

## THOUGHT MINDS SYSTEMS PRIVATE LIMITED

CIN: U62099KL2023PTC082615

Registered Address: C1D, Heera Vastugramam, Kakkanadu, Rajagiri  
Valley Ernakulam Ernakulam KL 682039 IN

|| Mob: +91 95625 11110 || E mail id: rinish@gmail.com||

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### NOTICE

**Notice** is hereby given that the **1<sup>st</sup> Annual General Meeting** of the members of **THOUGHT MINDS SYSTEMS PRIVATE LIMITED** will be held on **Wednesday, 30<sup>th</sup> day of September 2024 at 11.00 A.M.** at the Registered Office of the Company at C1D, Heera Vastugramam, Kakkanad, Rajagiri Valley, Ernakulam, Kerala, India, 682039, to transact the following business:

#### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2024 and Statement of Profit and Loss of the Company for the period ended on that date together with the reports of the Auditor's and Directors' thereon.
2. **Appointment of Statutory Auditors and fixation of remuneration:**

To consider and if thought fit, to pass with or without modifications, the following resolution as **ORDINARY RESOLUTION:**

**"RESOLVED THAT** pursuant to the provisions of Section 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the approval of the members of the Company be and is hereby accorded for the appointment of M/s. G Joseph & Associates (Firm Registration No: 006310S), Chartered Accountants, 37/2038, Muttathil Lane, Kadavanthra, Kochi, Kerala-682020, as the Statutory Auditor of the Company, to hold office for a term of five (5) years, from the conclusion of this Annual General Meeting till the conclusion of the sixth consecutive Annual General Meeting of the Company held hereafter, on such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditor."

**By the order of the Board  
For THOUGH MINDS SYSTEMS PRIVATE LIMITED**

Rinish Kunhiraman Nalini  
Director  
DIN: 02466415

Ernakulam  
01/09/2024

**Notes:**

1. **A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company.**
2. A blank form of proxy is enclosed. The proxy, to be effective, should be lodged with the Company at its registered office not less than 48 hours before the commencement of the meeting. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than 3 days written notice is given to the Company.
3. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, member would be entitled to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than 3 days written notice is given to the Company. The proxy form is attached hereto.
4. Members who desire to attend the Annual General Meeting of the Company are requested to bring the attendance slip duly filled and had over the same at the registration counter at the venue of the Annual General Meeting.

# THOUGHT MINDS SYSTEMS PRIVATE LIMITED

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Registered Address: C1D, Heera Vastugramam, Kakkanadu, Rajagiri  
Valley Ernakulam Ernakulam KL 682039 IN

|| Mob: +91 95625 11110 || E mail id: [rinish@gmail.com](mailto:rinish@gmail.com)||

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## DIRECTORS' REPORT

To  
The Members

Your Directors are presenting the 1<sup>st</sup> Annual Report of your Company with the Audited Statement of Accounts and the Auditor's Report for the period ended 31<sup>st</sup> March 2024.

### 1. FINANCIAL HIGHLIGHTS:

The summarized financial results as compared with the previous year are as under:

Particulars	For the year ending March 31,2024 Amount in Rs.
Total Revenue	27,69,677
Total Expenditure	59,41,272
Profit/(Loss) Before Tax	(31,71,595)
Tax Expense (Deferred Tax)	33,243
Profit/(Loss) for the Year	(32,04,838)

### 2. STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK:

The company was incorporated on 25<sup>th</sup> July 2023 and this is the first year of operations. The total revenue for the financial year was Rs. 27,69.677/- . The total expenditure of the Company for the year was Rs.59,41,272. The Company has incurred a loss of Rs. 32,04,838/- during the financial year. Your Board has taken various steps to improve the revenues and profits of the Company in the upcoming financial years.

### 3. SHARE CAPITAL:

The Authorised Share Capital of the Company as on 31<sup>st</sup> March 2024 is Rs. 25,00,000/- (Rupees Twenty Five Lakhs only) divided into 250,000 Equity Shares of Rs. 10/- each. The Issued, Subscribed and Paid up Share Capital of the Company as on 31<sup>st</sup> March 2024 is Rs. 25,00,000/- (Rupees Twenty Five Lakhs only) divided into 250,000 Equity Shares of Rs. 10/- each.

### 4. TRANSFER TO RESERVES:

The Company has not transferred any amounts to reserves during the financial year under review.

## 5. DIVIDEND:

Your directors have not recommended any dividend for any financial year ended 31<sup>st</sup> March 2024.

