



Board's Report

Dear Members

Greetings!!

We herewith present the report on our business and operations for the year ended **31st March 2025**.

1. Financial Results.

The Company's financial performance for the year under review along with previous year's figures is given hereunder

Particulars	Standalone		Consolidated	
	FY 2024-25	FY 2023-24	FY 2024-25	FY 2023-24
	INR In Lakhs	INR In Lakhs	INR In Lakhs	INR In Lakhs
Income From Operations	2,108.27	1,324.53	2,108.27	1,324.53
Other Income	54.20	80.01	54.20	80.01
Total Income	2,162.48	1,404.54	2,162.48	1,404.54
Profit Before Tax	(1,051.35)	81.89	(1,051.35)	81.89
Profit After Tax	(1,052.35)	67.95	(1,052.35)	67.95
Proposed Dividend	-	-	-	-
Transfers to General Reserve	-	-	-	-
Earning per Share (Basic)	(0.42)	0.03	(0.42)	0.03
Earning per Share (Diluted)	(0.42)	0.03	(0.42)	0.03

Financial highlights

Revenues-Standalone

Revenue for the year ended 31st March 2025 stands at Rs.2,108.27 lakhs as compared to Rs.1324.53 lakhs the same period last year. The Company's revenues increased by about 59.17% over the previous year.

Revenues-Consolidated

There is no contribution of revenues from the wholly owned subsidiaries as these companies were not operational north in US and Portugal. Hence on account of consolidation, there are no additional revenues.

Profits- Standalone

The Company had incurred a net loss of Rs. 1051.35 lakh (before tax) on account of recognition of foreign exchange variation on FCCBs. The Company has earned a net profit of Rs. 241.75 Lakhs prior to recognition of foreign exchange variation as against a net profit Rs. 81.89 Lakhs (before tax) in the previous year.

Profits-Consolidated

Particulars	Cybermate Infotek Ltd. Inc		Cybermate International	
	US Subsidiary		Portuguese Subsidiary	
	INR In Lakhs	INR In Lakhs	INR In Lakhs	INR In Lakhs
	FY 31-12-2024	FY 31-12-2023	FY 31-12-2024	FY 31-12-2023
Total income	-	-	-	-
Profit before tax	-	-	-	-

Capital Expenditure on Tangible Assets-Standalone

During the year, additions to fixed assets were marginal, similar to the previous year.

2. Dividend.

No Dividend is being proposed for the current financial year to conserve resources.

3. Subsidiaries, Joint Ventures and Associate Companies.

During the year the Subsidiary companies could not commence operations.

Statement pursuant to Section 129 Subsection (3)(i) of the Companies Act 2013, read with Rule 5 of Companies Accounts Rules, 2014 relating to financial statements of subsidiary companies as formatted in AOC-1 form has been attached as **Annexure- I** to this report.

4. Remuneration Policy.

Your Directors have on the recommendation of the Nomination & Remuneration Committee, framed a policy for selection and appointment of Directors, Senior Management Personnel and their remuneration in accordance with Section 197 of the Companies Act, 2013 and Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) for the time being in force).

The salient aspects covered in the Nomination and Remuneration Policy have been outlined in the Corporate Governance Report which forms part of this report.

The remuneration paid to your Directors and Managerial Personnel is in accordance with the Nomination and Remuneration Policy thus formulated.

The information required under Section 197 (12) of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as **Annexure – II**.

5. Declaration by Independent Directors.

Pursuant to sub section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, all the Independent Directors of your Company have given declaration that they have met the criteria of independence as required under the Act and the regulations

6. Formal Annual Evaluation of Performance of the Board and its Committees.

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, mandates that the Board shall monitor and review the board evaluation framework.

The framework includes evaluation of directors on parameters such as

- Peer Evaluation
- Decision Making

- Analysis of Information
- Board Dynamics & Relationships
- Corporate Strategy
- Participation at Board Committees

The Companies Act 2013 states that a formal evaluation needs to be made by the board of its own performance and that of its committees and individual directors. Schedule IV to the Companies Act States that the performance evaluation of independent directors shall be done by the entire board of directors excluding the director being evaluated.

