other security holders;
2. Redressal of grievances of the security holders of our Company, including complaints in respect of transfer of shares, non-receipt of declared dividends, balance sheets of our Company etc.;
3. Allotment of Equity Shares, approval of transfer or transmission of equity shares, debentures or any other securities;
4. Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.
5. Overseeing requests for dematerialization and dematerialization of shares; and
6. Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

### Investor Grievance Redressal Policy

The Company has adopted an internal policy for Investor Grievance handling, reporting and solving.

## 18. Vigil Mechanism

The Company has formulated a Whistle blower policy and has established vigil mechanism for employees including Directors of the Company to report genuine Concerns. The provisions of this Policy are in line with the provisions of the Section 177(9) of the Act.

## 19. Risk Management Policy

The Company has formulated a Risk Management Policy for dealing with different kinds of risks which it faces in day to day operations of the Company. Risk Management Policy of the Company outlines different kinds of risks and risk mitigating measures to be adopted by the Board. The Company has adequate internal control systems and procedures to combat the risk. The Risk management procedure will be reviewed by the Audit Committee and Board of Directors on time to time basis.

## 20. Policy on Preservation of the Documents

The Company has formulated a Policy pursuant to Regulation 9 of the Securities Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015 ("Regulations") on Preservation of the Documents to ensure safe keeping of the records and safeguard the Documents from getting manhandled, while at the same time avoiding superfluous inventory of Documents.

## 21. Policy on Criteria for Determining Materiality of Events

The Policy is framed in accordance with the requirements of the Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Regulations).

The objective of the Policy is to determine materiality of events or information of the Company and to ensure that such information is adequately disseminated in pursuance with the Regulations and to provide an overall governance framework for such determination of materiality.

## 22. Obligation of Company under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

In order to prevent Sexual Harassment of Women at Workplace a new act "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013" has been notified on 9th December, 2013. Under the said Act every Company is required to set up an Internal Complaints Committee to look into complaints relating to sexual harassment at work place of any women employee.

The Company has adopted "Anti-Sexual Harassment Policy" constituted "Redressal Committee" as required under section 4 (1) of Sexual harassment of women at work place (prevention, prohibition and redressal) Act, 2013.

### This Committee consists of following members:

- Ms. Saritha Pandurangi
- Ms. Megha Chandak
- Ms. Daksha Chowdhary

During the year under review, no complaint of harassment at the workplace was received by the Committee.

## 23. Auditors: Statutory Auditors

M/s. JBRK & Co., Chartered Accountants, Hyderabad, Firm Registration Number 005775S, Ratification as Statutory Auditors of the Company to hold office until the conclusion of the upcoming Annual General Meeting. As per the provisions of the Companies Act, 2013.

In this regard the Company has received certificate from the Auditors to the effect that if they are appointed it would be in accordance with the provisions of section 141 of the Companies Act, 2013.

Accordingly, proposal for their re-appointment as Statutory Auditors is being placed before the shareholders for approval at the 15th Annual General Meeting.

### Auditors' Report

M/s. JBRK & Co., Chartered Accountants, Hyderabad, Firm Registration Number 005775S have issued their Report for the Financial Year ended 31st March 2020.

There is no qualification, reservation, adverse remark or disclaimer by the Statutory Auditors in their report and hence no explanation or comments of the Board is required in this matter.

### Disclosure about Cost Audit

The Central Government has not prescribed the maintenance of Cost records under section 148(1) of the Companies Act, 2013, for any of the services rendered by the Company.

### Secretarial Audit

A Secretarial Audit Report given by Mr. Subhash Kishan Kandrapu, Practising Company Secretaries is annexed with the report. The report is self-explanatory and do not call for any further comments.

## Internal Audit Controls and their adequacy

The Company has a proper and adequate system of internal controls, commensurate with the size scale and complexity of its operations. This ensures that all transactions are authorized, recorded and reported correctly, and assets are safeguarded and protected against loss from unauthorized use or disposition. In addition, there are operational controls and fraud risk controls, covering the entire spectrum of internal financial controls.

To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the audit committee of the Board and to the Chairman and Managing Director.

The internal Audit department monitors and evaluate the efficiency and adequacy of the internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit functions, process owner undertakes corrective actions in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the audit committee of the Board.

## Adequacy of internal financial controls with reference to the financial statements

The Company has internal Auditors and the Audit Committee constituted are in place to take care of the same. During the year, the Company continued to implement their suggestions and recommendations to improve the control environment. Their scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. Internal Auditors findings are discussed with the process owners and suitable corrective actions taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations.

## 24. Details of Subsidiaries Joint Venture or Associates

The Company has no Subsidiaries, Joint Venture or Associates.

## 25. Group Entities

Below mention are the details of Companies/Entities promoted by the promoters of our Company. No equity shares of our Group Companies are listed on any stock exchange and they have not made any public or rights issue of securities in the preceding three years.

### Our Group Entities include:

1. Veena Educational Society
2. Gymin Sports Private Limited
3. Gundlapally Krida Foundation

## 26. Details of significant and material orders passed by the regulators or courts or tribunals.

There were no such orders passed.

## 27. Deposits from Public

The Company has not accepted any Deposits within the ambit of Section 73 of the Companies Act, 2013 and The Companies [Acceptance of Deposits] Rules, 2014.

## 28. Particulars of Loans, Guarantees or Investments Under Section 186

No loans and advances given to the Key Managerial Personnel.

## 29. Particulars of Contracts or Arrangements with Related Parties:

All transactions entered into with the related parties as defined under the Companies Act, 2013 during the financial year were in the ordinary course of business and on arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with the related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required by the Accounting Standards (AS 18) has been made in the notes to the Financial Statements and AOC-2 is disclosed as part of Directors report.



## Policy on Related Party Transactions

The Company has developed a Related Party Transactions Policy for purpose of identification and monitoring of such transactions. The objective of this Policy is to set out (a) the materiality thresholds for related party transactions and; (b) the manner of dealing with the transactions between the Company and its related parties based on the Act, Clause 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other laws and regulations as may be applicable to the Company.

The policy on related party transactions as approved by the Board is uploaded on the Company's website and can be accessed at [https://husys.com/wp-content/uploads/2017/05/Related\\_Party\\_Transactions\\_Policy\\_Husys.pdf](https://husys.com/wp-content/uploads/2017/05/Related_Party_Transactions_Policy_Husys.pdf)

## 30. Particulars of Employees

There are no employees drawing remuneration in excess of the limits prescribed under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Information as required under the provisions of Rules 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are set out in Directors' Report.

## 31. Material Changes and Commitments

There are no material changes and commitments affecting the financial position of the Company from the financial year ended 31st March, 2020 to the date of signing of the Director's Report.

## 32. Transfer of Amounts to Investor Education and Protection Fund

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

## 33. Listing with Stock Exchanges

At present the equity shares of the Company are listed on the Emerge-the SME Growth Platform of National Stock Exchange at Mumbai. The Company confirmed it has paid Annual Listing Fees due to the National Stock Exchange for the year 2020-21.

## 34. Corporate Governance

Your Company has been practicing the principles of good corporate governance. A detailed report on corporate governance is available in annual report.

## 35. Insider Trading Regulations

Based on the requirements under SEBI (Prohibition of Insider Trading) Regulations, 1992 read with SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the code of conduct for prevention of insider trading and the Code for Corporate Disclosures ("Code"), as approved by the Board from time to time, are in force by the Company. The objective of this Code is to protect the interest of shareholders at large, to prevent misuse of any price sensitive information and to prevent any insider trading activity by dealing in shares of the Company by its Directors, designated employees and other employees. The Company also adopts the concept of Trading Window Closure, to prevent its Directors, Officers, designated employees and other employees from trading in the securities of Husys Consulting Limited at the time when there is unpublished price sensitive information.

## 36. Depository System

As the Members are aware, your Company's shares are trade-able compulsorily in electronic form and your Company has established connectivity with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). In view of the numerous advantages offered by the depository system, the members are requested to avail the facility of Dematerialization of the Company's shares on NSDL & CDSL. The ISIN allotted to the Company's Equity shares is INE336T01010.

## 37. Extract of Annual Return

The Extract of Annual Return is prepared in Form MGT-9 as per the provisions of the Companies Act, 2013 and Rule 12 of Companies (Management and Administration) Rules, 2014 and the same is enclosed in Annual Report.

## 38. Directors' Responsibility Statement

Pursuant to the Provisions of Section 134 of the Companies Act, 2013, the Director's states that:

- (a) In the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- (b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2019 and Statement of Profit of the Company for that period;
- (c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) The Directors have prepared the annual accounts on a going concern basis; 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.

## 39. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The particulars as prescribed under Sub Section (3) (m) of Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014.

### A. Conservation of Energy:

The Company's core activity is Human Resource Management and services related which is not power intensive. The Company is making every effort to conserve the usage of power

### B. Technology Absorption (R&D, Adaptation and Innovation):

1. Efforts, in brief, made towards technology absorption, adaptation and innovation:

- (i) Continuous research to upgrade existing products and to develop new products and services.
- (ii) To enhance its capability and customer service the Company continues to carry out R & D activities in house.

### 2. Benefits derived as a result of the above efforts:

- (i) Introduction of new and qualitative products.
- (ii) Upgrade of existing products.

### 3. Future plan of action:

Husys will continue to invest in and adopt the best processes and methodologies suited to its line of business and long term strategy. Training employees in the latest appropriate technologies will remain a focus area. The Company will continue to leverage new technologies and also on the expertise available.

### C. Foreign Exchange Earnings and Outgo

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual Outflows

(Amount in Rs.)

Particulars	2019-2020	2018-2019
Foreign Exchange Earnings	447,269,547	280,223,148
Foreign Exchange Outgo	3,816,674	547,096

#### 40. Business Responsibility Report

Your Company has always been at the forefront of voluntary disclosures to ensure transparent reporting on all matters related to the Company's governance and business operations, and has voluntarily undertaken to publish the required data to extent applicable and accordingly, the Business Responsibility Report is annexed in the Annual Report. The said report comprehensively covers your Company's philosophy on corporate social responsibility, its sustainability activities pertaining to efforts on conservation of environment, conducting green awareness events, its commitment towards society, enhancing primary education, initiatives and activities taken up as part of this philosophy for the year 2020-21. Business Responsibility Report as required under Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Regulations) is disclosed separately in the current Annual Report.

#### 41. Management Discussion and Analysis Report

Management Discussion and Analysis Report as required under Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Regulations) is disclosed separately in the current Annual Report.

#### 42. Acknowledgments

The Directors would like to thank all the Stakeholders including Financial Institutions, Banks, Government Authorities, Power Utilities, Regulators, Customers, Vendors and Members for their continued support to the Company. Your Directors also wish to place on record their deep sense of appreciation for the excellent services of the employees at all levels and all other associated with the Company.

**For and on behalf of the Board of Directors  
For Husys Consulting Limited**

Sd/-  
**Gundlapally Ramalinga Reddy**  
**Managing Director**  
DIN: 00559079

Sd/  
**Gundlapally Praveena**  
**Whole-Time Director**  
DIN: 00559136

**Date: 29-08-2020**

**Place: Hyderabad**

## FORM NO. AOC -2

[Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

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

1. Details of contracts or arrangements or transactions not at Arm's length basis: NIL
2. Details of contracts or arrangements or transactions at Arm's length basis:

S.No	Particulars	Details
1.	Name (s) of the related party & nature of relationship	Names- Gundlapally Ramalinga Reddy & Gundlapally Praveena Nature of Relationship- Managing Director & Whole Time Director
2.	Nature of contracts/arrangements/ transaction	Rent - Gundlapally Ramalinga Reddy Remuneration - Gundlapally Ramalinga Reddy & Gundlapally Praveena
3.	Duration of the contracts/arrangements/transaction	Yearly
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	-
5.	Date of approval by the Board	-
6.	Amount paid as advances, if any	NIL

For and on Behalf of the Board

Sd/-  
Gundlapally Ramalinga Reddy  
Managing Director  
DIN No.00559079

## DETAILS OF RATIO OF REMUNERATION OF DIRECTOR

[Section 197(12), r/w Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014]

### I. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year;

Name of the Director	Ratio to the Median
Mr. Gundlapally Ramalinga Reddy	9.72 : 1
Ms. Gundlapally Praveena	2.79 : 1
Mr. Naresh Babu Deevi	7.67 : 1

### II. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;

Name of the Director	% in increase
Mr. Gundlapally Ramalinga Reddy	17.67
Ms. Gundlapally Praveena	6.99
Mr. Naresh Babu Deevi	55.09
Mr. Francis Paul	7.73
Ms. Megha Chandak	28.31

### III. The percentage increase in the median remuneration of employees in the financial year;

The percentage increase in the median remuneration of Husys during the financial year is 4.39%. This has been arrived at, by comparing the median remuneration of the cost-to-the Company of the Husys Consulting as on March 31, 2020, and the median remuneration of the cost-to-the Company of the Husys Consulting as on March 31, 2019.

### IV. The number of permanent employees on the rolls of Company;

The total number of Husys't as on March 31, 2020 is 382, and as on March 31, 2019 was 177.

### V. The explanation on the relationship between average increase in remuneration and Company performance.

The increase in Company revenue for the Financial Year 2019-20 over 2018-19, was 52.07% and the average increase given to employees was 30%. The average increase in remuneration is not based on Husys Consulting's performance alone, but also takes into consideration other factors like market benchmark data; the average increases being given by peer companies and overall budgetary impact within the Company. The % increase which was given in FY 2019- 20 was at similar levels as the rest of the industry and as factored in the budget for the year.

### VI. Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company;

The remuneration of the Key Managerial Personnel was 0.91% of revenue and 23.82% of Profits.

### VII. Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the Company as at the close of the current financial year and previous financial year;

Particulars	2019-20	2018-19
Share price as at March 31	28.50	30.00
No of Equity shares	2,281,250	2,281,250
PE Ratio	3.39	5.47
Market Capitalization (Rs.)	65,015,625	68,437,500

VIII. Average percentile increase 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 : Nil

**IX. Comparison of each remuneration of the Key Managerial Personnel against the performance of the Company**

The comparison of remuneration of the each of the Key Managerial personnel against the Company PAT and Revenue for the FY 2019-20 is as follows

Name of the Director	% of revenue	% of PAT
Mr. Gundlapally Ramalinga Reddy	0.44	11.47
Ms. Gundlapally Praveena	0.13	3.30
Mr. Naresh Babu Deevi	0.35	9.05

**X. The key parameters for any variable component of remuneration availed by the Directors;**

The key parameters for variable components are Company PAT, EBITDA, Revenue and share price.

**XI. The ratio of the remuneration of the highest paid director to that of the employees who are not Directors but receive remuneration in excess of the highest paid director during the year;**

Not applicable. There are no Husyst who are getting paid more than the highest paid Director during the current financial year

**XII. Affirmation that the remuneration is as per the remuneration policy of the Company.**

Yes; the remuneration is as per the remuneration policy of the Company.