## 6. DETAILS OF MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF REPORT:

There were no other material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report other than those mentioned in the Report.

## 7. CHANGE IN THE NATURE OF BUSINESS, IF ANY:

There were no changes in the nature of business of the Company during the financial year 2023-2024.

## 8. ANNUAL RETURN:

Pursuant to the provisions of Section 92 (3) and 134 (3) (a) of the Companies Act, 2013, the copy of the Annual Return will be available for verification at the registered office of the company after the end of the Annual General Meeting.

## 9. BOARD OF DIRECTORS AND ITS COMMITTEES:

The Board of Directors of the Company as on 31/03/2024 consists of 02 (Two) directors. The composition of the Board is as follows:

Sl. No.	DIN	Name of the Director	Designation
1	02466415	Rinish Kunhiraman Nalini	Director
2	02871377	Samrat Dilip Parasnis	Director

During the year one of the promoter director Mr.Vijay Narayanankutty (DIN: 07325584) resigned from the board. The board places on record the appreciation of the services rendered by him during his tenure in the Board. There were no changes in the composition of board of directors during the financial year under review.

Your Company was not required to constitute any committees of the Board as envisaged under various provisions of the Companies Act, 2013 and Rules made there under.

## 10. NUMBER OF MEETINGS OF THE BOARD:

The Board met 14 (Fourteen) times during the financial year under review on 26/07/2023, 02/08/2023, 17/08/2023, 25/08/2023, 08/09/2023, 13/01/2024, 03/02/2024, and 20/03/2024. All the directors were present in all the meetings of the Board.

## **11. DECLARATION OF INDEPENDENT DIRECTORS:**

The Company was not required to appoint Independent Directors under Section 149 (4) and Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014. Hence no declaration has been obtained.

## **12. COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR AND OTHER MATTERS PROVIDED UNDER SUB-SECTION (3) OF SECTION 178:**

The provisions of Section 178 (1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company and hence the Company has not devised any policy relating to appointment of Directors, payment of managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178 (3) of the Companies Act, 2013.

## **13. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:**

Your Company has not given any loan or given any guarantee or provided any security in connection with any loan to any person or body corporate and has not acquired by way of subscription or purchased securities of any body-corporate during the financial year under review as envisaged under Section 186 of the Companies Act, 2013.

## **14. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:**

Members' attention is drawn to Related Party disclosure to the financial statements provided in this Report. The particulars of contracts or arrangements or transactions with Related Parties in Form AOC- 2 as referred to in sub-section (1) of Section 188 of the Companies Act, 2013 read with Rule 8 (2) of the Companies (Accounts) Rules, 2014 is annexed hereto and forms part of this report (**Annexure-I**).

## **15. DIRECTORS RESPONSIBILITY STATEMENT:**

Pursuant to the requirements under Section 134 (5) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed:

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for financial year 2023-2024.
- iii) The directors had taken proper and sufficient care for the maintenance of adequate /accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) The directors had prepared the annual accounts on a going concern basis;
- v) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **16. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:**

The Company does not have any Subsidiaries, Joint Ventures or Associate. No other companies have become or ceased to become Subsidiaries, Joint Ventures or Associate of the Company during the year under review.

## **17. STATUTORY AUDITORS:**

M/s. G Joseph & Associates (Firm Registration No: 006310S), Chartered Accountants, 37/2038, Muttathil Lane, Kadavanthra, Kochi, Kerala- 682020, was appointed as the first Statutory Auditor of the Company upto conclusion of the Annual General Meeting of the Company held on 30/09/2024. Their term expires at the ensuing Annual General Meeting. M/s. G Joseph & Associates (Firm Registration No: 006310S), Chartered Accountants, has expressed their willingness to be appointed as the Statutory Auditor of the Company for another term of 05 years. Your Company has received written consent and a certificate stating that they satisfy the qualifying criteria specified under Section 141 of the Companies Act, 2013 read with the Companies [Audit and Auditors] Rules, 2014 and that the appointment, if made, shall be in accordance with the applicable provisions of the Companies Act, 2013 and the relevant rules issued thereunder. The members are therefore requested to appoint M/s. G Joseph & Associates (Firm Registration No: 006310S), Chartered Accountants, as the statutory auditor of the Company in the ensuing Annual General Meeting for a term of 05 years.

The Statutory Auditors has not made any qualifications, reservations, adverse comments or remarks or disclaimers in the Statutory Audit Report for the financial year under review.