The evaluation process has been explained in Corporate Governance Report.

7. Board Committees.

Detailed composition of the mandatory Board committees namely Audit Committee, Nomination and Remuneration Committee, Stakeholders Grievances' Committee, number of meetings held during the year under review and other related details are set out in the Corporate Governance Report which forms a part of this Report.

Audit Committee

Name of the Member	Designation
Mr. V.S. Roop Kumar	Chairman
Ms. G . Ponnari	Member
Mr. B.V.B. Ravi kishore	Member

Nomination and Remuneration Committee

Name of the Member	Designation
Mr. B.V.B. Ravi kishore	Chairman
Mr. B. Srinivasa Reddy	Member
Mr. V.S. Roop Kumar	Member

Stakeholders Relationship Committee

Name of the member	Designation
Mr. B. Srinivasa Reddy	Chairman
Mr. K . Koteswara Rao*	Member
Mr. B.V.B. Ravi Kishore	Member
Mr. K. Krishna Shankar#	Member

*Upto 09-01-2025

from 07-02-2025

Corporate Social Responsibility Committee

Name of the member	Designation
Mr. B.V.B. Ravi Kishore	Chairman
Mr. P. Chandra Sekhar	Member
Ms. G. Ponnari	Member

8. Deposits.

The Company has neither accepted nor renewed any deposits during the year under review. There are no outstanding deposits.

9. Particulars of Loans, Guarantees or Investments Made under Section 186 of the Companies Act, 2013.

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review.

10. Disclosures under Sexual Harassment of Women at Workplace.

In accordance with the provisions of the Sexual Harassment of Women at the workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company is required to have an Anti- sexual harassment policy through which an Internal Complaints Committee is constituted. The said committee meets at regular intervals to redress any complaints received by the committee in these lines and after due deliberation aims at disposing off the complaints. However, there has been no such complaint filed within the company till date.

11. Significant and Material Orders Passed by the Regulators or Court.

During the year under review there are no material adverse orders passed by regulators or court

12. Material changes and commitments, if any affecting the financial position of the company occurred between the end of the financial year to which these financial statements relate and the date of the report.

There are no significant events which are affecting the financial position of the company subsequent to the balance sheet date.

All FCCBs issued by the company to investors in 2018 have been converted into equity shares of Rs. 2/- each at such prices computed in accordance with the SEBI (ICDR) regulations and other regulations as applicable.

However, the bond holders have requested for allotment of equity shares for the amount equivalent to the interest accrued on the FCCBs. The company is now considering the same and is seeking necessary approvals from the shareholders and regulators as applicable and the same shall be completed in the ensuing period.

Further details on the FCCBs issued by the company are disclosed at **Note No: 33** to the financial statements.

13. Particulars of Contracts or Arrangements made with Related Parties.

All Contracts/arrangements/transactions entered by the company during the financial year 2024-25 with related parties were in the ordinary course of business and on an arm's length basis.

In this regard, we draw your attention to **Note No: 31** containing a Statement Pursuant to Clause (h) of sub section 134 of the companies Act 2013, and Rule 8(2) of the Companies (Accounts) Rules, 2014, to the financial statements which sets out related party disclosures.

14. Number of Board meetings conducted during the year under review.

The directors of the company have met Nine (9) times during the financial year under review for the purposes of discussing the affairs of the company and its business, the details of which are listed below:

S.No	Date of Meeting	Time	Place	Meeting No.	For the Quarter
1	02-05-2024	11.00 am	Regd & Corp Off	01/2024-25	Apr-Jun
2	15-06-2024	11.00 am	Regd. & Corp Off	02/2024-25	Apr-Jun
3	13-08-2024	11.00 am	Regd & Corp Off	03/2024-25	Jul-Sep
4	05-09-2024	11.00 am	Regd & Corp Off	04/2024-25	Jul-Sep
5	11-09-2024	11.00 am	Regd & Corp Off	05/2024-25	Jul-Sep
6	13-11-2024	11.00 am	Regd & Corp Off	06/2024-25	Oct-Dec
7	06-12-2024	11.00 am	Regd & Corp Off	07/2024-25	Oct-Dec
8	09-01-2025	11.00 am	Regd & Corp Off	08/2024-25	Jan-Mar
9	07-02-2025	11.00 am	Regd & Corp Off	09/2024-25	Jan-Mar