FORM NO. MR-3

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2020

[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

Husys Consulting Limited

1-8-505/D/E/A, Husys House, Prakash Nagar Extension

Begumpet, Hyderabad-500016, Telangana, India

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. HUSYS CONSULTING LIMITED (hereinafter called "the Company"). 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.

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 covering the financial year commencing from 1st April, 2019 and ended 31st March, 2020, complied with the statutory provisions listed hereunder and also that the Company has proper Board process and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2020 and made available to me, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28th October 2014-(Not applicable to the Company during the Audit Period);
  - f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the Audit Period).

- g) 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;
- h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and (Not applicable to the Company during the Audit Period).
- i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 –(Not applicable to the Company during the Audit Period).
- vi. I further report that as the Company is engaged into HR Function Management Company, no specific industry laws as such are applicable to the Company. I have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

I report that, during the year under review, the Company has complied with the provisions of the Acts, Rules, Regulations and Guidelines mentioned above herein.

I further report that, the compliance by the Company of applicable finance laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this audit since the same have been subjected to review by statutory financial audit and other designated professionals.

I further report that:

- (a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Companies Act, 2013.
- (b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation of the meeting.
- (c) As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded

I further report that, based on the review of the compliance reports and the certificates of Company Secretary/ Managing Director taken on record by the Board of Directors of the Company, in my opinion there are adequate systems and processes in the Company with the size and operation of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines

I report further that, during the audit period there were no specific events/ actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

Sd/-  
CS. SubhashKishanKandrapu  
ACS: 32743, CP: 17545  
UDIN:A032743B000270772

Place: Hyderabad,  
Date:22.05.2020

This report is to be read with our letter of even date, which is annexed as “Annexure – A” and forms an integral part of this report.

## **“Annexure – A”**

To

**The Members**

**Husys Consulting Limited**

1-8-505/D/E/A, Husys House, Prakash Nagar Extension

Begumpet, Hyderabad-500016, Telangana, India

**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 M/s. Husys Consulting Limited (“the Company”). Our responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we 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. Our 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 of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**Sd/-**

**CS. SubhashKishanKandrapu**

**ACS: 32743, CP: 17545**

**UDIN:A032743B000270772**

**Place: Hyderabad,**

**Date:22.05.2020**

## CORPORATE GOVERNANCE REPORT

Corporate governance is about maximizing shareholder's value legally, ethically and on sustainable basis, while ensuring fairness to every stakeholder, customers, employees, investors, vendors-partners and governmental authorities. Therefore, corporate governance is a reflection of a Company's culture, policies, and its relationship with the shareholders, and its commitment to values.

Husys in its initiative and drive towards good governance and accountability has upheld the corporate governance through ethical business practices, integrity and the transparent business operations. Husys believes the sound corporate governance practices provide an important framework to assist the Board in fulfilling its responsibilities. Board of Directors is elected by shareholders with responsibility to set strategic objectives to the management and to ensure that the long term interest of all the stakeholders are served by adhering to and enforcing the principles of sound Corporate Governance. Thus, the management is responsible to establish and implement policies, procedures and systems to enhance long-term values of the Company.

The Share owners remain the nucleus of our growth strategy and consistently your Board endeavours and practices a great degree of integrity, transparency, accountability in a truthful and ethical manner that enhances long term shareholder value. The Company is in compliance with the requirements of the Corporate Governance as per Listing Agreement and with the adoption of the Code of Conduct and a robust compliance monitoring system, the Company has advanced further in its pursuits of excellence in Corporate Governance.

### Our Vision

"Enabling People"

### Our Mission

We enable Organizations to transform lives by providing effective solutions to manage people.

### Our Values

- Integrity: Commitment: Service: Enterprising

### Board of Directors

The Company is managed and controlled through a professional Board of Directors comprising of an optimum combination of Executive and Non-Executive Independent Directors. The composition of the Board of Directors of the Company is in conformity with the provisions of the Listing Agreement with the Stock Exchange(s). The present strength of the Board of Directors is Six (6), out of which three (3) members are Non-Executive Independent Directors constituting 50 percent of the total strength. The Company's Board consists of eminent persons with considerable professional expertise and experience. The Independent Directors do not have any other material pecuniary relationship (other than receiving remuneration) or transactions with the Company, its promoters, its management or its subsidiaries, which may affect the independence or judgment of the Directors.

The Board of Directors ('the Board') is at the core of our corporate governance practice and oversees how the Management serves and protects the long-term interests of all our stakeholders. We believe that an active, well-informed and independent Board is necessary to ensure the highest standards of corporate governance.

## Size and Composition of the Board

Composition of the Board and Directorships held as on 31st March, 2020

Name of the Director	DIN	Indian Public Companies	All Companies Around the World	Board Committees	
				Chairmanship	Membership
Executive Directors					
Mr. Gundlapally Ramalinga Reddy	00559079	3	-	-	3
Ms. Gundlapally Praveena	00559136	3	-	-	1
Mr. Naresh Babu Deevi	07303818	1	-	-	1
Independent Directors					
Ms. Nina Elizabeth Woodard	00754603	1	-	-	3
Mr. Biju Varkkey	01298281	3	-	1	2
Mr. Viswanathan NS	08475342	1	-	1	1
Mr. Atal Malviya (Resigned w.e.f. 21.05.2019)	02061495	-	-	-	-

### Note:

(1) Directorships in companies around the world (listed, unlisted and private limited companies).

The current policy is to have an appropriate mix of Executive, Non-Executive and Independent Directors (IDs) to maintain the independence of the Board, and separate its functions of governance and management. Currently, the Board consists of Five members, three of whom are Executive or Whole-time Directors (ED) and three IDs including two Woman Director. Fifty per cent of the total number of Directors comprise of Non Executive Directors. The Board periodically evaluates the need for change in its composition and size. Detailed profile of our Directors is available on our website: [www.husys.com](http://www.husys.com).

None of the NEDs serve as IDs in more than seven listed companies and none of the Executive or Whole-time Directors serve as IDs on any listed Company.

The terms and conditions of appointment of IDs is available on the Company's website and can be accessed at [https://husys.com/pdf/Husys\\_Code\\_of\\_Conduct.pdf](https://husys.com/pdf/Husys_Code_of_Conduct.pdf)

## Selection of New Directors and Board Membership Criteria

The Nomination and Remuneration Committee works with the Board to determine the appropriate characteristics, skills and experience for the Board as a whole and its individual members with the objective of having a Board with diverse backgrounds and experience in business, government, education and public service. The Policy for appointment and removal of Directors and determining Directors' independence forms part of the Directors' Report.

## Board Evaluation

The Nomination and Remuneration Committee has approved a Policy for evaluation of the Board, its Committees and Directors and the same has been approved by the Board of Directors of the Company. The process for Board Evaluation is given in the Directors' Report.

## Compensation Policy for Board and Senior Management

The Board has approved the Remuneration Policy for Directors, KMP and all other employees of the Company. The Remuneration Policy is mentioned in the Directors' Report.

## Shares held and cash compensation paid to Directors for the year ended 31st March, 2020

(Amount in Rs.)

Name	Fixed Salary			Commission	Sitting Fees	Total Compensation	No. of Equity Shares held
	Basic	Perquisites/ Allowances	Total Fixed Salary				
Executive Directors							
Mr. Gundlapally Ramalinga Reddy			2,199,590	-	-	2,199,590	937,885
Ms. Gundlapally Praveena			631,891	-	-	631,891	644,000
Mr. Naresh Babu Deevi			1,735,818	-	-	1,735,818	-
Independent Directors							
Ms. Nina Elizabeth Woodard	-	-	-	-	104,000	104,000	-
Mr. Biju Varkkey	-	-	-	-	104,000	104,000	-
Mr. Viswanathan NS	-	-	-	-	52,000	52,000	-
Mr. Atal Malviya (Resigned w.e.f. 21.05.2019)	-	-	-	-	52,000	52,000	-

### Notes:

None of the Directors hold stock options as on 31st March, 2020. None of the EDs are eligible for payment of any severance fees and the contracts with EDs may be terminated by either party giving the other party six months' notice or the Company paying six months' salary in lieu thereof.

## BOARD MEETINGS

### Scheduling and selection of agenda items for Board meetings

Board meetings are held at the registered office at 1-8-505/E/D/A, Husys House, Prakash Nagar, Begumpet, Hyderabad-500016. The Board periodically reviews compliance reports of all laws applicable to the Company. The Board meets at least once a quarter to review the quarterly results and other items on the agenda and also on the occasion of the Annual General Meeting (AGM) of the shareholders. Additional meetings are held, when necessary. Committees of the Board usually meet the day before on the date of the formal Board meeting, or whenever the need arises for transacting business. The recommendations of the Committees are placed before the Board for necessary approval.

Four Board meetings were held during the year ended 2020 on 21st May 2019, 12th September 2019, 13th November 2019 and 12th February 2020. The gap between no two Board meetings exceeded one hundred and twenty days.

### Attendance of Directors for the year ended 31 March, 2020

Name of the Director	Category	No. of Meetings Attended
Mr. Gundlapally Ramalinga Reddy	Managing Director	4
Ms. Gundlapally Praveena	Whole Time Director	4
Mr. Naresh Babu Deevi	Executive Director	3
Ms. Nina Elizabeth Woodard	Independent Director	4
Mr. Biju Varkkey	Independent Director	4
Mr. Viswanathan NS	Independent Director	3



## Discussions with Independent Directors

The Board's policy is to regularly have separate meetings with IDs, to update them on all business-related issues and new initiatives. At such meetings, the EDs and other members of the Management make presentations on relevant issues.

## BOARD COMMITTEES

### Audit Committee

The Audit Committee was constituted on 6 August, 2015. The terms of reference of the Audit Committee is as set out in Regulation 18 of the SEBI (Listing Obligation and the Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013. The primary objective of the Committee is to monitor and provide an effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting. The Committee oversees the work carried out in the financial reporting process by the Management, the internal auditor, the statutory auditor and the cost auditor and notes the processes and safeguards employed by each of them.

The Company Secretary acts as the Secretary of the Committee.

The Audit Committee Meeting for the year ended 31st March, 2020 were held on 14th May, 2019 and 13th November, 2019.

### The composition of the Committee and the attendance details of the members are given below:

Name of the Members	Category	No. of Meetings Attended
Mr. Viswanathan NS	Chairman	1
Mr. Biju Varkkey	Member	2
Ms. Nina Elizabeth Woodard	Member	2

### Nomination and Remuneration Committee

The Nomination and Remuneration Committee was constituted on 6th August, 2015. The terms of reference of the Nomination and Remuneration Committee is as set out in Regulation 19 of the SEBI (Listing Obligation and the Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013.

The purpose of the Committee is to oversee the Company's Nomination process for the senior management and specifically to identify, screen and review individuals qualified to serve as Executive Directors, Non-Executive Directors and Independent Directors consistent with criteria approved by the Board and to recommend, for approval by the Board, nominees for election at the AGM of the shareholders.

The Committee also discharges the Board's responsibilities relating to compensation of the Company's Executive Directors and senior management. The Committee has the overall responsibility of approving and evaluating the compensation plans, policies and programmes for Executive Directors and the senior management. The Committee reviews and recommends to the Board, to approve for the Executive Directors, the base salary, incentives/commission, other benefits, compensation or arrangements and executive employment agreements.

The Committee further coordinates and oversees the annual self-evaluation of the performance of the Board, Committees and of individual Directors.

The Nomination and Remuneration Committee meeting for the year ended 31st March, 2020 was held on 10th November, 2019.

### The composition of the Committee and the attendance details of the members are given below:

Name of the Members	Category	No. of Meetings Attended
Mr. Biju Varkkey	Chairman	1
Ms. Nina Elizabeth Woodard	Member	1
Mr. Viswanathan NS	Member	1
Mr. Gundlapally Ramalinga Reddy	Member	1

## Stakeholders' Relationship Committee

In terms of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligation and the Disclosure Requirements) Regulations, 2015, the Board has constituted "Stakeholders' Relationship Committee".

The composition of the Committee and the attendance details of the members are given below:

Name of the Members	Category	No. of Meetings Attended
Ms. Nina Elizabeth Woodard	Chairman	-
Mr. Biju Varkkey	Member	-
Mr. Gundlapally Ramalinga Reddy	Member	-
Mr. Viswanathan NS	Member	-
Mr. Naresh Babu Deevi	Member	-

The details of complaints received and resolved during the Financial Year ended 31st March, 2020 are given in the table below. The complaints relate to non-receipt of annual report, dividend, share transfers, etc.

Particulars	No. of Complaints Attended
Opening as on 1 April, 2019	-
Received during the year	-
Resolved during the year	-
Closing as on 31 March, 2020	-

## Finance and Authorization Committee

The Finance Committee of the Board was constituted on August 20, 2015, to consider the proposal for meeting the financing requirements of the Company, to approve of certain routine matters such as opening and closing of Bank Accounts of the Company, to grant Powers of Attorney to the Officers of the Company, to appoint representatives to attend general meetings or through postal ballot on behalf of the Company, etc.

The composition of the Committee and the attendance details of the members are given below:

Name of the Members	Category	No. of Meetings Attended
Mr. Gundlapally Ramalinga Reddy	Chairman	-
Ms. Gundlapally Praveena	Member	-
Mr. Francis Paul	Member	-
Mr. Naresh Babu Deevi	Member	-
Ms. Megha Chandak	Secretary	-

## SHAREHOLDERS

### Disclosures regarding the appointment or re-appointment of Directors

As per the Companies Act, 2013, Two-third of the total number of directors (Excluding Independent Directors) retire by rotation and, if eligible, seek reappointment at the AGM of shareholders. Mr. Gundlapally Ramalinga Reddy and Ms. Gundlapally Praveena will retire at the ensuing AGM and being eligible, seek reappointment. The Board has recommended the reappointment of the retiring Director.

### Appointment

The Board has appointed Mr. Naresh Babu Deevi Appointed as an Executive Director of the Company w.e.f. 1st June, 2019 subject to the approval of shareholders in the ensuing Annual General Meeting.

Mr. Viswanathan NS Appointed as an Independent Director of the Company w.e.f. 19th June, 2019 (Circular Resolution)

### Resignation

Mr. Atal Malviya Resigned as an Independent Director w.e.f. 21st May, 2019 and the Board took note of it in the Circular Resolution passed dated 19th June, 2019.

## Management Discussions and Analysis

A detailed report on Management's Discussion and Analysis forms part of this Annual Report.

### Communication to the shareholders

We send yearly Annual Report to shareholders through e-mail. The financial results are also posted on the Company's website.

All price sensitive information and matters which are material and relevant to shareholders are intimated to the Stock Exchanges where the securities of the Company are listed.

The Company submits to National Stock Exchange all compliances, disclosures and communications through NSE's NEAPS portal.

