



CG-VAKTM
SOFTWARE (USA) Inc.

25th ANNUAL REPORT 2021-22



ACCOUNTANT'S COMPILATION REPORT

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BOARD OF DIRECTORS

Mr.G.Suresh, B.E., M.B.A.	Director & President
Mr.C.Ganapathy, B.Sc., Agri.	Director

REGISTERED OFFICE

CG-VAK Software USA Inc.,
1661, Tice Valley Blvd,
Suite#101, Walnut Creek,
California – 94595

CERTIFIED PUBLIC ACCOUNTANT

VVV CPA PC
200, Middlesex-Essex Turnpike, Suite 302
Iselin, NJ 08830-2033
Tel. : 732-283-4700
Fax : 732-283-4919

CG-VAK SOFTWARE USA INC.

1661, Tice Valley Blvd Ste 101,
Walnut Creek, CA 94595

DIRECTORS' REPORT

To

The Members of

CG-VAK SOFTWARE USA INC.,

Your Directors take great pleasure in presenting their 25th Annual Report and Financial Statements of the Corporation for the period ended March 31, 2022.

Review of Business

During the year under review, your Company has achieved a turnover of \$2.16 million as against \$ 2.02 million in the previous year. The Company has achieved a net profit \$ 0.014 million as against \$ 0.013 million in the previous year.

COVID-19

CG-VAK ensured the safety and security of all its employees by enabling them to work from home and thereby continued its services to the customers. Currently almost all the employees are working from home.

Future Outlook

Business scenario worldwide is undergoing rapid change and disruption due to COVID-19. The consulting service business is expected to be challenging due to travel restrictions and visa issues. Our strategy of providing consulting services on latest technology areas is yielding good results. We are making best efforts in improving the performance in the current year.

Financial Statements

The financial statements for the period ending March 31, 2022 detailing the revenue and expenditure, asset and liabilities and the operational cash flow have been appended with Certified Public Accountant's Compilations Report.

The financial statements have also been converted to Indian Rupees (INR) on the basis of appropriate exchange rate and appended.

(By Order of the Board)

for **CG-VAK SOFTWARE USA Inc.,**

May 13, 2022

G.Suresh
President



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Accountant’s Compilation Report

To The Shareholders of
CG-VAK SOFTWARE USA INC
1661 Tice Valley Blvd Ste 101
Walnut Creek, CA 94595

Management is responsible for the accompanying financial statements of CG-VAK SOFTWARE USA INC., (a corporation and wholly owned subsidiary of CG-VAK SOFTWARE & EXPORTS LTD.) which comprise the balance sheet as of March 31, 2022, and the related statements of income, changes in stockholder’s equity and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Company's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

The supplementary information contained in Schedule 1 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. The supplementary information was subject to our compilation engagement. We have not audited or reviewed the supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

ISELIN, NJ
May 13, 2022

VVV CPA PC

BALANCE SHEET AS AT 31ST MARCH 2022

	31.03.2022	
	USD	INR
ASSETS		
CURRENT ASSETS		
Cash In Book (Note 1)	8,53,677	6,41,96,493
Accounts Recievable (Note 1)	4,45,443	3,34,97,281
Employee Advances and Affiliate entity loans	1,14,631	86,20,265
Prepaid Expenses and other Current Assets	22,825	17,16,440
Investment	4,07,322	3,06,30,626
TOTAL CURRENT ASSETS	18,43,898	13,86,61,105
TOTAL NET FIXED ASSETS	1,191	83,066
OTHER ASSETS		
Deposits	5,965	4,48,606
TOTAL ASSETS	18,51,054	13,91,92,777
CURRENT LIABILITIES		
Accounts Payable & Accrued Expenses	1,25,638	94,47,954
TOTAL CURRENT LIABILITIES	1,25,638	94,47,954
TOTAL LIABILITIES	1,25,638	94,47,954
COMMITMENT & CONTINGENCY (Note 2)		
STOCK HOLDERS' EQUITY		
Capital Stock	7,50,000	3,31,00,161
Retained Earnings including translation Reserve	9,75,416	9,66,44,662
STOCK HOLDERS' EQUITY	17,25,416	12,97,44,823
TOTAL LIABILITIES & STOCKHOLDERS' EQUITY	18,51,054	13,91,92,777

STATEMENT OF CHANGES IN STOCKHOLDER'S EQUITY AS AT MARCH 31,2022

	BALANCE 01.04.2021		Net change during 2021-22		BALANCE 31.03.2022	
	AMOUNT	INR	USD	INR	USD	INR
Authorised Capital 1000 Common Shares No par value issued 1000 Common Shares No par value	7,50,000	3,31,00,161	0	0	7,50,000	3,31,00,161
Retained Earnings	9,61,441	9,56,18,895	13,975	10,25,767	9,75,416	9,66,44,662
BALANCE as at March 31, 2022 (Including Translaction Reserve)	17,11,441	12,87,19,056	13,975	9,66,44,662	17,25,416	12,97,44,823

SEE ACCOUNTANT'S COMPILATION REPORT & NOTES TO FINANCIAL STATEMENTS

**STATEMENT OF INCOME & RETAINED EARNINGS
FOR THE YEAR ENDED 31ST MARCH 2022**

	31.03.2022	
	USD	INR
Consulting fees	21,60,681	15,85,93,990
Interest Income	447	32,786
TOTAL INCOME	21,61,128	15,86,26,776
Operating Expenses (Schedule 1)	21,39,678	15,70,52,343
NET INCOME FROM OPERATIONS	21,450	15,74,432
Provision for Income Taxes (Note 3)	7,475	5,48,665
NET INCOME	13,975	10,25,767

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST MARCH 2022**

	31.03.2022	
	USD	INR
NET INCOME	13,975	10,25,767
<u>ADJUSTMENTS TO RECONCILE NET INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</u>		
DEPRECIATION AND AMORTISATION	749	54,977
DECREASE<INCREASE> IN Accounts Receivable	(1,696)	(1,27,557)
DECREASE<INCREASE> IN Prepaid Expenses & Other Current Assets	45,356	34,10,740
Increase(Decrease> in Accounts payable & Accrued Expenses	3,338	2,51,028
Increase(Decrease> in other current liabilities	0	
Total Adjustments	47,746	35,89,188
Net cash provided by Operating Activites	61,722	46,14,955
Cash flows from Investing Activites		
Purchase of Fixed Assets & Depreciation	0	0
Cash flows from Financing Activites		
Loan Borrowed <repaid>	0	0
Net cash Provided by Finanacing Activites	0	0
Net Increase (Decrease) in cash & cash Equivalents	61,722	46,14,955
Cash and Cash Equivalents at beginning of the year	7,91,955	5,95,81,538
Cash and cash Equivalents at end of the year (Note 1)	85,3677	6,41,96,493

Schedule-1

	31.03.2022	
	usd	inr
<u>Operating Expenses</u>		
Salary	16,38,282	12,02,49,918
Payroll taxes & payroll processing	1,32,189	97,02,674
Employee benefits	78,916	57,92,453
Consulting fees	1,54,770	1,13,60,118
Rent & utility	18,384	13,49,386
Legal & professional	14,700	10,78,980
Telephone & telex	14,493	10,63,793
Office supplies & expenses	9,534	6,99,771
Travel	30,278	22,22,382
Automobile expenses	7,466	5,48,007
Insurance	14,535	10,66,836
Depreciaton	749	54,977
Other expenses	25,382	18,63,048
Total	21,39,678	15,70,52,343



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