Standalone Financials

Independent Auditor's Report

To the Members of Protean eGov Technologies Limited (Formerly NSDL e-Governance Infrastructure Limited)

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

OPINION

We have audited the standalone financial statements of Protean eGov Technologies Limited (the 'Company'), which comprise the standalone balance sheet as at 31 March 2022, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

OTHER INFORMATION

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's director report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. (A) As required by Section 143(3) of the Act, we report that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

    c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

    d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

    e) On the basis of the written representations received from the directors as on 31 March 2022, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022, from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us.

a) The Company has disclosed the impact of pending litigations as at 31 March 2022 on its financial position in its standalone financial statements - Refer Note 29 to the standalone financial statements.

b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

d) (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 32 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- 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

- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The management has represented, that, to the best of its knowledge and belief, as disclosed in the Note 32 to the standalone financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- 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

- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

(iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material misstatement.

e) The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with Section 123 of the Act to the extent it applies to payment of dividend. As stated in Note 43 to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

f) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For B S R & Associates LLP
Chartered Accountants
Firm's Registration No.116231W/W100024

Sd/-
Shabbir Readymadewala
Partner
Membership No. 100060
UDIN: 22100060ALVCYG1325

Place: Mumbai
Date: 28 June 2022

Annexure A

to the Independent Auditor's report on the standalone financial statements of Protean eGov Technologies Limited for the year ended 31 March 2022

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified every two years. In accordance with this programme, property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right-of-use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The Company is a service company, primarily rendering information technology and related services. Accordingly, it does not hold any physical inventories. Accordingly, clause 3(ii)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. The Company has made investments in companies and others. The Company has not made any investments in firms, limited liability partnership.

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made during the year are, prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loan during the year. Accordingly, clause 3(iii) (c) is not applicable to the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loan during the year. Accordingly, clause 3(iii) (d) is not applicable to the Company.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loan during the year. Accordingly, clause 3(iii) (e) is not applicable to the Company.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loan during the year. Accordingly, clause 3(iii) (f) is not applicable to the Company).

(iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013 ("the Act"). In respect of the investments made by the Company, in our opinion the provisions of Section 186 of the Act have been complied with.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.

(vii) (a) The Company does not have liability in respect of Sales tax, Service tax, Duty of excise and Value added tax during the year since effective 1 July 2017, these statutory dues have been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Income-tax, Cess and other material statutory dues have generally been regularly deposited with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of GST, Provident fund, Income-tax, Duty of Customs, Cess and other material statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of GST, Provident fund, Sales tax, Service tax, Duty of Customs, Value added tax, Cess or other statutory dues which have not been deposited by the Company on account of disputes, except for the following:

Name of the Statute	Nature of the Dues	Amount (₹ in million)	Period	Forum where dispute is pending
The Maharashtra Value Added Tax Act, 2002	Sales Tax, Interest and Penalty	211.80**	2015-16	Appellate Tribunal
Central Sales Tax Act, 1956	Central Sales Tax, Interest and Penalty	0.32	2015-16	Appellate Tribunal
Income tax Act, 1961	Income tax	11.92	2010-11	AO
Income tax Act, 1961	Income tax	11.56	2011-12	AO
Income tax Act, 1961	Income tax	9.75	2012-13	CIT (A)
Income tax Act, 1961	Income tax	0.09	2015-16	AO
Income tax Act, 1961	Income tax	13.6	2016-17	CIT (A)
Income tax Act, 1961	Income tax	53.86	2017-18	AO
Income tax Act, 1961	Income tax	17.39	2018-19	AO

*** These amounts are net of amount paid under protest ₹ 14.20 million*

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) According to the information and explanations given to us by the management, the Company has not obtained any term loan. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds have been raised on short-term basis by the Company. Accordingly, clause 3(ix)(d) of the Order is not applicable.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(e) of the Order is not applicable.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have more than one CIC.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge

(xx) of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xxi) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For B S R & Associates LLP
Chartered Accountants
Firm's Registration No.116231W/W100024

Sd/-
Shabbir Readymadewala
Partner
Membership No. 100060
UDIN: 22100060ALVCYG1325

Place: Mumbai
Date: 28 June 2022

Annexure B

to the Independent Auditors' report on the standalone financial statements of Protean eGov Technologies Limited for the year ended 31 March 2022

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph (2) (A) (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

OPINION

We have audited the internal financial controls with reference to standalone financial statements of Protean eGov Technologies Limited ("the Company") as of 31 March 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For B S R & Associates LLP
Chartered Accountants
Firm's Registration No.116231W/W100024

Sd/-
Shabbir Readymadewala
Partner
Membership No. 100060
UDIN: 22100060ALVCYG1325

Place: Mumbai
Date: 28 June 2022

Standalone Balance Sheet

as at 31 March 2022

Currency : (₹ in Million)

			Notes	As at 31 March 2022	As at 31 March 2021
Assets					
1	**Non-current assets**				
	a	Property, plant and equipment	2	506.83	493.85
	b	Capital work-in-progress			
	i	Capital work-in-progress on tangible assets	2B	11.74	13.40
	ii	Intangible assets under development	2B	33.18	0.80
	c	Right-of-use assets	27	121.81	61.00
	d	Other intangible assets	2	16.75	13.30
	e	Financial assets			
	i	Investments	4	3,192.96	2,766.85
	ii	Other financial assets	5	175.73	203.90
	f	Income tax assets (net)	6	269.86	276.72
	g	Deferred tax assets (net)	6	198.53	90.20
	h	Other non-current assets	7	56.26	36.10
	Total non-current assets			**4,583.65**	**3,956.12**
2	**Current assets**				
	a	Financial assets			
	i	Investments	8	553.36	114.40
	ii	Trade receivables	9	1,998.44	1,977.40
	iii	Cash and cash equivalents	10	2,062.50	704.63
	iv	Other bank balances (bank balances other than iii above)	11	162.83	417.00
	v	Other financial assets	5	159.51	190.88
	b	Other current assets	7	367.38	447.60
	Total current assets			**5,304.02**	**3,851.91**
3	**Assets held for sale**		3	**-**	**823.96**
		Total assets		**9,887.67**	**8,631.99**
Equity and liabilities					
1	**Equity**				
	a	Equity share capital	12	403.84	401.39
	b	Other equity	13	7,483.05	6,281.62
				7,886.89	**6,683.01**
2	**Liabilities**				
	Non-current liabilities				
	a	Financial liabilities			
		Lease liabilities	27	79.23	18.60
	b	Provisions	16	151.80	204.35
	c	Other non-current liabilities	17	13.68	11.20
	Total non-current liabilities			**244.71**	**234.15**
	Current liabilities				
	a	Financial liabilities			
	i	Lease liabilities	27	37.61	43.30
	ii	Trade payables			
		Dues of micro enterprises and small enterprises	14 & 30	56.63	167.10
		Dues of creditors other than micro enterprises and small enterprises	14	900.37	820.96
	iii	Other financial liabilities (Other than provisions in ("b") below)	15	133.47	152.84
	b	Provisions	16	52.13	33.82
	c	Other current liabilities	17	536.64	496.81
	d	Income tax liability (net)	6	39.22	-
	Total current liabilities			**1,756.07**	**1,714.83**
	Total equity and liabilities			**9,887.67**	**8,631.99**
Summary of significant accounting policies and the accompanying notes are an integral part of the financial statements.			1 to 43		

As per our report of even date attached

For **B S R & Associates LLP**
Chartered Accountants
Firm's Registration No: 116231W/W-100024

For and on behalf of the Board of Directors of
Protean eGov Technologies Limited
(CIN: U72900MH1995PLC095642)

Sd/-
Shailesh Haribhakti
Chairman
DIN-00007347

Sd/-
Suresh Sethi
Managing Director & CEO
DIN-06426040

Sd/-
Shabbir Readymadewala
Partner
Membership No. 100060

Sd/-
Jayesh Sule
Whole Time Director
DIN-07432517

Sd/-
Tejas Desai
Chief Financial Officer

Place: Mumbai
Date: 28 June 2022

Place: Mumbai
Date: 28 June 2022

Maulesh Kantharia
Company Secretary

Standalone Statement of Profit and Loss

for the year ended 31 March 2022

Currency : (₹ in Million) except equity share and per equity share data

	Notes	For the year ended 31 March 2022	For the year ended 31 March 2021
Income:			
Revenue from operations	18	6,909.09	6,031.32
Other income	19	788.02	490.19
Total Income		**7,697.11**	**6,521.51**
Expenses			
Employee benefits expense	20	786.76	752.71
Finance costs	27	4.83	9.36
Depreciation and amortisation expense	2 & 27	168.40	172.80
Other expenses	21	4,881.80	4,427.84
Total Expenses		**5,841.79**	**5,362.71**
Profit before tax		1,855.32	1,158.80
Less : Tax expenses			
Current tax	6	524.88	299.40
Deferred tax	6	(108.43)	(65.20)
Total tax expenses		**416.45**	**234.20**
Profit for the year (A)		**1,438.87**	**924.60**
Other Comprehensive Income			
Items that will not be reclassified subsequently to profit or loss			
Re-measurement of the defined benefit liability / asset	24	36.25	(28.60)
Total Other Comprehensive Income (net of tax) (B)		**36.25**	**(28.60)**
Total Comprehensive Income (A+B)		**1,475.12**	**896.00**
Earnings per equity share			
- Basic (₹)	22	35.77	23.08
- Diluted (₹)	22	35.73	23.06
Summary of significant accounting policies and the accompanying notes are an integral part of the financial statements.	1 to 43		

As per our report of even date attached

For **B S R & Associates LLP**
Chartered Accountants
Firm's Registration No: 116231W/W-100024

Sd/-
Shabbir Readymadewala
Partner
Membership No. 100060

Place: Mumbai
Date: 28 June 2022

For and on behalf of the Board of Directors of
Protean eGov Technologies Limited
(CIN: U72900MH1995PLC095642)

Sd/-
Shailesh Haribhakti
Chairman
DIN-00007347

Sd/-
Suresh Sethi
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Jayesh Sule
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DIN-07432517

Sd/-
Tejas Desai
Chief Financial Officer

Place: Mumbai
Date: 28 June 2022

Maulesh Kantharia
Company Secretary

Statement of Changes in Equity

for the year ended 31 March 2022

A. EQUITY SHARE CAPITAL

Currency : (₹ in Million)

Balance as at April 1, 2020	Changes in equity share capital during the year	Balance as at 31 March 2021
400.08	1.31*	401.39

Represents value less than ₹ 0.5 Million.

Balance as at April 1, 2021	Changes in equity share capital during the year	Balance as at 31 March 2022
401.39	2.45	403.84

B. OTHER EQUITY

Currency : (₹ in Million)

Particulars	Other Equity					Other Comprehensive Income	Total
	Reserves and Surplus			ESOP Reserve	Securities premium	Other items of comprehensive income	
	Capital redemption reserve	General reserve	Retained earnings				
Balance at the April 1, 2020	**250.00**	**3,984.30**	**2,942.70**	**46.80**	**2.40**	**(88.30)**	**7,137.90**
Profit for the year	-	-	924.60	-	-	-	924.60
Other comprehensive loss	-	-	-	-	-	(28.60)	(28.60)
Share based payment expense	-	-	-	13.00	-	-	13.00
Transfer from ESOP Reserve on exercise of stock options/options unexercised	-	2.10	-	(12.80)	10.70	-	(0.00)
Issue of shares on account of exercise of stock options	-	-	-	-	39.40	-	39.40
Dividend (including dividend distribution tax)	-	-	(1,804.68)	-	-	-	(1,804.68)
Balance at the 31 March 2021	**250.00**	**3,986.40**	**2,062.62**	**47.00**	**52.50**	**(116.90)**	**6,281.62**

Statement of Changes in Equity (contd.)
for the year ended 31 March 2022

Currency : (₹ in Million)

Particulars	Other Equity#					Other Comprehensive Income	Total
	Reserves and Surplus			ESOP Reserve	Securities premium	Other items of comprehensive income	
	Capital redemption reserve	General reserve	Retained earnings				
Balance at the April 1, 2021	**250.00**	**3,986.40**	**2,062.62**	**47.00**	**52.50**	**(116.90)**	**6,281.62**
Profit for the year	-	-	1,438.87	-	-	-	1,438.87
Other comprehensive loss	-	-	-	-	-	36.25	36.25
Share based payment expense	-	-	-	15.65	-	-	15.65
Transfer from ESOP Reserve on exercise of stock options/options unexercised	-	-	-	(40.17)	40.17	-	-
Issue of shares on account of exercise of stock options	-	-	-	-	73.38	-	73.38
Dividend	-	-	(362.72)	-	-	-	(362.72)
Balance at the 31 March 2022	**250.00**	**3,986.40**	**3,138.77**	**22.48**	**166.05**	**(80.65)**	**7,483.05**

Note:
#Purpose of Reserve stated as follows:

(a) **Capital redemption reserve:** Capital redemption reserve is created to purchase its own shares out of free reserves and same to be utilized in accordance with the provision of the Companies Act, 2013.