The Company's website is a comprehensive reference on Husys's management, vision, mission, policies, corporate governance, sustainability, investor relations, sales network, updates and news. The section on 'Investors FAQ's', 'Financial Statements' and 'Corporate Governance' serves to inform the shareholders, by giving complete financial details, shareholding patterns, corporate benefits, information relating to stock exchanges, Registrars & Transfer Agents and frequently asked questions. Investors can also submit their queries and get feedback through online interactive forms. The section on 'Media' includes all major press reports and releases, awards, campaigns, etc.

### Investor grievance and share transfer

We have a Board-level Stakeholders' Relationship Committee to examine and redress security holders' complaints. The status on complaints is reported to the entire Board.

For shares transferred in physical form, the Company provides adequate notice to the seller before registering the transfer of shares. For matters regarding shares transfer in physical form, share certificates, dividends, etc., shareholders should communicate with Karvy Fintech Private Limited, the Company's Registrars and Transfer Agents (RTA) quoting their folio number or DP ID and Client ID.

Share transactions in electronic form can be effected in a much simpler and faster manner. After a confirmation of a sale/purchase transaction from the broker, shareholders should approach the depository participant(s) with a request to debit or credit the account for the transaction. The depository participant(s) will immediately arrange to complete the transaction by updating the account. There is no need for a separate communication to the Company to register the share transfer.

### Code of conduct

The Company has adopted the Husys Code of Conduct for Executive Directors, Senior Management Personnel and other Executives of the Company. The Company has received confirmations from the Executive Directors as well as Senior Management Personnel regarding compliance of the Code during the year under review. The Code is posted on the website of the Company.

### Details of non-compliance

The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to capital markets.

There has been no instance of non-compliance with any legal requirements, nor have there been any strictures imposed by any stock exchange or SEBI, on any matters relating to the capital market over the year.

### Reconciliation of Share Capital Audit

In terms of SEBI (Listing Obligation & Disclosure Requirements), Regulations, 2015, certificates, on half-yearly basis, have been issued by a Company Secretary-in-Practice with respect to due compliance of share transfer formalities by the Company. M/s. Savita Jyothi & Associates, Company Secretary-in-Practice carried out a Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited and Central Depository Services (India) Limited ("Depositories") and the total issued and listed capital. The Secretarial Auditor confirms that the total paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialised form (held with Depositories).

### Related Party Transactions

All transactions entered into with related parties as defined under the Companies Act, 2013 during the year were on an arm's length price basis and in the ordinary course of business. These have been approved by the Audit Committee. The Board of Directors have approved and adopted a policy on Related Party Transactions and the same has been uploaded on the website of the Company and can be accessed at: [https://husys.com/pdf/Related\\_Party\\_Transactions\\_Policy\\_Husys.pdf](https://husys.com/pdf/Related_Party_Transactions_Policy_Husys.pdf)

In the preparation of financial statements, the Company has followed the Accounting Standards. The significant accounting policies which are applied have been set out in the Notes to Financial Statements. The Board has received disclosures from KMP relating to material, financial and commercial transactions where they and/or their relatives have personal interest. There are no materially significant related party transactions which have potential conflict with the interest of the Company at large.

## Vigil Mechanism

The Board at its meeting held on 20th August, 2015, approved the Vigil Mechanism that provides a formal mechanism for all Directors, employees and vendors of the Company to approach the Divisional Chief Executive / Head of Corporate Department/ Head of Corporate Human Resources and make protective disclosures about the unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. Under the Policy, every Director, employee or vendor of the Company has an assured access to the Chief Executive / Head of Corporate Department/ Head of Corporate Human Resources. Details of the Vigil Mechanism are given in the Directors' Report.

## INFORMATION TO INVESTORS

### Annual General Meeting

Date	29th September, 2020
Time	02:00 PM (IST)
Venue	Video Conferencing
Financial Year	2019-20

None of the businesses proposed to be transacted at the ensuing AGM require passing a Special Resolution through Postal Ballot.

### Designated e-mail address for investor services

In terms of SEBI (LODR) Regulations, 2015, the designated e-mail address for investor complaints is megha.c@husys.com

### LITIGATION RELATING TO THE COMPANY: Nil

### Past Cases in which Penalties Have Been Imposed on the Company

There are no cases in the last five years in which penalties have been imposed on the Company.

### Share Transfer System

Share certificates, received in physical form, are processed and returned in 10 to 15 days from the date of receipt, subject to the documents being valid and complete. As per the guidelines of the Securities and Exchange Board of India (SEBI), the Company offers the facility of transfer-cum-dematerialisation (demat).

Shares held in the dematerialised form are electronically traded in the depository. The registrar and share transfer agents of the Company periodically receive from the depository the beneficiary holdings to enable them to update their records and to send out corporate communications such as dividend warrants.

Physical shares received for dematerialisation are processed and completed within 15 days from the date of their receipt, provided they are in order. Bad deliveries are immediately returned to the depository participant(s) under advice to the shareholders.

### Transfer of Unclaimed Dividend to Investor Education and Protection Fund

Pursuant to the provisions of Sections 124 of the Companies Act, 2013, the dividend which remains unclaimed/ unpaid for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government

### Listing on Stock Exchanges

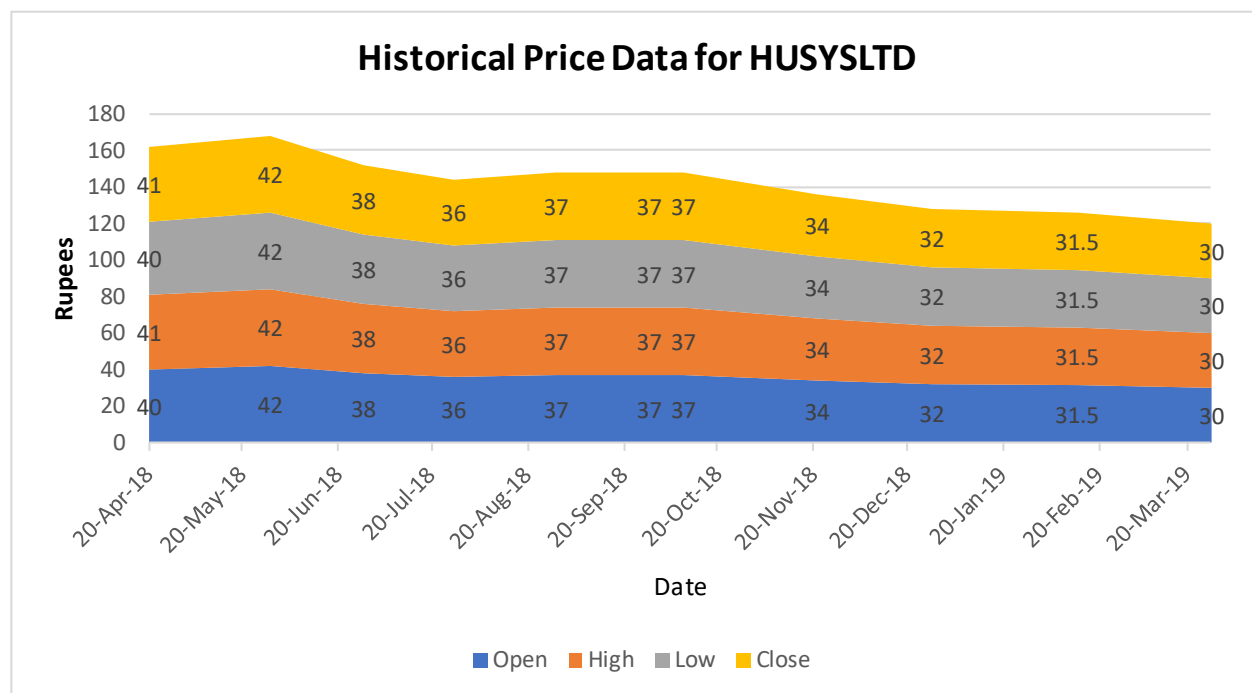
The Company's Ordinary shares are listed on National Stock Exchange of India Limited in India:

Stock Exchanges	ISIN	Stock Symbol
National Stock Exchange of India Limited (NSE)	INE336T01010	HUSYSLTD

## Market Information

Market Price Data: High, Low (based on the closing prices) and volume during each month in last financial year National Stock Exchange of India Limited (NSE)

Symbol	Series	Date	Open	High	Low	Close	LTP	Volume	Turnover (in Lakhs)
HUSYSLTD	SM	27-Feb-20	28.50	28.50	28.50	28.50	28.50	2,000	0.57
HUSYSLTD	SM	09-Jan-20	24.50	24.50	24.25	24.25	24.25	4,000	0.98
HUSYSLTD	SM	09-Dec-19	30.00	30.00	30.00	30.00	30.00	2,000	0.60
HUSYSLTD	SM	23-Oct-19	34.00	34.00	34.00	34.00	34.00	2,000	0.68
HUSYSLTD	SM	05-Sep-19	32.00	38.00	32.00	38.00	38.00	4,000	1.40
HUSYSLTD	SM	30-Aug-19	31.00	32.00	31.00	32.00	32.00	4,000	1.26
HUSYSLTD	SM	24-Jul-19	30.25	30.25	30.25	30.25	30.25	2,000	0.60
HUSYSLTD	SM	13-Jun-19	30.05	30.05	30.0	30.05	30.05	2,000	0.60
HUSYSLTD	SM	30-May-19	32.00	32.00	30.00	30.00	30.00	4,000	1.24
HUSYSLTD	SM	22-Apr-19	29.00	29.00	29.00	29.00	29.00	2,000	0.58



## Green Initiative

As a responsible corporate citizen, the Company welcomes and supports the 'Green Initiative' undertaken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents including the Annual Report, Half yearly results, etc., to shareholders at their e-mail address previously registered with the DPs/Company/RTAs. Shareholders who have not registered their e-mail addresses so far are requested to register their e-mail addresses. Those holding shares in demat form can register their e-mail address with their concerned DPs. Shareholders who hold shares in physical form are requested to register their e-mail addresses with Karvy Fintech Private Limited Private Limited, by sending a letter, duly signed by the first/sole holder quoting details of Folio No.

## Registered Office at:

### Hyderabad

Husys House, 1-8-505/E/D/A,  
Prakash Nagar, Begumpet, Hyderabad- 500016, Telangana, India.  
Email: [reach@husys.com](mailto:reach@husys.com)

**Corporate Identity Number - L74140TG2005PLC047222**

## Branch Offices at:

### Bangalore

No.1, Ground Floor, 3rd Main 2nd 'D' Cross,  
2nd Stage Domlur, near Domlur Club, Bengaluru - 560071, Karnataka, India.  
Email: [reach@husys.com](mailto:reach@husys.com)

### Delhi

B-6, Ground Floor, Cabin No-7, Kalkaji,  
New Delhi - 110019, Delhi, India.  
Email: [reach@husys.com](mailto:reach@husys.com)

## Franchise offices at :

### Jamnagar

423- Indraprasth, Nr. Pancheswar Tower,  
Jamnagar Gujarat- 361001

### Rajkot

312 – C Iscon Mall, 150 FT Ring Road,  
Rajkot- 360005, Gujarat India

### Pune

Office No.35, Pune Trade centre,  
opposite maple hotel, Pune Nagar Highway,  
Wagholi ,Pune- 412207  
Email: [vipul.patel@husys.com](mailto:vipul.patel@husys.com)

## Investor Contact:

### Name, designation & address of Compliance Officer:

Ms. Megha Chandak, Company Secretary  
Husys House, # 1-8-505/E/D/A, Prakash Nagar, Begumpet, Hyderabad – 500016. Telangana, India.  
Phone.: +91-81250 68133  
Email: [megha.c@husys.com](mailto:megha.c@husys.com)



**Name, designation & address of Investor Relations Officer:**

Mr. Francis Paul, Chief Financial Officer

Husys House, # 1-8-505/E/D/A, Prakash Nagar, Begumpet, Hyderabad – 500016. Telangana, India.

Tel.: 95535 00081

Email: [paul.f@husys.com](mailto:paul.f@husys.com)

**Registrars and Transfer Agents:**

KFin Technologies Private Limited

Selenium Building, Tower- B,

Plot No 31 & 32., Financial district, Nanakramguda, Serilingampally Mandal, Hyderabad - 500032, , Telangana, India.

Website: [www.karvyfintech.com](http://www.karvyfintech.com)

**Stock Exchanges:**

National Stock Exchange of India Limited

Exchange Plaza, Plot No. C/1,

G Block Bandra-Kurla Complex, Bandra (E), Mumbai-400051.

Tel.: (022) 2659 8100;

Website: [www.nseindia.com](http://www.nseindia.com)

**Depositories****National Securities Depository Limited**

Trade World, A Wing, 4th & 5th Floors, Kamala Mills Compound, Lower Parel, Mumbai-400013.

Phone.: (022) 2499 4200;

Email: [info@nsdl.co.in](mailto:info@nsdl.co.in)

Website: [www.nsdl.co.in](http://www.nsdl.co.in)

**Central Depository Services (India) Limited**

Phiroze Jeejeebhoy Towers, 17th Floor, Dalal Street, Mumbai-400001.

Phone.: (022) 2272 3333;

Toll free: 1800-200-5533

Email: [helpdesk@cdslindia.com](mailto:helpdesk@cdslindia.com)

Website: [www.cdslindia.com](http://www.cdslindia.com)



## BUSINESS RESPONSIBILITY REPORT

### Introduction

Husys Consulting excels for Common Good. Its unique business model ensures its legacy of responsible business and keeping community as the ultimate purpose of its existence. Over the decades, we have remained focused on the efficient deployment of resources – people, processes and eco-efficient and safe service products. To sustain talent development and add value to our clients' businesses by providing strategic human capital solutions and operational support and also to provide end to end solutions from consulting to the delivery of high quality, cost effective and time sensitive HR services. This ensures that we are balanced in our engagements with multiple stakeholders, creating value with and for all.

### About the Report

At a time and age when enterprises are increasingly seen as critical components of the social system, they are accountable not merely to their shareholders from a revenue and profitability perspective but also to the larger society which is also its stakeholder. Hence, adoption of responsible business practices in the interest of the social set –up and the environment are as vital as their financial and operational performance. This is all the more relevant for listed entities which, considering the fact that they have accessed funds from the public, have an element of public interest involved, and are obligated to make exhaustive continuous disclosures on a regular basis. Ministry of Corporate Affairs, Government of India, in July 2011, came out with the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business'. These guidelines contain comprehensive principles to be adopted by companies as part of their business practices and a structured business responsibility reporting format requiring certain specified disclosures, demonstrating the steps taken by companies to implement the said principles. As per clause (f) of sub regulation (2) of regulation 34 of Listing Regulations, the annual report shall contain a business responsibility report describing the initiatives taken by the listed entity from an environmental, social and governance perspective.