15. Vigil Mechanism

The Company has established a vigil mechanism and oversees through the committee, the genuine concerns expressed by the employees and other Directors. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided direct access to the chairman of the Audit Committee on reporting issues concerning the interests of co employees and the Company. The company has also set out a whistle blower policy in terms of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, so as to ensure that the business is conducted with integrity and the company's financial information is accurate.

The Policy on Vigil Mechanism and whistle blower policy may be accessed on the company's website.

16. Training of independent directors

Whenever, new Non-executive and Independent Directors are inducted in the Board they are introduced to our Company's culture through appropriate orientation session and they are also introduced to our organization structure, our business, constitution, Board procedures, our major risks and management strategy.

17. Directors Responsibility Statement

Pursuant to the requirement under Section 134 (3) (c) of the Companies Act 2013 with respect to Directors Responsibility Statement, it is hereby confirmed.

- i. That in the preparation of the Annual Accounts for the financial year ended March 31, 2025 the applicable accounting standards had been followed along with proper explanation relating to material departures.
- ii. The Directors have selected such accounting policies and applied them consistently and made judgements 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 the end of the financial year and of the profit and loss of the Company for that period.
- iii. That the Directors had taken proper and sufficient care towards the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. That the Directors had prepared the accounts for the financial year ended March 31, 2025 on a 'going concern' basis.
- v. That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively
- vi. That systems to ensure compliance with the provision of all applicable laws were in place and were adequate and operating effectively.

18. Extract of Annual Return

Form MGT 9 containing details, forming part of the extract of the Annual return is disclosed on the website of the

company at www.orchasp.com/investors. [pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014].

19. Statement concerning development and implementation of Risk Management Policy of the company.

The Risk Management framework is not applicable to the Company as per the statute for the current period.

20. Details of Policy developed and implemented by the company on its Corporate Social Responsibility initiatives.

Pursuant to Section 135 of the Companies Act, 2013 every Company having

- Net worth of rupees five hundred crore or more, or
- Turnover of rupees one thousand crore or more or
- Net profit of rupees five crore or more

during any financial year, shall constitute a Corporate Social Responsibility Committee of the Board consisting of three or more directors, out of which at least one director shall be an independent director.

During the financial year 2018-19, on the basis of the Net Profit earned, the company qualified for Corporate Social Responsibility initiatives. The company has constituted a committee for the same (as provided under "Board's Committee" - Point No. 9). The company shall plan and implement the CSR activities in due course.

21. Transfer of Unclaimed Dividend to Investor Protection Fund.

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year.

22. Adequacy of Internal Financial Controls

The Company has established and is maintaining internal controls and procedures. The Board of Directors have evaluated the effectiveness of the Company's internal controls and procedures and confirm that they are adequate based on the size and the nature of its business.

23. Internal Audit

The Company has a well-established system of Internal Audit which carries out audit on Risk Management framework covering all the functions.

24. Auditors and Auditors report

Statutory Auditors

M/s J M T Associates have been appointed as statutory auditors from the conclusion of the 30th Annual General meeting until the conclusion of 31st Annual General Meeting.

The company proposes to appoint M/s J M T Associates as statutory auditors for a further period of 4 years i.e.

up to conclusion of 35th Annual General Meeting of the company. Hence resolution to this effect is included in the Notice to the 31st Annual General Meeting.

Secretarial Auditor

The Board has appointed Ms. T. Durga Pallavi, Practising Company Secretary, Hyderabad to conduct Secretarial Audit for the financial year 2024-25. The Secretarial Audit report as issued by Ms. T. Durga Pallavi Rao for the financial year ended March 31, 2025 is annexed herewith in **Annexure-III**.