(b) **General reserve:** The general reserve is a free reserve which is used from time to time to transfer profits from retained earnings for appropriation purposes.

(c) **ESOP reserve:** The ESOP reserve is created out equity shares issued as per terms and conditions stated in Employee Stock options plan 2017.

(d) **Securities premium:** Securities premium is used to record the premium on issue of shares. The reserve to be utilized in accordance with the provisions of the Companies Act, 2013.

As per our report of even date attached
For **B S R & Associates LLP**
Chartered Accountants
Firm's Registration No: 116231W/W-100024

Sd/-
Shabbir Readymadewala
Partner
Membership No. 100060

Place: Mumbai
Date: 28 June 2022

For and on behalf of the Board of Directors of
Protean eGov Technologies Limited
(CIN: U72900MH1995PLC095642)

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DIN-06426040

Sd/-
Jayesh Sule
Whole Time Director
DIN-07432517

Sd/-
Tejas Desai
Chief Financial Officer

Place: Mumbai
Date: 28 June 2022

Maulesh Kantharia
Company Secretary

Standalone Cash Flow Statements
for the year ended 31 March 2022

Currency : (₹ in Million)

		For the year ended 31 March 2022	For the year ended 31 March 2021
A)	**Cash flow from operating activities**		
	Profit before tax	**1,855.32**	**1,158.80**
	Adjustments for :		
	Depreciation and amortisation	168.40	172.80
	Amortisation of premium / discount on Govt/Debt Securities	19.56	11.30
	Loss on sale /discard of assets (net)	-	1.30
	Profit on sale /discard of assets (net)	(438.96)	-
	Profit on discard of leased assets (net)	(2.49)	(0.70)
	Provision for doubtful debts	303.73	292.00
	Interest income on financial assets carried at amortised cost	(196.54)	(262.70)
	Interest income on bank deposits	(35.88)	(24.50)
	Share based payments to employees	15.65	12.97
	Finance costs	4.83	9.36
	Loss/(profit) on sale of investments carried on amortised cost	(0.02)	(52.30)
	Dividend income	(13.11)	(9.20)
	Operating cash flow before changes in working capital	**1,680.49**	**1,309.13**
	Changes in working capital		
	Trade receivables	(324.66)	(162.25)
	Other financial assets and other assets	53.02	32.30
	Trade payables	(31.10)	100.30
	Other financial liabilities, other liabilities and provisions	46.24	43.00
	Cash generated from operations	**1,423.99**	**1,322.48**
	Income taxes paid (Net)	(478.80)	(319.40)
	Net cash generated from operating activities	**945.19**	**1,003.08**
B)	**Cash flow from investing activities**		
	Purchase of property plant and equipment and capital advances given	(189.98)	(94.60)
	Proceeds from sale of property, plant and equipment	1,320.02	-
	Interest received	232.42	315.70
	Dividend received	13.11	9.20
	Purchase of current investments	(411.90)	(400.00)
	Purchase of non-current investments (net of interest accrued upto date of purchase)	(498.71)	-
	Investment in subsidiaries	(80.00)	(30.10)
	Investment in fixed deposits	-	(326.20)
	Liquidation of fixed deposit	254.17	-
	Maturity / (Placement) of restricted deposit	3.85	-
	Proceeds from sale of non-current investments	106.00	1,040.80
	Proceeds from sale of current investments	-	610.00
	Net cash generated from / (used in) investing activities	**748.98**	**1,124.80**

Standalone Cash Flow Statements (contd.)

for the year ended 31 March 2022

Currency : (₹ in Million)

		For the year ended 31 March 2022	For the year ended 31 March 2021
C)	**Cash flow from financing activities**		
	Proceeds from exercise of stock options	75.82	40.67
	Dividend paid	(362.72)	(1,804.68)
	Lease liability paid	(49.40)	(69.16)
	Net cash used in financing activities	**(336.30)**	**(1,833.17)**
	Net increase in cash and cash equivalents at the end of the year	**1,357.87**	**294.71**
	Cash and cash equivalents at the beginning of the year	**704.63**	**409.92**
	Cash and cash equivalents at the end of the year	**2,062.50**	**704.63**

Notes to Cash Flow Statement :

1. Cash and cash equivalents represents cash, bank balances and bank deposits with original maturity of less than three months.
2. The company has used profit before tax as starting point for presenting operating cash flow using indirect method.

As per our report of even date attached
For **B S R & Associates LLP**
Chartered Accountants
Firm's Registration No: 116231W/W-100024

Sd/-
Shabbir Readymadewala
Partner
Membership No. 100060

Place: Mumbai
Date: 28 June 2022

For and on behalf of the Board of Directors of
Protean eGov Technologies Limited
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Whole Time Director
DIN-07432517

Sd/-
Tejas Desai
Chief Financial Officer

Place: Mumbai
Date: 28 June 2022

Maulesh Kantharia
Company Secretary

Notes to Standalone Financial Statements

for the year ended 31 March 2022

1. CORPORATE INFORMATION

Protean eGov Technologies Limited (formerly NSDL e-Governance Infrastructure Limited) ("the Company") was incorporated in December 1995, is engaged in providing Information Technology (IT) enabled e-Governance services. The current projects of the Company are Central Recordkeeping Agency (CRA) under the National Pension System regulated by Pension Fund Regulatory and Development Authority (PFRDA); Tax Information Network (TIN), the activity of processing the applications for allotment of Permanent Account Number (PAN) and National Judicial Reference System (NJRS) on behalf of Income Tax Department, Government of India; Electronic Accounting System in Excise and Service Tax (EASIEST) on behalf of Central Board of Indirect Taxes and Customs (CBIC), Government of India and acting as a Registrar to Unique Identification Authority of India (UIDAI), Planning Commission, Government of India.

The name of the company has been changed from NSDL e-Governance Infrastructure Limited to Protean eGov Technologies Limited with effect from the date of 08 December 2021. The company is a public limited company and domiciled in India. The address of the corporate office is 1st floor, Times Tower, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400013.

The Board of Directors of the Company at its meeting held on 23 March 2021 has approved Offer for Sale of Equity Shares by certain existing shareholders of the Company and for listing of the Equity Shares on one or more of the recognised stock exchanges in India in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, relevant provisions of the Companies Act, 2013, and other applicable laws.

The standalone financial statements for the year ended 31 March 2022 were approved for issue in accordance with the resolution of the Company's Board of Directors on 28 June 2022.

1.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

a) Statement of compliance

These standalone financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act as amended from time to time.

All assets and liabilities have been classified as current and non-current as per the Companies normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the company has considered an operating cycle of 12 months.

b) Basis of preparation of standalone financial statements

These standalone financial statements have been prepared in Indian Rupee (₹) which is the functional currency of the Company.

These standalone financial statements have been prepared on historical cost basis except for certain financial instruments which are measured at fair value or amortised cost at the end of each reporting year. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Items	Measurement basis
Certain financial assets and liabilities	Fair value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligation

These Standalone financial Statements do not reflect the effects of events that occurred subsequent to the date of board meeting in which the Standalone financial Statements is approved.

The statement of operating cash flows have been prepared under indirect method.

c) Use of judgements and estimates

The preparation of Standalone financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities, at the end of the reporting year. The key assumptions concerning the

Notes to Standalone Financial Statements

for the year ended 31 March 2022

future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The company based its assumptions and estimates on parameters available when the standalone financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the company. Such changes are reflected in the assumptions when they occur.

The areas involving significant judgement and estimates are as follows:

Judgements:

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the standalone financial statements is included in the following notes:

- Note 18: Revenue recognition
- Note 23: Fair value measurement of financial assets
- Note 27: Leases
- Note 4 and 8: Classification of investments

Estimates:

Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these standalone financial statements have been disclosed below:

- Note 24: Defined benefit
- Note 2: Property, plant and equipment
- Note 27: Leases
- Note 6: Income taxes
- Note 23: Fair value measurement of financial instruments
- Note 32: Share based payments
- Note 19: Other income
- Note 18: Revenue recognition
- Note 9: Trade receivables

The preparation of the standalone financial statements in conformity with the recognition and measurement principles of the Ind AS requires management of the company to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the standalone financial statements and reported amounts of revenues and expenses during the year. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these standalone financial statements have been disclosed below. Accounting estimates could change from year to year. Although these estimates are based on management's best knowledge of current events and actions, uncertainty about the assumptions and estimates could result in the outcome requiring material adjustment to the carrying amount of assets and liabilities.

Estimation of uncertainties relating to the global health pandemic from COVID-19:

In view of the unprecedented COVID-19 pandemic and economic forecasts, the Management has evaluated the impact on the standalone financial statements and made appropriate adjustment where necessary. In assessing the recoverability of its assets including receivables and unbilled receivables, the company has considered internal and external information upto the date of approval of these standalone financial statements including economic forecasts. The company has performed analysis on the assumptions used and based on current indicators of future economic conditions, the company expects to recover the carrying amount of these assets.

However, the actual impact of COVID-19 on the company's standalone financial statements may differ from that estimated and the company will continue to closely monitor any material changes to future economic conditions.

Defined benefit

The cost of the defined benefits that includes gratuity and compensated absences and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Notes to Standalone Financial Statements

for the year ended 31 March 2022

Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

Leases

The company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the company is reasonably certain not to exercise that option. In assessing whether the company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The company revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Income taxes

The major tax jurisdiction for the company is India. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the year in which those temporary differences and tax loss carry-forwards become deductible. The company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment.

The amount of the deferred tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward year are reduced.

Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. The policy has been further explained under note 's'.

Share based payments:

The company is required to evaluate the terms to determine whether share-based payment is equity settled or cash settled. Judgment is required to do this evaluation. Further, the company is required to measure the fair value of equity settled transactions with employees at the grant date of the equity instruments. The aforementioned inputs entered in to the option valuation model that the company uses to determine the fair value of the share awards are subjective estimates, changes to these estimates will cause the fair value of our share-based awards, and related share-based compensation expense that the company records to vary.

Interest income

For all debt instruments measured either at amortised cost or at fair value through Profit or loss, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

Trade receivables

The company estimates the un-collectability of accounts receivable by analysing historical payment patterns,

Notes to Standalone Financial Statements

for the year ended 31 March 2022

customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

d) Revenue Recognition

The company earns revenue primarily from providing Information Technology (IT) enabled e-Governance services. The company offers integrated portfolio of IT, business and engineering services and solutions.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the company expects to receive in exchange for those products or services.

To recognise revenues, the company applies the following five step approach;

(1) identify the contract with a customer,

(2) identify the performance obligations in the contract,

(3) determine the transaction price,

(4) allocate the transaction price to the performance obligations in the contract and

(5) recognize revenues when a performance obligation is satisfied.

Performance obligations

A performance obligation is a promise in a contract to transfer a distinct good or service to the client and is the unit of accounting in Ind AS 115.

The performance obligations of the company are satisfied over time as services are rendered.

Determination of transaction price

Revenue is measured based on transaction price which includes variable consideration only to the extent it is probable that a significant reversal of revenues recognized will not occur when the uncertainty associated with the variable consideration is resolved. Revenues also exclude taxes collected from customers.

Allocation of transaction price

A contract's transaction price is allocated to each distinct performance obligation and recognized as revenue when, or as, the performance obligation is satisfied. For contracts with multiple performance obligations, the company allocates the contract's transaction price to each performance obligation based on the relative standalone selling price. The primary method used to estimate standalone selling price is the adjusted market assessment approach, under which the company evaluates the price in that market that a customer is willing to pay for those services.

While determining relative standalone selling price and identifying separate performance obligations require judgment, generally relative standalone selling prices and the separate performance obligations are readily identifiable as the company sells those performance obligations unaccompanied by other performance obligations.