## **18. DEPOSIT:**

The Company has not accepted or invited any deposits as per the Companies Act, 2013 during the financial year under review and no amount has remained unpaid or unclaimed as at the end of the financial year. Further there were no deposits which were not in Compliance with the requirements of Chapter V of the Companies Act, 2013.

## **19. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

**A. Conservation of Energy:** Your Company is committed to conserve energy in all its operations. During the financial year under review no capital investments on energy conservation equipments have been made. In view of the operations carried out by the Company, information regarding various steps taken on conservation of energy or utilization of alternate sources of energy and information regarding the impact of the same is not applicable.

**B. Technology Absorption:** Your Company has not done any activities during the period under review which involves absorption of technology. Hence the information to be provided under Section 134 (3) (m) of the Companies Act, 2013 read with Rule, 8 (3) of The Companies (Accounts) Rules, 2014 is not applicable.

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

Foreign Exchange inflows: Rs 19,31,877/-  
Foreign Exchange outflows: NIL

## **20. RISK MANAGEMENT:**

Your Company has an in-house Risk Management Procedure wherein all material risks faced by the Company are identified and assessed. Major risks identified are addressed and monitored by the Board of Directors of the Company.

## **21. CORPORATE SOCIAL RESPONSIBILITY:**

The provisions as mentioned in Section 135 of the Companies Act, 2013 are not applicable to your Company and hence the Company has not developed and implemented any Corporate Social Responsibility initiatives.

## **22. PARTICULARS OF EMPLOYEES:**

The provisions as envisaged under Section 197 (12) read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to your Company. Hence the disclosure with reference to the particulars of employees is not attached to this report.

## **23. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH RESPECT TO FINANCIAL STATEMENTS:**

The Company has adequate and effective internal financial controls with reference to the Financial Statement that are commensurate to the size and operations of the Company.

## **24. FRAUD REPORTING:**

Your Company has not entered into transactions which are fraudulent, illegal or violative of the Company's Code of Conduct. During the financial year under review no frauds have occurred in the Company and no frauds were reported by the Auditors of the Company.

## **25. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:**

The Company is committed in providing and promoting a safe and healthy work environment for all its employees. As per the applicable provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, your Company has constituted the Internal Complaints Committee. During the financial year under review no complaints were received or disposed off as envisaged under Sexual Harassment of Women at Workplace (Prevention & Redressal) Act, 2013.

## **26. DISCLOSURE REGARDING ISSUE OF EQUITY SHARES WITH DIFFERENTIAL VOTING RIGHTS, SWEAT EQUITY, ESOS:**

Your Company has not issued any equity shares with differential rights, sweat equity, or ESOS during the financial year under review.

## **27. DETAILS OF KEY MANAGERIAL PERSONNEL PURSUANT TO SECTION 203:**

The Company was not required to appoint any Key Managerial Personnel pursuant to Section 203 of the Companies Act, 2013.

**28. TRANSFER TO INVESTORS EDUCATION PROTECTION FUND:**

The Company was not required to transfer any amounts to the Investors Education Protection Fund during the financial year under review.

**29. SIGNIFICANT OR MATERIAL ORDERS PASSED BY REGULATORS /COURTS/ TRIBUNAL:**

During the financial year under review, there were no significant or material orders passed by the regulators or courts or tribunals impacting the going concern status or operations of the Company in future.

**30. DISCLOSURE REGARDING MAINTENANCE OF COST RECORDS:**

The maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is not applicable to the Company.

**31. DISCLOSURE REGARDING COMPLIANCE OF SECRETARIAL STANDARDS:**

Your Company has complied with all the applicable provisions of Secretarial Standards.

**32. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR:**

NOT APPLICABLE

**33. DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF:**

NOT APPLICABLE

**34. ACKNOWLEDGEMENTS:**

Your Directors express their appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, clients and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the employees of the Company.

**For and on behalf of the Board of Directors**

Rinish Kunhiraman Nalini  
Director  
DIN: 02466415

Samrat Dilip Parasnis  
Director  
DIN: 02871377

Ernakulam  
01/09/2024



**THOUGHT MINDS SYSTEMS PRIVATE LIMITED**  
C1D,Heera Vastugramam, Kakkanad, Rajagiri Valley,Ernakulam,Kerala, India,682039  
CIN: U62099KL2023PTC082615