### About the Principles

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These are as follows:

<b>Principle 1</b>	P1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
<b>Principle 2</b>	P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
<b>Principle 3</b>	P3	Businesses should promote the wellbeing of all employees
<b>Principle 4</b>	P4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
<b>Principle 5</b>	P5	Businesses should respect and promote human rights
<b>Principle 6</b>	P6	Business should respect, protect, and make efforts to restore the environment
<b>Principle 7</b>	P7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
<b>Principle 8</b>	P8	Businesses should support inclusive growth and equitable development
<b>Principle 9</b>	P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner

## SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN): L74140TG2005PLC047222
2. Name of the Company: HUSYS CONSULTING LIMITED
3. Registered address: Husys House, 1-8-505/E/D/A, Prakash Nagar, Begumpet, Hyderabad, Telangana-500016.
4. Website: www.husys.com
5. E-mail id: corp.affairs@husys.net
6. Financial Year reported: 2019-20
7. Sector(s) that the Company is engaged in (industrial activity code-wise) Human resources provision and management of human resources functions National Industrial Classification (NIC) Code: 783
8. List three key products/services that the Company manufactures/provides (as in balance sheet): a)
  - A) HR Consulting
  - b) HR Operations
  - c) HR Technology
  - d) Global PEO
9. Total number of locations where business activity is undertaken by the Company
  - a) Number of International Locations: Hong Kong, Malaysia, USA, UK, Australia, Switzerland, China and South Korea, Russia, Finland, Belgium.
  - b) Number of National Locations: Our Registered and Corporate Office is located in Hyderabad. Apart from this we have branch offices in Hyderabad, Bengaluru and Delhi,
  - c) Number of Franchise Offices: Pune, Jamnagar and Rajkot
10. Markets served by the Company – Local/State/National/International The main markets for Husys HR Services are Hong Kong, Malaysia, USA, UK, Australia, Switzerland, China and South Korea, Russia, Finland, Belgium and India.

## SECTION B: FINANCIAL DETAILS OF THE Company

1. Paid up Capital: Rs. 22.81 Lacs
2. Total Turnover : Rs. 4,969.24 Lacs
3. Total Profit after taxes: Rs. 191.70 Lacs
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%): NIL  
(Not applicable) 5. List of activities in which expenditure in 4 above has been incurred:
  - a) Salaries
  - b) Client Manpower Charges
  - c) Travel and Conveyance
  - d) Other Expenses

## SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies? No. The Company do not have any subsidiary.
2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent Company? If yes, then indicate the number of such subsidiary Company(s) N.A.
3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%] NIL.

## SECTION D: BR INFORMATION

### 1. Details of Director/Directors responsible for BR

- Details of the Director/Director responsible for implementation of the BR policy/policies
- DIN Number: 00559079
- Name: Mr. Gundlapally Ramalinga Reddy
- Designation: Managing Director
- Telephone Number: +91-98480 28582
- Email: gr@husys.com

#### a) Details of the BR head

S.No.	Particulars	Details
1	DIN Number (if applicable)	
2	Name	Mr. Francis Paul
3	Designation	Chief Financial Officer
4	Telephone number	9553500081
5	e-mail id	paul.f@husys.net

### 2. Principle-wise (as per NVGs) BR Policy/policies

S.No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/policies for.	Y	NA	Y	Y	N	N	Y	N	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	NA	Y	Y	N	N	Y	N	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Y	NA	Y	Y	N	N	Y	N	Y
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/owner/ CEO/ appropriate Board Director?	Y	NA	Y	Y	N	N	Y	N	Y
5	Does the Company have a specified committee of the Board/ Director/ Official to oversee the \ implementation of the policy?	Y	NA	Y	Y	N	N	Y	N	Y
6	Indicate the link for the policy to be viewed online?	<a href="https://husys.com/corporate-governance/">https://husys.com/corporate-governance/</a>								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	NA	Y	Y	N	N	Y	N	Y
8	Does the Company have in-house structure to implement the policy/ policies?	Y	NA	Y	Y	N	N	Y	N	Y
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/ policies?	Y	NA	Y	Y	N	N	Y	N	Y
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	NA	Y	Y	N	N	Y	N	Y

If answer to the question at serial number 1 against any principle, is 'No', please explain why:  
(Tick up to 2 options)

S.No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the Principles									
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles					Y	Y		Y	
3	The Company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year					Y	Y		Y	
6	Any other reason (please specify)									

### 3. Governance related to BR

- c) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year :Annually
- d) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published? Yes. <https://husys.com/pdf/business-responsibilities-2019.pdf>

## SECTION E: PRINCIPLE-WISE PERFORMANCE

### Principle 1

- Does the policy relating to ethics, bribery and corruption cover only the Company: Yes.
- How many stakeholder complaints have been received in the past financial year: NIL

### Principle 3

- Please indicate the Total number of employees: 382
- Please indicate the Total number of employees hired on temporary/contractual/casual basis: 335
- Please indicate the Number of permanent women employees: 115
- Please indicate the Number of permanent employees with disabilities: NIL
- Do you have an employee association that is recognized by management? NO
- What percentage of your permanent employees is members of this recognized employee association:N.A
- Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/forced labour/involuntary labour	NIL	NIL
2	Sexual harassment	NIL	NIL
3	Discriminatory employment	NIL	NIL

What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

- Permanent Employees: 100%
- Permanent Women Employees: 100%
- Casual/Temporary/Contractual Employees: 100%
- Employees with Disabilities Nil

## Principle 4

1. Has the Company mapped its internal and external stakeholders? Yes

## Principle 7

1. Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:
  - a) Career Star Group Limited, United Kingdom
  - b) Bangalore Chamber of Commerce and Industry, Karnataka, India
  - c) Federation of Andhra Pradesh Chambers of Commerce and Industry, Hyderabad, Telangana
  - d) IT Andhra Pradesh, Hyderabad, Telangana
  - e) Hyderabad Software Enterprises Association, Hyderabad, Telangana
  - f) National Association of Professional Employers Organizations, United States of America
2. Have you advocated/lobbied through above associations for the advancement or improvement of public good: Yes; Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles etc.

## Principle 9

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year?  
NIL.
2. Does the Company display product information on the product label, over and above what is mandated as per local laws?  
Yes/ No/N.A. /Remarks [additional information] NA.
3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so. NO.
4. Did your Company carry out any consumer survey/ consumer satisfaction trends? No.



## COMPLIANCE CERTIFICATE

{As per Regulation 17 (8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015}

We, Gundlapally Ramalinga Reddy, CEO & Managing Director and Francis Paul, Chief Financial Officer of Husys Consulting Limited, to the best of our knowledge, information and belief, certify that:

1. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2020 and:
  - a) These Financial Statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b) These Financial Statements together present, in all material respects, a true and fair view of the Company's affairs, the financial condition and results of operations and are in compliance with applicable accounting standards, laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or which violate the Company's code of conduct.
3. We are responsible for establishing and maintaining internal controls over financial reporting by the Company and we have:
  - a) Designed such controls to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others;
  - b) Designed or caused to be designed, such internal control systems over financial reporting, so as to provide reasonable assurance regarding the preparation of financial statements in accordance with Indian Accounting Standards (Ind AS) in India; and
  - c) Evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting.
4. During the year, we have disclosed to the Company's Auditors and the Audit Committee of the Board of Directors:
  - a) Any change, that has materially affected or is reasonably likely to materially affect, the Company's internal control over financial reporting;
  - b) Any significant changes in accounting policies during the year, and that the same have been disclosed appropriately in the notes to the financial statements;
  - c) Instances of significant fraud, if any, that we are aware especially if any Member of management or employee involved in financial reporting related process. No such instances were noticed during the year 2019-20.
  - d) All significant changes and deficiencies, if any, in the design or operation of internal controls, which could adversely affect the Company's ability to record, process, summarize and report financial data; and
  - e) Any material weaknesses in internal controls over financial reporting including any corrective actions with regard to deficiencies.
5. In the event of any materially significant misstatements or omissions, we will return to the Company that part of any bonus or incentive which was inflated on account of such mistakes or omissions.
6. We affirm that we have not denied any employee, 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 managerial personnel have affirmed compliance with the code of conduct for the current year.

Sd/-  
Gundlapally Ramalinga Reddy  
CEO & Managing Director

Sd/-  
Francis Paul  
Chief Financial Officer

Place: Hyderabad  
Date: 26-06-2020

**DECLARATION BY THE CEO UNDER THE SEBI  
(LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS)  
REGULATIONS, 2015 REGARDING COMPLIANCE WITH CODE OF CONDUCT**

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that, all Board Members and Senior Management Personnel of the Company- Husys Consulting Limited have affirmed compliance with the Code of Conduct, as applicable to them, for the Financial Year ended March 31, 2020.

Sd/-  
Gundlapally Ramalinga Reddy  
CEO & Managing Director

Place: Hyderabad  
Date: 26-06-2020



## Certificate under Schedule V(C)(10)(i) of SEBI (Listing Obligations and Disclosure Requirements), 2015

To  
**Husys Consulting Limited**  
 (CIN: L74140TG2005PLC047222)  
 1-8-505/D/E/A, Husys House, Prakash Nagar Extension Begumpet, Hyderabad-500016, Telangana, India

SUB: Certificate under Schedule V(C)(10)(i) of SEBI (Listing Obligations and Disclosure Requirements), 2015

I, Subhash Kishan Kandrapu, Practicing Company Secretaries, have examined the Company and Registrar of Companies records, books and papers of HUSYS CONSULTING LIMITED (CIN: L74140TG2005PLC047222) having its Registered Office at 1-8-505/E/D/A, Prakash Nagar Extension Hyderabad Hyderabad TG 500016 IN (the Company) as required to be maintained under the Companies Act, 2013, SEBI Regulations, other applicable rules and regulations made thereunder for the Financial Year ended on March 31, 2020.

In my opinion and to the best of my information and according to the examinations carried out by me and explanations and representation furnished to me by the Company, its officers and agents, I certify that none of the following Directors of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the SEBI/ Ministry of Corporate Affairs or any such statutory authority as on March 31, 2020:

S.No	Name of the Director	Designation
1.	Mr. Gundlapally Ramalinga Reddy	Managing Director
2.	Ms. Gundlapally Praveena Reddy	Whole-time Director
3.	Mr. Naresh Babu Deevi	Executive Director
4.	Ms. Nina Elizabeth Woodard	Non-Executive Independent Director
5.	Mr. Biju Varkkey	Non-Executive Independent Director
6.	Mr. Viswanathan Nelluvaya Subrahmanian Iyer	Non-Executive Independent Director

Sd/-  
**CS. Subhash Kishan Kandrapu**  
 ACS: 32743, CP: 17545  
 UDIN: A032743B000476923

Place: Hyderabad,  
 Date: 20/07/2020

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### Overview of Indian Economy

India has emerged as the fastest growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships.

#### Market size

India's gross domestic product (GDP) [at constant 2011-12 prices] was estimated to be Rs 145.65 lakh crore (US\$ 2.06 trillion) for 2019-20, growing 4.2 per cent over the previous year.

India retained its position as the third largest start-up base in the world with over 8,900-9,300 start-ups as 1,300 new start-ups got incorporated in 2019 according to a report by NASSCOM. India also witnessed the addition of 7 unicorns in 2019 (till August 2019), taking the total tally to 24.

India's labour force is expected to touch 160-170 million by 2020 based on the rate of population growth, increased labour force participation and higher education enrolment among other factors according to a study by ASSOCHAM and Thought Arbitrage Research Institute.

India's foreign exchange reserves reached Rs 37.31 lakh crore (US\$ 493.48 billion) in the week up to May 29, 2020 according to the data from RBI.

The services sector is a key driver of India's economic growth. The sector contributed 55.39 per cent to India's Gross Value Added at current price in FY20\*. Services sector's GVA grew at a CAGR of 1.45 per cent to US\$ 1,064.8 billion in FY20 from US\$ 1,005 billion in FY16. Net export estimate in FY20 from services stood at US\$ 214.14 billion, while import was at US\$ 131.41 billion in FY20.

### Recent Developments

With an improvement in the economic scenario, there have been investments across various sectors of the economy. The mergers and acquisition (M&A) activity in India stood at US\$ 28 billion in 2019, while private equity (PE) deals reached US\$ 48 billion. Some of the important recent developments in Indian economy are as follows:

- Merchandise export and import (in US\$ terms) declined by 4.8 per cent and 9.1 per cent, respectively, in 2019-20.
- Nikkei India Manufacturing Purchasing Managers' Index (PMI) stood at 30.8 in May 2020, showing contraction in the sector because of coronavirus-related restrictions.
- Gross tax revenue stood at Rs 15.04 lakh crore (US\$ 215.28 billion) in 2019-20 – income tax collection contributed Rs 4.80 lakh crore (US\$ 68.14 billion) to it..
- In 2019, companies in India raised around US\$ 2.5 billion through 17 initial public offers (IPO).
- India's Foreign Direct Investment (FDI) equity inflow reached US\$ 469.99 billion between April 2000 to March 2020, with maximum contribution from services, computer software and hardware, telecommunications, construction, trading, and automobiles.
- India's Index of Industrial Production (IIP) for 2019-20 stood at 129.2.
- The combined index of eight core industries stood at 137 in March 2020. Its cumulative growth was 0.6 per cent in 2019-20.
- Consumer Price Index (CPI) – Combined inflation was 5.9 per cent in March 2020 as compared to 6.6 per cent in February 2020. The annual consumer price inflation increased to 4.8 per cent in 2019-20 from 3.4 per cent in 2018-19.

- Around 12 million jobs in a year were created in India during 2015-19.
- India improved its ranking in World Bank's Doing Business Report by 14 spots over last year and was ranked 63 among 190 countries in the 2020 edition of the report.
- India is expected to have 100,000 start-ups by 2025, which will create employment for 3.25 million people and generate US\$ 500 billion in value as per Mr T V Mohan Das Pai, Chairman, Manipal Global Education.

## Government Initiatives

The first Union Budget of the third decade of 21st century was presented by Minister for Finance & Corporate Affairs, Ms Nirmala Sitharaman in the Parliament on February 1, 2020. The budget aimed at energising the Indian economy through a combination of short-term, medium-term, and long-term measures.

Total expenditure for 2020-21 is budgeted at Rs 37.14 lakh crore (US\$ 531.53 billion), an increase of 13 per cent from 2019-20 (revised budget estimates).

Numerous foreign companies are setting up their facilities in India on account of various Government initiatives like Make in India and Digital India. Mr Narendra Modi, Prime Minister of India, launched Make in India initiative with an aim to boost country's manufacturing sector and increase purchasing power of an average Indian consumer, which would further drive demand and spur development, thus benefiting investors. The Government of India, under its Make in India initiative, is trying to boost the contribution made by the manufacturing sector with an aim to take it to 25 per cent of the GDP from the current 17 per cent. Besides, the Government has also come up with Digital India initiative, which focuses on three core components: creation of digital infrastructure, delivering services digitally and to increase the digital literacy.