Satisfaction of performance obligation

A contract asset is right to consideration in exchange of services that the company has rendered to a customer when that right is conditioned on something other than passage of time. Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

A contract liability is the obligation to render services to a customer for which the company has received consideration from the customer. If a customer pays consideration before the company renders services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the company renders services as per the contract.

i) Revenue on time-and-material contracts are recognized as the related services are performed and revenue from the end of the last billing to the balance sheet date is recognized as unbilled revenues. Revenue from fixed-price, fixed-timeframe contracts, where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.

ii) Revenue related to fixed price maintenance and support services contracts, where the company is standing ready to provide services is recognized based on time elapsed mode and revenue is straight lined over the period of performance.

Notes to Standalone Financial Statements

for the year ended 31 March 2022

iii) Revenue from the sale of distinct internally developed software and manufactured systems and third party software is recognised at the point in time when the system / software is delivered to the customer. In cases where implementation and / or customisation services rendered significantly modifies or customises the software, these services and software are accounted for as a single performance obligation and revenue is recognised over time on a POC method.

iv) Revenue from the sale of distinct third-party hardware is recognised at the point in time when control is transferred to the customer.

Revenue is measured based on the transaction price, which is the consideration, adjusted for service level credits and incentives, if any, as specified in the contract with the customer.

The billing schedules agreed with customers include periodic performance based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.

Contracts are subject to modification to account for changes in contract specification and requirements. The company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

Use of significant judgements in revenue recognition:

i) The company's contracts with customers could include promises to transfer multiple products and services to a customer. The company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

ii) Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as service level credits and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting year.

The company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

iii) The company uses judgement to determine an appropriate standalone selling price for a performance obligation. The company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the company uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.

Contract fulfilment costs are generally expensed as incurred except for certain software licence costs which meet the criteria for capitalisation. Such costs are amortised over the contractual period or useful life of licence whichever is less. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

Practical expedients used

In accordance with the practical expedient in Para 63 of Ind AS 115, the company has not adjusted the promised amount of consideration for the effects of a significant financing component if the company expects, at contract inception, that the period between when the company transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less.

Notes to Standalone Financial Statements

for the year ended 31 March 2022

e) Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation/amortization and impairment loss, if any. The cost is inclusive of freight, installation cost, duties, taxes, borrowing cost and other incidental expenses for bringing the asset to its working conditions for its intended use but net of indirect taxes, wherever input credit is claimed.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

When significant parts of property, plant and equipment are required to be replaced in intervals, the company recognizes such parts as separate component of assets with specific useful lives and provides depreciation over their useful life.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably.

Repairs and maintenance costs are recognized in net profit in the statement of profit and loss when incurred.

The cost and related accumulated depreciation are eliminated from the standalone financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the statement of profit and loss.

Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

f) Leases

The company as a lessee

The company lease asset classes primarily consist of leases for premise. The company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the company assesses whether:

(i) the contract involves the use of an identified asset

(ii) the company has substantially all of the economic benefits from use of the asset through the period of the lease and

(iii) the company has the right to direct the use of the asset.

At the date of commencement of the lease, the company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight -line method from the commencement date over the lease term.

The company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the incremental borrowing rate. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

g) Depreciation and amortisation

Depreciation is charged so as to write off the cost or valuation of assets, other than land and properties under construction, over their estimated useful lives, using the straight-line method.

Depreciation on additions / deletions is provided on pro-rata basis from the date of acquisition/ up to the date of deletion

Notes to Standalone Financial Statements

for the year ended 31 March 2022

Depreciation on assets is provided on the straight-line method using the rates based on the economic useful life of assets as estimated by the management but not being more than the limits specified in Schedule II of the Companies Act, 2013 as below:

Assets	Estimated Useful Lives
Central System	6 years
Servers	6 years
Computers	3 years
Communication (Network)	6 years
Electrical Installations	10 years
Office Equipment's	5 years
Furniture	10 years
Buildings	60 years

Computer Software is amortized over a period of 2 years.

Depreciation is not recorded on capital work-in-progress until installation is complete and the asset is ready for its intended use. The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

On the subsequent sale or retirement of a revalued property, the attributable revaluation surplus remaining in the property revaluation reserve is transferred directly to retained earnings. No transfer is made from the revaluation reserve to retained earnings except when an asset is derecognised.

h) Intangible assets

Intangible assets comprising of software are recorded at acquisition cost and are amortized over the estimated useful life on straight line basis. Cost of development and production incurred till the time software is ready for use is capitalised.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Research cost are expensed as incurred.

Development costs

Development expenditures on an individual project are recognised as an intangible asset when the company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use
- Its intention to complete and its ability and intention to use the asset
- How the asset will generate future economic benefits
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset. During the period of development, the asset is tested for impairment annually.

i) Impairment of tangible and intangible assets

At each reporting date, the company reviews the carrying amounts of its tangible and intangible assets, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Notes to Standalone Financial Statements

for the year ended 31 March 2022

j) Foreign currency transactions and translation

Transactions and translations

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the respective functional currency at the rates prevailing on the reporting period date.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at reporting period-end date exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Non-monetary items that are measured at fair value in a foreign currency shall be translated using the exchange rates at the date when the fair value was measured. Non-monetary items that are measured in terms of historical cost in a foreign currency shall be translated using the exchange rate at the date of the transaction.

k) Employee benefit costs

- **Short- term employee benefits**

  All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognised in the year in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

- **Post-Employment benefits**

  Defined Contribution plans

  Provident Fund: Employees are entitled to receive benefits in respect of provident fund, in which both employees and the company make monthly contributions at a specified percentage of the covered employees' salary. The contributions, as specified under the law were made to Recognised Provident Fund.

  Superannuation: Certain employees of the company are participants in a defined contribution plan. The company has no further obligations to the Plan beyond its annual contributions which are contributed to a trust fund, the corpus of which is invested with the Life Insurance Corporation of India

Defined benefit Plans

Gratuity: The company provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the company.

The company has maintained a company Gratuity Cum Life Assurance Scheme with the Life Insurance Corporation of India (LIC) towards which it annually contributes a sum determined by LIC.

The company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets is deducted. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation by an independent actuary using the Projected Unit Credit Method, which recognises each year of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on Government securities as at the balance sheet date. The company recognises the net obligation of a defined benefit plan in its balance sheet as an asset or liability.

Gains or losses through re-measurement of the net defined benefit liability / (asset) are recognised in other comprehensive income. The actual return of portfolio of plan assets, in excess of yields computed by applying the discount rate used to measure the defined benefit obligation are recognised in other comprehensive income. The effects of any plan amendments are recognised in statement of profit and loss.

Compensated absences: The company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined

Notes to Standalone Financial Statements

for the year ended 31 March 2022

by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognized in the year in which the absences occur.

i) **Income Tax**

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income.

Current tax

Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised on the differences between the carrying amounts of assets and liabilities in the standalone financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled or the asset realised based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting year.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the company intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items credited or debited outside profit or loss (either in other comprehensive income or directly in equity), in which case the tax is also recognised outside profit or loss (either in other comprehensive income or directly in equity, respectively).

j) **Provisions, Contingent liabilities and Contingent assets**

A provision is recognised when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits) are discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the standalone financial statements. 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. When 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. A contingent asset is not recognised in the standalone financial statements, however, the same is disclosed where an inflow of economic benefit is probable.

k) **Cash Flow statement**

Cash flows are reported using the indirect method for presenting operating cash flow, whereby profit or loss for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

l) **Cash and Bank balances**

Cash and cash equivalents comprise cash in hand, balance with banks and term deposits with banks with original maturity up to three months.

Other bank balances comprises of term deposit with banks having maturity of more than three months but less than twelve months from the Balance sheet date.

Notes to Standalone Financial Statements

for the year ended 31 March 2022

m) Earnings per share

Basic and diluted earnings per share is computed by dividing the net profit attributable to equity shareholders for the year, by weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit and loss for the year attributable to equity shareholders of the company and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

n) Dividend income

Dividend income is recognised when the company's right to receive the payment is established, which is generally when shareholders approve the dividend.

o) Financial instruments

Initial recognition

The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition.

Subsequent measurement

Financial assets

Financial assets are classified into the following specified categories: financial assets "at amortised cost", "fair value through other comprehensive income", "fair value through Profit or Loss". The classification depends on the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset at the time of initial recognition.

Financial assets are recognised by the company as per its business model.

All financial assets are recognised and de-recognised on a trade date basis where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially at fair value through profit or loss.

Income and expense is recognised on an effective interest basis for debt instrument, Other Equity instruments are classified as "fair value through Profit or Loss".

The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Loans and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as "loans and receivables". Loans and receivables (including trade and other receivables) and others are measured at amortised cost using the effective interest rate (EIR) method less impairment. Interest is recognised by applying the effective interest method, except for short-term receivables when the effect of discounting is immaterial.

Impairment of financial assets

The company assesses at each date of balance sheet whether a financial asset or a company of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. In determining the allowances for doubtful trade receivables, the company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and allowance rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

Notes to Standalone Financial Statements

for the year ended 31 March 2022

Loans and receivables and derecognition of financial assets

The company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the company retains substantially all the risks and rewards of ownership of a transferred financial asset, the company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Subsequent measurement

Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model. Further, in cases where the company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Investment in subsidiaries

Investment in subsidiaries is carried at cost in the separate standalone financial statements.

Financial liabilities and equity instruments

Equity instruments

Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial liabilities

Financial liabilities are classified as either financial liabilities “at fair value through profit or loss” or other financial liabilities.

Financial liabilities at fair value through profit or loss (FVTPL)

Financial liabilities are classified as at FVTPL where the financial liability is either held for trading or it is designated as at FVTPL.

Derecognition of financial liabilities

The company derecognises financial liabilities when, and only when, the company’s obligations are discharged, cancelled or they expire.

Non-current Assets Held for Sale and Discontinued Operations

Non-current assets held for sale are measured at lower of the carrying value and the fair value less cost to sell.

Offsetting arrangements

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when company has a legally enforceable right to set off the recognised amounts; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. A right to set-off must be available today rather than being contingent on a future event and must be

Notes to Standalone Financial Statements

for the year ended 31 March 2022

exercisable by any of the counterparties, both in the normal course of business and in the event of default, insolvency or bankruptcy.

p) Share based payment

Equity settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date which is recognised over the vesting period, with the corresponding increase in equity. The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

q) Corporate Social Responsibility (CSR) Expenditure

CSR expense is recognized as it is incurred by the company or when company has entered into any legal or constructive obligation for incurring such an expense.

r) Dividends

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the company's Board of Directors.

Notes to Standalone Financial Statements

for the year ended 31 March 2022

2 PROPERTY, PLANT, EQUIPMENT AND INTANGIBLE ASSETS

Currency : (₹ in Million)

	Property, Plant and Equipment							Other Intangible assets	
Particulars	Building	Computers	Data and Telecommunication equipment	Electric installation	Office equipment	Furniture and fixtures	Total	Computer Softwares (others)	Total
Gross carrying value as of 1 April 2021	**529.10**	**842.20**	**182.54**	**52.17**	**89.51**	**68.00**	**1,763.52**	**502.00**	**502.00**
Additions	-	103.59	8.96	1.71	6.82	-	121.08	16.86	16.86
Deletions	-	-	-	-	-	-	-	-	-
Gross carrying value as of 31 March 2022	**529.10**	**945.79**	**191.50**	**53.88**	**96.33**	**68.00**	**1,884.60**	**518.86**	**518.86**
Accumulated depreciation as of 1 April 2021	**403.31**	**593.26**	**126.31**	**39.80**	**70.19**	**36.80**	**1,269.67**	**488.70**	**488.70**
Depreciation	2.11	77.73	16.21	1.52	6.08	4.45	108.10	13.41	13.41
Accumulated depreciation on deletions	-	-	-	-	-	-	-	-	-
Accumulated depreciation as of 31 March 2022	**405.42**	**670.99**	**142.52**	**41.32**	**76.27**	**41.25**	**1,377.77**	**502.11**	**502.11**
Carrying value as of 31 March 2022	**123.68**	**274.80**	**48.98**	**12.56**	**20.06**	**26.75**	**506.83**	**16.75**	**16.75**

	Property, Plant and Equipment							Other Intangible assets	
Particulars	Building	Computers	Data and Telecommunication equipment	Electric installation	Office equipment	Furniture and fixtures	Total	Computer Softwares (others)	Total
Gross carrying value as of 1 April 2020	**529.10**	**743.90**	**179.90**	**48.50**	**88.40**	**68.00**	**1,657.80**	**485.70**	**485.70**
Additions	-	98.30	2.64	3.67	1.11	-	105.72	16.30	16.30
Deletions	-	-	-	-	-	-	-	-	-
Gross carrying value as of 31 March 2021	**529.10**	**842.20**	**182.54**	**52.17**	**89.51**	**68.00**	**1,763.52**	**502.00**	**502.00**
Accumulated depreciation as of 1 April 2020	**401.20**	**526.10**	**111.20**	**38.10**	**63.70**	**32.00**	**1,172.30**	**481.80**	**481.80**
Depreciation	2.11	67.16	15.11	1.70	6.49	4.80	97.37	6.90	6.90
Deletions	-	-	-	-	-	-	-	-	-
Accumulated depreciation as of 31 March 2021	**403.31**	**593.26**	**126.31**	**39.80**	**70.19**	**36.80**	**1,269.67**	**488.70**	**488.70**
Carrying value as of 31 March 2021	**125.79**	**248.94**	**56.23**	**12.37**	**19.32**	**31.20**	**493.85**	**13.30**	**13.30**

The aggregate depreciation has been included under depreciation and amortisation expenses in the Statement of Profit and Loss.