**Balance Sheet as at 31st March, 2024**

Particulars	Note	As at 31 March 2024 (₹ In Hundreds)
<b>I. EQUITY &amp; LIABILITIES</b>		
<b>1 Shareholders' funds</b>		
a. Share capital	3	25,000
b. Reserves and surplus	4	(32,048)
<b>Non-Current Liabilities</b>		
a.Long Term Borrowings	5	41,000
b.Deferred Tax Liability	6	332
<b>2 Current liabilities</b>		
a.Other current liabilities	7	15,923
<b>Total</b>		<b>50,207</b>
<b>II. ASSETS</b>		
<b>1 Non-current assets</b>		
a.Property, plant and equipment		
i) Tangible assets	8	6,558
ii) Capital Work-in -Progress		22,341
<b>2 Current assets</b>		
a.Trade receivables	9	18,150
b.Cash and bank balances	10	1,217
c.Short-term loans and advances	11	1,941
<b>Total</b>		<b>50,207</b>
Summary of significant accounting policies.	1-2	
The accompanying notes are integral part of these financial statements.		

As per our report of even date attached  
**For G Joseph & Associates**  
Chartered Accountants  
(Firm Reg. No.006310S)

For and on behalf of the board of directors  
**THOUGHT MINDS SYSTEMS PRIVATE LIMITED**

**Umesh L Bhat**  
Partner  
Membership No:211364

**Rinish Kunhiraman Nalini**  
Director  
DIN: 02466415

**Samrat Dilip Parasnis**  
Director  
DIN: 02871377

Place: Cochin  
Date: 01/09/2024

**THOUGHT MINDS SYSTEMS PRIVATE LIMITED**  
C1D,Heera Vastugramam, Kakkanad, Rajagiri Valley,Ernakulam,Kerala, India,682039  
CIN: U62099KL2023PTC082615

**Statement of Profit and loss for the period ended March 31, 2024**

Particulars	Note	As At 31 March 2024 (₹ In Hundreds)
<b>I Revenue</b>		
Revenue from operations	12	27,632
Other income	13	65
<b>Total</b>		<b>27,697</b>
<b>II Expense</b>		
Employee benefits expense	14	32,246
Finance cost	15	18
Depreciation and amortisation expense	8	866
Other expenses	16	26,282
<b>Total</b>		<b>59,413</b>
<b>III Profit / (Loss) before tax</b>		<b>(31,716)</b>
<b>IV Tax expense</b>		
Current tax		-
Deferred Tax		332
<b>V Profit / (Loss) after tax</b>		<b>(32,048)</b>
<b>VI Earnings / (Loss) per equity share of ₹ 10 each</b>		
	17	
1. Basic (in ₹ per share)		(12.69)
2. Diluted (in ₹ per share)		(12.69)
Number of shares used in computing Earnings per share		
1. Basic		2,50,000
2. Diluted		2,50,000
Summary of significant accounting policies.	1-2	
The accompanying notes are integral part of these financial statements.		

As per our report of even date attached

**For G Joseph & Associates**

Chartered Accountants

(Firm Reg. No.006310S)

**Umesh L Bhat**

Partner

Membership No:211364

Place: Cochin

Date: 01/09/2024

For and on behalf of the board of directors

**THOUGHT MINDS SYSTEMS PRIVATE LIMITED**

**Rinish Kunhiraman Nalini**

Director

DIN: 01918906

**Samrat Dilip Parasnis**

Director

DIN: 01918895

## **THOUGHT MINDS SYSTEMS PRIVATE LIMITED**

### **Summary of significant accounting policies and other explanatory information**

(All amounts are in ₹, unless otherwise stated)

#### **1 Corporate information**

Thought Minds Systems Private Limited (the 'Company') is a Private Limited Company, incorporated under the Companies Act, 2013 on 25 July, 2023 and registered at C1D, Heera Vastugramam, Kakkanad, Rajagiri Valley, Ernakulam, Kerala, 682039. The Company is engaged in the business of information technology and services.

#### **2 Summary of significant accounting policies**

##### **a) Basis of preparation**

The financial statements of the Company have been prepared in accordance with Generally Accepted Accounting Principles in India ('Indian GAAP'). The Company has prepared these financial statements to comply in all material respect with the accounting standards ('AS') notified under Section 133 of the Companies Act, 2013 read together with paragraph 7 of the Companies (Accounts) Rule, 2014 (as amended). The financial statements have been prepared on accrual basis and under the historical cost convention. The financial statement has been prepared for the period from July 25, 2023 (date of incorporation of the Company) to 31 March 2024.

All amounts included in the financial statements are reported in Indian rupees (in ₹) except share and per share data, unless otherwise stated. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

##### **b) Basis of measurement**

The financial statements have been prepared on the accrual and the historical cost convention except where the Indian GAAP requires a different accounting treatment.