The company proposes to appoint Ms. T. Durga Pallavi, Practising Company Secretary as Secretarial auditor for a period of 5 years i.e. up to conclusion of 34th Annual General Meeting of the company. Hence resolution to this effect is included in the Notice to the 31st Annual General Meeting.

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

The detailed information as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished under **Annexure IV** as attached to this report.

26. Corporate Governance

Pursuant to Regulation 27 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, a separate report on corporate governance has been included in this Annual Report in **Annexure -V** together with a certificate from the Practising Company Secretary regarding compliance of conditions of Corporate Governance.

All Board members and senior management personnel have affirmed compliance with the Code of Conduct for the year 2024-25. A declaration to this effect signed by the Managing Director of the Company is contained in this Annual Report.

27. Management Discussion and Analysis

Management Discussion and Analysis Report forms a part of the Annual Report - **Annexure -VI**

28. Explanation or comments on emphasis of matters or qualifications or reservations or adverse remarks or disclaimers made by the auditors and the practicing company secretary in their reports.

The statutory auditors have expressed a qualified opinion on the financial statements of the company pertaining to

- Investment in Wholly Owned Subsidiary at Portugal viz Cybermate International, Unipessoal, LDA
- We clarify that the Portuguese authority has issued a notice of cancellation of the Certificate of Incorporation of the WOS due to non-filing of statutory information. We are considering transferring the investment to another subsidiary and rectifying the non-compliance. We have been provided the final amounts due and pending compliances after which we propose to transfer the investment to another

subsidiary. We will be completing the compliances during the present quarter.

- Non-Receipt of trade receivables and payables due for more than 6 months.

We are of the opinion that the delays have been caused due to adverse conditions prevailing in the business and financial markets. We have extended our timelines by another six months for realizing of debtors due to adverse market conditions.

29. Shares

Buy back of Securities.

The Company has not bought back any of its securities during the financial year under review.

Sweat Equity

The Company has not issued any Sweat Equity Shares during the financial year under review.

Bonus Shares

No Bonus Shares were issued during the financial year under review.

Employees Stock Option Plan

The Company has not provided for any Stock Options to its employees during the financial year under review.

30. Disclosures

We are attaching Certification of Corporate Governance - **Annexure-VII** and Certification of Non-Disqualification of Directors - **Annexure-VIII** and Certification of MD and CFO as **Annexure-IX**.

31. Acknowledgement

Your directors place on records their sincere thanks to their employees, bankers, business associates, consultants, Legal Advisors and various government authorities for their continued support extended to your Company's activities during the financial year under review. Your directors also acknowledge gratefully for your support and for the confidence reposed on this Company.

By Order of the Board of Directors of
Orchasp Limited

P. Chandra Sekhar

P. Chandra Sekhar
Chairman, MD & CFO
DIN: 01647212

Place: Hyderabad
Date: 30-08-2025

Annexure - I

Financial Statements of Subsidiaries

(Statement pursuant to Section 129 Subsection (3)(I) of the Companies Act 2013, read with Rule 5 of Companies Accounts Rules, 2014 relating to financial statements of subsidiary companies)

AOC-1		
(in'INR)		
Name of the Subsidiary	Cybermate Infotek Limited Inc	Cybermate International, Unipessoal, LDA
Financial Year ended	31st December 2024	31st December 2024
Exchange Rate	1 USD = 85.77527 INR	1 EUR = 89.256774 INR
Share Capital- Rs.	2,17,500	6825,00,000
Reserves & Surplus-Rs.	-	-
Total Assets-Rs.	2,17,500	6825,00,000
Total Liabilities-Rs.	2,17,500	6825,00,000
Turnover-Rs.	-	-
Profit/Loss-Rs.	-	-
% of Shareholding	100%	100%

Notes

1. Since the amount of investment in US subsidiary is insignificant and the cost of revival is higher. The company propose to write off the investment after seeking necessary approvals form regulatory and other authorities.
2. Cybermate International, Unipessol, LDA The company is considering transferring the investment to a new US subsidiary and protect the investment. Thereafter we propose to remit the outstanding dues to the statutory authorities followed by filing the closing compliance statements.