(2b) Capital work-in-progress

(i) Capital work-in-progress on tangible assets

(₹ in Million)

Particulars	As at 31 March 2022	As at 31 March 2021
Balance as of beginning of the year	13.40	48.00
Additions	159.56	113.39
Capitalisation	(161.22)	(147.99)
Balance as at end of the year	**11.74**	**13.40**

Notes to Standalone Financial Statements

for the year ended 31 March 2022

(ii) Intangible assets under development

(₹ in Million)

Particulars	As at 31 March 2022	As at 31 March 2021
Balance as of beginning of the year	0.80	6.28
Additions	82.01	53.12
Capitalisation	(49.63)	(58.60)
Balance as at end of the year	**33.18**	**0.80**

Capital-Work-in Progress

(₹ in Million)

Particulars	Amount in CWIP for the year ended 31 March 2022				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress (on tangible assets)	11.74	-	-	-	11.74
Projects in progress (intangible assets under development)	33.18	-	-	-	33.18

(₹ in Million)

Particulars	Amount in CWIP for the year ended 31 March 2022				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress (on tangible assets)	13.20	0.07	-	0.13	13.40
Projects in progress (intangible assets under development)	0.80	-	-	-	0.80

3 ASSETS HELD FOR SALE

During the year, on 29 March 2022, the Company has sold its data centre unit located at Bangalore for a consideration of ₹ 1320 Million. The particulars of the assets held for sale is as under. The profit has been recognised as other income on this transaction (Refer note 19).

(₹ in Million)

Particulars	WDV of assets as on 31 March 2022	WDV of assets as on 31 March 2021
Land & Building	-	574.85
Furniture, fixture and office equipment's	-	249.11
Total	**-**	**823.96**

4 NON-CURRENT INVESTMENTS

A Fully Paid Unquoted Equity Investments

Particulars	Face value	As at 31 March 2022		As at 31 March 2021	
		Holdings as at	(₹ in Million)	Holdings as at	(₹ in Million)
Investment in Subsidairy Companies (at cost)					
1. NSDL E-Governance Account Aggregator Limited	₹ 10	2,999,994	30.00	2,999,994	30.00
2. NSDL E-Governance (Malaysia) Sdn Bhd*	MYR 1	510	-	510	-
3. Protean eGov Technologies Australia Pty Ltd	AUD 1	1,000	0.06	1,000	0.06
4. Protean Infosec Services Limited	₹ 10	8,000,000	80.00	-	-
Investment in other Companies (at cost)					
1. Open Network for Digital Commerce**	₹ 10	1,000,000	100.00	-	-
Total (A)			**210.06**		**30.06**

**Represents value less than ₹ 0.5 Million.*
*** Associate upto 08.03.2022*

Notes to Standalone Financial Statements

for the year ended 31 March 2022

B Quoted Debt Securities Investments at amortised cost :

(₹ in Million)

Particulars		Rate of interest %	Year of maturity	No. of bonds/ debentures/ share	Face value	As at 31 March 2022	As at 31 March 2021
Investment in bonds							
1	Indian Railway Finance Corporation Limited	8.10	2027	50,000	1,000	53.43	53.43
2	National Highway Authority of India Limited	8.30	2027	200,000	1,000	218.17	218.17
3	Indian Railway Finance Corporation Limited	7.34	2028	250,000	1,000	257.38	257.38
4	National Highway Authority of India Limited	8.50	2029	80,000	1,000	80.00	80.00
5	Rural Electrification Corporation	8.63	2029	50,000	1,000	50.00	50.00
6	National Thermal Power Corporation Limited	7.37	2035	6,246	1,000	6.25	6.25
7	National Thermal Power Corporation Limited	7.15	2025	90	1,000,000	91.19	91.19
8	Power Finance Corporation Limited	8.46	2028	150	1,000,000	167.18	167.18
9	Rural Electrification Corporation	8.46	2028	250	1,000,000	289.37	289.37
10	National Bank for Agriculture and Rural Development	7.35	2031	50,000	1,000	52.61	52.61
11	National Hydroelectric Power Corporation Limited	8.67	2033	50,000	1,000	63.42	63.42
12	National Bank for Agriculture and Rural Development	7.35	2031	100,000	1,000	111.67	111.67
13	Indian Renewable Energy Development Agency Limited	7.17	2025	270	1,000,000	287.70	287.70
14	National Highway Authority of India Limited	7.35	2031	100,000	1,000	112.49	112.49
15	National Highway Authority of India Limited	7.39	2031	50,000	1,000	55.57	55.57
16	Indian Railway Finance Corporation Limited	7.35	2031	150,000	1,000	166.27	166.27
17	National Hydroelectric Power Corporation Limited	8.18	2023	50,000	1,000	53.75	53.75
18	EXIM Bank Limited	9.25	2022	2	1,000,000	-	1.99
19	Rural Electrification Corporation	9.35	2022	4	1,000,000	-	4.02
20	HDB Financial Services Limited	9.60	2023	2	1,000,000	-	2.00
21	HDB Finanacial Services Limited	10.19	2024	1	1,000,000	1.04	1.04
22	Indian Railway Finance Corporation Limited	9.09	2026	2	1,000,000	2.01	2.01
23	Power Finance Corporation Limited	8.94	2028	4	1,000,000	4.11	4.11
24	Indian Railway Finance Corporation Limited	8.79	2030	1	1,000,000	1.01	1.01
25	National Highway Authority of India Limited	7.26	2038	50	1,000,000	50.09	-

Notes to Standalone Financial Statements

for the year ended 31 March 2022

(₹ in Million)

	Particulars	Rate of interest %	Year of maturity	No. of bonds/ debentures/ share	Face value	As at 31 March 2022	As at 31 March 2021
26	National Highway Authority of India Limited	7.26	2038	250	1,000,000	200.90	-
27	Indian Railway Finance Corporation Limited	6.95	2036	150	1,000,000	147.72	-
28	Power Finance Corporation Limited	9.10	2029	50	1,000,000	51.17	51.17
Investment in non convertible debentures							
29	Infrastructure Leasing & Finance Services Limited	9.55	2023	550	1,000	-	0.55
30	IDFC Bank Limited	8.80	2025	10	1,000,000	9.95	9.95
31	India Infrastructure Finance Company Limited	9.41	2037	5	1,000,000	5.60	5.60
32	National Housing Bank	8.63	2029	7,220	5,000	36.10	36.10
33	National Housing Bank	8.68	2029	40,000	5,000	205.34	205.34
34	Rural Electrification Corporation	7.21	2022	130	1,000,000	-	132.91
35	National Housing Bank	8.46	2028	40	1,000,000	44.27	44.27
36	National Housing Bank	8.76	2034	20,000	5,000	124.14	124.14
37	National Housing Bank	8.68	2029	10,000	5,000	59.13	59.13
						3,059.03	**2,801.79**
	Less : Amortisation of premium					75.53	64.40
	Less : Provision for impairment of assets					0.60	0.60
	Total (B)					**2,982.90**	**2,736.79**
	Total (A) + (B)					**3,192.96**	**2,766.85**
	Aggregate book value of quoted investments {Non-current + Current-(Note 8)}					3,746.32	2,851.30
	Aggregate market value of quoted investments {Non-current + Current-(Note 8)}					4,049.53	3,197.00

5 OTHER FINANCIAL ASSETS

(Unsecured considered good)

(₹ in Million)

Particulars	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Others				
Security deposits	101.08	116.30	-	-
Interest accrued on investments	-	-	102.62	91.63
Interest accrued on bank deposits	-	4.90	11.59	5.25
Restricted deposits with banks against performance guarantee	74.65	78.50	-	-
***Other financial receivable*	-	-	39.76	-
**Unbilled receivables*	-	4.20	5.54	94.00
Total	**175.73**	**203.90**	**159.51**	**190.88**

** Unbilled receivable ageing - less than 6 month- ₹ 5.54 Million (31.03.2021, less than 6 month- ₹ 47.00 Million, 6 month to 1 year- ₹ 47.00 Million, 1 year to 2 year- ₹ 1.15 Million, 2 year to 3 year - ₹ 1.06 Million, more than 3 year- ₹ 1.99 Million)*

*** Cost incurred towards listing of shares related procedure, recoverable from selling shareholders.*

Notes to Standalone Financial Statements

for the year ended 31 March 2022

6 INCOME TAXES

(A) The major components of income tax expense for the years ended 31 March 2022 and 31 March 2021 are:

Profit and loss section

(₹ in Million)

Particulars	As at 31 March 2022	As at 31 March 2021
Current taxes	524.88	299.40
Deferred taxes	(108.43)	(65.20)
Income tax expense reported in the statement of profit and loss	416.45	234.20

Other Comprehensive Income (OCI) section

Deferred tax benefits related to items recognised in OCI for the year ended:

(₹ in Million)

Particulars	As at 31 March 2022	As at 31 March 2021
Re-measurement of the defined benefit liability / asset	-	-
	-	-

(B) Reconciliation of the income tax expense to the amount computed by applying the statutory income tax rate to the income before income taxes

(₹ in Million)

Particulars	As at 31 March 2022	As at 31 March 2021
Profit before income taxes	1,855.32	1,158.80
Applicable enacted tax rates in India	25.17%	25.17%
Computed expected tax expense	466.98	291.67
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:		
Income exempt from tax	(51.63)	(58.70)
Expense not allowed for taxation purpose	20.96	8.80
Others	(19.87)	(7.64)
Total income tax expense	416.45	234.13

(C) The movement in the current income tax asset/ (liability) for the year ended 31 March 2022 and 31 March 2021 is as follows:

(₹ in Million)

Particulars	As at 31 March 2022	As at 31 March 2021
Net current income tax asset/ (liability) at the beginning	276.72	256.72
Income tax paid	478.80	319.40
Current income tax expense	(524.88)	(299.40)
Net current income tax liability at the end	(39.22)	-
Net non current income tax assets at the end	269.86	276.72

Notes to Standalone Financial Statements

for the year ended 31 March 2022

(D) The tax effects of significant temporary differences that resulted in deferred tax assets and liabilities are as follows:

(₹ in Million)

Particulars	As at 31 March 2022	As at 31 March 2021
Deferred tax assets		
Provision for compensated absences	38.03	35.80
Provision for doubtful debts	176.92	103.30
Others	-	2.00
Total deferred tax assets	**214.95**	**141.10**
Deferred tax liabilities		
Difference between tax balance and book balance of fixed assets	13.77	50.90
Others	2.65	-
Total deferred tax liabilities	**16.42**	**50.90**
Deferred tax assets (net)	**198.53**	**90.20**

(E) The gross movement in the deferred tax account for the year ended 31 March 2022 and 31 March 2021 is as follows:

(₹ in Million)

Particulars	As at 31 March 2022			As at 31 March 2021		
	Opening balance	Recognised in profit and loss	Closing balance	Opening balance	Recognised in profit and loss	Closing balance
Deferred tax assets/(liabilities) in relation to:						
Property, plant and equipment and intangible assets	(50.90)	37.13	(13.77)	(26.70)	(24.20)	(50.90)
Provision for compensated absences	35.80	2.23	38.03	32.20	3.60	35.80
Employee incentives payable	-	-	-	(4.30)	4.30	-
Deferred revenue	(0.12)	0.12	-	(1.32)	1.20	(0.12)
Provision of doubtful debts	103.30	73.62	176.92	26.80	76.50	103.30
Others	2.12	(4.67)	(2.55)	(1.68)	3.80	2.12
Total deferred tax assets	**90.20**	**108.43**	**198.63**	**25.00**	**65.20**	**90.20**