##### **c) Going concern**

The financial statements have been prepared on the going concern basis which assumes that the Company will continue in operation existence in the foreseeable future.

##### **d) Use of estimates**

The preparation of the financial statements in conformity with Indian GAAP requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/ materialise.

## **THOUGHT MINDS SYSTEMS PRIVATE LIMITED**

### **Summary of significant accounting policies and other explanatory information**

(All amounts are in ₹, unless otherwise stated)

#### **e) Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current / non current classification.

All assets and liabilities which are not current (as discussed in the below paragraphs) are classified as non-current assets and liabilities.

An asset is classified as current when it is expected to be realised or intended to be sold or consumed in normal operating cycle, held primary for the purpose of trading, expected to be realised within twelve months after the reporting period, or cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is classified as current when it is expected to be settled in normal operating cycle, it is held primarily for the purpose of trading, it is due to be settled within twelve months after the reporting period, or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

#### **f) Foreign currency transactions**

##### **Initial recognition:**

Transactions in the foreign currency are initially recorded at the exchange rate prevailing at the date of the transaction or at the rates that closely approximate the rate at the date of transaction.

##### **Subsequent recognition:**

Monetary assets and liabilities denominated in the foreign currency are restated at the exchange rate prevailing as at reporting date. Non-monetary assets and liabilities are carried at historical cost.

##### **Exchange differences:**

Exchange gain and loss arising on the settlement or on restatement of monetary assets and liabilities, are recognised as income or expenses in the statement of profit and loss.

#### **g) Property, plant and equipment ('PPE')**

An item is recognised as an asset, if and only if, it is probable that the future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. PPE are initially recognised at cost. The initial cost of PPE comprises its purchase price (including non-refundable duties and taxes but excluding any trade discounts and rebates), and any directly attributable cost of bringing the asset to its working condition and location for its intended use.

Subsequent to initial recognition, PPE are stated at cost less accumulated depreciation and any impairment losses. When significant parts of property, plant and equipment are required to be replaced in regular intervals, the Company recognises such parts as separate component of assets. When an item of PPE is replaced, its carrying amount is de-recognised from the balance sheet and cost of the new item of PPE is recognised.

The expenditure that are incurred after the item of PPE is ready for its intended use, such as repairs and maintenance, are normally charged to the statement of profit and loss in the period in which such costs are incurred. However, in situations where the said expenditure can be measured reliably, and is probable that future economic benefits associated with it will flow to the Company, it is included in the asset's carrying value or as a separate asset, as appropriate.

## THOUGHT MINDS SYSTEMS PRIVATE LIMITED

### Summary of significant accounting policies and other explanatory information

(All amounts are in ₹, unless otherwise stated)

Depreciation on PPE is computed using the Straight Line Method.

The Management's estimate of the useful lives for the various categories of tangible assets is as follows:

Asset Category	Useful Life
Computer Equipment	3 - 5 years
Furniture & Equipment	10 years
Electronic Equipments	6 - 7 years

The cost and accumulated depreciation for PPE sold, scrapped, retired or otherwise disposed off are derecognised from the balance sheet and the resulting gains / losses are included in the statement of profit and loss within other expenses / other income.

Capital Work-in Progress includes direct expenses incurred for the development of product.

#### **h) Impairment of property, plant and equipment**

The carrying amounts of assets are reviewed for impairment at each reporting date. An impairment loss is recognised for the amount by which the assets' carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the assets' net selling price and value in use. To calculate value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market rates and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs. Net selling price is the best estimate of the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

#### **i) Cash and cash equivalents**

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

#### **j) Provisions and contingent liability**

Provisions are recognised when the Company has a present obligation as a result of past event, it is more likely than not that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

## **THOUGHT MINDS SYSTEMS PRIVATE LIMITED**

### **Summary of significant accounting policies and other explanatory information**

(All amounts are in ₹, unless otherwise stated)

#### **2 Summary of significant accounting policies (Cont'd)**

##### **k) Income taxes**

###### **Current tax:**

The current tax is calculated on the basis of the tax rates, laws and regulations, which have been enacted or substantively enacted as at the reporting date. The payment made in excess / (shortfall) of the Company's income tax obligation for the year are recognised in the balance sheet under income tax assets / under current liabilities as current tax liabilities.