Annexure - II

Particulars of Employees information as per Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Information Pursuant to Rule 5 of the Companies (Appointment and Remuneration of Managerial Remuneration) Rules, 2014		
1	Ratio of the remuneration of each director to the median remuneration of the employees of the company excluding Managing Director for the financial year	Please refer to Annexure II A to this Report for details.
2	The percentage increase in remuneration of each director, chief financial officer, chief executive officer, company secretary or manager, if any, in the financial year.	Please refer to Annexure II B to this Report for details.
3	The percentage increase / (decrease) in the median remuneration of employees.	The percentage increased in the median remuneration in the financial year 2024-25 of employees on India Payroll was 63.5% over 2023-24.
4	The number of permanent employees on the rolls of the company.	40

5	Average percentile increase already made in the salaries of employees other than managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and pointout if there are any exceptional circumstances for increase in managerial remuneration	Average percentage increase made in the salaries of the employees other than the managerial personnel in the last financial year is Nil % for India based employees.
6	The key parameters for any variable component of remuneration availed by the Directors	Variable Component of Compensation for Directors would be on the basis of the recommendations of Nomination and Remuneration Committee.
7	Affirmation that the remuneration is as per the remuneration policy of the company	The remuneration to employees of the Company is as per the remuneration policy of the Company

Annexure - II A

Sr. No	Name of the Director	Ratio of remuneration of each director to the median remuneration of the employees of the Company
1	Mr. P Chandra Sekhar	1.70%

Notes:

- Median remuneration of the employees is calculated on the basis of remuneration details of permanent employees on India payroll excluding Managing Director/s.

Annexure - II B

Sr. No	Name of the Director/ Key Managerial Personnel	Designation of the Director/ Key Managerial Personnel	% Increase in the Remuneration
1	Mr. P Chandra Sekhar	Managing Director & CFO	Nil

Remuneration Policy

The Remuneration Policy of the Company is designed in a way that attracts talent, motivate in order to retain manpower and to improve productivity by creating a cohesive work force, encouraging initiatives, personal growth and teamwork, and inculcating a sense of belongingness and nurtures the willingness to involve in the providing the best of their abilities, besides offering appropriate remuneration packages and superannuation benefits. The policy reflects the Company's objectives for good corporate governance as well as sustained long-term value creation for shareholders.

The Nomination & Remuneration Committee (NRC) determines individual remuneration packages for Directors, KMPs and senior Officials of the Company taking into account, factors it deems relevant, including but not limited to market, business performance and practices in comparable Companies, having due regard to financial and commercial health of the Company as well as prevailing laws and government/other guidelines. NRC consults the Chairman of the Board as it deems appropriate. Remuneration of the Chairman is recommended by NRC to the Board of the Company.

Applicable:

This Remuneration Policy applies to the whole of the Company including directors, senior management including its Key Managerial Personnel (KMP) and other employees of the Company.

Guiding principle:

The guiding principle is that the remuneration and the other terms of employment should effectively help in attracting and retaining committed and competent personnel. While designing remuneration packages, industry practices and cost of living are also taken into consideration.

Statutory Requirements:

- Section 197(1) of the Companies Act, 2013 provides for the total managerial remuneration payable by the Company to its directors, including managing director and whole-time director, and its manager in respect of any financial year shall not exceed eleven percent of the net profits of the Company.
- Section 197(5) of the Companies Act, 2013 provides for remuneration by way of sitting fee to a director for attending meetings of the Board of Directors and Committee meetings or for any other purpose as may be decided by the Board.
- The Company with the approval of the Shareholders and Central Government may authorise the payment of remuneration exceeding eleven percent of the net profits of the Company, subject to the provisions of Schedule V of the Companies Act, 2013.
- The Company may with the approval of the shareholders authorise the payment of remuneration up to five percent of the net profits of the Company to its anyone Managing Director/Whole Time Director/Manager and ten percent in case of more than one such official.
- The Company may pay remuneration to its part-time directors, other than Managing Director and Whole Time Director up to one percent of the net profits of the Company, if there is a managing director or whole-time director or manager and three percent of the net profits in any other case.
- The net profits for the purpose of the above remuneration shall be computed in the manner referred to in Section 198 of the Companies Act, 2013.