7 OTHER ASSETS

Unsecured, considered good

(₹ in Million)

Particulars	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
(A) Capital advances	1.43	1.40	-	-
(B) Reimbursement of expenses recoverable from subsidiary (Refer note 26)	7.79	6.60	-	-
(C) Other advances				
Prepaid expenses	5.97	19.10	93.02	48.20
Deferred expenses	41.07	9.00	22.04	24.30
GST credit receivable*	-	-	119.15	219.40
Advance to suppliers	-	-	132.67	155.20
Others	-	-	0.50	0.50
	56.26	**36.10**	**367.38**	**447.60**

** GST credit receivable as on 31.03.2022 is after adjusting ₹ 33.82 Million provision of written off.*

Notes to Standalone Financial Statements

for the year ended 31 March 2022

8 CURRENT INVESTMENTS

Particulars	Year of maturity	Rate of interest	As at 31 March 2022 No. of Units	As at 31 March 2022 Face Value	As at 31 March 2022 (₹ in Million)	As at 31 March 2021 No. of Units	As at 31 March 2021 Face Value	As at 31 March 2021 (₹ in Million)
Quoted debt securities investments at amortised cost :								
Non convertible debentures								
Current portion of Non convertible debentures								
1 Infrastructure Leasing & Finance Services Limited	2023	9.55	550	1,000	0.55	-	-	-
Bonds								
2 Housing Development and Finance Corporation Limited	2021	9.40	-	-	-	4	1,000,000	4.00
3 Power Finance Corporation Limited	2021	9.36	-	-	-	2	1,000,000	2.00
4 Rural Electrification Corporation	2022	9.35	4	1,000,000	4.02	-	-	-
5 EXIM Bank Limited	2022	9.25	2	1,000,000	1.99	-	-	-
6 HDB Financial Services Limited	2023	9.60	2	1,000,000	2.00	-	-	-
7 Power Finance Corporation Limited	2022	8.20	-	-	-	100,000	1,000	108.40
8 Rural Electrification Corporation	2022	7.21	130	1,000,000	132.90	-	-	-
Investments carried at fair value through profit or loss :								
Liquid Mutual funds								
1 Axis Liquid Fund - Direct Plan - Daily IDCW	-	-	51,433.59	1,000.96	51.48	-	-	-
2 UTI Liquid Cash Plan - Direct Plan - Daily Reinvestment of IDCW	-	-	49,485.67	1,042.90	51.61	-	-	-
3 LIC MF Liquid Fund- Direct Plan - IDCW	-	-	50,804.55	1,013.60	51.50	-	-	-
4 ICICI Prudential Liquid Fund - Direct Plan - Plan- Daily IDCW	-	-	514,207.12	100.11	51.48	-	-	-
5 Aditya Birla Sun Life Money Manager Fund- Daily IDCW	-	-	513,946.63	100.20	51.49	-	-	-
6 Sundaram Liquid Fund (Formerly Principal Cash Management Fund- Direct Plan IDCW Daily Reinvestment	-	-	51,418.97	1,000.64	51.45	-	-	-
7 IDFC Cash Fund- Daily IDCW	-	-	51,375.04	1,001.67	51.46	-	-	-
8 Canara Robeco Liquid Fund- Direct Daily IDCW	-	-	51,149.00	1,005.50	51.43	-	-	-
Total					**553.36**			**114.40**

Notes to Standalone Financial Statements

for the year ended 31 March 2022

9 TRADE RECEIVABLES

(₹ in Million)

Particulars	Current	
	As at 31 March 2022	As at 31 March 2021
Trade Receivables	2,701.34	2,375.70
Less: Allowance for doubtful trade receivables (Refer note 23.3)	702.90	398.30
Considered good	1,998.44	1,977.40
Trade Receivables	-	11.90
Less: Allowance for doubtful trade receivables	-	11.90
Credit Impaired	-	-
Total	**1,998.44**	**1,977.40**

Trade receivables outstanding and ageing schedule as follows:

Particulars	Outstanding for following periods from due date of payment as on 31 March 2022					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	1,108.16	144.16	188.38	254.35	203.39	1,898.44
(ii) Undisputed Trade Receivables – considered doubtful	30.24	25.74	142.71	197.57	105.51	501.77
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	111.89	-	111.89
(iv) Disputed Trade Receivables considered doubtful	-	-	105.38	83.86	-	189.24

Particulars	Outstanding for following periods from due date of payment as on 31 March 2021					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	959.34	266.54	325.03	136.99	86.25	1,774.15
(ii) Undisputed Trade Receivables – considered doubtful	-	-	151.57	46.42	102.42	300.41
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	11.90	11.90
(iii) Disputed Trade Receivables considered good	31.25	74.13	97.88	-	-	203.26
(iv) Disputed Trade Receivables considered doubtful	-	-	97.88	-	-	97.88

Notes to Standalone Financial Statements
for the year ended 31 March 2022

10 CASH AND CASH EQUIVALENTS

(₹ in Million)

Particulars	Current	
	As at 31 March 2022	As at 31 March 2021
Cash and cash equivalents		
Cash on hand	0.13	0.13
Balances with banks in current accounts	792.06	704.50
Cheques in hand	20.31	-
Bank deposits with original maturity for less than 3 months	1,250.00	-
	2,062.50	**704.63**

11 OTHER BANK BALANCES

(₹ in Million)

Particulars	Current	
	As at 31 March 2022	As at 31 March 2021
Bank deposits with original maturity for more than 3 months but less than 12 months	162.83	417.00
Total	**162.83**	**417.00**

Portion of deposits held as restricted deposits with bank against performance guarantee are recognised under note 5 'other financial assets'

12 EQUITY SHARE CAPITAL

(₹ in Million)

Particulars	As at 31 March 2022	As at 31 March 2021
Authorised		
500,000,000 (31 March 2021: 500,000,000) equity shares of ₹ 10 each	5,000.00	5,000.00
Issued, Subscribed and Paid-up		
40,384,076 (31 March 2021: 40,139,462) equity shares of ₹ 10 each fully paid up	403.84	401.39
Total	**403.84**	**401.39**

a) Reconciliation of number of shares

(₹ in Million)

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of shares	Amount	Number of shares	Amount
Equity shares				
Opening balance	40,139,462	401.39	40,007,981	400.08
Issued during the year	244,614	2.45	131,481	1.31
Closing balance	40,384,076	403.84	40,139,462	401.39

b) Rights, preferences and restrictions attached to shares

The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Notes to Standalone Financial Statements

for the year ended 31 March 2022

c) Details of shareholders holding more than 5% share in the Company

(₹ in Million)

Particulars	As at 31 March 2022		As at 31 March 2021	
	Numbers of shares held	% of holding	Numbers of shares held	% of holding
NSE Investments Limited	10,018,000	24.81	10,018,000	24.96
IIFL Special Opportunities Fund	2,894,507	7.17	2,894,507	7.21
Administrator of Specified Undertaking of Unit Trust of India	2,732,000	6.77	2,732,000	6.81
IIFL Special Opportunities Fund – Series 4	2,499,178	6.19	2,499,178	6.23
IIFL Special Opportunities Fund – Series 2	2,016,366	4.99	2,016,366	5.02

d) Shareholding of Promoters as below

Shares held by promoters at the end of the period/year

(₹ in Million)

Promoter Name	As at 31 March 2022			As at 31 March 2021		
	No. of Shares	% of total shares	% Change during the year	No. of Shares	% of total shares	% Change during the year
There is no promoter holding at the end of the year	-	-	-	-	-	-

e) Information on equity shares allotted without receipt of cash or allotted as bonus shares or shares bought back

The Company has neither allotted equity shares without receipt of cash or as bonus shares nor bought back any equity shares during preceding five financial years.

13 OTHER EQUITY

(₹ in Million)

Particulars	As at 31 March 2022	As at 31 March 2021
a) Capital redemption reserve		
Balance at the beginning	250.00	250.00
Balance at the end of the year	**250.00**	**250.00**
b) General reserve		
Balance at the beginning	3,986.40	3,984.30
Transfer from ESOP Reserve on options unexercised	-	2.10
Balance at the end of the year	**3,986.40**	**3,986.40**
c) Retained earnings		
Balance at the beginning	2,062.62	2,942.70
(i) Dividend	(362.72)	(1,804.68)
(ii) Profit for the year	1,438.87	924.60
Balance at the end of the year	**3,138.77**	**2,062.62**
d) Other comprehensive income		
Balance at the beginning	(116.90)	(88.30)
Re-measurement of the defined benefit net liability / asset	36.25	(28.60)
Balance at the end of the year	**(80.65)**	**(116.90)**

Notes to Standalone Financial Statements

for the year ended 31 March 2022

(₹ in Million)

Particulars	As at 31 March 2022	As at 31 March 2021
e) ESOP reserve		
Balance at the beginning	47.00	46.80
(i) Share based payment expense	15.65	13.00
(ii) Transfer to General Reserve/Securities Premium on exercise of stock options/options unexercised	(40.17)	(12.80)
Balance at the end of the year	**22.48**	**47.00**
f) Securities premium		
Balance at the beginning	52.50	2.40
(i) Issue of shares to employees on account of exercise of stock options	73.38	39.40
(ii) Transfer from ESOP Reserve on exercise of stock options	40.17	10.70
Balance at the end of the year	**166.05**	**52.50**
	7,483.05	**6,281.62**

14 TRADE PAYABLES

(₹ in Million)

Particulars	Current	
	As at 31 March 2022	As at 31 March 2021
Trade payables		
Dues of micro enterprises and small enterprises	56.63	167.10
Dues of creditors other than micro enterprises and small enterprises	900.37	820.96
	957.00	**988.06**

Trade payables due for payment

The following ageing schedule shows the Trade payables due for payment

Trade Payables ageing schedule

Particulars	Outstanding for following periods from due date of payment as on 31 March 2022				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	56.63	-	-	-	56.63
Others	519.98	80.51	113.50	186.38	900.37
Disputed dues – MSME	-	-	-	-	-
Disputed dues – Others	-	-	-	-	-

Particulars	Outstanding for following periods from due date of payment as on 31 March 2021				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	167.10	-	-	-	167.10
Others	559.96	50.14	91.12	119.75	820.96
Disputed dues – MSME	-	-	-	-	-
Disputed dues – Others	-	-	-	-	-

Notes to Standalone Financial Statements

for the year ended 31 March 2022

15 OTHER FINANCIAL LIABILITIES

(₹ in Million)

Particulars	Current	
	As at 31 March 2022	As at 31 March 2021
Creditors for capital expenditure	2.41	23.70
Directors' commission payable	12.83	8.90
Employee benefits payable	11.47	9.81
Employee incentives payable	92.46	91.71
Other liabilities	14.30	18.72
Total	**133.47**	**152.84**

16 PROVISIONS

(₹ in Million)

Particulars	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Provision for gratuity	20.14	69.65	32.68	26.44
Provision for compensated absences	131.66	134.70	19.45	7.38
Total	**151.80**	**204.35**	**52.13**	**33.82**

17 OTHER LIABILITIES

(₹ in Million)

Particulars	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Contract liability*	13.68	11.20	378.53	363.70
Statutory dues payable:				
Goods and services tax payable	-	-	94.24	79.62
TDS payable	-	-	58.47	45.76
Other statutory liabilities	-	-	5.40	7.73
Total	**13.68**	**11.20**	**536.64**	**496.81**

**includes deferred revenue (31 March 2022: ₹ 50.03 Million, 31 March 2021: ₹ 41.60 Million)*

18 REVENUE FROM OPERATIONS

(₹ in Million)

Particulars	As at 31 March 2022	As at 31 March 2021
Revenue disaggregation by nature of services is as follows:		
Sale of services		
Transaction fees	4,857.16	4,413.21
Accounts maintenance fees	2,038.64	1,606.95
Other operational income	13.29	11.16
Total	**6,909.09**	**6,031.32**

Notes to Standalone Financial Statements
for the year ended 31 March 2022

Information about major customers:

No single customer represents 10% or more of the Company's total revenue during the year ended 31 March 2022 and 31 March 2021.

While disclosing the aggregate amount of transaction price yet to be recognised as revenue towards unsatisfied (or partially) satisfied performance obligations, along with the broad time band for the expected time to recognise those revenues, the Company has applied the practical expedient in Ind AS 115. Accordingly, the Company has not disclosed the aggregate transaction price allocated to unsatisfied (or partially satisfied) performance obligations which pertain to contracts where revenue recognised corresponds to the value transferred to customer typically involving time and material, outcome based and event based contracts. Unsatisfied (or partially satisfied) performance obligations are subject to variability due to several factors such as changes in scope of contracts, periodic revalidations of the estimates, economic factors, etc.