###### **Deferred tax:**

Deferred tax charge or credit reflects the tax effect of timing differences between accounting income and taxable income for the year. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future. However, in case of unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence of realisation of such assets. Deferred tax assets are reviewed as at each Balance Sheet date and written down or written-up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realised.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

##### **l) Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the amount of revenue can be reliably measured with no uncertainty as regards to ultimate collection.

Revenue from sale of goods, are recognised when the significant risks and rewards of ownership of the goods are transferred to the customer, which generally coincides with the delivery or dispatch of goods depending of the terms and condition of the agreement. Sales are stated at net of taxes and trade discounts.

Revenue from service is recognised and accounted on rendering of services in accordance with the terms of arrangement by reference to the stage of completion of the contract.

## **THOUGHT MINDS SYSTEMS PRIVATE LIMITED**

### **Summary of significant accounting policies and other explanatory information**

(All amounts are in ₹, unless otherwise stated)

#### **2 Summary of significant accounting policies (Cont'd)**

##### **m) Employee benefits**

The Company's employee benefits mainly include wages, salaries and bonuses. The employee benefits are recognised in the period in which the associated services are rendered by the company's employees. Short term employee benefits are recognised in the statement of profit and loss at undiscounted amounts during the period in which the services have been rendered.

##### **n) Leases**

A finance lease (also known as a capital lease or a sales lease) is a type of lease in which a Company is typically the legal owner of the asset for the duration of the lease, while the lessee not only has operating control over the asset, but also has a substantial share of the economic risks and returns from the change in the valuation of the underlying asset.

If "substantially all the risks and rewards" of ownership are transferred to the lessee then it is a finance lease. If it is not a finance lease then it is an operating lease. Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of income and expenditure on a straight-line basis over the lease term.

**THOUGHT MINDS SYSTEMS PRIVATE LIMITED**  
Notes to financial statements for the year ended March 31, 2024

(All amounts are in ₹, unless otherwise stated)

**3 Share capital**

Particulars	March 31, 2024 (₹ In Hundreds)
<b>Authorised share capital</b>	
2,50,000 (2023: N/A) equity shares of Rs. 10/- each	25,000
	<u>25,000</u>
<b>Issued, subscribed and fully paid-up</b>	
2,50,000 (2023: N/A) equity shares of Rs. 10/- each	25,000
	<u>25,000</u>

**(a) Reconciliation of the equity shares outstanding at the beginning and at the end of the reported period**

Particulars	March 31, 2024 No. of shares (₹ In Hundreds)	
At the beginning of the period	-	-
Issued during the period	2,50,000	25,000
<b>Outstanding at the end of the period</b>	<u>2,50,000</u>	<u>25,000</u>

**(b) Rights, preferences and restrictions attached to Equity shares**

The Company has one class of shares referred to as equity shares having a par value of Rs. 10/-. Each equity shareholder is entitled to one vote per share. The Company declares dividends in Indian Rupees. For the current year, no dividend is proposed by the Board of Directors. In the event of liquidation of the company, the shareholders will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(c) Details of Shares held by shareholders holding more than 5% of the aggregate shares in the company**

**List of Equity shareholders holding more than 5 percent.**

Names	March 31, 2024 No. of shares % of shares held	
1. Rinish Kunhiraman Nalini	1,50,000	60.00%
2. Novavente Private Limited	87,500	35.00%

**f. Shareholding of Promoters**

Names	March 31, 2024 No. of shares % of shares held	
1. Rinish Kunhiraman Nalini	1,50,000	60.00%
2. Novavente Private Limited	87,500	35.00%

**4 Reserves and surplus**

Particulars	March 31, 2024 (₹ In Hundreds)
<b>a) Statement of Profit and Loss</b>	
Deficit at the beginning of the year	-
Add: Net (Loss) / Profit for the year	(32,048)
<b>Balance at the end of the year</b>	<u>(32,048)</u>
<b>Total for reserves and surplus</b>	<u>- 32,048</u>

**5 Long Term Borrowings**

Particulars	March 31, 2024 (₹ In Hundreds)
<b>1. Unsecured Borrowings</b>	
Loans and advances from related parties.	41,000
	<u>41,000</u>



**THOUGHT MINDS SYSTEMS PRIVATE LIMITED**  
Notes to financial statements for the year ended March 31, 2024

**6 Deferred Tax Liabilities(Net)**

Particulars	March 31, 2024 (₹ In Hundreds)
<b>Deferred Tax Asset</b>	
-Related to Fixed Assets	-
<b>Gross Deferred tax assets</b>	
<b>Deferred Tax Liability</b>	
-Related to Fixed Assets	332
<b>Gross Deferred tax liabilities</b>	332
<b>Deferred Tax Liability(Net)</b>	<b>332</b>

