

SECTION XI – INFORMATION WITH RESPECT TO GROUP COMPANIES/ ENTITIES

The definition of “Group Companies/Entities” pursuant to the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, to include companies (other than promoter(s) and subsidiary/subsidiaries) with which there were related party transactions, during the period for which financial information is disclosed, as covered under the applicable accounting standards and also other companies as are considered material by the Board. Pursuant to a Board resolution dated September 18, 2021, our Board has identified companies/entities with which there were related party transactions, during the period for which financial information is disclosed and formulated a policy to identify other companies which are considered material to be identified as group companies/entities, pursuant to which the following entities are identified as Group Companies/Entities of our Company.

1. M/s Richa Infosys (Proprietary firm of Mrs. Hemaben Tushar Shah)
2. M/s Arth Technocrats (Partnership Firm)

Except as stated above, there are no companies/entities falling under definition of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 which are to be identified as group companies/entities.

As per sub clause C of clause 13 of Schedule VI of SEBI (ICDR) Regulations, 2018, we have provided the financial information of top five unlisted group companies/entities.

1. M/s Richa Infosys

Brief Profile

M/s Richa Infosys is a Proprietor Firm of our promoter Mrs. Hemaben Tushar Shah started on January 20, 2004. It is mainly engaged in the business of office Automation and IT related products like Copier, Multifunction Machines and Laptops, CCTV, Digital Podium and Interactive Boards.

Financial Performance

The summary of financials for last three years are as follows: -

(₹ In Lakhs)

Particulars	March 31, 2020	March 31, 2019	March 31, 2018
Total Sales	1100.63	836.79	413.25
Total expenditure	9.74	22.37	28.35
Profit/ (Loss) for the period	14.96	27.27	28.42

2. M/s Arth Technocrats

Brief Profile

M/s Arth Technocrats is a Partnership Firm constituted on January 20, 2020. It is mainly engaged in the business of providing retail sale, AMC services, installation service, LED lights, home automation and all related activities.

Financial Performance

The summary of financials for last three years are as follows: -

(₹ In Lakhs)

Particulars	March 31, 2020	March 31, 2019	March 31, 2018
Total Sales	-	-	-
Total expenditure	-	-	-
Profit/ (Loss) for the period	-	-	-

*As M/s Arth Technocrats constituted on January 20, 2020 and started its operation in January 2021, financials of last three years are not available.

Partners Details

The Partners details of M/s Arth Technocrats are as follows: -

Sr. No.	Name of Partners	Profit/loss Sharing Ratio
1.	Mr. Tushar Dineshchandra Shah	50%
2.	Mrs. Hemaben Tushar Shah	50%

Our Group Companies are not do not have website, therefore Financial details of our group companies are hosted on the website of our company : www.richainfosys.com in investor tab under Group Company Section.

PENDING LITIGATIONS

There is no pending litigation involving any of the above mentioned group companies/entities which has a material impact on our company. However for details of Outstanding Litigation against our Company and Group Companies/Entities, please refer to Chapter titled “OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS” on the Page no. 135 of this Prospectus.

INFORMATION REGARDING SIGNIFICANT ADVERSE FACTORS RELATED TO THE GROUP COMPANIES/ENTITIES AND IN PARTICULAR REGARDING

- None of the above-mentioned Group Companies/Entities is a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 or is under winding up/insolvency proceedings.
- None of our Group Companies/Entities have made a loss in the immediate Financial Year.

GENERAL DISCLOSURE

- None of the securities of our Group Entity are listed on any stock exchange and our Group Entity has not made any public or rights issue of securities in the preceding three years.
- None of the above mentioned Group Companies/Entities is in defaults in meeting any Statutory/bank/institutional dues and no proceedings have been initiated for economic offences against any of the Group Companies/Entities.
- Our Group Entity has not been debarred from accessing the capital market for any reasons by the SEBI or any other authorities.
- Our Group Entity has not been identified as a Willful Defaulter or a fraudulent borrower.

DEFUNCT /STRUCK-OFF COMPANY

- None of Promoters, Promoter Group and our Group Companies/Entities has remained defunct and no application has been made to Registrar of Companies for Striking off their name from the Register of Companies, during the five years preceding the date of filing this Prospectus.

COMMON PURSUITS

Our all Group Companies/Entities which are in same line of business or have some of the objects similar to that of our Company's business. The details of group companies which are in same/similar line of business activities, as carried out by our Company, are stated below:

1. **M/s Richa Infosys** - It is mainly engaged in the business of office Automation and IT related products like Copier, Multifunction Machines and Laptops, CCTV, Digital Podium and Interactive Boards.

Justification: M/s Richa Infosys is engaged in business that is being carried out by our Company also and we do not have any non-compete agreement/arrangement with any of our Group Entities. Such a conflict of interest may have adverse effect on our business and growth. We shall adopt the necessary procedures and practices as permitted by law to address any conflict situations, as and when they may arise.

BUSINESS INTERESTS AMONGST OUR COMPANY AND GROUP COMPANIES/ENTITIES /ASSOCIATE COMPANIES

Existing

Except as mentioned under “Annexure – J” – “Related Party Transaction” on page no. F 38 under Chapter titled “RESTATED FINANCIAL INFORMATION” beginning on page no. 124 of this Prospectus, there is no business interest among Group Companies/Entities.

Proposed Related Party Transactions with Group/Entities for FY 2021-22 as approved by the Audit Committee are as follows-

Sr. No.	Name of Related Party	Nature of contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Duration of the contracts /arrangements/ transactions	Omnibus Approval (Limit ₹ in Lacs)
1.	M/s Richa Infosys	Sister Concerned	All transactions entered by the Company is at Market rate and on arms' length basis	From 1 st April, 2021 to 31 st March, 2022	2500.00
2.	M/s Arth Technocrats	Sister Concerned	All transactions entered by the Company is at Market rate and on arms' length basis	From 1 st April, 2021 to 31 st March, 2022	2500.00

Additionally, our Company will pay remuneration and salary to our Directors and Key Managerial Personnel as approved by the Board of Directors and Shareholders of our Company.

In addition to all above transactions proposed to be entered, our Company may also propose to enter in to new transactions or transactions beyond the present omnibus approval given by the Board of Directors/Audit Committee after obtaining the fresh approval for the new transactions or transactions beyond the omnibus approval specified above.

DISSOCIATION OF PROMOTERS IN THE LAST THREE YEAR

Our individual Promoters have not disassociated themselves from any Company/entity in the last three years.

RELATED BUSINESS TRANSACTIONS WITHIN THE GROUP COMPANY/ENTITY AND ITS SIGNIFICANCE ON THE FINANCIAL PERFORMANCE OF OUR COMPANY

For details, please see “Annexure – J” – “Related Party Transaction” on page no. F 38 under Chapter titled “RESTATED FINANCIAL INFORMATION” beginning on page no. 124 of this Prospectus.

CHANGES IN ACCOUNTING POLICIES IN THE LAST THREE YEARS

Except as mentioned under the paragraph Changes in Significant Accounting Policies, “Annexure – D” on Significant account policies under Chapter titled “RESTATED FINANCIAL INFORMATION” beginning on page no. 124 of the Prospectus, there have been no changes in the accounting policies in the last three years.