During the year ended 31 March 2022 and 31 March 2021, no revenue is earned from sale of distinct software and manufactured systems/traded goods.

The table below discloses the movement in contract liabilities during the year ended 31 March 2022 and 31 March 2021

(₹ in Million)

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	374.94	353.53
Add: Invoices raised/advance received for which no revenue is recognised during the year	187.43	308.24
Less: Revenue recognised that was included in the contract liabilities at the beginning of the year	(170.16)	(286.83)
Balance at the end of the year	392.21	374.94

Contract liabilities include payments received in advance of performance under the contract, and are realized with the associated revenue recognized under the contract.

Reconciliation of revenue recognised in the statement of profit and loss with the contracted price

(₹ in Million)

Particulars	As at 31 March 2022	As at 31 March 2021
Contracted price with the customers	6,909.09	6,031.32
Less/Add: Adjustments	-	-
Revenue from contracts with customers (as per Statement of Profit and Loss)	6,909.09	6,031.32

Practical expedients used

In accordance with the practical expedient in Para 63 of Ind AS 115, the Company has not adjusted the promised amount of consideration for the effects of a significant financing component if the Company expects, at contract inception, that the period between when the Company transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less.

The Company has evaluated the impact of COVID – 19 resulting from termination or deferment of contracts by customers. The Company has concluded that the impact of COVID – 19 is not material on the existing revenues basis the current estimates.

Notes to Standalone Financial Statements

for the year ended 31 March 2022

19 OTHER INCOME

(₹ in Million)

Particulars	As at 31 March 2022	As at 31 March 2021
Interest income		
- financial assets	196.54	262.70
- bank deposits	35.88	24.50
- overdue trade receivables	15.25	110.79
- security deposits	7.61	8.30
Dividend income	13.11	9.22
Support charges	5.91	7.45
Rent income	16.60	14.95
Miscellaneous income	26.74	-
Profit on sale of investments carried on amortised cost	0.02	52.28
Sundry balances written back	28.91	-
Profit on discard of leased assets (net)	2.49	-
Profit on sale of assets (net) (Refer note 3)	438.96	-
Total	**788.02**	**490.19**

20 EMPLOYEE BENEFITS EXPENSES

(₹ in Million)

Particulars	As at 31 March 2022	As at 31 March 2021
Salaries, wages and bonus	647.15	642.55
Share based payment expense	15.65	12.97
Contribution to provident and other funds	87.56	80.35
Staff welfare expenses	36.40	16.84
Total	**786.76**	**752.71**

21 OTHER EXPENSES

(₹ in Million)

Particulars	As at 31 March 2022	As at 31 March 2021
Rent	2.27	4.00
Communication expenses	104.15	93.60
Travelling and conveyance expenses	11.78	8.40
Annual fees	99.84	106.30
Processing charges	3,363.04	3,136.80
Repairs and maintenance		
- To buildings	25.06	26.60
- To computers, trading and telecommunication systems	661.15	529.90
- To others	17.81	13.10
Insurance	26.63	15.80
Rates and taxes	16.59	18.30
Advertisement and publicity	45.85	3.30

Notes to Standalone Financial Statements

for the year ended 31 March 2022

(₹ in Million)

Particulars	As at 31 March 2022	As at 31 March 2021
Legal and professional fees	97.53	42.40
Printing and stationery expenses	1.82	0.70
Payment to auditor (refer note below)	4.25	4.00
Electricity charges / power fuel	26.62	32.80
Directors' sitting fees	6.65	3.60
Directors' commission	14.35	8.90
Provision for doubtful debts	303.73	292.00
Loss on sale /discard of assets (net)	-	1.30
Expenditure incurred on CSR activities (refer note 32)	34.78	57.60
Miscellaneous expenses	17.90	28.44
Total	**4,881.80**	**4,427.84**

Note :		
Payment to auditor		
As auditor:		
Audit fees	2.70	2.70
Tax audit fee	0.20	0.20
In other capacity:		
Certification matters	0.60	0.60
Limited review	0.75	0.50
Total	**4.25**	**4.00**

** The above fees payment to auditors excludes fees payment related to Public offering which is recoverable from shareholders.*

22 EARNINGS PER SHARE

In accordance with Indian Accounting Standard 33 - "Earnings Per Share" notified under Rule 7 of the Companies (Accounts) Rules, 2014.

(₹ in Million)

Particulars	As at 31 March 2022	As at 31 March 2021
Net profit attributable to shareholders		
Profit before tax	1,855.32	1,158.80
Tax expense	416.45	234.20
Profit after tax	**1,438.87**	**924.60**
Weighted average number of equity shares for basic EPS	40,231,036	40,050,487
Basic earnings per share of ₹ 10/- each (in ₹)	35.77	23.08
Weighted average number of equity shares for diluted EPS	40,267,516	40,085,730
Diluted earnings per share of ₹ 10/- each (in ₹)	35.73	23.06

Notes to Standalone Financial Statements
for the year ended 31 March 2022

Movement of weighted average number of equity shares for the year:

(₹ in Million)

Particulars	1 April 2021 to 31 March 2022		1 April 2020 to 31 March 2021	
	Basic	Diluted	Basic	Diluted
Opening balance	40,139,462	40,139,462	40,007,981	40,007,981
Effect of share option exercised	91,574	91,574	42,506	42,506
Effect of share option outstanding	-	36,480	-	35,243
Weighted average number of equity shares for the period	**40,231,036**	**40,267,516**	**40,050,487**	**40,085,730**

23 FINANCIAL INSTRUMENTS

23.1 Financial instruments by category

The carrying value and fair value of financial instruments by categories as of 31 March 2021 were as follows:

(₹ in Million)

Particulars	Amortised cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/ liabilities at fair value through OCI		Total carrying value	Total fair value
		Designated Upon Initial recognition	Mandatory	Equity instruments designated upon initial recognition	Mandatory		
Assets:							
Cash and cash equivalents	704.63	-	-	-	-	704.63	704.63
Tax free bonds	2,705.10	-	-	-	-	2,705.10	2,705.10
Non convertible debentures	146.20	-		-	-	146.20	146.20
Trade receivables	1,977.38	-	-	-	-	1,977.38	1,977.38
Other financial assets	811.70	-	-	-	-	811.70	811.70
Total	**6,345.01**	**-**	**-**	**-**	**-**	**6,345.01**	**6,345.01**
Liabilities:							
Lease liabilities	61.87					61.87	61.87
Trade payables	988.06	-	-	-	-	988.06	988.06
Other financial liabilities	152.73	-	-	-	-	152.73	152.73
Total	**1,202.66**	**-**	**-**	**-**	**-**	**1,202.66**	**1,202.66**

The carrying value and fair value of financial instruments by categories as of 31 March 2022 were as follows:

(₹ in Million)

Particulars	Amortised cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/ liabilities at fair value through OCI		Total carrying value	Total fair value
		Designated Upon Initial recognition	Mandatory	Equity instruments designated upon initial recognition	Mandatory		
Assets:							
Cash and cash equivalents	2,062.50	-	-	-	-	2,062.50	2,062.50
Bonds	2,498.92	-	-	-	-	2,498.92	2,498.92
Liquid mutual fund units	-	-	411.90	-	-	411.90	411.90
Non convertible debentures	625.44	-		-	-	625.44	625.44
Trade receivables	1,998.44	-	-	-	-	1,998.44	1,998.44
Other financial assets	121.81	-	-	-	-	121.81	121.81
Total	**7,307.11**	**-**	**411.90**	**-**	**-**	**7,719.01**	**7,719.01**

Notes to Standalone Financial Statements

for the year ended 31 March 2022

(₹ in Million)

Particulars	Amortised cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/ liabilities at fair value through OCI		Total carrying value	Total fair value
		Designated Upon Initial recognition	Mandatory	Equity instruments designated upon initial recognition	Mandatory		
Liabilities:							
Lease liabilities	116.84	-	-	-	-	116.84	116.84
Trade payables	957.00	-	-	-	-	957.00	957.00
Other financial liabilities	133.47	-	-	-	-	133.47	133.47
Total	**1,207.31**	**-**	**-**	**-**	**-**	**1,207.31**	**1,207.31**

23.2 Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis

(₹ in Million)

Particulars	As at 31 March 2021	Fair value measurement at end of the reporting period/year using		
		Level 1	Level 2	Level 3
Assets				
Investments in liquid mutual fund units		-	-	-
Investments in tax free and government bonds		-	2,705.10	-
Investments in non convertible debentures		146.20	-	-

(₹ in Million)

Particulars	As at 31 March 2022	Fair value measurement at end of the reporting period/year using		
		Level 1	Level 2	Level 3
Assets				
Investments in liquid mutual fund units		-	411.90	-
Investments in government bonds		-	2,498.92	-
Investments in non convertible debentures		625.44	-	-

The fair value of liquid mutual funds is based on quoted price. The fair value of tax free bonds and government bonds is based on quoted prices and market observable inputs. The fair value of non-convertible debentures is based on quoted prices.

Notes to Standalone Financial Statements
for the year ended 31 March 2022

23.3 Financial risk management

Financial risk factors

The Company's activities expose it to a variety of financial risks: credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers.

Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to ₹ 1998.44 Million and ₹ 1,977.42 Million as of 31 March 2022 and 31 March 2021, respectively. Trade receivables is typically unsecured and are derived from revenue earned from customers. Credit risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The following table gives details in respect of percentage of revenues generated from top customer and top five customers::

(₹ in Million)

Particulars	As at 31 March 2022	As at 31 March 2021
Revenue from top customer	6.00	5.00
Revenue from top five customers	15.00	15.00

Credit risk exposure

The allowance for lifetime expected credit loss on customer balances is as below:

(₹ in Million)

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at the beginning	410.20	118.20
Amounts written off	(11.03)	-
Net remeasurment of loss allowance	303.73	292.00
Balance at the end	**702.90**	**410.20**

Credit risk on cash and cash equivalents is limited as we generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily include investment in liquid mutual fund units, quoted bonds issued by government and quasi government organizations, non convertible debentures issued by government aided institutions and certificates of deposit which are funds deposited at a bank for a specified time period.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. Sales to certain customers are either based on advance payments or restricted to certain limits to contain exposures to credit risk.

Expected credit loss (ECL):

The Company allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of loss (e.g. timeliness of payments, available information etc.) and applying experienced credit judgement. Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses, giving due regard for probable exposures on disputed dues or dues that are subject to litigation. Historical trends of impairment of trade receivables do not reflect any significant credit losses. The Company expects the historical trend of minimal credit losses to continue.

Notes to Standalone Financial Statements
for the year ended 31 March 2022

In calculating expected credit loss, the Company has taken into account estimates of possible effect from pandemic relating to COVID-19. Basis this assessment, the management believes allowance required for doubtful trade receivables provided in books is considered adequate.

Liquidity risk

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company has no outstanding bank borrowings. The Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

The Companies working capital including cash and cash equivalents and investment are as follows:

(₹ in Million)

Particulars	As at 31 March 2022	As at 31 March 2021
Current assets	5,304.02	3,851.90
Current liability	1,756.07	1,714.81
Working capital	3,547.95	2,137.09
Cash and cash equivalents	2,062.50	704.63
Investments	553.36	114.40

As of 31 March 2021 and 31 March 2022, the outstanding employee benefit obligations were ₹ 96.09 Million and ₹ 52.82 Million (refer note no 16 and 24) respectively, which will be substantially funded. Accordingly, no liquidity risk is perceived.

The table below provides details regarding the contractual maturities of significant financial liabilities as of 31 March 2022:

(₹ in Million)

Particulars	Less than 1 year	1-2 years	3-7 years	Total
Trade payables	957.00	-	-	957.00
Lease liabilities	37.61	79.23	-	116.84
Other financial liabilities	124.20	-	-	124.20

The table below provides details regarding the contractual maturities of significant financial liabilities as of 31 March 2021:

(₹ in Million)

Particulars	Less than 1 year	1-2 years	3-7 years	Total
Trade payables	988.10	-	-	988.10
Lease liabilities	43.30	18.60	-	61.90
Other financial liabilities	152.70	-	-	152.70

24 DISCLOSURE UNDER INDIAN ACCOUNTING STANDARD 19 (IND AS 19) ON EMPLOYEE BENEFITS:

i) Defined contribution plan:

(a) The Company's contribution towards superannuation amounts to ₹ 17.56 Million (31 March 2021: ₹ 18.39 Million). These contributions are made to the fund administered and managed by Life Insurance Corporation of India. The Company's monthly contributions are charged to the statement of profit and loss in the period they are incurred.