Note:

Deferred tax assets and deferred tax liabilities have been set off wherever the Company has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

**7 Other current liabilities**

Particulars	March 31, 2024 (₹ In Hundreds)
Audit fee Payable	
Statutory dues payable	
- Tax deducted at source payable	2,839
Other Payables	653
Creditors for Expenses	12,431
<b>Total</b>	<b>15,923</b>

**8 Property, Plant and Equipment**

(₹)

Particulars	Gross Block at Cost				Depreciation				Net Block	
	As at 01/04/2023	Addition	Deletions	As at 31/03/2024	Up to 31/03/2023	For the year	Deletions	Up to 31/03/2024	As at 31/03/2024	As at 31/03/2023
Computers & Accessories	-	7,424	-	7,424	-	866		866	6,558	-
<b>Total</b>	-	<b>7,424</b>	-	<b>7,424</b>	-	<b>866</b>	-	<b>866</b>	<b>6,558</b>	-

**THOUGHT MINDS SYSTEMS PRIVATE LIMITED**  
**Notes to financial statements for the year ended March 31, 2024**

**9 Trade receivables**

<b>Particulars</b>	<b>March 31, 2024</b> <b>(₹ In Hundreds)</b>
Undisputed Trade receivables- considered good	18,150
Undisputed Trade Receivables – considered doubtful	-
Disputed Trade Receivables – considered good	-
Disputed Trade Receivables – considered doubtful	-
<b>Total</b>	<b>18,150</b>

**10 Cash and bank balances**

<b>Particulars</b>	<b>March 31, 2024</b> <b>(₹ In Hundreds)</b>
i)Cash in Hand	200
ii)Balance with banks	
-In Current Accounts	1,017
<b>Total</b>	<b>1,217</b>

**11 Short Term Loans and advances**

<b>Particulars</b>	<b>March 31, 2024</b> <b>(₹ In Hundreds)</b>
Balance with Government authorities	
- Goods and Service Tax Department	1,110
- Income Tax Department (Tax Deducted at source)	831
<b>Total</b>	<b>1,941</b>

**THOUGHT MINDS SYSTEMS PRIVATE LIMITED**  
**Notes to financial statements for the year ended March 31, 2024**

(All amounts are in ₹, unless otherwise stated)

**12 Revenue from Operations**

<b>Particulars</b>	<b>March 31, 2024</b> <b>(₹ In Hundreds)</b>
Sale of service	27,632
<b>Total</b>	<b>27,632</b>

**13 Other income**

<b>Particulars</b>	<b>March 31, 2024</b> <b>(₹ In Hundreds)</b>
Other income	1
Gain on Foreign Exchange Fluctuation	64
<b>Total</b>	<b>65</b>

**14 Employee benefits expense**

<b>Particulars</b>	<b>March 31, 2024</b> <b>(₹ In Hundreds)</b>
Salaries & allowances	32,246
Remuneration to Directors	-
<b>Total</b>	<b>32,246</b>

**15 Finance cost**

<b>Particulars</b>	<b>March 31, 2024</b> <b>(₹ In Hundreds)</b>
Bank charges	18
<b>Total</b>	<b>18</b>

**16 Other expenses**

<b>Particulars</b>	<b>March 31, 2024</b> <b>(₹ In Hundreds)</b>
Audit Fees -for Statutory Audit	350
Advertisement Expenses	248
Accomodation Charges	367
Contract Service Expenses	9,786
Food and Refreshment	64
Insurance Charges	146
Internet charges	1
Miscellaneous Expenses	51
Meeting Expenses	547
Office Expenses	277
Professional Charges	1,150
Rates and taxes	73
Recruitment Expenses	770
Sales and Marketing Expenses	644
Travel Expenses	10,603
Subscription Expenses	1,205
<b>Total</b>	<b>26,282</b>

**THOUGHT MINDS SYSTEMS PRIVATE LIMITED**  
**Notes to financial statements for the year ended March 31, 2024**

(All amounts are in ₹, unless otherwise stated)

**17 Earnings per Equity Share:**

<b>Particulars</b>	<b>Amount</b>
<b><u>Basic Earnings per Share</u></b>	
Net profit / (loss) for the year (₹ In Hundreds)	(31,716)
Weighted average number of equity shares	2,50,000.00
Par value per share	10.00
<b>Earnings Per Share - Basic (in ₹ per share)</b>	<b>(12.69)</b>
<b><u>Diluted Earnings per share</u></b>	
Net profit / (loss) for the year (₹ In Hundreds)	(31,716)
Weighted average number of equity shares for Basic EPS	2,50,000.00
Add: Effect of Warrants, ESOPs and Convertible bonds which are dilutive	
Weighted average number of equity shares - for diluted EPS	2,50,000.00
Par value per share	10
<b>Earnings Per Share - Diluted (in ₹ per share)</b>	<b>(12.69)</b>

**18 Details of dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises**

The Company has not received any intimation from its vendors regarding their status under Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, required under the said Act have not been made.