## Road Ahead

India's GDP is expected to reach US\$ 5 trillion by FY25 and achieve upper-middle income status on the back of digitization, globalization, favorable demographics, and reforms.

India is also focusing on renewable sources to generate energy. It is planning to achieve 40 per cent of its energy from non-fossil sources by 2030, which is currently 30 per cent, and have plans to increase its renewable energy capacity from 175 gigawatt (GW) by 2022.

Services sector growth is governed by domestic and global factors. The Indian facilities management market is expected to grow at 17 per cent CAGR between 2015 and 2020 and surpass the US\$ 19 billion mark supported by booming real estate, retail, and hospitality sectors.

By 2023, healthcare industry is expected to reach US\$ 132 billion. India's digital economy is estimated to reach US\$ 1 trillion by 2025. By end of 2023, India's IT and business services sector is expected to reach US\$ 14.3 billion with 8 per cent growth.

India is expected to be the third largest consumer economy as its consumption may triple to US\$ 4 trillion by 2025, owing to shift in consumer behavior and expenditure pattern, according to a Boston Consulting Group (BCG) report. It is estimated to surpass USA to become the second largest economy in terms of purchasing power parity (PPP) by 2040 as per a report by Pricewaterhouse Coopers.

- Exchange Rate Used: INR 1 = US\$ 0.013123 as on April 2020

## Impact of COVID-19 on People in Industries (Results of Pulse Survey)

Your Company conducted a quick Pulse Survey to know the impact of Covid-19 Pandemic on People due to Business Disruption.

### Industries covered:

- **IT & ITES Product & Services: 45%**
- **Manufacturing & Capital Intensive and Allied Industries: 40%**
- **Modern Retail/Online & Other Businesses: 15%**

**High Effected Industries includes:** Aviation, Hotel Restaurant & Tourism, Auto Dealerships, Ceramic Tiles, Gems & Jewellery, Retail, Shipping, Ports & Port Services, Seafood and Poultry and Micro finance Institutions.

### Key Observations:

- Employees Strength included 21% (105 Companies) with 500+ people, 16% (80 Companies) with 51-100 people while 40% (200 Companies) for less than 50 people.
- For 54% of the Participating Companies, Work from Home seemed a possibility though some faced challenges of productivity due to connectivity issues & for smaller firms Data Security was one of the major concerns.
- Was WFH a Success: Out of 270 Companies, 159 Companies implemented WFH 100% immediately, 57 Companies could manage 70% and about 57 Companies were able to execute less than 50% which resulted in adding stress on Business Continuity due to Reduced Revenues & Unsatisfied Clients.
- Lockdown impacted especially the Startups, SME's in India with a impact of 60% to 90% for 350 Companies on day 1 & for significant 110 Companies the pandemic affected 100% for organisations of more than 500 people
- 100 Companies accounting 22% of survey responded the Business Impact is Upwards of 30% up to 60%
- 17% Companies did not pay the Senior Management Salaries at all with 8% Middle Management not receiving salaries & with 4% people receiving up to 30% Salary, 8% people receiving up to 50% Salary, 9% people receiving up to 75% Salary
- 77% of Employees received salary in full with 25% of reduction in March Month salary for 9% & Rest paid in full with 24% Companies stating April to May No Pay/Can't pay
- More than 50% paid companies reduced from 47% (No. of Companies) to 34.34% (No. of Companies) for the month of May assuming no stimulus package from Govt.
- Considering the solutions in this Pandemic, 23% (120- Companies) Considering for Reducing Salaries & Staff, another 12% (95 Companies) to layoff/Terminate people, 24% to reduce some & of the salaries & another 29% to maintain the Status Quo.
- More Actionable ideas include More people in Sales & focus on Revenue, Reduce cost on Travel, Vehicles, Rent, Engagement Activities, Loaning people to other Cos, WFH continuity for some & Onsite called back to Offshore.
- Definitive Solutions by Business includes 115 Companies reporting No Further Increments, No new Hiring, Focus on more responsibilities on existing staff.
- 130 Companies to Increase No. of Hours & Adjustment of Leaves & Leave without Pay, While Others to look at GIG Workers, New Business Models, Build New products, Improved Automation.
- SME's when asked whom they approach for advice in difficult times, 55% accounted for from well-wishers coupled with their own Decision making. 29% to go to the Specialist Advisory with the Government Advisory for less than 12%



• On Govt's Advice for paid leaves for Employees during lockdown, 72% CEO feels not Appropriate, only 28% mentioned as appropriate.

**“While advising us to Pay, why government is Differing payments is a big question”**

**In COVID-19 Times, Govt wants to dream of 5 Trillion Economy  
These Startups SME's must be Saved & Supported**

## **Top 5 Suggestions by the Business Owners to the Government:**

1. Government should pay employees **PF and ESI** for the month of March, April and May
2. To provide support to the industries by providing **Rebate in taxes**, reduce interest percentage, provide employees welfare activities, make sure utilities are available at controlled cost.
3. Government should pay **50% of Employee cost for MSME** with turnover **less than 50cr** for shutdown period and 25% for a period of 3 to 6 months beyond shutdown till business conditions improve
4. Deposit of **Rs 15 lakhs** to each family as **promised by PM** earlier or Some of amount to combat next 6 months. Smaller companies need access to easy loans from banks and NBFCs to rebuild their businesses
5. Release some **Unemployment Allowance** especially those who are jobless and who were earning less than Rs 15,000/- per month

## **Index of Industrial Production**

India's industrial production plunged an upwardly revised 18.3 percent year-on-year in March 2020, compared to a 16.7 percent fall initially reported. It is the steepest decline since records began in 1994 and much worse than market expectations of an 8.7 percent tumble, as the COVID-19 pandemic forced many businesses to close. Manufacturing production contracted at a record pace (-22.4 percent) electricity (-8.2 percent) and mining (-1.4 percent) also fell. The government released only quick estimates for the month of May which showed a 34.7 percent drop in industrial production but warned those figures should not be compared with previous months due to insufficient data as the country was under lockdown amid efforts to contain the spread of the COVID-19 pandemic. The same applies to April figures when a revised estimate showed a 57.6 percent plunge.

Source: tradingeconomics.com

## **Indian Foreign Direct Investments**

Foreign Direct Investment in India averaged 1419.55 USD Million from 1995 until 2020, reaching an all time high of 8569 USD Million in August of 2017 and a record low of -1336 USD Million in November of 2017. This page provides - India Foreign Direct Investment - actual values, historical data, forecast, chart, statistics, economic calendar and news. India Foreign Direct Investment values, historical data and charts - was last updated on July of 2020

Source: tradingeconomics.com

## HR Trends in 2020 falls same as of 2019 fuelled by the Post Covid Scenario: The Future of Human Resource Management

In 2020 and the near future, HR software is moving beyond its base functionality of benefits management, recruitment, time and attendance, professional development, and other standard features. These features are still integral to the technology, but more advanced tools are emerging. Automation is an overarching theme for HR innovation, with many functions becoming completely digitized, eliminating the need for human involvement.

Headhunting of passive candidates has always been part of the recruitment process. But these days, it's much different from simply sifting through resumes on a career website. The advent of social media has made getting in touch with candidates easier than ever before.

A significant driver of this stems from VPN technology making it easy to access work systems from nearly any computer. This makes it possible to recruit from almost anywhere in the world, and it's no surprise that many startups are built with remote teams. From a corporate perspective, it opens up the pool of candidates, and by offering remote work capabilities, it's a way to retain current employees and boost job satisfaction through a better work-life balance. With video conferencing and collaboration tools evolving every year, this trend will only continue on the upswing fuelled by the Post Covid Scenario

Working virtually – at home, at a coffee shop or anywhere else there's Wi-Fi – is a growing trend in the United States. In the past two decades, the volume of employees who have worked at least partially by telecommuting has quadrupled

### What have been the changes in HR in the recent years?

When you're finished changing, you're finished" – Benjamin Franklin (USA Founding Father)

The HR function is dealing with a range of questions: How can it prove its relevance within its organization and bring strategic value? How can HR design an employee experience that responds to evolving demands? And how can it utilize technology to truly understand the needs and motivations of employees?

A particularly striking finding from the Market Survey conducted on Future of HR 2020 – in which over 1,300 HR executives from across the globe participated – 3 in 5 believe that the HR function will rapidly become irrelevant if it doesn't modernize its approach to understanding and planning for the future needs of the workforce.

We can see a path forward for HR that requires some fundamentally new thinking about what HR does and how it is built to deliver. The way forward may start with discrete adoption of workforce shaping, or piloting a more digital experience in one of their business units. In our view, these interim steps are only going to be helpful if they catalyze a more thorough rebuilding of HR capabilities.

In this year's study we identified four interconnected focus areas prevalent for a small subset of the sample. We define this group as Pathfinding HR. This confident group of HR executives are simultaneously focusing on four discrete capabilities to chart their course to the future in a disrupted world: shaping the workforce of the future, nurturing a purpose driven culture, and designing a "consumer grade" employee experience, all through the use of evidence-based insights. So if we look at the upcoming 8-10 years of HR, here is what will be different:

### BUSINESS OVERVIEW

Our Company was incorporated as Husys Consulting Private Limited under the provisions of the Companies Act, 1956 vide certificate of incorporation dated August 24, 2005 in Hyderabad. Subsequently, our Company was converted into public limited Company pursuant to which the name of our Company was changed to "Husys Consulting Limited" vide fresh certificate of incorporation dated August 06, 2015. Our Company got listed on Emerge Institutional Trading Platform of National Stock Exchange of India Limited (NSE) on August 21, 2015. Further, our Company has made an application for de-listing from on Emerge Institutional Trading Platform of NSE vide letter dated April 25, 2016.

Husys has been in the forefront of innovation for HR Industry in India. With many first of its kind innovation we carved a niche for ourselves. We are the first one to bring HR Function Management for Small & Medium Industries when the whole world did not recognise the significance for a great economy. We are ahead in our learning curve and can use it to leap jump to capture the opportunity that is offering at this time. We foresee a great future with the thrust of Startup and Stand-up India initiatives and also the Make in India programs are a boon for our Company.

## OUR SIGNIFICANT DEVELOPMENTS COMPARTED TO THE LAST FINANCIAL YEAR REMAINS THE SAME:

Our strategic approach last year to the business growth has given us a chance to set your company towards higher growth in future. All the initiatives have impacted in improving our services and client confidence.

## SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

The Human Resources Industry thrives under a dynamically changing and highly competitive business environment.

Your Company too faces several business risks, of which some prominent ones are discussed hereunder alongside the risk mitigation approach followed by the Company:

**Concentration Risk:** We have taken great steps in ensuring that the client portfolio and the partners are diverse, reducing the impact on our business with concentration. This helps us to maintain a balanced growth with our challenges of losing clients and impacting the business results in future.

**Availability of Skilled Manpower:** We being in the Human Resources Industry, our efforts to generate greater flow of skilled and focused manpower paid off. We do run the programs to tap our own talent. Our programs on HR Skills development and working with Government bodies like the Telangana Academy for Skills & Knowledge and AP Skill Development Corporation has been a success in building future talent with Government support. This generates the required manpower for our future. Also the program of “HRPrenuership” for encouraging people to start HR business helps us to build the future Franchise Network strongly.

**Competition Risk:** HR services market is a very competitive space. However, our investment into the HR Cloud technology is giving us an opportunity to make potential competitors into users and also implementors. This gives significant advantage to Husys without bothering about the competition, gains the expertise of those Individuals and small HR companies adapting to our technology in future. This mitigates the risk of competition and turning into collaborative opportunity.

**New Technologies:** Emerging technologies are more becoming a friends of Husys in collaborating on our platforms. There is a significant amount of investment done in the HR space in technology on a specialized areas. Your company is in a better position to use those technologies and save significant amount of money and also efforts and bringing business results faster.

**International Risks:** We have ensured that all our contracts with the international partners takes care of the risk in exchange rates and contractual compliance point of view. This ensures that any changes in exchange rates etc., would not be impacted on your company.

**Margin Pressures:** While there is a significant pressure of margin, we are mitigating by asking for more business volumes to ensure that your company resources are utilized least and get maximum benefit of growth. We are also providing alternative methods of pricing based on the need of the clients, which is keeping us on a high respect for clients.

## DISCUSSION ON RESULT OF OPERATION

The following discussion on results of operations should be read in conjunction with the audited financial results of our Company for years ended March 31st, 2020 and March 31st, 2019.

### Overview of Revenue & Expenditure Revenues

**Our Company's Revenue is primarily generated from Sales of services: -**

- Domestic Sale
- Export Sale

Particulars	As at March 31, 2020	As at March 31, 2019
Income		
Revenue from Operations	4,969.25	3,282.99
Increase/Decrease in %	51.36%	43.58%
Other Income	61.58	25.21
Increase/Decrease in %	144.30%	264.05%
Total Revenue	5,030.83	3,308.20

## Husys As it Stands today:

Husys positioning has been perfect for the environment for people focus and growing Economy in future. We are strategically aligned to take advantage of the economic condition of India. Our future focus of services rightly fits in the Growth of Start-up and SME's, People Focus, Business acquisitions and expansions in the country. We have service offerings for extreme growth conditions like the HR cloud Technology, Operational HR Support with Consulting. While the down trend also uses the HR Cloud Technology to enable the HR with lesser cost and more effectiveness. Our outplacement service is used by company at the time they are cutting down their operations due to M&A, Takeovers and Business reduction stages. Our future investment in Technology and Franchise Partner Development take us close to every business who are looking forward for such innovation and support in HR space.

The following is the Income mix in terms of value of total income of our Company for different services.

(Amount in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Revenue from Operation		
Sales of Services-		
Domestic Services	496.55	480.76
Export Services	4,472.70	2,802.23
<b>Total Revenue from Operation</b>	<b>4,969.25</b>	<b>3,282.99</b>

Particulars	As at March 31, 2020	As at March 31, 2019
Revenue from Operation		
Sales of Services-		
Domestic Services	9.99%	14.64%
Export Services	90.01%	85.36%
<b>Total Revenue from Operation</b>	<b>100.00%</b>	<b>100.00%</b>

## Other Income

Other operating revenue consists of Interest and miscellaneous income.

(Amount in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Interest	61.39	24.81
Miscellaneous income	0.19	0.40
<b>Total Other Income</b>	<b>61.58</b>	<b>25.21</b>

The following is the other income mix in terms of percentage of other income of our Company for other incomes:

Particulars	As at March 31, 2020	As at March 31, 2019
Interest	99.69%	98.41%
Miscellaneous income	0.31%	1.59%
<b>Total Other Income</b>	<b>100.00%</b>	<b>100.00%</b>

## Trade Receivables

The following table presents the details of our Company's trade receivables:

(Amount in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Unsecured and Considered Good</b>		
Outstanding for a period not exceeding six months	277.05	157.02
As a % of total Trade receivables	99.93%	87.12%
Outstanding for a period exceeding six months	0.20	23.21
As a % of total Trade receivables	0.07%	12.88%
Less: Provision for doubtful debts	NIL	NIL
As a % of total Trade receivables	100%	100%
Total –Trade receivables	277.25	180.23
Avg. Trade receivables	228.74	174.34
Trade receivables Turnover Ratio	17.92	18.22
Average Collection Period ( in days)	20.36	20.04

## Expenditure

Our Company's operating expenditure consists of following: -

- Employees benefit expenses, Finance cost, Depreciation, and Other expenses.