(b) Provident fund: Eligible employees of the Company receive benefit under the provident fund which is a defined contribution plan wherein both the employee and the Company make monthly contributions equal to a specified percentage of the covered employees' salary. These contributions are made to the fund administered and managed by the Government of India. The Company's monthly contributions are charged to the statement of profit and loss in the period they are incurred. The total charge for the year amounts to ₹ 26.67 Million (31 March 2021 - ₹ 25.42 Million).

Notes to Standalone Financial Statements

for the year ended 31 March 2022

ii) Defined benefit plan :

Gratuity: The Company has charged the gratuity expense to Statement of profit and loss based on the actuarial valuation of gratuity liability at the end of the year. The projected unit credit method used to show the position is as under.

(i) Assumptions:

(₹ in Million)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Weighted average duration of the projected benefit obligation	11	11
Discount rate	7.23%	6.80%
Rate of return on plan assets	7.23%	6.80%
Salary escalation	8.00%	8.00%
Attrition rate	5.00%	5.00%

(ii) Sensitivity analysis:

(₹ in Million)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Delta effect of +1% change in rate of discounting	(36.52)	(37.14)
Delta effect of -1% change in rate of discounting	42.36	43.29
Delta effect of +1% change in rate of salary increase	41.62	42.35
Delta effect of -1% change in rate of salary increase	(36.59)	(37.07)
Delta effect of +1% change in rate of employee turnover	(2.56)	(3.95)
Delta effect of -1% change in rate of employee turnover	2.85	4.43

(iii) Table showing change in benefit obligation:

(₹ in Million)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Liability at the beginning of the year	437.88	439.84
Interest cost	29.86	30.12
Current service cost	36.27	30.35
Benefits paid	(6.32)	(85.33)
Actuarial (gains)/losses on obligations - due to change in demographic assumption	0.17	-
Actuarial (gains)/losses on obligations - due to change in financial assumptions	(17.44)	2.79
Actuarial (gains)/losses on obligations - due to experience	(8.09)	20.11
Liability at the end of the year	**472.33**	**437.88**

(iv) Table showing fair value of plan assets:

(₹ in Million)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Fair value of plan assets at the beginning of the year	341.79	372.66
Interest income	23.16	25.50
Contributions	49.97	34.66
Benefits paid	(6.32)	(85.33)
Return on Plan Assets, Excluding Interest Income	10.91	(5.70)
Fair value of plan assets at the end of the year	**419.51**	**341.79**

Notes to Standalone Financial Statements

for the year ended 31 March 2022

(v) Amount recognised in the Balance Sheet:

(₹ in Million)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Fair value of plan assets as at the end of the year	419.51	341.79
Liability as at the end of the year	472.33	437.88
Net (liability) disclosed in the Balance Sheet	**(52.82)**	**(96.09)**

(vi) Net interest cost for current year:

(₹ in Million)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Interest cost	29.86	30.12
Interest income	(23.16)	(25.50)
Net interest cost for current year	**6.70**	**4.62**

(vii) Expenses recognised in the Statement of profit and loss:

(₹ in Million)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Current service cost	36.27	30.35
Net interest cost	6.70	4.62
Expenses recognised in the Statement of profit and loss	**42.97**	**34.97**

(viii) Expenses recognised in the other comprehensive income (OCI):

(₹ in Million)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Expected return on plan assets	(10.91)	5.70
Actuarial (gain) / loss	(25.34)	22.90
Net (income)/expense for the year recognized in OCI	**(36.25)**	**28.60**

(ix) Balance sheet reconciliation:

(₹ in Million)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Opening net liability	96.09	67.18
Expenses recognized in statement of profit and loss	42.95	34.97
Expenses recognized in OCI	(36.25)	28.60
Employers contribution	(49.97)	(34.66)
Amount recognised in the balance sheet	**52.82**	**96.09**

(x) Category of assets:

(₹ in Million)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
LIC of India - Insurer managed funds	419.51	341.79
Total	**419.51**	**341.79**

Notes to Standalone Financial Statements

for the year ended 31 March 2022

(xi) Expected contribution for next year:

(₹ in Million)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Expected contribution for next year	32.68	28.77
Total	**32.68**	**28.77**

(xii) Maturity Analysis of the Benefit Payments:

(₹ in Million)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Projected Benefits Payable in Future Years From the Date of Reporting		
1st Following Year	69.81	20.53
2nd Following Year	21.17	27.29
3rd Following Year	21.91	56.32
4th Following Year	32.77	20.45
5th Following Year	53.35	28.74
Sum of Years 6 To 10	149.19	164.10
Sum of Years 11 and above	665.18	630.61

(xiii) Details of the benefit plan for the current year and previous four years:

(₹ in Million)

Particulars	2021-22	2020-21	2019-20	2018-2019	2017-2018
Present value of the defined benefit obligation	472.33	437.88	439.85	356.75	307.00
Fair value of the plan assets	419.51	341.79	372.66	328.69	273.70
Deficit in the plan	52.82	96.09	67.19	28.06	33.30
Experience adjustments arising on					
- plan assets	-	-	-	-	-
- plan liabilities loss / (gain)	(8.09)	20.11	7.38	4.99	15.40

25 SEGMENT REPORTING

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker for assessing the Company's performance and allocating the resources based on an analysis of various performance indicators by business segments and geographic segments.

The Company is mainly engaged in the business of providing IT enabled e-Governance services to its clients in India. All other activities of the Company revolve around the main business. These activities are conducted only in one geographic segment viz India. Therefore, the disclosure requirements of Ind AS 108 "Segment Reporting" are not applicable.

26 RELATED PARTY TRANSACTIONS

In compliance with Indian Accounting Standard 24 - "Related Party Disclosures" notified under the Rule 7 of the Companies (Accounts) Rules, 2014, the required disclosures are given in the table below:

Notes to Standalone Financial Statements

for the year ended 31 March 2022

Names of the related parties and related party relationship

26 (a) Related party

a.	**Entities having singnificant influence**
	IIFL Special Opportunities Fund (from February 16, 2018)
	NSE Investments Limited (erstwhile NSE Strategic Investments Corporation Limited) (from October 1, 2013)
b.	**Key Managerial Personnel**
	Mr. Gagan Rai - Managing Director & Chief Executive Officer (upto February 17, 2021)
	Mr Suresh Sethi - Managing Director & Chief Executive Officer (From February 18, 2021)
	Mr. Jayesh Sule - Whole Time Director & Chief Operating Officer
	Mr. Tejas Desai - Chief Financial Officer
	Mr.Maulesh Kantharia - Company Secretary
c.	**Subsidiaries**
	NSDL e-Governance(Malaysia) SDN BHD
	Protean eGov Technologies Australia Pty Ltd (Formerly known as NSDL e-Governance Australia Pty Ltd) (from 9 December, 2020)
	NSDL e-Governance Account Aggregator Limited (from 2 November 2020)
	Protean Infosec Services Limited (Formerly known as NSDL e-Governance Infosec Services Limited) (from 30 September 2021)
d.	**Associates**
	Open Network for Digital Commerce (from 30 December 2021 upto 08 March 2022)

Details of transactions with related parties are as follows :

26 (b)

(₹ in Million)

Nature of transactions	2021-22				2020-21			
	Key Managerial Personnel	Subsidiaries	Associates	Entities having significant influence	Key Managerial Personnel	Subsidiaries	Associates	Entities having significant influence
Dividend paid								
IIFL Special Opportunities Fund	-	-	-	108.00	-	-	-	540.00
NSE Investments Limited	-	-	-	90.16	-	-	-	450.80
Mr Gagan Rai	-	-	-	-	2.76	-	-	-
Mr Jayesh Sule	0.37	-	-	-	0.53	-	-	-
Mr Tejas Desai	0.08	-	-	-	0.28	-	-	-
Mr. Maulesh Kantharia	0.02	-	-	-	0.07	-	-	-
Remuneration paid								
Mr Gagan Rai	-	-	-	-	100.80	-	-	-
Mr Jayesh Sule	38.15	-	-	-	28.70	-	-	-
Mr Suresh Sethi	41.64	-	-	-	2.10	-	-	-
Mr Tejas Desai	8.30	-	-	-	8.40	-	-	-
Mr. Maulesh Kantharia	3.61	-	-	-	3.00	-	-	-
Advances given								
Protean eGov Technologies Australia Pty Ltd	-	0.07	-	-	-	2.40	-	-

Notes to Standalone Financial Statements

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(₹ in Million)

Nature of transactions	2021-22				2020-21			
	Key Managerial Personnel	Subsidiaries	Associates	Entities having significant influence	Key Managerial Personnel	Subsidiaries	Associates	Entities having significant influence
NSDL e-Governance Account Aggregator Limited	-	-	-	-	-	0.62	-	-
Protean Infosec Services Limited	-	1.09	-	-	-	-	-	-
Investment in subsidiaries								
Protean eGov Technologies Australia Pty Ltd	-	-	-	-	-	0.06	-	-
NSDL e-Governance Account Aggregator Limited	-	-	-	-	-	30.00	-	-
Protean Infosec Services Limited	-	80.00	-	-	-	-	-	-
Investment in Associates								
Open Network For Digital Commerce	-	-	100.00	-	-	-	-	-
Share based payment								
Mr Gagan Rai	-	-	-	-	10.66	-	-	-
Mr Suresh Sethi	9.95	-	-	-	9.52	-	-	-
Mr Jayesh Sule	0.34	-	-	-	5.56	-	-	-
Mr Tejas Desai	0.19	-	-	-	1.68	-	-	-
Mr.Maulesh Kantharia	0.07	-	-	-	0.66	-	-	-
Closing balance								
Advances given								
NSDL e-Governance(Malaysia) SDN BHD	-	4.20	-	-	-	4.20	-	-
Protean eGov Technologies Australia Pty Ltd	-	2.47	-	-	-	2.40	-	-
Protean Infosec Services Limited	-	1.09	-	-	-	-	-	-
Investment in subsidiaries								
Protean eGov Technologies Australia Pty Ltd	-	0.06	-	-	-	0.06	-	-
NSDL e-Governance Account Aggregator Limited	-	30.00	-	-	-	30.00	-	-
Protean Infosec Services Limited	-	80.00	-	-	-	-	-	-

The above remuneration excludes gratuity, leave encashment and other benefits for which separate actuarial valuation is not available. Expenses incurred for listing of shares would be recoverable from selling shareholder's in proportionate to the stake sale.

Notes to Standalone Financial Statements

for the year ended 31 March 2022

27 LEASES:

Following are the changes in the carrying value of right-of-use assets:

(₹ in Million)

Particulars	As at 31 March 2022	As at 31 March 2021
Balance as of 1 April 2021	61.00	146.10
Additions	126.15	-
Termination	18.45	16.60
Depreciation	46.89	68.50
Balance as of 31 Mar 2022	**121.81**	**61.00**

The aggregate depreciation expense on right-of-use assets is included in depreciation and amortization expense in the statement of profit and loss.

The following is the break-up of current and non-current lease liabilities as at 31 March:

(₹ in Million)

Particulars	As at 31 March 2022	As at 31 March 2021
Current lease liabilities	37.61	43.30
Non-current lease liabilities	79.23	18.60
Total	**116.84**	**61.90**

The following is the movement in lease liabilities:

(₹ in Million)

Particulars	As at 31 March 2022	As at 31 March 2021
Balance as of 1 April 2021	61.90	139.00
Additions	120.44	-
Finance cost accrued during the year	4.83	9.36
Deletions		
Termination	20.93	17.30
Payment of lease liabilities	49.40	69.16
Balance as of 31 March 2022	**116.84**	**61.90**

Interest on lease liabilities is ₹ 9.36 Million for the year ended on 31 March 2021 and ₹ 4.83 Million for the year ended on 31 March 2022.

The table below provides details regarding the contractual maturities of lease liability as at 31 March on an undiscounted basis:

(₹ in Million)

Particulars	As at 31 March 2022	As at 31 March 2021
Less than one year	46.89	47.10
One to five years	86.78	19.10
More than five years	-	-
Total	**133.67**	**66.20**

Rental expense recorded for short-term leases and low- value assets was ₹ 2.27 Million for the year ended 31 March 2022 and ₹ 4.0 Million for the year ended 31 March 2021.