**19 Related party transactions**

**a. Details of related parties:**

<b>Description of relationship</b>	<b>Names of related parties</b>
a) Key managerial personnel	Rinish Kunhiraman Nalini
b) Enterprise having Substantial Interest	Novavente Private Limited
c) Enterprises under common control	Ello Talent Marketplaces Private Limited

**b. Details of related party transactions during the year ended March 31, 2024 and balances outstanding at the year**

<b>Transactions</b>	<b>March 31, 2024 (₹ In Hundreds)</b>
<b><u>Transactions during the year</u></b>	
i) Loan taken during the year	
-Rinish Kunhiraman Nalini	31,000
-Novavente Private Limited	10,000
ii) Receipt of Services	
-Ello Talent Marketplaces Private Limited	5,582
ii) Expense Reimbursement	
-Novavente Private Limited	2,830
<b><u>Balances outstanding at the end of the year</u></b>	
i) Loan Taken	
Rinish Kunhiraman Nalini	31,000
Novavente Private Limited	10,000
ii) Creditors for expenses	
-Ello Talent Marketplaces Private Limited	1,802
-Novavente Private Limited	2,830

## 20 Additional Regulatory Information

- (i) There are no proceedings that have been initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended from time to time) (earlier Benami Transactions (Prohibition) Act, 1988) and the rules made thereunder.
- (ii) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.

### (iii) Relationship with Struck off Companies

Name of struck off Company	Nature of transaction with struck-off Company	Balance outstanding as at March 31, 2024	Relationship with the Struck off company	Balance outstanding as at March 31, 2023	Relationship with the Struck off company
NIL	NIL	NIL	NA	NIL	NA

- (iv) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017, and there are no companies beyond the specified layers.

## 21 Utilisation of Borrowed funds

A. The Company has not advanced or loaned or invested funds (either borrowed funds or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (“Intermediaries”) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”); or  
(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

B. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (“Funding Party”) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”); or  
(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

## 22 Undisclosed Income

The Company does not have any transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income-tax Act, 1961). Further, there was no previously unrecorded income and no additional assets were required to be recorded in the books of account during the year.

## 23 Details of Crypto Currency or Virtual Currency

The Company has neither traded nor invested in Crypto currency or Virtual Currency during the financial year ended March 31, 2024. Further, the Company has also not received any deposits or advances from any person for the purpose of trading or investing in Crypto Currency or Virtual Currency.

**THOUGHT MINDS SYSTEMS PRIVATE LIMITED**  
**Notes to financial statements for the year ended March 31, 2024**

(All amounts are in ₹, unless otherwise stated)

**25 Other disclosures**

	<b>March 31, 2024</b> <b>(₹ In Hundreds)</b>
Contingent liabilities	Nil
Value of imports calculated on CIF basis	Nil
Expenditure in foreign currency (accrual basis)	Nil
Net dividend remitted in foreign exchange	Nil
Earnings in foreign currency (accrual basis)	19,319

**26** The Company was incorporated on 25 July 2023 and financial information reported for period ended 31.03.2024 includes transactions entered into by the company from the date of incorporation to 31.03.2024. As the company is in its 1st year of incorporation, corresponding figures are to be taken as 'Nil'.

This is the summary of significant accounting policies and other explanatory information.  
The accompanying notes are integral part of these financial statements.

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As per our report of even date attached  
**For G Joseph & Associates**  
Chartered Accountants  
(Firm Reg. No.006310S)

For and on behalf of Board of Directors of  
**THOUGHT MINDS SYSTEMS PRIVATE LIMITED**

**Umesh L Bhat**  
Partner  
Membership No. 211364

**Rinish Kunhiraman Nalini**  
Director  
DIN: 02466415

**Samrat Dilip Parasnis**  
Director  
DIN: 02871377

Place : Cochin  
Date: 01/09/2024