## RESULTS OF OPERATIONS

### Statement of profits and losses

The following table sets forth, for the fiscal years indicated, certain items derived from our Company's audited restated financial statements, in each case stated in absolute terms and as a percentage of total sales and/or total revenue.

(Amount in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>INCOME</b>		
Revenue from Operations		
Revenue	4,969.25	3,282.99
Increase/Decrease in %	51.36%	43.58%
Other Income	61.58	25.21
Increase/Decrease in %	144.30%	264.05%
<b>Total Revenue</b>	<b>5,030.83</b>	<b>3,308.20</b>
<b>EXPENDITURE</b>		
Employee benefit expenses	4,497.11	2,927.75
As a % of Total Revenue	89.39%	88.50%
Finance costs	2.80	3.92
As a % of Total Revenue	0.06%	0.12%
Depreciation and amortization expense	106.49	31.03
As a % of Total Revenue	2.12%	0.94%
Other expenses	169.18	134.79
As a % of Total Revenue	3.36%	4.07%
<b>Total Expenditure</b>	<b>4,775.58</b>	<b>3,097.49</b>
As a % of Total Revenue	94.93%	93.63%
Profit before prior period items	255.25	210.71
Exceptional Items	0	0
Depreciation written back	0	0
Profit on sale of Assets	0	0
Extraordinary Items	0	0
Profit before tax	255.25	210.71
PBT Margin	5.07%	6.37%
<b>Tax expense :</b>		
(i) Current tax Provision	52.54	62.24
(ii) Deferred Tax Provision/(Assets)	11.00	[4.18]
Total	63.54	58.06
As a % of Total Revenue	1.26%	1.75%
<b>Profit for the year</b>	<b>191.70</b>	<b>152.65</b>
<b>PAT Margin</b>	<b>3.81%</b>	<b>4.61%</b>



## FISCAL YEAR ENDED MARCH 31, 2020 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2019

### Income

Total revenue increased to Rs. 4,969.25 Lacs or 51.36% from Rs. 3,282.99 lacs in the fiscal year ended March 31, 2020. The revenue has increased due to increase in sales of Export services as well as Domestic from Company.

### Expenditure

Total Expenditure increased by Rs. 1,678.09 Lacs, or 54.18%, from Rs. 3,097.49 Lacs in the fiscal year ended March 31, 2019 to Rs. 4,775.58 Lacs in the fiscal year ended March 31, 2020. Overall expenditure has increased mainly due to increase in Employee Benefits Expenses, Administration costs, other costs which are directly linked to our operations.

### Finance Costs

Finance Costs in terms of value and percentage decreased by Rs. 1.12 Lacs and 28.57%, from Rs. 3.92 Lacs in the fiscal year ended March 31, 2019 to Rs. 2.80 Lacs in the fiscal year ended March 31, 2020. Overall finance cost has increased mainly due to FE Fluctuation charges.

### Employee Benefit Expenses

Employee benefit expenses in terms of value and percentage increased by Rs. 1,569.36 Lacs and 53.60% from Rs. 2,927.75 Lacs in the fiscal year ended March 31, 2019 to Rs. 4,497.11 Lacs in the fiscal year ended March 31, 2020. Overall employee cost has increased mainly due to increase in Salary to staffs, corresponding increase in Employee Provident Fund. The number of personnel employed also increased during the year on account of higher operations.

### Depreciation & Amortization

Depreciation in terms of value increased by Rs. 75.45 Lacs or 243.14% from Rs.31.03 Lacs in the fiscal year ended March 31, 2019 to Rs. 106.49 Lacs in the fiscal year ended March 31, 2020. Increase in Depreciation was due to additions to fixed assets.

### Other Expenses

Other Expenses in terms of value and percentage increase by Rs. 34.39 Lacs or 25.52%, from Rs. 134.79 Lacs in the fiscal year ended March 31, 2019 to Rs. 169.18 Lacs in the fiscal year ended March 31, 2020. Other expenses increased mainly due to increase in Advertisement, Insurance, Marketing cost and Misc. Expenses.

### Net Profit after Tax and Extraordinary items

Net Profit has increased by Rs. 39.05 Lacs or 25.58% from profit of Rs. 152.65 Lacs in the fiscal year ended March 31, 2019 to profit of Rs. 191.70 Lacs in the fiscal year ended March 31, 2020. Net profit has increased due to increase in Revenue from Operations

### INTERNAL CONTROL SYSTEM

Your Company has an adequate system for internal control covering all financial and operating functions commiserating with the Company's size and business. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use or losses, executing transactions with proper authorization and ensuring compliance of corporate policies. These ensure that its assets and interests are carefully protected. The systems and processes are continually reviewed for its effectiveness and augmented by documented policies and procedures. A strong internal audit programme under the leadership of its dedicated Internal Audit team that ensures adequate processes, systems and internal controls are implemented strictly. The Audit Committee, which is a subcommittee of your Board of Directors, reviews adherence to internal control systems, internal audit reports and implementation of suggestions. This Committee reviews all Half yearly financial results of the Company and conveys to the Board its recommendation for consideration of such results and their approval.

## HUMAN RESOURCE

Human resource management (HRM) is the strategic and coherent approach to the management of an organization's most valued assets - the people working there who individually and collectively contribute to the achievement of the objectives of the business. Human resource management is both an academic theory and a business practice that addresses the theoretical and practical techniques of managing a workforce. Human Resource functions and initiatives of the Company are driven by a strong set of values and policies. Your Company has maintained a competitive, healthy and harmonious work environment at all levels. We have taken new initiatives to strengthen the Company's recruitment process, values and vision programmes, leadership and Performance management. The Company's HR policies and processes are aligned to effectively drive its expanding business and emerging Opportunities. This has been achieved by continuously investing in learning and development programs, creating a compelling work environment, empowering employees at all levels and maintaining well-structured reward and recognition mechanisms. Employee engagement remains a key focus of HR initiatives undertaken by the Company. Husys enables its employees to meet their career objectives through rotation across projects, functions and locations. The Company helps employees build new skills and competencies and promotes knowledge sharing and team building.



## FORM NO. MGT 9 EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2020

[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.] .

### I. REGISTRATION & OTHER DETAILS:

CIN	L74140TG2005PLC047222
Registration Date	24/08/2005
Name of the Company	Husys Consulting Limited
Category/Sub-category of the Company	Company Limited by Shares/ Public Company
Address of the Registered office & contact details	Husys House, 1-8-505/E/D/A, Prakash Nagar, Begumpet, Hyderabad- 500016
Whether listed Company	Yes
Name, Address & contact details of the Registrar & Transfer Agent, if any.	KFin Technologies Private Limited ( Formerly known as "Karvy Fintech Private Limited") Selenium Building, Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032 Ph. No. +91-40-6716 2222, 3321 1000

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

[All the business activities contributing 10 % or more of the total turnover of the Company shall be stated]

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
	Human resources provision and management of human resources functions	7830	100%

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/Associate	% of Shares Held	Applicable Section
N. A					

### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) (i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01/04/2019]				No. of Shares held at the end of the year [As on 31/03/2020]				% Change during the year
	Demat	Physical	Total	% of Tot. Shares	Demat	Physical	Total	% of Tot. Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	1,582,885	-	1,582,885	69.39	1,576,885	-	1,576,885	69.12	(0.27)

b) Central Govt	-	-	-	-					-
c) State Govt(s)	-								
d) Bodies Corp.	-	-	-	-					-
e) Banks / FI	-	-	-	-					-
f) Any other	-	-	-	-					-
Sub-total [A](1):	1,582,885		1,582,885	69.39	1,576,885		1,576,885	69.12	[0.27]
[2] Foreign	-	-	-	-	-				
a) NRIs -Individuals	-	-	-	-	-				
b) Other - Individuals	-	-	-	-	-				
c) Bodies Corp	-	-	-	-	-				
d) Banks/FI	-	-	-	-	-				
e) Any other	-	-	-	-	-				
Sub-total [A](2):	-	-	-	-	-				
Total shareholding of Promoter (A)= [A](1) + [A](2)	1,582,885	-	1,582,885	69.39	1,576,885	-	1,576,885	69.12	[0.27]
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total [B](1):	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.	60,000		60,000	2.63	52,401		52,401	2.30	[0.33]
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual sh. holders holding nominal sh. capital up to Rs. 1 lakh	-	-	-	-	-	-	-	-	-

ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	620,356	-	620,356	27.18	629,964	-	629,964	27.61	0.43
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	22,000	-	22,000	0.97	22,000	-	22,000	0.96	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies-D R	-	-	-	-	-	-	-	-	-
Sub-total (B)[2]:	698,365	-	698,365	30.61	704,365	-	704,365	30.88	0.27
Total Public Shareholding (B)=(B)[1] + (B)[2]	698,365	-	698,365	30.61	704,365	-	704,365	30.88	0.27
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	281,250	-	281,250	100.00	281,250	-	281,250	100.00	

## (ii) Shareholding of Promoter

S.N	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share- holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total sh.	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total sh.	
1	Mr. Gundlapally Ramalinga Reddy	937,885	41.11%	-	931,885	40.85%	-	(0.26)
2	Ms. Gundlapally Praveena	644,000	28.23%	-	644,000	28.23%	-	-
3	Mr. Gundlapally Venkat Reddy	1,000	0.04%	-	1,000	0.04%	-	-
	<b>TOTAL</b>	<b>1,582,885</b>	<b>69.39%</b>	<b>-</b>	<b>1,576,885</b>	<b>69.12%</b>	<b>-</b>	<b>(0.26)</b>

**(iii) Change in Promoters' Shareholding (please specify, if there is no change)**

Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the beginning of the year	1,582,885	69.39%	-	-
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease	-	-	-	-
<b>At the end of the year</b>	-	-	<b>1,576,885</b>	<b>69.12%</b>

**(iv) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):**

SN	Name of the Shareholders	Shareholding at the beginning of the year 01.04.2019		Increase / Decrease in shareholding		Shareholding at end of the year 31.03.2020	
		No. of shares	% of total shares of the Company	Increase	Decrease	No. of shares	% of total shares of the Company
1.	Choice Equity Broking Private Limited	38,000	1.67	-	-		
2.	Archana Wadhwa	22,000	0.96	-	-		
3.	Vimal Gordhandas Modi	20,000	0.88	-	-		
4.	T S Vijayaraghavan	18,500	0.81	-	-		
5.	Sabyasachi Ghosh	18,000	0.79	-	-		
6.	Jyotirmoy Bose	14,500	0.64	-	-		
7.	Ravindran Ganapathy	14,500	0.64	-	-		
8.	Suneetha Raghavendra	14,500	0.64	-	-		
9.	Ansuyaben Dhirajlal Kansara	14,000	0.61	-	-		
10.	Manish Kansara	14,000	0.61	-	-		

**(v) Shareholding of Directors and Key Managerial Personnel:**

S.No	Name of Directors/ Key Managerial Personnel	Shareholding at the beginning of the year 01.04.2019		Increase / Decrease in shareholding		Shareholding at end of the year 31.03.2020	
		No. of shares	% of total shares of the Company	Increase	Decrease	No. of shares	% of total shares of the Company
1.	Mr. Gundlapally Ramalinga Reddy	937,885	41.11%	-	6,000	931,885	40.85%
2.	Ms. Gundlapally Praveena	644,000	28.23%	-	-	-	-



(vi) **Indebtedness**  
Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Amount in Rs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial Year				
* Addition	-	-	-	-
* Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-



## V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Amount in Rs)

S.No	Particulars of Remuneratio	Name of MD/WTD/ Manager			Total Amount
		Mr. Gundlapally Ramalinga Reddy	Ms. Gundlapally Praveena	Mr. Naresh Babu Deevi	
1	Gross salary	2,199,590	631,891	1,735,818	4,567,299
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	b) Value of perquisites u/s 17(2) Income-Tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission as % of profit others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	<b>Total (A)</b>	<b>2,199,590</b>	<b>631,891</b>	<b>1,735,818</b>	<b>4,567,299</b>

### B. Remuneration to other Directors.

(Amount in Rs)

S.No	Particulars of Remuneratio	Name of Directors			Mr. Viswanthan NS	Total Amount
		Ms. Nina Elizabeth Woodard	Mr. Atal Malviya	Mr. Biju Varkkey		
1	Independent Directors					
	Fee for attending board committee meetings	104,000	52,000	104,000	52,000	312,000
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	104,000	52,000	104,000	52,000	312,000
2	Other Non-Executive Directors	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	104,000	52,000	104,000	52,000	312,000
	Total Managerial Remuneration (A+B)					312,000

## C. Remuneration to key managerial personnel other than MD/Manager/WTD

S.No	Particulars of Remuneratio	Key Managerial Personnel		Total
		CS*	CFO	
		Ms. Megha Chandak	Mr. Francis Paul	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	408,812	1,223,802	1,632,614
	b) Value of perquisites u/s 17(2) Income-Tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission as % of profit others, specify...	-	-	-
5	Others, please specify	-	-	-
	<b>Total (A)</b>	<b>408,812</b>	<b>1,223,802</b>	<b>1,632,614</b>

## VI. Penalties / Punishment/ Compounding of Offences:

There were no penalties/punishment/compounding of offences for breach of any section of Companies Act as against the Company or its Directors or other officers in default, if any during the year.

## INDEPENDENT AUDITOR'S REPORT

To  
The Members of  
Husys Consulting Limited

### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of HUSYS CONSULTING LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2020, and the Statement of Profit and Loss and the Statement of Cash Flows for the year then ended and a summary of the significant accounting policies and other explanatory information.

### Management's Responsibility 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 standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order issued under section 143(11) of the Act.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### Opinion

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

## Emphasis of Matter

The outbreak of Coronavirus ( COVID - 2019 ) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Company has evaluated the impact of this pandemic on its business operations and based on its review and current indicator of future economic conditions, there is no significant impact on its financial results.

## Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) the Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - d) in our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
  - e) on the basis of the written representations received from the directors of the Company as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position.
    - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

for JBRK & Co.,  
Chartered Accountants  
Firm's Regd.No. 005775S

Sd/-  
(CA. Sai Bhaskar K)  
Partner  
Membership number: 201048  
UDIN: 20201048AAAAAP6519

Place:Hyderabad  
Date: 26th June 2020

**ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT**

[Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Husys Consulting Limited of even date]

**Report on the Internal Financial Controls Over Financial Reporting 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 HUSYS CONSULTING LIMITED (“the Company”) as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

The Board of Directors of the Company 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, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor’s Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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”] issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 authorizations 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.