The total cash outflow for leases is ₹ 51.67 Million for the year ended 31 March 2022 and ₹ 73.16 Million for the year ended 31 March 2021, including cash outflow of short-term leases and leases of low-value assets.

Notes to Standalone Financial Statements

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28 CAPITAL AND OTHER COMMITMENTS

(₹ in Million)

Particulars	As at 31 March 2022	As at 31 March 2021
Capital Commitments	17.40	2.50
Other Commitments - Bank guarantee	74.60	78.52

Refer note 27 for contractual maturities of lease liability i.e. lease commitments.

29 CONTINGENT LIABILITIES:

(i) On account of disputed demand raised by Sales tax officer for MVAT and CST: ₹ 226.32 Million (31 March 2021: ₹ 226,32 Million)@

(ii) Claims against the Group not acknowledged as debts: ₹ 9.9 Million (31 March 2022: ₹ 9.9 Million and 31 March 2021: ₹ 9.9 Million) (net)#

Based on management evaluation and advice of tax consultants, these claims are not tenable against the Group, and therefore no provision for this contingency has been established.

(iii) On account of demand raised by Income tax officer for AY 2016-2017: ₹ 13.71 Million (31 March 2021: Nil)$

 # MVAT payable to seller on purchase of Times Tower premises

@ Demand raised by sales tax officer for MVAT and CST payable on services provided by Group. The Group has filed an appeal before the Sales Tax Tribunal and paid a deposit of ₹ 14.2 Million under protest. The amounts assessed as contingent liability do not include interest that could be claimed by the authorities. In terms of its order dated 28 January 2022, the tax tribunal has quashed and set aside the order passed by the first Appellate Authority (Sales Tax).

$ Demand raised by Income tax officer is on account of dis-allowance of deduction claimed by the Company under Section 35AC and chapter VI-A of Income tax Act, 1961 in income tax return filed for Assessment Year 2016-17 via order dated 10.02.2022. Company has filed rectification application as well as appeal to CIT(A) against said demand.

30 DETAILS OF DUES TO MICRO AND SMALL, MEDIUM ENTERPRISES AS DEFINED UNDER THE MSMED ACT, 2006

Under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006, which came into force from 2 October 2006, and on the basis of the information and records available with the Company, the following disclosures are made for the amounts due to the micro and small enterprises:

(₹ in Million)

Particulars	As at 31 March 2022	As at 31 March 2021
The amounts remaining unpaid to micro and small suppliers as at the end of the year		
- Principal	56.63	167.10
- Interest	-	-
Amount of interest paid by the Company in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

Notes to Standalone Financial Statements

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31 EMPLOYEE STOCK OPTION PLAN

The shareholders of the Company had approved NSDL Employees Stock Option Plan, 2017 on December 4, 2017 to be provided to specified categories of employees of the Company. The options are to be granted at exercise price per option of ₹ 310, upon vesting, which shall entitle the holder to acquire 1 equity share of ₹ 10 as face value, with an exercise period of 3 years from the date of vesting provided that 25% of the options granted will vest on 1st, 2nd, 3rd and 4th anniversary from the date of grant. Also there is additional 38240 options granted on November 18, 2021 to the option holders with exercise price per option of ₹ 10 upon vesting, which shall entitle the holder to acquire 1 equity share of ₹ 10 as face value provided that additional option granted will vest after completion of 1 year from the date of grant.

Grant date	Exercise Price	Options granted	Options vested and Exercisable	Options unvested	Options exercised	Options cancelled	Options outstanding
December 4, 2017	310	3,96,192	27,196	-	3,44,076	24,920	27,196
September 18, 2020	310	20,000	-	-	20,000	-	-
December 3, 2020	310	40,000	-	20,000	20,000	-	20,000
November 18, 2021	10	38,240	-	36,060		2,180	36,060
Total		**4,94,432**	**27,196**	**56,060**	**3,84,076**	**27,100**	**83,256**

Movement of stock options during the year

Particulars	As at 31 March 2022				As at 31 March 2021			
	No. of options	Range of exercise prices ₹	Weighted average exercise price ₹	Weighted average remaining contractual life (Years)	No. of options	Range of exercise prices ₹	Weighted average exercise price ₹	Weighted average remaining contractual life (Years)
Outstanding at the beginning of the year	2,92,719	310	310	2.68	3,80,492	310	310	3.03
Granted during the year	38,240	10	10	3.00	60,000	310	310	3.94
Forfeited during the year	(3,089)	(10-310)	98	-	(16,294)	310	310	-
Exercised during the year	(2,44,614)	310	310	-	(1,31,481)	310	310	-
Rounding off difference	-	-	-	-	2	-	-	-
Outstanding at the end of the year	**83,256**	**(10-310)**	**180**	**3.15**	**2,92,719**	**310**	**310**	**2.68**
Exercisable at the end of the year	27,196	310	310	2.11	1,70,326	310	310	1.87

The weighted average remaining contractual life for the share options outstanding as at March 31, 2022 was 3.15 years (March 31 2021 : 2.68 years). The weighted average share price for the options exercised during the year was ` 310 (March 31 2021 : ₹ 310). Maximum Term of the options is 7 Years.

The weighted average fair value of the options granted during the year was ₹ 616 (March 31 2021 : ₹ 295). The weighted average share price for the options granted during the year was ₹ 667 (March 31 2021 : ₹ 468).

The aggregate compensation cost of ₹ 15.65 Million (31 March 2021: ₹ 12.97 Million) has been recognised under the ESOP plan 2017 and has been disclosed under Employee benefit expense under note 20.

Notes to Standalone Financial Statements
for the year ended 31 March 2022

Significant assumptions used to estimate the fair value of options:

		Grant date Sep 18, 2020	Grant date Dec 2, 2020	Grant date Nov 18, 2021
1.	Risk Free Interest Rate	4.66%	4.48%	4.72%
2.	Expected Life	2.50	3.00	2.50
3.	Expected Volatility	104.65%	89.63%	78.12%
4.	Dividend Yield	2.14%	2.14%	1.39%
5.	Price of the underlying share in market at the time of the option grant (₹)	468.00	468.00	647.00

32 No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

33 RATIOS

Particulars	As at 31 March 2022	As at 31 March 2021
Current Ratio *	3.02	2.25
Net profit Ratio **	21%	15%
Return on Equity **	18%	14%
Return on Capital employed **	23%	17%
Return on Investment	9%	9%
Net Capital turnover Ratio	0.88	0.90
Trade receivables turnover ratio	3.46	3.05
Trade payables turnover ratio	5.10	4.48

** Increase in current ratio is due increase in cash and cash equivalent on account of amount received as sale proceeds from Bangalore data centre.*
*** Increase in profitability ratio is due to business profit earned on sale of Bangalore data centre (Refer note 19).*

34 DETAILS OF TRANSACTION WITH STRUCK OFF COMPANIES:

Sr. No	Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding as on 31.03.2022	Balance outstanding as on 31.03.2021	Relationship with the Struck off company, if any, to be disclosed
1	Mahimtura Consultants (Vashi) Pvt Ltd	Vendor balance written off	-	0.11	-
2	Integra Micro Systems Pvt Ltd	Receivables	0.01	0.01	-
3	Commscope Solutions India Privatelimited	Receivables	0.01	0.01	-
4	Satguru Cements Private Limited	Receivables	*0.00	Nil	-
5	Pravasi Enterprises Ltd	Receivables	**0.00	**0.00	-
6	Midwest Granite (Pondicherry) Private Limited	Receivables	@0.00	@0.00	-
7	Haldiram Snacks Pvt Ltd	Receivables	#0.00	#0.00	-
8	Whizkids Computer Pvt Ltd	Receivables	$0.00	$0.00	-

*Amount rounded off here i.e * ₹ 1,494, ** ₹ 254, @ ₹ 3,065, # ₹ 1,523, $ ₹ 95 (31.03.2021, ** ₹ 102, @ ₹ 2,443, # ₹ 387, $ ₹ 488)*

Notes to Standalone Financial Statements

for the year ended 31 March 2022

35 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.

36 During the year the Company has not utilised any amount of share premium.

37 CORPORATE SOCIAL RESPONSIBILITY

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects. A CSR committee has been formed by the Company as per the Act. The funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

a) Gross amount required to be spent by the Company on Corporate Social Responsibility activities during the financial year 2021-22 is ₹ 29.78 Million (31 March 2021: ₹ 36 Million).

b) Amount spent during the year:

(₹ in Million)

Particulars	Amount paid	Paid in subsequent period	Yet to be paid	Total
31 March 2021				
Construction / acquisition of any asset	-	-	-	-
On purpose other than above	38.60	-	-	38.60
31 March 2022				
Construction / acquisition of any asset	-	-	-	-
On purpose other than above	29.78	-	-	29.78

38 CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its funds in a manner that it achieves maximum returns (net of taxes) with minimum risk to the capital and it considers the liquidity concerns for its working capital requirements.

To meet the above objectives, the Company invests it funds in bank fixed deposits receipts (FDRs) and the tax free bonds, non convertible debentures, mutual funds as per the Company's investment policy.

Since the Company has no loan and borrowings, the disclosure requirements related to capital management defined in clause 135 (a) (ii), and (b) to (e) of Ind AS 1 "Presentation of Financial Statements" are not applicable to the Company.

39 INVESTOR EDUCATION & PROTECTION FUND

For the year ended 31 March 2022 and 31 March 2021, the Company is not required to transfer any amount into the Investor Education & Protection Fund as required under relevant provisions of the Companies Act, 2013.

Notes to Standalone Financial Statements

for the year ended 31 March 2022

40 SOCIAL SECURITY CODE

The proposed Social Security Code, 2019, when promulgated, would subsume labour laws including Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and amend the definition of wages on which the organisation and its employees are to contribute towards Provident Fund. The Company believes that there will be no significant impact on its contributions to Provident Fund due to the proposed amendments. Additionally, there is uncertainty and ambiguity in interpreting and giving effect to the guidelines of Hon. Supreme Court vide its ruling in February 2019, in the case of Surya Roshni Ltd. versus Employees Provident Fund, in relation to the scope of compensation on which the organisation and its employees are to contribute towards Provident Fund. The Company will evaluate its position and act, as clarity emerges.

41 COVID -19

The beginning of 2020 witnessed the global spread of COVID-19, i.e. coronavirus which is continuing in the current period. It is an evolving human tragedy declared as global pandemic by the World Health Organisation with an adverse impact on economy and business. Global threat is continuing to grow, and at a rapidly accelerating rate.

Considering the unprecedented and ever evolving situation, the Group during the current period has performed detailed re-assessment of its current and non-current assets comprising of tangible and intangible assets, investments, receivables (including unbilled), assets held for sale and other current assets considering both internal and external information available till date. On the basis of current assessment and estimates, the Group does not see risk of recoverability of its current and non-current assets and accordingly, no material adjustment is required in these financial statements.

Given the uncertainties associated with nature, condition and duration of COVID -19, the impact assessment on the Group's financial statements will be continuously made and provided for as required. Considering the fact that the global situation is evolving day by day with new facts and numbers, the management is continuously monitoring the material changes for current period and for the subsequent period.

42 NEW STANDARDS OR OTHER AMENDMENTS ISSUED BUT NOT YET EFFECTIVE:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

On March 23, 2022, MCA issued the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, Key amendments are as below:

Ind AS 16 – Property Plant and equipment-

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets –

The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that related directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

Notes to Standalone Financial Statements

for the year ended 31 March 2022

43 SUBSEQUENT EVENTS

Dividends declared by the Company are based on profits available for distribution. On 28 June 2022, the Board of Directors of the Company have proposed a final dividend of ₹ 10 per share in respect of the year ended 31 March 2022. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. It would result in a cash outflow of approximately ₹ 403.84 Million.

As per our report of even date attached

For **B S R & Associates LLP**
Chartered Accountants
Firm's Registration No: 116231W/W-100024

Sd/-
Shabbir Readymadewala
Partner
Membership No. 100060

Place: Mumbai
Date: 28 June 2022

For and on behalf of the Board of Directors of
Protean eGov Technologies Limited
(CIN: U72900MH1995PLC095642)

Sd/-
Shailesh Haribhakti
Chairman
DIN-00007347

Sd/-
Suresh Sethi
Managing Director & CEO
DIN-06426040

Sd/-
Jayesh Sule
Whole Time Director
DIN-07432517

Sd/-
Tejas Desai
Chief Financial Officer

Place: Mumbai
Date: 28 June 2022

Maulesh Kantharia
Company Secretary