Directors:

As per the policy followed by the Company since inception, the non-executive directors are paid remuneration in the form of sitting fees for attending Board and Committee meetings as fixed by the Board of Directors from time to time subject to statutory provisions. Presently, sitting fee is Rs. 2,500/- per Board meeting and per Committee meeting per Independent and Non-Executive Director on Board of the Company.

Remuneration of Whole Time Directors including Managing Director reflects the overall remuneration philosophy and guiding principle of the Company. At the time of considering the appointment and remuneration of Whole Time Directors, the members of the Nomination & Remuneration Committee (NRC) consider the pay and employment conditions in the industry, merit, seniority of the person and the payment capacity of the Company.

The NRC while designing the remuneration package, considers the level and composition of remuneration to be reasonable and sufficient to attract, retain and motivate the person to ensure the quality required to run the Company successfully.

The NRC while considering a remuneration package must ensure a balance between fixed and performance linked variable pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.

The NRC considers that a successful Remuneration Policy must ensure that some part of the remuneration package be linked to the achievement of corporate performance targets and a strong alignment of interest with stakeholders.

The term of office and remuneration of Whole Time Directors are subject to the approval of the Board of Directors, shareholders and the limits laid down under the present applicable sections read with relevant rules of Companies Act, 2013 and as modified from time to time.

The Independent Directors shall not be entitled to any stock option and may receive sitting fees for attending meetings of the Board or Committee thereof or for any other purpose as may be decided by the Board and profit related commission as may be approved by the members. The sitting fee to the Independent Directors shall not be less than the sitting fee payable to other directors.

Reward principles and objectives:

The Company's Remuneration Policy is guided by a reward framework and set of principles and objectives as more fully and particularly envisaged under section 178 of the Companies Act 2013, inter alia principles pertaining to determining qualifications, positive attributes, integrity and independence etc.

Reward policies:

Remuneration packages for Whole Time Directors are designed subject to the limits laid down under the Companies Act, 2013, to remunerate them fairly and responsibly.

The Whole Time Directors' remuneration comprises of salary, perquisites and performance-based commission/reward apart from retirement benefits like P.F., Superannuation, Gratuity, etc. as per Rules of the Company.

Remuneration also aims to motivate personnel to deliver Company's key business strategies, create a strong performance-oriented environment and reward achievement of meaningful targets over the short and long term.

The Whole Time Directors are entitled to customary non-monetary benefits such as company cars, furnished accommodation, health care benefits, leave travel, communication facilities, etc. Their terms of appointment provide for severance payments as laid down under relevant sections of the Companies Act, 2013.

Key Managerial Personnel [KMP] Senior Management:

Appointment of KMP & senior management and cessation of their service are subject to the approval of NRC and the Board of Directors. Remuneration of KMP and other senior management personnel is decided by the Managing Director (MD) on the recommendation of the Whole Time Director concerned, wherever applicable, broadly based on the Remuneration Policy in respect of Whole Time Directors. Total remuneration comprises of:

1. A fixed base salary - set at a level aimed at attracting and retaining executives with professional and personal competence, showing good performance towards achieving Company goals.

2. Perquisites - in the form of house rent allowance/ accommodation, furnishing allowance, reimbursement of medical expenses, conveyance, telephone, leave travel, etc.
3. Retirement benefits - contribution to PF, superannuation, gratuity, etc. as governed by respective acts and rules prevailing in the Company from time to time.
4. Motivation / Reward - A performance appraisal is carried out annually and promotions/ increments/ rewards are decided by the Managing Director based on the appraisal and recommendation of the concerned Whole Time Director, wherever applicable.
5. Severance payments - in accordance with terms of employment, and applicable statutory requirements, if any.