## 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, to the best of our information and according to the explanations given to us, 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, 2020, 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 JBRK & Co.,  
Chartered Accountants  
Firm's Regd.No. 005775S

Sd/-  
(CA. Sai Bhaskar K)  
Partner  
Membership number: 201048  
UDIN: 20201048AAAAAP6519

Place:Hyderabad  
Date: 26th June 2020

## ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

**[Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Husys Consulting Limited of even date]**

- i. In respect of the Company's fixed assets:
  - (a)** The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b)** The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- ii. The Company is in the business of providing Human Resource Services and does not have any physical inventories. Accordingly, reporting under clause 3 (ii) of the Order is not applicable to the Company.
- iii. According to the information and explanation given to us, the Company has not granted any loans, secured or unsecured to or from companies, firms or other parties in the register required to be maintained under section 189 of the Act, accordingly paragraph (iii) of the order is not applicable.
- iv. In our opinion and according to the information and explanations given to us, the provisions of Sections 185 and 186 of the Act in respect of grant of loans, investments and providing guarantees and securities is not applicable to the Company.
- v. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2020 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus, reporting under clause 3(vi) of the order is not applicable to the Company.
  - (a)** The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Value Added Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
  - (b)** There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Value Added Tax, Goods and Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.
  - (c)** According to the information and explanations given to us, there are no material dues of Wealth tax, duty of Customs and Cess which have not been deposited with the appropriate authorities on account of any dispute.
- viii. The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause 3 (viii) of the Order is not applicable to the Company.
- ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans during the year and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.



- xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

for **JBRK & Co.,**  
**Chartered Accountants**  
Firm's Regd.No. 005775S

**Sd/-**  
**[CA. Sai Bhaskar K]**  
**Partner**  
Membership number: 201048  
**UDIN: 20201048AAAAAP6519**

**Place:Hyderabad**  
**Date: 26th June 2020**

### BALANCE SHEET AS AT MARCH 31, 2020

[Amount in Rs]

Particulars	Note	As at 31-Mar-2020	As at 31-Mar-2019
<b>I.EQUITY &amp; LIABILITIES</b>			
<b>1.Shareholders' Funds</b>			
(a) Share Capital	2.1	22,812,500	22,812,500
(b) Reserves and Surplus	2.2	87,430,508	68,260,207
		<b>110,243,008</b>	<b>91,072,707</b>
<b>2.Share Application Money Received</b>			
<b>3.Non-current Liabilities</b>			
(a) Deferred tax liabilities (Net)	2.3	946,963	[152,773]
(b) Long-term provisions	2.4	-	-
		946,963	[152,773]
<b>4.Current Liabilities</b>			
(a) Short-term Borrowings	2.5		
(b) Trade payables	2.6	324,080	813,660
(c) Other current liabilities	2.7	7,421,664	8,583,494
(d) Short-term provisions	2.8	4,146,304	10,269,761
		11,892,049	19,666,916
<b>Total</b>		<b>123,082,020</b>	<b>110,586,849</b>
<b>II.ASSETS</b>			
<b>1.Non-Current Assets</b>			
<b>(a) Fixed Assets</b>	2.9		
(i) Tangible Assets		50,318,869	5,453,452
(ii) Capital Work-in-Progress		230,000	48,765,270
(b) Non-current investments		23,564,099	23,818,568
(c) Long - Term Loans & Advances	2.10		
		<b>74,112,968</b>	<b>78,037,290</b>
<b>2.Current Assets</b>			
(a) Inventories			
(b) Trade Receivables	2.11	27,724,527	18,023,197
(c) Cash and Cash equivalents	2.12	8,815,277	3,281,606
(d) Short-term loans and advances	2.13	12,429,247	11,244,757
		48,969,052	32,549,560
<b>Total</b>		<b>123,082,020</b>	<b>110,586,849</b>

Significant Accounting Policies and Notes to Accounts: 1 & 2  
As per our report of even date

for JBRK & Co  
Chartered Accountants  
Firm Registration No: 005775S

For and on behalf of the Board of Directors  
For HUSYS CONSULTING LIMITED

Sd/-  
[CA. Sai Bhaskar. K]  
Partner  
Membership No: 201048  
UDIN: 20201048AAAAAP6519

Sd/-  
Francis Paul  
Chief Financial Officer

Sd/-  
Megha Chandak  
Company Secretary

Sd/-  
G Ramalinga Reddy  
Managing Director  
DIN No.00559079

Sd/-  
G Praveena  
Whole Time Director  
DIN.No. 00559136

Place: Hyderabad  
Date: 26.06.2020

## STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED MARCH 31, 2020

(Amount in Rs)

Particulars	Note	Period from April 1, 2019 to March 31, 2020	Period from April 1, 2018 to March 31, 2019
<b>I Revenue from Operations</b>	2.14	496,924,737	328,299,313
<b>II Other Income</b>	2.15	6,158,442	2,520,803
<b>III TOTAL (I+II)</b>		503,083,179	330,820,116
<b>IV EXPENSES</b>			
Employee Benefits Expenses	2.16	449,711,104	292,774,686
Administration & Other Expenses	2.17	16,918,012	13,478,721
Financial Expenses	2.18	280,452	392,298
Depreciation	2.9	10,648,839	3,103,391
<b>TOTAL</b>		<b>477,558,408</b>	<b>309,749,096</b>
<b>V Profit/(loss) before tax and prior period items</b>		<b>25,524,771</b>	<b>21,071,020</b>
<b>VI Prior period Adjustments (net)</b>		-	-
<b>VII Profit/(Loss) before Tax</b>		<b>25,524,771</b>	<b>21,071,020</b>
<b>VIII Tax expenses</b>			
- Current Tax		5,254,733	6,223,935
- Deferred Tax		1,099,737	[418,342]
<b>IX Profit/(Loss) after Tax</b>		<b>19,170,301</b>	<b>15,265,427</b>
Profit Brought forward from last year		-	-
Amount available for Appropriations		<b>19,170,301</b>	<b>15,265,427</b>
Proposed Dividend		-	2,281,250
Tax on Dividend		-	465,589
Net Profit Transferred to Balance Sheet		<b>19,170,301</b>	<b>12,518,588</b>

Significant Accounting Policies and Notes to Accounts: 1 & 2  
As per our report of even date.

**For JBRK & Co**  
**Chartered Accountants**  
**Firm Registration No: 005775S**

Sd/-  
[CA. Sai Bhaskar. K]  
Partner  
Membership No: 201048  
**UDIN: 20201048AAAAAP6519**

Sd/-  
Francis Paul  
Chief Financial Officer

Sd/-  
Megha Chandak  
Company Secretary

**For and on behalf of the Board of Directors**  
**For HUSYS CONSULTING LIMITED**

Sd/-  
G. Ramalinga Reddy  
Managing Director  
DIN No. 00559079

Sd/-  
G. Praveena  
Whole-Time Director  
DIN No. 00559136

**Place: Hyderabad**  
**Date: 26.06.2020**

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

(Amount in Rs)

Particulars	Note	31-Mar-20	31-Mar-19
<b>A. Cash flow from Operating activities</b>			
Profit after tax		19,168,641	12,518,588
Adjustment for :			
Depreciation and amortisation		10,648,839	3,103,391
(Gain)/loss on sale of fixed asset		(210)	-
Issue of Bonus Shares			
Interest expenses		280,402	392,298
Interest income		-	(236,976)
Provision for doubtful debts			
Credit balances written off			
Provision no longer written back			
Debts and advances written off			
Provision for Deferred tax asset/ Liability		6,354,040	5,805,593
<b>Operating profit before working capital changes</b>		36,451,713	21,582,894
<b>Movements in working capital</b>			
(Decrease) /Increase in other current liabilities		(1,161,821)	5,404,054
(Decrease) /Increase in trade payables		(490,789)	(335,071)
(Decrease) /Increase in short Borrowings		-	-
(Decrease) /Increase in short term provisions		(6,110,818)	5,085,852
(Increase) / Decrease in inventories		-	
(Increase) / Decrease in trade receivables		(9,708,613)	(1,178,470)
(Increase) / Decrease in short-term loans and advances		(1,177,208)	(1,846,817)
(Increase) / Decrease in other current assets		254,468	(23,818,568)
		<b>(18,394,780)</b>	<b>(16,689,020)</b>
<b>Cash generated from / (used in) operations</b>		18,056,932	4,893,874
Income tax received / paid (net of refund)		7,108,473	7,158,432
Net cash flow from / (used in) operating activities	<b>(A)</b>	<b>10,948,459</b>	<b>(2,264,558)</b>
<b>B. Cash flow from Investing activities</b>			
Purchase of tangible Assets		(5,124,817)	(6,083,562)
Proceeds from sale of tangible Assets		210	-
Net cash flow from / (used in) investing activities	<b>(B)</b>	<b>(5,124,607)</b>	<b>(6,083,562)</b>

Particulars	Note	31-Mar-20	31-Mar-19
<b>C. Cash flow from Financing activities</b>			
Increase in Share Capital			
Increase in securities premium account			
(Decrease) / Increase in other long-term liabilities			
(Decrease)/ Increase in Share Application Money			
Interest Income			236,976
Interest paid		(280,402)	(392,298)
<b>Net cash flow from /(used in) financing activities</b>	<b>(C)</b>	<b>(280,402)</b>	<b>(155,322)</b>
Effect of exchange differences on currency cash and cash equivalents held in foreign currency			
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(A)+(B)+(C)</b>	<b>5,543,450</b>	<b>(8,503,442)</b>
Cash and cash equivalents as at March 31, 2019		3,281,606	11,785,048
<b>Cash and cash equivalents as at March 31, 2020</b>		<b>8,825,056</b>	<b>3,281,606</b>
Components of cash and cash equivalents			
Cash on hand		611,550	656,320
With banks - on current accounts		8,203,507	2,615,286
With banks - Fixed Deposits		10,000	10,000
<b>Cash and Bank balance</b>		<b>8,825,056</b>	<b>3,281,606</b>

As per our report of even date.

for JBRK & Co  
Accountants  
Firm Registration No: 005775S

For and on behalf of the Board of Directors Chartered  
For HUSYS CONSULTING LIMITED

Sd/-  
(CA. Sai Bhaskar. K)  
Partner  
Membership No: 201048  
UDIN: 20201048AAAAAP6519

Sd/-  
Francis Paul  
Chief Financial Officer

Sd/-  
Megha Chandak  
Company Secretary

Sd/-  
G Ramalinga Reddy  
Managing Director  
DIN No.00559079

Sd/-  
G Praveena  
Whole Time Director  
DIN.No. 00559136

Place: Hyderabad  
Date: 26.06.2020

## SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS

### 1. SIGNIFICANT ACCOUNTING POLICIES

#### 1. Basis of Preparation

These financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 as applicable.

For all the periods upto the year ended March 31, 2020, the Company had earlier prepared and presented its financial statements in accordance with accounting standards notified under section 133 of the Companies Act, 2013 (Indian GAAP) read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013

The financial statements have been prepared under the historical cost convention on accrual basis, except for certain financial instruments which are measured at fair value.

#### 2. Fixed Assets and Depreciation

a. Fixed assets are stated at cost, less accumulated depreciation / amortization. Costs include all expenses incurred to bring the assets to its present location and condition.

b. Fixed assets exclude computers and other assets individually costing Rs. 50,000 or less which are not capitalized except when they are part of a larger capital investment programme.

#### 3. Impairment of Assets

The Company assesses at each Balance Sheet date whether there is any indication of impairment to the assets. If any such indication exists, the management estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Profit & Loss account. If at the Balance Sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is re-assessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

#### 4. Inventories

Inventories are valued at the cost or net realizable value whichever is lower. Cost of Raw material and stores is determined on weighted average cost basis. In case of goods in transit, cost represents the costs incurred up to the stage at which the goods are in transit.

#### 5. Revenue Recognition

Revenues are recognized to the extent that it is probable that economic benefit will flow to the company and revenue can be reliably measured. It is accounted for net of trade discounts.

#### 6. Taxation

Tax expense comprises current tax, deferred tax. The provision for current tax is made in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax assets (DTA) and liabilities (DTL) are computed on the timing differences at the Balance Sheet date using the tax rate and tax laws that have been enacted or substantially enacted by the Balance Sheet date. DTA is recognized based on management estimates of reasonable certainty that sufficient taxable income will be available against which such DTA can be realized. DTA in relation to unabsorbed depreciation or carried forward losses under the taxation laws are recognized only if there is virtual certainty of realization of such assets.



## 7. Provisions and Contingent Liability

- a. The Company creates a provision when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation.
- b. Disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made.

## 8. Earnings per Share

Basic earnings per share is calculated by dividing the net profit or loss for the financial year attributable to equity shareholders by the weighted average number of equity shares outstanding during the financial year.

## 2. NOTES TO ACCOUNTS:

- a. The Company has taken steps to identify the Micro, Small and Medium Enterprises Vendors based information currently available with the Company. There are no dues to MSME vendors and hence disclosures relating to such vendors under Micro, Small and Medium Enterprises Development Act, 2006 are not furnished.

### b. Auditors' Remuneration:

(Amount in Rs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Statutory Audit	100,000	100,000
Tax Audit	40,000	40,000
Tax Re-Presentation	17,500	17,500
<b>Total</b>	<b>157,500</b>	<b>157,500</b>

### c. Employee Benefits

(Amount in Rs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Employee Benefits	449,711,104	292,774,686
<b>Total</b>	<b>449,711,104</b>	<b>292,774,686</b>

### d. Related Party Transaction

(Amount in Rs)

Nature of Transaction	Year ended March 31, 2020	Year ended March 31, 2019
<b>Remuneration</b>		
G Ramalinga Reddy	1,869,330	1,869,330
G Praveena Reddy	590,610	590,610
<b>Rent</b>		
G Ramalinga Reddy	1,193,760	1,193,760

e. Balance of sundry debtors, Loans and advances are subject to confirmation. Adjustments if any will be considered in the accounts in the year of such confirmation.

f. (i) Earnings in Foreign currency

(Amount in Rs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Income from Export Services	447,269,547	280,223,148

**Note:**

Current year equaling to USD 57,11,988.98 / Euros 3,71,034.16 / AUD 6,24,754.56 / GBP 59,829.57.

Previous Year equaling to USD 39,79,200.86 / Euros 40,805.16 / AUD 181,453.45

(ii) Expenditure in Foreign Currency

(Amount in Rs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Annual Conference Fee – CSG – (Euros 562)	-	49,584
Membership Fee – CSG – (USD 7,200) FY 2019	511,757	497,512
Sitting Fee – Nina E Woodard (USD 848) FY 2018-19	128,077	-
Outplacement - VON Rundstedt (USD 1,173.28)	85,589	-
Membership Fee – NAPEO (USD 1,500) FY 2019	109,480	-
Refund of Security Deposit–Tyson Foods (USD 38,028)	2,656,255	-
Membership Fee – NAPEO (USD 3,000) FY 2020	216,360	-
Sitting Fee – Nina E Woodard (USD 1,450) FY 2019-20	109,156	-

Figures in brackets are in respect of previous years. Figures for the corresponding year have been regrouped, recast and rearranged to conform to those of current year, wherever necessary.