Other employees:

The remuneration of other employees is fixed from time to time as per the guiding principles outlined above and considering industry standards and cost of living. In addition to basic salary, they are also provided perquisites and retirement benefits as per schemes of the Company and statutory requirements, wherever applicable.

Policies of motivation / reward / severance payments are applicable to this category of personnel as in the case of those in the management cadre.

Removal:

The Committee may recommend, to the Board, removal of a Director, KMP or Senior Management Personnel due to following reasons:

- Any disqualification
- Misconduct
- Breach of Contract or trust
- Conflict in interest
- Such recommendation to the Board shall be with reasons recorded in writing.

Disclosure of information:

Information on the total remuneration of members of the Company's Board of Directors, Whole Time Directors and KMP/ senior management personnel may be disclosed in the Company's annual financial statements as per statutory requirements.

Application of the Remuneration Policy:

This Remuneration Policy shall continue to guide all future employment of Directors, Senior Management including Key Managerial Personnel and other employees. Any departure from the policy can be undertaken only with the approval of the Board of Directors.

Annexure - III**FORM NO- MR-3****Secretarial Audit Report****For The Financial Year Ended 31st March, 2025****[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
Orchasp Limited
Hyderabad, Telangana State.**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices **Orchasp Limited (CIN: L72200TG1994PLC017485)** (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 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 ended on **31st March, 2025** ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **Orchasp Limited** for the period ended on **31st March, 2025** 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 Byelaws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015 (Applicable w.e.f 15th May, 2015);
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28th October, 2014 (Not Applicable during the audit period);
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not Applicable during the audit period) ;
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with Client.
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations 2009 (Not Applicable during the audit period) and.
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations 1998 (Not Applicable during the audit period);

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

- i) Secretarial Standards issued by The Institute of Company Secretaries of India as notified from time to time.
- ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc mentioned above.

I further report that:

The Company was listed the **National Stock Exchange (NSE)** with effect from 7th February 2025 with Symbol "ORCHASP"

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors. The following are the changes in the composition of the Board of Directors during the year under review.

Appointments/Resignations

During the year Mr. K. Koteswara Rao (DIN: 06401491) tendered his resignation from the office of Non-Executive & Non-Independent Director of the company with effect from 31st December 2024, due to discrepancy in his appointment on account of attaining 75 years of age.

In the casual vacancy caused by the resignation of Mr. K. Koteswara Rao, the company has appointed Mr. K. Krishna Shankar (DIN:10946978) as an additional Director with effect from 7th February 2025.

Change in Designation

NIL

Re-appointments

The term of office of the MD & CFO Mr. P. Chandra Sekhar (DIN:01647212) is due for renewal at the conclusion of the 31st Annual General Meeting.

The company is proposing a resolution for his re-appointment in the notice to 31st Annual General Meeting.

Further, the following penalties were levied on the company by the BSE for delays in submission of compliance reports.

Period	Remarks	Regulation	Report	Amount (INR-Lakhs)		
				Levied	Waived	Paid
March 2024	Penalty for Non-Compliance	23(9)	Delay in Filling Related Party Transaction Report	0.25	-	0.25
March 2024	Penalty for Non-Compliance	24(A)	Delay in Filling Secretarial Compliance Report	0.30	-	0.30

Adequate notice was given to all Directors at least seven days in advance to schedule the Board Meetings. Agenda and detailed notes on agenda was sent in advance except when board meetings were called by giving less than seven days' notice in accordance with the provisions of section 173 of the act and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out and are recorded in the minutes of the meeting of the Board of Directors or Committee of the Board as the case may be and majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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



T.Durga Pallavi
Practising Company Secretary
ACS No. 23864
C.P. No.: 19724
P.R. No. : 3876/2023
UDIN Number : A023864G001094879

Place : Hyderabad

Date : 28-08-2025

Note: This report is to be read with my letter of even date which is annexed as Annexure - A and forms an integral part of this report.

Annexure - A

**To,
The Members
Orchasp Limited
Hyderabad, Telangana State.**

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

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices that, I have followed has provided a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company



T.Durga Pallavi
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