**For JBRK & Co**  
Chartered Accountants  
FRN: 005775S

**for and on behalf of the Board of Directors**  
for Husys Consulting Limited

Sd/-  
[CA. Sai Bhaskar K]  
Partner  
M.No.201048  
UDIN: 20201048AAAAAP6519

Sd/-  
Francis Paul  
Chief Financial Officer

Sd/-  
Megha Chandak  
Company Secretary

Sd/-  
G Ramalinga Reddy  
Managing Director  
DIN No.00559079

Sd/-  
G Praveena  
Whole Time Director  
DIN No. 06866598

Place: Hyderabad  
Date: 26.06.2020

(Amount in Rs)

Particulars	As at March 31, 2020	As at March 31, 2019
2.1 Share Capital		
Authorised: 50,00,000 (Previous year: 50,00,000) Equity Shares of Rs 10/- each	50,000,000	50,000,000
<b>Total</b>	<b>50,000,000</b>	<b>50,000,000</b>
Issued, Subscribed and Paid up: 22,81,250 (Previous year: 22,81,250) Equity Shares of Rs 10/- each fully paid up	22,812,500	22,812,500
<b>Total</b>	<b>22,812,500</b>	<b>22,812,500</b>

Equity shareholders holding more than 5% of equity shares along with the number of equity shares held is as given below:

Name of the shareholder	As at March 31, 2020		As at March 31, 2019	
	No of shares	%	No of shares	%
G.Ramalinga Reddy	931,885	40.85	937,885	41.11
G.Praveena Reddy	644,000	28.23	644,000	28.23
<b>Total</b>	<b>1,575,885</b>	<b>69.08</b>	<b>1,581,885</b>	<b>69.34</b>

Reconciliation of the number of shares outstanding

Equity Shares	Number	Value	Number	Value
Shares outstanding at the beginning of the year	2,281,250	22,812,500	2,281,250	22,812,500
Shares issued during the year	-	-	-	-
Fully paid - up shares	2,281,250	22,812,500	2,281,250	22,812,500
Shares bought back during the year	-	-	-	-
Shares outstanding at the year end	2,281,250	22,812,500	2,281,250	22,812,500

Particulars	As at March 31, 2020	As at March 31, 2019
<b>2.2 Reserves &amp; Surplus</b>		
General Reserve		
Opening balance	68,260,207	56,023,519
Add: Amount transferred from statement of profit and loss	19,170,301	12,518,588
Less: Issue of Bonus Shares	-	-
Less: IPO Issue Expenses	-	-
Less: Provision for Income Tax	-	281,900
Less: Provision for Proposed Dividend	-	-
Add: Share Premium	-	-
<b>Total</b>	<b>87,430,508</b>	<b>68,260,207</b>
<b>Non - Current liabilities</b>		
<b>2.3 Deferred Tax liability (net)</b>		
Deferred tax liability comprises of following:		
Opening Balance	(152,774)	918,165
- Difference between tax depreciation and book depreciation	1,099,737	(418,342)
<b>Total</b>	<b>946,963</b>	<b>499,823</b>
Deferred tax assets comprise of the following:	-	-
- On account of unabsorbed depreciation	-	652,596
- On account of provisions	-	652,596
<b>Deferred Tax liability (net)</b>	<b>946,963</b>	<b>(152,773)</b>
<b>2.4 Long-term Provisions</b>		
<b>Provisions</b>	-	-
<b>Total</b>	-	-

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Current liabilities</b>		
<b>2.5 Short-term Borrowings</b>		
Clean Overdraft from BOI		
<b>2.6 Trade Payables</b>		
- Micro, Small and Medium Enterprises	324,080	813,660
- Others	324,080	813,660
<b>2.7 Other Current liabilities</b>		
Other current liabilities	113,367	32,560
Statutory Liabilities	7,308,297	8,550,934
<b>Total</b>	<b>7,421,664</b>	<b>8,583,494</b>
<b>2.8 Short-term Provisions</b>		
Provision for Expenses	884,932	3,476,757
Bonus Payable	-	322,190
Provision for Income Tax Payable	3,261,373	3,723,975
Dividend Payable	-	2,281,250
Dividend Distribution Tax	-	465,589
<b>Total</b>	<b>4,146,304</b>	<b>10,269,761</b>
<b>2.8 Non Current Invesments</b>		
8037-HDFC LDF-Direct Plan-Retail Plan-Growth Option	-	6,697,033
DHFL NC SEC RED NCD 9.30% SR - INE202B07HVO	3,234,278	3,234,278
HUDCO N3-8.10NCD 2012 FV 1000 -INE031A07832	611,564	611,564
IRFC NJ TF 7.53% SR 103 A - 2030 - INE053F07835	903,316	903,316
IRFC NO TF 7.64% SR 1 - 2031 - INE053F07900	462,345	462,345
NABARD N2 7.64% TF TRI SR 2031 - INE261F07032	738,162	738,162
NHAI Bond 8.20% PA TA INE906B07CA1	4,049,368	4,049,368
NHAI N2 BOND 8.30% PA TA INE906B07CB9	58,782	59,782

Particulars	As at March 31, 2020	As at March 31, 2019
NHAI NA TF 7.60% SR IIB - INE906B07EJ8	2,612,355	2,452,645
PFC N8 8.92% Tax Free NCD - INE134E07463	129,000	129,000
SBIN N2 BOND 9.50% Pa SERIES - INE062A08025	2,388,013	804,375
SBIN N5 BOND 9.5% PA RET S4 -2026 - INE 062A08058	3,534,616	3,034,400
SBIN N6 Bonds INE062A08066	642,300	642,300
Reliance Nivesh Lakshya Fund-Direct Growth Plan	500,000	-
HDFC Medium Term Debt Fund	1,500,000	-
ICICI Prudential Long Term Bond Fund-DP Growth	2,200,000	-
<b>TOTAL</b>	<b>23,564,099</b>	<b>23,818,568</b>
Non-Current Assets		
<b>2.10 Long - Term Loans &amp; Advances</b>		
Related Parties	-	-
<b>2.11 Trade Receivables</b>		
Debts outstanding for a period exceeding six months		
Secured & considered good		
More Than 6 Months	19,895	2,321,060
Unsecured & considered good		
Less Than 6 Months	27,704,632	15,702,136
<b>TOTAL</b>	<b>27,724,527</b>	<b>18,023,196</b>
Less: Provision for doubtful debts	-	-
<b>TOTAL</b>	<b>27,724,527</b>	<b>18,023,196</b>
Other debts, considered good		
Secured & considered good	-	-
Unsecured & considered good	-	-
<b>TOTAL</b>	<b>27,724,527</b>	<b>18,023,196</b>

Particulars	As at March 31, 2020	As at March 31, 2019
<b>2.12 Cash and Cash equivalents</b>		
Cash on hand	611,549	656,320
Balances with scheduled banks:		
in current accounts	8,193,727	2,615,286
in deposit accounts	10,000.00	10,000
<b>TOTAL</b>	<b>8,815,277</b>	<b>3,281,606</b>
<b>2.13 Short-term loans &amp; advances</b>		
Unsecured, considered good		
Advances to Vendors	2,256,928	2,737,028
Salary Advance to Staff	1,575,473	1,093,266
Travel Advance Foreign to Staff	443,161	112,094
Balances with IT authorities	2,833,754	2,379,945
Prepaid expenses	1,548,338	1,283,384
Other Current Assets	3,771,591	3,639,040
<b>TOTAL</b>	<b>12,429,246</b>	<b>11,244,757</b>



### Note 2.9 - Fixed Assets

Assets	GROSS BLOCK			ACCUMULATED DEPRECIATION					NETBOOK VALUE		
	Rate of Dep	As at 01.04.2019	Additions	Disposals	As at 31.03.2020	Up to 31.03.2019	For the period	ON DISPOSALS	As at 31.03.2020	As at 31.03.2020	As at 31.03.2019
Tangible Assests											
Computers	31.67%	1,459,019	1,374,492		2,833,511	1,250,774	238,364	-	1,489,138	1,344,372	208,245
Furniture & Fixtures	9.50%	2,349,201			2,349,201	1,573,899	159,912	-	1,733,811	615,390	775,302
Buildings	1.58%	1,197,075			1,197,075	151,630	18,948	-	170,578	1,026,497	1,045,445
Air Conditioner	9.50%	239,076			239,076	139,341	19,956	-	159,297	79,779	99,735
LCD Players	9.50%	25,000			25,000	21,375		-	21,375	3,625	3,625
Printer & Scanner	31.67%	26,235			26,235	10,653	5,832	-	16,485	9,750	15,582
Mobile	9.50%	200,895	62,400		263,295	92,134	20,719	-	112,853	150,442	108,761
Vehicles	11.88%	2,631,514	3,682,126	713,835	5,599,805	1,988,972	359,892	498,835	1,850,029	3,749,776	642,542
Microwan	9.50%	5,990	5,799		11,789	4,552	564	-	5,116	6,673	1,438
Electrical - Network Equipments	9.50%	162,150			162,150	76,071	15,408	-	91,479	70,671	86,079
Invertor & Electrical Equipments	9.50%	158,829			158,829	103,037	15,084	-	118,121	40,707	55,791
Total		8,454,983	5,124,817	713,835	12,865,965	5,412,439	854,679	498,835	5,768,283	7,097,681	3,042,544
Intangible Assests											
Software	31.67%	11,324,761	50,604,439		61,929,200	8,913,852	9,794,160		18,708,012	43,221,188	2,410,909
Total		19,779,744	55,729,256	713,835	74,795,165	14,326,291	10,648,839	498,835	24,476,295	50,318,869	5,453,452
Capital Work in Progress		48,765,270	2,069,169	50,604,439	230,000					230,000	48,765,270

Particulars	Period ended March 31, 2020	Period ended March 31, 2019
<b>2.14 Revenue from Operations</b>		
<b>Income from Domestic Services</b>		
HR Function Outsourcing	4,626,950	3,701,905
Recruitment Fees	1,156,614	501,577
HR Consulting	5,337,902	3,268,116
Medical Affinity Services		86,059
Outplacement Services		198,000
HR Cloud Services	5,562,796	5,335,282
<b>Training Fee</b>	<b>670,966</b>	<b>108,050</b>
Business Incubation	125,000	229,084
<b>Franchising</b>	<b>4,395,433</b>	<b>5,183,280</b>
Professional Employer Organisation	27,779,529	29,464,812
<b>Sub-Total</b>	<b>49,655,190</b>	<b>48,076,165</b>
<b>Income from International Services</b>		
HR Consulting	715,464	606,474
HR Outplacements	3,185,817	533,928
Professional Employer Organisation	443,368,266	279,082,746
<b>Sub-Total</b>	<b>447,269,547</b>	<b>280,223,148</b>
<b>Grand Total</b>	<b>496,924,737</b>	<b>328,299,313</b>
<b>2.15 Other Income</b>		
<b>Other than Non-Operating Income</b>		
Other Income-FE Fluctuation	3,959,862	1,740,384
Interest on deposit	-	236,976
Income from HDFC Low Duration Fund +Secund Bonds	2,179,485	503,428
<b>Notice Pay</b>	<b>18,885</b>	<b>40,015</b>
Profit on Sale of Asset	210	
	<b>6,158,442</b>	<b>2,520,803</b>
<b>2.16 Employee benefits expense</b>		
<b>Employee Benefits expense from Domestic Services</b>		
Salaries, Wages, Bonus and other allowances	43,450,111	43,784,345
Contribution to Provident Fund and Other Funds	1,515,272	1,121,619
Staff Welfare	159,706	204,253
<b>Sub-Total</b>	<b>45,125,089</b>	<b>45,110,217</b>
<b>Employee Benefits expense from International Services</b>		
Salaries, Wages, Bonus and other allowances	391,343,869	239,688,310
Contribution to Provident Fund and Other Funds	13,242,146	7,976,159
<b>Sub-Total</b>	<b>404,586,015</b>	<b>247,664,469</b>
<b>Grand Total</b>	<b>449,711,104</b>	<b>292,774,686</b>

Particulars	Period ended March 31, 2020	Period ended March 31, 2019
<b>2.17 Administration and other expenses</b>	2,057,570	1,913,239
Rent	65,557	
Rates & Taxes	964,985	172,193
Repairs & maintenance	2,102,353	1,981,147
Travelling & Conveyance	340,416	376,198
Communication expenses	1,608,760	319,079
Legal & Professional fees	157,500	157,500
Auditors Remuneration	10,756	1,949,929
Bad Debts Written Off	9,610,116	6,609,437
Other Expenses	<b>16,918,012</b>	<b>13,478,721</b>
<b>2.18 Interest &amp; Financial Cost</b>		
Bank Charges	111,153	102,467
Foreign Exchange Fluctuation	163,895	273,431
Interest on Statutory Payments	5,404	16,400
Interest on Expenses	-	-
	280,452	392,298

**DECLARATION WITH RESPECT TO AUDIT REPORTS WITH UNMODIFIED OPINION**

Date: 26-06-2020

To  
National stock Exchange of India Limited  
Exchange Plaza,  
Bandra Kurla Complex,  
Bandra (East),  
Mumbai- 400051

Dear Sir,

Sub: Declaration with respect to Audit Reports with unmodified opinion

Ref: Husys Consulting Limited (Company symbol: HUSYSLTD)

With respect to the cited subject and pursuant to Notification No. SEBI/LAD-NRO/GN/2016-17/001 dated May 25, 2016 and Circular No. CIR/CFD/CMD/56/2016 dated May 27, 2016 issued by the Securities and Exchange Board of India (SEBI), we hereby declare that the Audit Report issued by M/s. JBRK & Co., Chartered Accountants Statutory Auditors on the Annual Audited Financial Statements of the Company for the financial year ended 31st March, 2020 is with unmodified opinion.

We request you to take above information on record.

Thanking You.

Yours Faithfully,

For **HUSYS CONSULTING LIMITED**

Sd/-  
**Gundlapally Ramalinga Reddy**  
Managing Director  
DIN: 00559079

### **HR Consulting**

HR Business Framework  
Employee Engagement  
Productivity Improvement  
Compensation Survey  
Outplacement  
HR Audit

### **HR Operations**

HR Function Management  
Payroll  
Talent Acquisition  
HR Shared Services

### **Global PEO**

Entity Setup and Support  
Employment Services

### **HR Technology**

HR Department Automation  
Employee Engagement Survey

## **Husys Consulting Limited**

CIN No: L74140TG2005PLC047222

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Hyderabad – 500 016. Telangana, India.

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[www.husys.com](http://www.husys.com)